Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry

Witness Bundle - Natalie Faulkner, FTI Consulting

WITNESS BUNDLE – NATALIE FAULKNER,
FTI CONSULTING

17 JUNE 2026

WITNESS BUNDLE – NATALIE FAULKNER, FTI CONSULTING

Andrew Meagher SC and Jack Donnelly

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Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry

A. REPORT

WITNESS BUNDLE – NATALIE FAULKNER,
FTI CONSULTING

16 JUNE 2026

15 June 2026

Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry

Interim Report of Natalie Faulkner

Specialist Field	Forensic Accounting Investigations
Instructing Law Firm	Seyfarth Shaw Australia
On behalf of	The Commission
Subject of Report	Forensic Accounting Analysis

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Glossary

Term	Definition
ADSS	Asbestos Disease Support Society
ASIC	Australian Securities and Investments Commission
BERT Fund	Building Employee Redundancy Trust (ABN 68 400 889 434)
BERT Fund No. 2	B.E.R.T Fund No. 2 (ABN 19 269 091 436)
BERT Group	A group of related entities, including BERT Fund Limited, BERT Fund, BERT Fund No. 2, BEWT Fund Limited, BEWT, QCTF Fund Limited, BERT Training Fund, BERT Welfare Limited, BERT Management Pty Ltd, BERT Financial Services Pty Ltd, along with currently deregistered entities B.E.R.T Pty Limited, BEWT Pty Limited and QCTF Pty Limited that were registered during 2015 to date.
BERT Training Fund	Queensland Construction Training Fund (ABN 38 357 072 053) trading as BERT Training Fund
BERT Welfare	BERT Welfare Limited (ABN 97 606 249 183)
BEWT	Building Employees Welfare Trust (ABN 91 064 281 353)
BUSSQ	Building Unions Superannuation Scheme (Queensland) (ABN 85 571 332 201)
Cbus	Construction and Building Unions Superannuation Fund. The underlying corporate trustee is United Super Pty Ltd
CEPU	Communications Electrical Plumbing Union
CFMEU	Construction, Forestry, Maritime, Mining & Energy Union Construction & General Division (Queensland and Northern Territory Divisional Branch) registered under the *Fair Work (Registered Organisations) Act 2009* (Cth) (ABN: 24 502 631 846)
CFMEUQ	Construction, Forestry, Maritime, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division registered under the *Industrial Relations Act 2016* (Qld) (ABN: 12 898 529 251)
CIPL	Construction Income Protection Limited (ABN 43 110 841 962), formerly Construction Income Protection (Qld) Pty Ltd.
CIPQ	Construction Income Protection Queensland Ltd (ACN 110 841 962). CIPL replaced Construction Income Protection (Qld) Pty Ltd on 6 September 2004.
Commission	*Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry* appointed by the Queensland Government pursuant to the *Commissions of Inquiry Act 1950* (Qld) under the *Commissions of Inquiry Order (No. 2) 2025* (Qld)
CSQ	Construction Skills Queensland, a construction training organisation
CTC	Construction Training Centre
CY	Financial Year ended/ending 31 December
EA or EBA	Enterprise Bargaining Agreement

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Term	Definition
Financial Reports	The Financial Reports including the notes of CFMEU and CFMEUQ covering the periods from 1 January 2015 to 31 March 2025
Future Skills	Future Skills Limited (ABN 24 135 816 698)
FTI Consulting	FTI Consulting (Australia) Pty Ltd
Funding Agreements	Agreements between QCTF Fund Ltd, as Trustee for the Queensland Construction Training Fund, trading as BERT Training Fund and the CFMEU/CFMEUQ. The purpose of funding agreements is to fund various apprenticeship/trainee training schemes which are run by CFMEU/CFMEUQ. Refer to **Annexure F** for the detailed information.
FWC	Fair Work Commission
FY	Financial Year ended/ending 31 March/30 June
General Ledger	General ledger transactions of CFMEU and CFMEUQ covering the periods from 1 January 2015 to 31 March 2025
GST	Goods and Services Tax
Letter of Instruction	Letter of Engagement from Seyfarth Shaw Australia dated 28 May 2026 (**Annexure A1**)
MIC	Mates in Construction
Mr Ingham	Mr Jade Ingham
Mr Lowth	Mr William Kane Lowth
Mr Ravbar	Mr Michael Ravbar
Multiplex	Multiplex Australasia Pty Ltd (ABN 33 146 787 395)
Multiplex EA	Multiplex Australasia Pty Ltd and CFMEU Union Collective Agreement 2023-2027
Multiplex EA Entities	Parties mandated to receive funds under the Multiplex EA
Plumbers Union	Communications Electrical Plumbing Union **(CEPU)**
QCTF	Queensland Construction Training Fund (ABN 38 357 072 053) trading as BERT Training Fund
QMBA	Queensland Master Builders Association, Industrial Organisation of Employers (ABN 96 641 989 386), trading as Master Builders Queensland. Queensland state branch of is Masters Builders Australia
Question 1	As defined in Section 3.3
Question 2	As defined in Section 3.3
Seyfarth Shaw	Seyfarth Shaw Australia
Total Claims Solutions	Total Claims Solutions Unit Trust (ABN 42 389 515 023)
Windsor Insurance Brokers	Windsor Management Insurance Brokers Pty Ltd (ACN 083 775 795).
YTD	1 January 2017 to 1 March 2017

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1. INTRODUCTION

1.1 BACKGROUND

1.1.1. I am instructed by Seyfarth Shaw Australia (**Seyfarth Shaw**) to act as an independent expert in connection with the *Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry* (**Commission**), appointed by the Queensland Government pursuant to the *Commissions of Inquiry Act 1950* (Qld) under the *Commissions of Inquiry Order (No.2) 2025* (Qld).

1.1.2. CFMEU entities relevant to this report include:

(i) Construction, Forestry, Maritime, Mining & Energy Union Construction & General Division (Queensland and Northern Territory Divisional Branch) registered under the *Fair Work (Registered Organisations) Act 2009* (Cth) (ABN: 24 502 631 846) (**CFMEU**); and

(ii) Construction, Forestry, Maritime, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division registered under the *Industrial Relations Act 2016* (Qld) (ABN: 12 898 529 251) (**CMFEUQ**).

1.1.3. Seyfarth Shaw act for the Commission.

1.1.4. Per my letter of engagement dated 28 May 2026 (**Letter of Instruction**), there have been suggestions that the CFMEU has engaged in various varieties of misconduct as described in the terms of reference[1] and the Commission is inquiring into that misconduct.[2] The Letter of Instruction is attached at **Annexure A**.

1.1.5. Further detail about my understanding of the background to the matter is set out in Section 3 of this report.

1.2 QUALIFICATIONS AND EXPERIENCE

1.2.1. My name is Natalie Allegra Faulkner. I am a qualified Chartered Accountant and a Senior Managing Director in the Forensic and Litigation Consulting practice at FTI Consulting (Australia) Pty Ltd (**FTI Consulting**). In this role, I provide forensic accounting analysis, fraud and misconduct risk management and financial and regulatory investigation and remediation services. My office is located at Level 22, 1 Macquarie Place, Sydney, New South Wales, Australia.

1.2.2. My Curriculum Vitae is attached at **Annexure B.** Relevantly, I:

(i) Have completed a Bachelor of Commerce, University of New South Wales, majoring in accounting and finance;

(ii) Have completed a Master of Applied Finance and Investment at the Financial Services Institute of Australasia (FINSIA);

(iii) Am a Member of the Chartered Accountants Australia and New Zealand;

(iv) Am a Fellow Member of the Institute of Chartered Accountants of England and Wales;

(v) Hold a Certificate III in Investigative Services, Charles Sturt University;

(vi) Hold a Certificate IV in Fraud Control (Government), Charles Sturt University;

(vii) Have over 25 years of experience in two big four accounting firms, initially four years in Assurance and Advisory services in the UK and Australia followed by over 21 years in Forensic Services, including as a

[1] 76.pdf, (Doc:0076)

[2] Letter of Instruction dated 28 May 2026, (**Annexure A1,** p. 1; para. 4)

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Forensic partner where I led many engagements to investigate accounting irregularities, unreconciled balances and into allegations of fraud and misconduct; and

(viii) Was KPMG's Global Head of Fraud and Scam risk management from 2018 to 2024. In this role I developed methodologies and tools to assist companies to uplift their fraud, misconduct and scam risk management.

1.2.3. My opinions are based upon the specialised skills, knowledge and experience described above.

1.3 INSTRUCTIONS

1.3.1. I am instructed to prepare a report that responds to the following:[3]

> *"Revenue analysis*
>
> *17. Question 1: Please analyse the CFMEU/CFMEUQ's sources of revenue, and any changes in the revenue received from EAs, between 2015 and 2025. In answering this question, please set out in detail your analysis of books and records, and identify:*
>
> *(a) What are the sources of CFMEU and CFMEUQ's revenue? [**Question 1a**]*
>
> *(b) How did the sources and amount of revenue change between 2015 and 2025? [**Question 1b**]*
>
> *[together, **Question 1**]*
>
> *Multiplex EA 2023 – 2027*
>
> *18. Question 2: Please map the money trail occurring under and facilitated by the Multiplex EA, including identifying:*
>
> *(a) who did it direct money to be paid to? [**Question 2a**]*
>
> *(b) where did the money ultimately flow to? [**Question 2b**]*
>
> *(c) did the CFMEU/CFMEUQ receive any referral fees or other financial benefits in return for money being directed or indirectly flowing to third parties? [**Question 2c**]*
>
> *(d) were any current or previous CFMEU/CFMEUQ officeholders, members or associates, officeholders, shareholders, ultimate beneficiaries or in a position to ultimately control any monies paid under the Multiplex EA? [**Question 2d**]*
>
> *(e) did any third party that has no obvious connection with the CFMEU/CFMEUQ receive payments or obtain benefits directly or indirectly from the payments made pursuant to the Multiplex EA?" [**Question 2e**]*
>
> *[together, **Question 2**]*

1.4 ASSISTANCE FROM FTI CONSULTING EMPLOYEES

1.4.1. The following FTI Consulting employees assisted me in preparing this report, under my direct supervision and review:

(i) Melanie Blain – Managing Director – Ms Blain is a Managing Director in the Forensic and Litigation Consulting team at FTI Consulting. She has over 24 years' experience across audit, investigations and forensic accounting assignments. She is a Member of the Chartered Accountants Australia and New Zealand.

[3] Letter of Instruction dated 28 May 2026, (**Annexure A1,** p. 4; paras. 17-18)

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(ii) Yulia Pleskanovskaya – Senior Director – Ms Pleskanovskaya is a Senior Director in the Forensic and Litigation Consulting team at FTI Consulting, with over 13 years of professional experience across forensic accounting analysis, dispute advisory, fraud investigations, internal and external audit. She is a Certified Practising Accountant (CPA Australia).

(iii) Sher Reichhold – Director – Ms Reichhold has over seven years of professional experience in the accounting industry. This experience includes forensic accounting where she undertakes financial analysis and investigations for the purpose of litigation and other dispute matters. Ms Reichhold has a Bachelor of Business (Accounting and Business Law), a Graduate Certificate in Forensic Accounting, a Graduate Diploma in Law and is a Member of Chartered Accountants Australia and New Zealand.

(iv) Ava Gorga – Director - Ms Gorga is a specialist in data analytics. She has over four years of experience in the use of advanced analytical tools and skills for forensic matters relating to consumer and financial remediation, fraud investigations, dispute and litigation matters and risk and compliance reviews. She completed a Bachelor of Data Science with a major in quantitative analysis.

(v) Natalia Rubio – Senior Consultant - Ms Rubio is a business intelligence specialist with more than 10 years of experience conducting investigations that help clients identify and mitigate reputational and security risks, including fraud, theft, corruption, asset tracing, and antitrust matters. She completed a Master's degree in Policing, Intelligence and Counter Terrorism with Master's in International Security Studies.

1.4.2. I have reviewed the work undertaken by the staff that have assisted me with the preparation of this report and am satisfied as to its accuracy. The opinions expressed in this report are mine.

1.5 DISCLOSURE OF INTERESTS

1.5.1. I am independent of the parties. I have made all enquiries that I believe are desirable and appropriate.

1.5.2. My professional fees are not contingent upon the final outcome in this matter.

1.6 DOCUMENTS REVIEWED

1.6.1. A list of the documents provided to me, and sourced from publicly available information, is set out at **Annexure C**. My analysis is based on the information contained in the documents and limited independent research undertaken in relation to certain companies, people and events.

1.6.2. In preparing this report, I have relied upon the materials supplied by Seyfarth Shaw.

1.6.3. In the footnotes to this report, I have referred to the documents provided by document number and name. The document numbers and names are included in **Annexure C**. Where I refer to a page number in a footnote, the reference is to the PDF page number or the Excel worksheet of the document, unless otherwise stated.

1.6.4. During the course of the engagement, I have also sourced publicly available documents which I refer to as "FTI" exhibits, for example "FTI:0001". These documents are referenced and sourced throughout my report and are set out at **Annexure C**. In **Annexure G**, I provide copies of the documents I have sourced publicly and relied upon in the preparation of this report.

1.7 VERIFICATION

1.7.1. In compiling my report, I have not conducted an independent audit or verification of the information or documents provided to me.

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1.9 DISCLAIMERS

1.9.1. I do not profess to give opinions of law. The opinions expressed in this report are based on the information and documents provided, and on my knowledge, skills and experience as described above.

1.9.2. In the event that new facts or information are made available, I reserve the right to review the additional data and, if necessary, revisit my conclusions and opinions as may be appropriate.

1.9.3. This report has been prepared in connection with the Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry. I understand that this report will be used in the Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry and that it will be provided in a public hearing pursuant of the *Commissions of Inquiry Act 1950 (Qld)* under *the Commissions of Inquiry Order (No.2) 2025 (Qld)*. In all other respects, this report is confidential. It should not be used, reproduced, or circulated for any other purposes, in whole or in part, without my prior written consent.

1.9.4. Figures in the tables presented in this report are rounded. However, it is the unrounded figure that is used in the calculations. Accordingly, minor variances may exist in table totals when recalculated manually.

1.10 STRUCTURE OF THIS REPORT

1.10.1. The remainder of this report is set out as follows:

Section 2	SUMMARY OF FINDINGS
Section 3	BACKGROUND AND SCOPE
Section 4	METHODOLOGY ADOPTED
Section 5	KEY ENTITIES AND OFFICEHOLDERS
Section 6	FINDINGS – INSTRUCTED QUESTION 1: REVENUE ANALYSIS
Section 7	FINDINGS – INSTRUCTED QUESTION 2: FUNDS FLOW ANALYSIS- MULTIPLEX EA
Section 8	EXPERT'S DECLARATION
Section 9	LIST OF ANNEXURES

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2. SUMMARY OF FINDINGS

2.1 INTRODUCTION

2.1.1. I have been asked to respond to two questions outlined in the Letter of Instructions:[4]

> *"Revenue analysis*
>
> *17. Question 1: Please analyse the CFMEU/CFMEUQ's sources of revenue, and any changes in the revenue received from EAs, between 2015 and 2025. In answering this question, please set out in detail your analysis of books and records, and identify:*
>
> *(a) What are the sources of CFMEU and CFMEUQ's revenue? [**Question 1a**]*
>
> *(b) How did the sources and amount of revenue change between 2015 and 2025? [**Question 1b**]*
>
> *[together, **Question 1**]*
>
> *Multiplex EA 2023 – 2027*
>
> *18. Question 2: Please map the money trail occurring under and facilitated by the Multiplex EA, including identifying:*
>
> *(a) who did it direct money to be paid to? [**Question 2a**]*
>
> *(b) where did the money ultimately flow to? [**Question 2b**]*
>
> *(c) did the CFMEU/CFMEUQ receive any referral fees or other financial benefits in return for money being directed or indirectly flowing to third parties? [**Question 2c**]*
>
> *(d) were any current or previous CFMEU/CFMEUQ officeholders, members or associates, officeholders (sic), shareholders, ultimate beneficiaries or in a position to ultimately control any monies paid under the Multiplex EA? [**Question 2d**]*
>
> *(e) did any third party that has no obvious connection with the CFMEU/CFMEUQ receive payments or obtain benefits directly or indirectly from the payments made pursuant to the Multiplex EA?" [**Question 2e**]*
>
> *[together, **Question 2**]*

2.1.2. This section sets out a summary of my findings. As it is only a summary, it must be read in conjunction with the other sections of this report that sets out my instructions, assumptions, limitations, analyses, findings and reasons for my findings.

2.1.3. Capitalised defined terms can be found in the Glossary and are defined throughout my report.

[4] Letter of Instruction dated 28 May 2026, (**Annexure A1,** p. 4; paras. 17-18)

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2.3 SUMMARY FINDINGS - QUESTION 1 REVENUE ANALYSIS

The methodology applied

2.3.1. The methodology that I have adopted to respond to Question 1a is set out in Section 4, and is summarised as follows:

(i) Identify the contractual commercial terms that result in flow of funds/ transactions from the Multiplex Australasia Pty Ltd Enterprise Agreement (**Multiplex EA**), as an example of Enterprise Agreements;

(ii) Identify the actual revenue in the CFMEU and CFMEUQ general ledgers and Financial Reports between 1 January 2015 and 31 March 2025 (**General Ledgers**), including revenue that may have been derived from Enterprise Agreements (**EA**); and

(iii) Calculate the movements between 2015 and 2025 in the sources of revenue as reported in the Financial Reports, including revenue that may have been derived as a result of an Enterprise Agreement.

Relevant contractual commercial terms in the Multiplex EA and related entities

2.3.2. I identified the following key clauses in the Multiplex Australasia Pty Ltd (**Multiplex**) EA to understand revenue flows from Enterprise Agreements. The Multiplex EA requires Multiplex to provide their employees with:

(i) **Training** (Clause 25 and 27), meeting the costs associated with Apprenticeship/Traineeship training. The agreement does not specify a preferred or stipulated training provider for this training;

(ii) **Superannuation** contributions (Clause 33) to the Trustee for Building Unions Superannuation Scheme QLD (**BUSSQ**);

(iii) **Income protection insurance premiums** (Clause 35) to Consumer Income Protection Limited (**CIPL**);

(iv) **Redundancy fund payments** (Clause 36) to the Building Employee Redundancy Fund (**BERT Fund**) to be paid to employees on their redundancy or at other eligible times; and

(v) **Welfare fund payments** (Clause 36) to Building Employees Welfare Trust (**BEWT**).

(together, the **Multiplex EA Entities**).

2.3.3. The Multiplex EA does not provide for any payments to be made to the CFMEU/CFMEUQ.

Actual revenue that may be derived from the Multiplex EA and other EAs

2.3.4. Figure 1 and Figure 2 below present a visualisation of the sources of revenue to the CFMEU and CFMEUQ respectively. Notes below the figures explain the entities remitting funds to the CFMEU/CFMEUQ and further composition of balances. These figures do not include all revenue sources, including but not limited to net gains on sale of assets, change in fair value of investments and interest income. The figures focus on income derived from Multiplex EA Entities and other entities identified in this report. The various entities and persons remitting income to the CFMEU/CFMEUQ are still under review, with further information I would require to perform a more detailed analysis set out in **Annexure J**.

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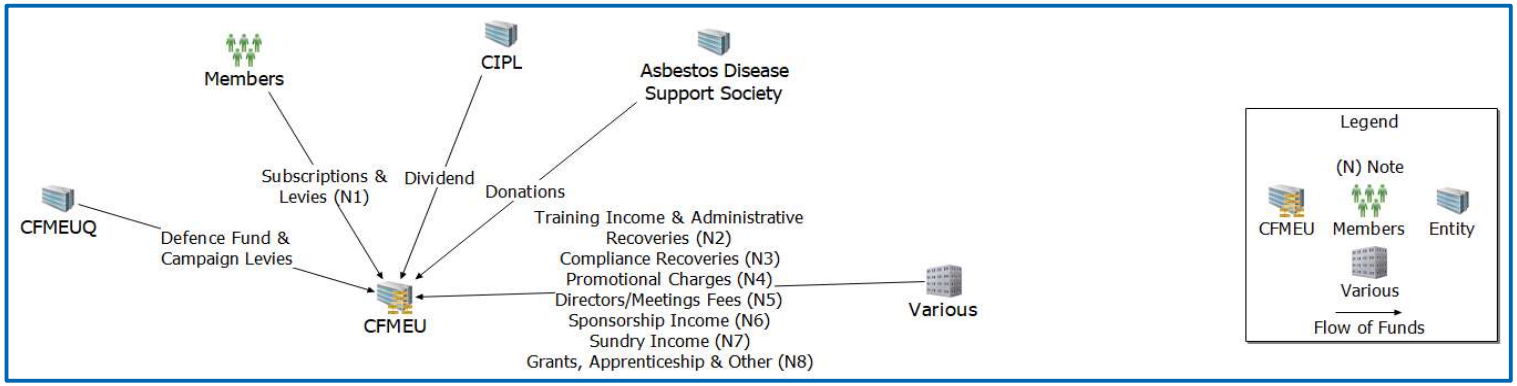
2.3.5. The detailed analysis of CFMEU and CFMEUQ revenue sources are set out in Table 25 and Table 27 below respectively.

Figure 1. Sources of revenue to the CFMEU 2015 to 2025



Notes to Figure 1

2.3.6. **Figure 1 Note 1**: Membership subscriptions were largely recognised between CY15 and FY20 (refer to Table 25). The service agreement between CFMEU and CFMEUQ dated 25 August 2020, states that the CFMEU "*collect[ed] the membership fee"* and that "*the State Division* [being, the CFMEUQ] *commence[d] collect[ing] subscriptions from the members*" as at the date of the agreement.[5] Levies include Defence Fund and Campaign contributions.

2.3.7. **Figure 1 Note 2**: Training income various includes revenue from Construction Skills Queensland (**CSQ**), BERT Welfare, BEWT, Future Skills Limited (**Future Skills**) and BERT Training Fund. Administrative recoveries relate to apprenticeships- revenue source to be confirmed.

2.3.8. **Figure 1 Note 3**: Compliance recoveries various includes revenue from CIPQ/CIPL, BERT, BERT Fund No. 2, BEWT and BUSSQ.

2.3.9. **Figure 1 Note 4:** Promotional charges various includes revenue from BERT, BERT Fund No. 2, BUSSQ, Cbus, CIP/CIPL, CSQ, Hall Payne Lawyers and Windsor Insurance Brokers.

2.3.10. **Figure 1 Note 5:** Directors/ Meeting fees various includes revenue from BERT Fund No. 2, BERT Training Fund, BUSSQ and Construction Training Centre (**CTC**).

2.3.11. **Figure 1 Note 6:** Sponsorship income various includes revenue from BERT, BERT Fund No. 2, BERT Welfare, CIPL and Windsor Insurance Brokers.

2.3.12. **Figure 1 Note 7:** Sundry Income various includes revenue from BERT, BERT Training Fund, BUSSQ, CIPQ/CIPL, CSQ, CTC, Total Claims Solutions, United Super/Cbus, Windsor Insurance Brokers and Hall Payne Lawyers across revenue categories including Director fees, claims committee, board fees, attendance fees, compliance and EBA income.

2.3.13. **Figure 1 Note 8:** Grants (Apprenticeship and Other) various includes revenue from BERT Training and BERT Welfare Fund.

[5] Service Agreement.PDF, (Doc:0128, p.3; para. I-J)

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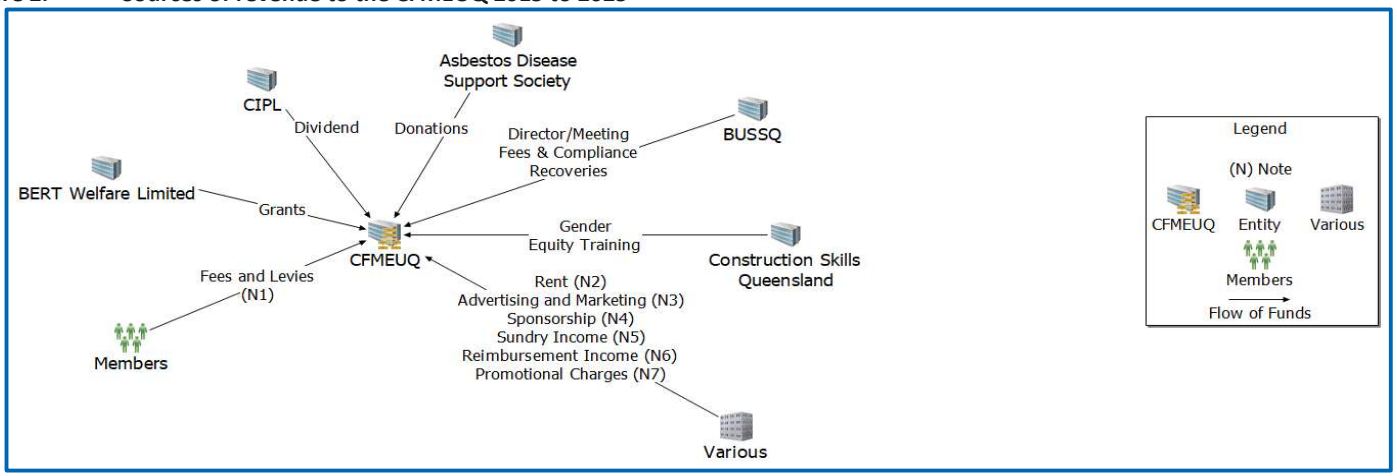
Figure 2. Sources of revenue to the CFMEUQ 2015 to 2025



Notes to Figure 2

2.3.14. **Figure 2 Note 1**: Membership fees and levies revenue were recognised from FY21 to FY25 (refer to Table 26). The service agreement between CFMEU and CFMEUQ dated 25 August 2020, states that the CFMEU "*collect[ed] the membership fee"* and that "*the State Division* [being, the CFMEUQ] *commence[ed] collect[ing] subscriptions from the members*" as at the date of the agreement.[6] Levies include the defence fund, campaign levy and tool scheme collections.

2.3.15. **Figure 2 Note 2**: Rent revenue various includes revenue from Cbus, CFMEU and Hall Payne.

2.3.16. **Figure 2 Note 3**: Advertising and Marketing various includes revenue from annual fees, counter sales, merchandise sales and Shopify.

2.3.17. **Figure 2 Note 4**: Sponsorship revenue various includes revenue from BERT, CIPS, CSQ and Mates in Construction.

2.3.18. **Figure 2 Note 5**: Sundry income various includes revenue from ADSS, Cbus superannuation settlement, Deputy Commissioner Taxation and Mr Hemal Patel leave entitlements.

2.3.19. **Figure 2 Note 6**: Reimbursement income includes wages and 'super'.

2.3.20. **Figure 2 Note 7:** Promotional Charges various includes revenue from BUSSQ, Cbus and Windsor Insurance Brokers.

[6] Service Agreement.PDF, (Doc:0128, p.3; para. I-J)

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CFMEU/CFMEUQ revenue sources from Enterprise Agreements

2.3.21. I set out in Table 1 and Table 2 below a summary of the actual revenue that may have been derived from Enterprise Agreements by the CFMEU and CFMEUQ respectively. I have identified potential EA revenue because it was derived from entities mentioned in the Multiplex EA, entities related to those entities (for example BERT[7], BEWT and BERT Training Fund) and entities in the business of providing services noted in the Multiplex EA (employee training, welfare and insurance). I have reviewed the Multiplex EA as an example Enterprise Agreement. I note that the Multiplex EA may not be representative of the terms of all other Enterprise Agreements.

Table 1. Actual revenue CFMEU may have derived from the Multiplex EA and other EAs[8]

CFMEU Sources of Revenue $	CY15	CY16	YTD17[9]	FY18[10]	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Compliance Recoveries											
Compliance recoveries	119,148[11]	195,453[12]	-	-	-	-	-	-	-	-	-
Compliance BERT	-	-	25,000	107,500	110,000	110,000	117,659	115,744	119,513	121,391	125,101
Compliance BEWT	-	-	2,500	24,000	22,000	22,000	23,354	23,500	24,378	24,872	25,556
Compliance CIPL	-	-	25,000	107,500	110,000	110,000	110,000	111,650	113,967	115,759	119,292
Compliance BUSSQ	-	-	34,578	139,175	142,385	35,763	-	-	-	-	-
Subtotal	**119,148**	**195,453**	**87,078**	**378,175**	**384,385**	**277,763**	**251,013**	**250,894**	**257,858**	**262,021**	**269,948**
Directors/Meeting Fees											
Meeting fees BERT	-	-	-	93,114	76,132	81,854	87,691	89,976	92,353	94,899	110,742
Meeting fees BUSSQ	-	-	59,993	-	-	-	-	-	-	-	-
Meeting fees CIPL	-	-	-	79,175	65,889	57,717	50,029	51,333	52,689	54,141	54,345
Meeting fees BERT Training Fund[13]	-	-	1,000	23,879	12,392	14,011	19,392	18,889	18,233	18,756	23,274
Subtotal	**-**	**-**	**60,993**	**196,168**	**154,413**	**153,583**	**157,112**	**160,199**	**163,275**	**167,796**	**188,360**

[7] At this stage I have identified the revenue derived by searching for general ledger accounts names and transaction descriptions containing 'BERT' only. I have excluded revenue that may have been derived from 'BERT Financial Services', 'BERT Welfare', 'BERT Fund.2' and 'BERT Fund No. 2' as these entities are not directly named in the Multiplex EA. Subject to further analysis, I may identify that revenue derived from these entities relate to the Multiplex EA and/or other EAs.

[8] **Annexure H4A**

[9] The period from 1 January 2017 to 31 March 2017.

[10] The period from 1 April 2017 to 31 March 2018.

[11] Relates to 'Compliance recoveries' revenue derived from BUSSQ of $99,148 and BEWT of $20,000. Refer to **Annexure I3** for further detail.

[12] Relates to 'Compliance recoveries' revenue derived from BUSSQ of $125,453, CIPL of $50,000 and $20,000. Refer to **Annexure I3** for further detail.

[13] I have included revenue derived from the BERT Training Fund as BERT Training Fund received distributions from the BERT entities, namely BEWT.

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CFMEU Sources of Revenue $	CY15	CY16	YTD17[9]	FY18[10]	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Grants											
Apprentice funding[14]	3,139,908	4,510,644	762,589	4,022,648	3,872,826	3,308,382	4,668,458	4,682,421	4,246,715	5,559,973	6,879,770
Subtotal	**3,139,908**	**4,510,644**	**762,589**	**4,022,648**	**3,872,826**	**3,308,382**	**4,668,458**	**4,682,421**	**4,246,715**	**5,559,973**	**6,879,770**
Promotional Charges											
Sponsorship fees	102,000[15]	3,500 [16]	-	-	-	-	-	-	-	-	-
Sponsorship May Day	15,000[17]	30,000[18]	-	-	-	-	-	-	-	-	-
Promotional costs BERT	80,000	80,000	-	-	-	-	-	-	-	-	-
Promotions BUSSQ	100,000	135,650	25,325	119,590	104,710	26,300	-	-	-	-	-
Promotional costs CIPL	10,000	10,000	-	17,500	12,500	7,500	10,000	10,000	10,000	10,000	10,000
Promotional costs WMIB[19]	297,597	421,962	62,500	269,084	237,422	55,491	-	-	-	-	-
Subtotal	**604,597**	**681,112**	**87,825**	**406,174**	**354,632**	**89,291**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**
Enterprise Agreements[20]											
Enterprise agreements	-	-	-	-	378,000	196,223	-	-	-	-	-
EBA Processing transferred to QNTDB	-	-	-	-	-	-	282,600	381,600	180,000	731,700	389,796
Subtotal	**-**	**-**	**-**	**-**	**378,000**	**196,223**	**282,600**	**381,600**	**180,000**	**731,700**	**389,796**
Training Asbestos											
Training - Asbestos	-	1,725[21]	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**1,725**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Sponsorship Income											
Sponsorship	-	-	-	-	-	-	-	68,921[22]	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**68,921**	**-**	**-**	**-**

[14] BERT Training Fund received distributions from BERT entities (including BEWT) and paid training grants such as 'Apprentice funding' to CFMEU. This balance is the sum of all 'Apprentice funding' general ledger account balances in CFMEU General Ledger.

[15] Relates to 'Sponsorship fees' revenue derived from Windsor Insurance Brokers of $100,000 and BERT of $2,000. Refer to **Annexure I3** for further detail.

[16] Relates to 'Sponsorship fees' revenue derived from CIPL of $2,000 and BERT of $1,500. Refer to **Annexure I3** for further detail.

[17] Relates to 'Sponsorship May Day' revenue derived from BERT of $15,000. Refer to **Annexure I3** for further detail.

[18] Relates to 'Sponsorship May Day' revenue derived from CIPL of $15,000 and BERT of $15,000. Refer to **Annexure I3** for further detail.

[19] I have included revenue derived from WMIB (Windsor Insurance Brokers) as Windsor Insurance Brokers is an insurance broker that arranges insurance for CIPL.

[20] I have not yet identified the remitter of the funds for the revenue derived in this line item of the CFMEU Financial Reports.

[21] Relates to 'Training – Asbestos' revenue derived from BERT Training Fund of $1,725. Refer to **Annexure I3** for further detail.

[22] Relates to 'Sponsorship' revenue derived from BERT of $68,921. Refer to **Annexure I3** for further detail.

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CFMEU Sources of Revenue $	CY15	CY16	YTD17[9]	FY18[10]	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Sundry Income and Reimbursements											
Miscellaneous revenue	500[23]	-	-	-	-	-	-	-	-	-	-
Advertising Publications	10,298[24]	1,898[25]	-	5,925[26]	-	-	-	-	-	-	-
Meeting fees BERT	108,675	109,763	-	-	-	-	-	-	-	-	-
Meeting fees BUSSQ	66,866	54,029	-	-	-	-	-	-	-	-	-
Meeting fees CIPL	95,738	94,080	-	-	-	-	-	-	-	-	-
Meeting fees BERT Training Fund[27]	16,776	14,464	-	-	-	-	-	-	-	-	-
EBA Processing Fees[28]	291,000	360,914	16,200	43,687	-	-	-	-	-	-	-
Subtotal	**589,853**	**635,148**	**16,200**	**49,612**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total revenue that may relate to EAs	**4,453,506**	**6,024,082**	**1,014,684**	**5,052,777**	**5,144,256**	**4,025,242**	**5,369,183**	**5,554,035**	**4,857,847**	**6,731,491**	**7,737,874**

Table 2. Actual revenue CFMEUQ may have derived from the Multiplex EA and other EAs[29]

CFMEUQ Sources of Revenue $	FY20	FY21	FY22	FY23	FY24	FY25
Compliance Recoveries						
Compliance BUSSQ	109,440	145,920	145,920	145,920	145,920	151,385
Total	**109,440**	**145,920**	**145,920**	**145,920**	**145,920**	**151,385**
Directors/Meeting Fees						
Meeting fees BUSSQ	45,353	108,846	111,296	139,108	215,354	200,841
Total	**45,353**	**108,846**	**111,296**	**139,108**	**215,354**	**200,841**
Promotional Charges						
Promotions BUSSQ	80,478	107,304	125,076	131,750	132,000	145,500
Promotional package WMIB[30]	153,000	321,280	375,902	498,451	466,073	411,222
Total	**233,478**	**428,584**	**500,978**	**630,201**	**598,073**	**556,722**

[23] Relates to 'Miscellaneous revenue' revenue derived from BERT of $500. Refer to **Annexure I3** for further detail.

[24] Relates to 'Advertising Publications' revenue derived from BERT of $8,400 and BERT Training Fund of $1,898. Refer to **Annexure I3** for further detail.

[25] Relates to 'Advertising Publications' revenue derived from BERT Training Fund of $1,898. Refer to **Annexure I3** for further detail.

[26] Relates to 'Advertising Publications' revenue derived from BERT of $4,200 and BERT Trading Fund of $1,725. Refer to **Annexure I3** for further detail.

[27] I have included revenue derived from the BERT Training Fund as BERT Training Fund received distributions from the BERT entities, namely BEWT.

[28] I have not yet identified the remitter of the funds for the revenue derived in this line item of the CFMEU Financial Reports.

[29] **Annexure H4B**

[30] I have included revenue derived from WMIB (Windsor Insurance Brokers) as Windsor Insurance Brokers is an insurance broker that arranges insurance for CIPL.

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CFMEUQ Sources of Revenue $	FY20	FY21	FY22	FY23	FY24	FY25
Sponsorship Income						
Sponsorship Delegates Convention						20,000[31]
Total	-	-	-	-	-	**20,000**
Total revenue that may relate to EAs	**388,271**	**683,350**	**758,193**	**915,229**	**959,347**	**928,949**

2.3.22. To date I have not identified CFMEUQ revenue in CFMEUQ's General Ledger that may have been derived from Enterprise Agreements in the period from CY15[32] to FY19.

Movements in CFMEU and CFMEUQ sources of revenue (Question 1b).

2.3.23. I set out in Table 3 and Table 4 below the changes, or movements in revenue from 2015 to 2025 for the CFMEU and CFMEUQ respectively. Percentages show the composition of balances each financial year. Those lines highlighted in green refer to sources of revenue (at the financial statement level) that may have been derived from Enterprise Agreements. For the avoidance of doubt, Table 3 and Table 4 below refer to the total amounts reported for each source. Refer to Table 1 and Table 2 for the specific general ledger accounts and balances within these sources of revenue that may relate to EAs.

Table 3. CFMEU – Movement of revenue reported in the Financial Reports[33]

Sources of Revenue $	CY15 $	CY16 $	YTD17 $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $
Membership Subscription	**10,761,043**	**11,728,526**	**2,708,063**	**11,830,530**	**11,137,373**	**9,619,954**	**163,918**	**153,939**	**141,425**	**140,094**	**126,748**
Revenue that may relate to the Enterprise Agreements											
Compliance Recoveries	351,657	345,453	87,078	378,175	384,385	277,763	251,013	250,894	257,858	262,021	269,948
Directors/Meeting Fees	-	-	65,376	213,785	183,839	216,789	272,552	257,388	253,551	247,127	261,444
Grants[34]	3,567,408	5,035,644	893,839	4,547,648	4,397,827	3,750,882	5,046,560	4,916,169	4,466,615	5,786,573	7,114,747
Promotional Charges	795,837	929,402	132,160	586,679	576,467	221,791	110,000	110,000	112,716	112,716	121,358
Enterprise Agreements	-	-	-	-	378,000	196,223	282,600	381,600	180,000	731,700	389,796
Sponsorship Income	-	-	21,000	203,755	258,500	186,000	191,717	96,354	97,733	98,671	102,861
Sundry Income and Reimbursements	740,022	851,817	50,369	197,986	92,997	295,185	116,924	6,586	4,768	-	135
Subtotal	**5,454,924**	**7,162,316**	**1,249,822**	**6,128,028**	**6,272,015**	**5,144,633**	**6,271,366**	**6,018,991**	**5,373,241**	**7,238,808**	**8,260,289**
Total Revenue	**16,215,967**	**18,890,842**	**3,957,885**	**17,958,558**	**17,409,388**	**14,764,587**	**6,435,284**	**6,172,930**	**5,514,666**	**7,378,902**	**8,387,037**
Income (% of Total Revenue)[35]											
Membership Subscription	*66.36%*	*62.09%*	*68.42%*	*65.88%*	*63.97%*	*65.16%*	*2.55%*	*2.49%*	*2.56%*	*1.90%*	*1.51%*
Compliance Recoveries	*2.17%*	*1.83%*	*2.20%*	*2.11%*	*2.21%*	*1.88%*	*3.90%*	*4.06%*	*4.68%*	*3.55%*	*3.22%*

[31] Relates to "Sponsorship Delegates Convention' revenue derived from BERT of $20,000. Refer to **Annexure I3** for further detail.

[32] The period from 1 January 2015 to 31 December 2015.

[33] **Annexure H1.** The amount in the table above corresponds to the total amounts for that respective line item reported in Financial Reports. For the amounts I have partially reviewed and identified that the revenue may relate to the Multiplex EA and other EAs, refer to Table 1 above.

[34] Comprises financial line items "Grants/Apprentice Scheme" and "Grants Other"

[35] Calculated as, for example, "Membership Fees" $10,761,043 ÷ "Total Revenue" $16,215,967

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Sources of Revenue $	CY15 $	CY16 $	YTD17 $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $
Directors/Meeting Fees	-	-	*1.65%*	*1.19%*	*1.06%*	*1.47%*	*4.24%*	*4.17%*	*4.60%*	*3.35%*	*3.12%*
Grants Apprentice Scheme	*22.00%*	*26.66%*	*22.58%*	*25.32%*	*25.26%*	*25.40%*	*78.42%*	*79.64%*	*81.00%*	*78.42%*	*84.83%*
Promotional Charges	*4.91%*	*4.92%*	*3.34%*	*3.27%*	*3.31%*	*1.50%*	*1.71%*	*1.78%*	*2.04%*	*1.53%*	*1.45%*
Enterprise Agreements	-	-	-	-	*2.17%*	*1.33%*	*4.39%*	*6.18%*	*3.26%*	*9.92%*	*4.65%*
Sponsorship Income	-	-	*0.53%*	*1.13%*	*1.48%*	*1.26%*	*2.98%*	*1.56%*	*1.77%*	*1.34%*	*1.23%*
Sundry Income and Reimbursements	*4.56%*	*4.51%*	*1.27%*	*1.10%*	*0.53%*	*2.00%*	*1.82%*	*0.11%*	*0.09%*	-	*0.00%*

2.3.24. As shown in Table 3 above, the proportional contribution of each revenue source has remained broadly consistent year on year, excepting for revenue generated from "Membership Subscriptions" and "Grants". The revenue generated from "Grants" has grown from CY15 (22% of revenue) to FY25 (84.83% of revenue), whilst the revenue generated from "Membership Subscriptions" has decreased.

2.3.25. This change altered CFMEU's composition of revenues, where prior to FY20, "Membership Subscriptions" represented CFMEU's main source of revenue, and from FY21 until FY25, "Grants" represented CFMEU's main source of revenue.

2.3.26. The revenue identified that may relate to the Multiplex EA and other EAs (highlighted in green) increased by 51.43% between CY15 and FY25.[36]

Table 4. CFMEUQ – Movement of revenue reported in the Financial Reports[37]

Source of Revenue $	CY15 $	CY16 $	YTD17 $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $
Membership Subscription	**-**	**-**	**-**	**-**	**-**	**-**	**9,468,094**	**9,868,104**	**10,931,623**	**13,269,857**	**15,372,893**
Revenue that may relate to the Enterprise Agreements											
Compliance Recoveries	-	-	-	-	-	109,440	145,920	145,920	145,920	145,920	151,385
Directors/Meeting Fees	-	-	-	-	-	45,353	108,846	111,296	139,108	216,404	201,591
Promotional Charges	-	-	-	-	-	342,228	573,584	537,228	630,201	598,073	556,722
Sponsorship Income	-	-	-	-	-	-	30,000	30,000	76,500	30,000	115,000
Subtotal	**-**	**-**	**-**	**-**	**-**	**497,021**	**858,350**	**824,444**	**991,729**	**990,397**	**1,024,698**
Total Revenue	**-**	**-**	**-**	**-**	**-**	**497,021**	**10,326,444**	**10,692,548**	**11,923,352**	**14,260,254**	**16,397,591**
Income (% of Total Revenue)											
Membership Subscription	-	-	-	-	-	-	*91.69%*	*92.29%*	*91.68%*	*93.05%*	*93.75%*
Compliance Recoveries	-	-	-	-	-	*22.02%*	*1.41%*	*1.36%*	*1.22%*	*1.02%*	*0.92%*
Directors/Meeting Fees	-	-	-	-	-	*9.12%*	*1.05%*	*1.04%*	*1.17%*	*1.52%*	*1.23%*
Promotional Charges	-	-	-	-	-	*68.86%*	*5.55%*	*5.02%*	*5.29%*	*4.19%*	*3.40%*
Sponsorship Income	-	-	-	-	-	-	*0.29%*	*0.28%*	*0.64%*	*0.21%*	*0.70%*

[36] Calculated as ($8,260,289 - $5,454,924) ÷ $8,260,289

[37] **Annexure H2.** The amount in the table above corresponds to the total amounts for that respective line item reported in Financial Reports. For the amounts I have partially reviewed and identified that the revenue may relate to the Multiplex EA and other EAs, refer to Table 2 above.

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2.3.27. As shown in Table 4 above:

(i) The proportional contribution of each revenue source has remained broadly consistent year on year between FY21 and FY25, excepting for "Membership Subscription" revenue which was ($nil) prior to FY20;

(ii) Between FY21 and FY24 revenue received relating to "Compliance Recoveries" remained constant at $145,920 per year, increasing in FY25 to $151k; and

(iii) Revenue received relating to "Directors/Meeting Fees" increased from FY20 ($45k) to FY24 ($216k).

2.3.28. This analysis is preliminary. I refer to **Annexure J** for the types of information I would require to perform a more detailed analysis, including confirming the identified sources of revenue against source records. I note that as my analysis progresses, I may require information in addition to that set out at **Annexure J**.

2.4 SUMMARY FINDINGS QUESTION 2 - FLOW OF FUNDS RELATING TO THE MULTIPLEX EA

The methodology applied

2.4.1. The methodology that I adopted to respond to Question 2 is set out in Section 4, and is summarised as follows.

2.4.2. I reviewed financial records and documentation, set out in Sources of Information **Annexure C,** for the CFMEU, CFMEUQ, the Multiplex EA Entities and entities providing services noted in the Multiplex EA, to identify where the funds paid under the Multiplex EA flowed. I also reviewed directorships and officeholders, where available, of those entities and individuals identified in my analysis.

Summary flows of fund/ transactions including revenue relating to Multiplex EA

2.4.3. I set out in Figure 3 a visualised depiction of the flow of funds relating to the Multiplex EA. For the purposes of this diagram, I used payment descriptions as they appear in the financial records of the entity making the payment.

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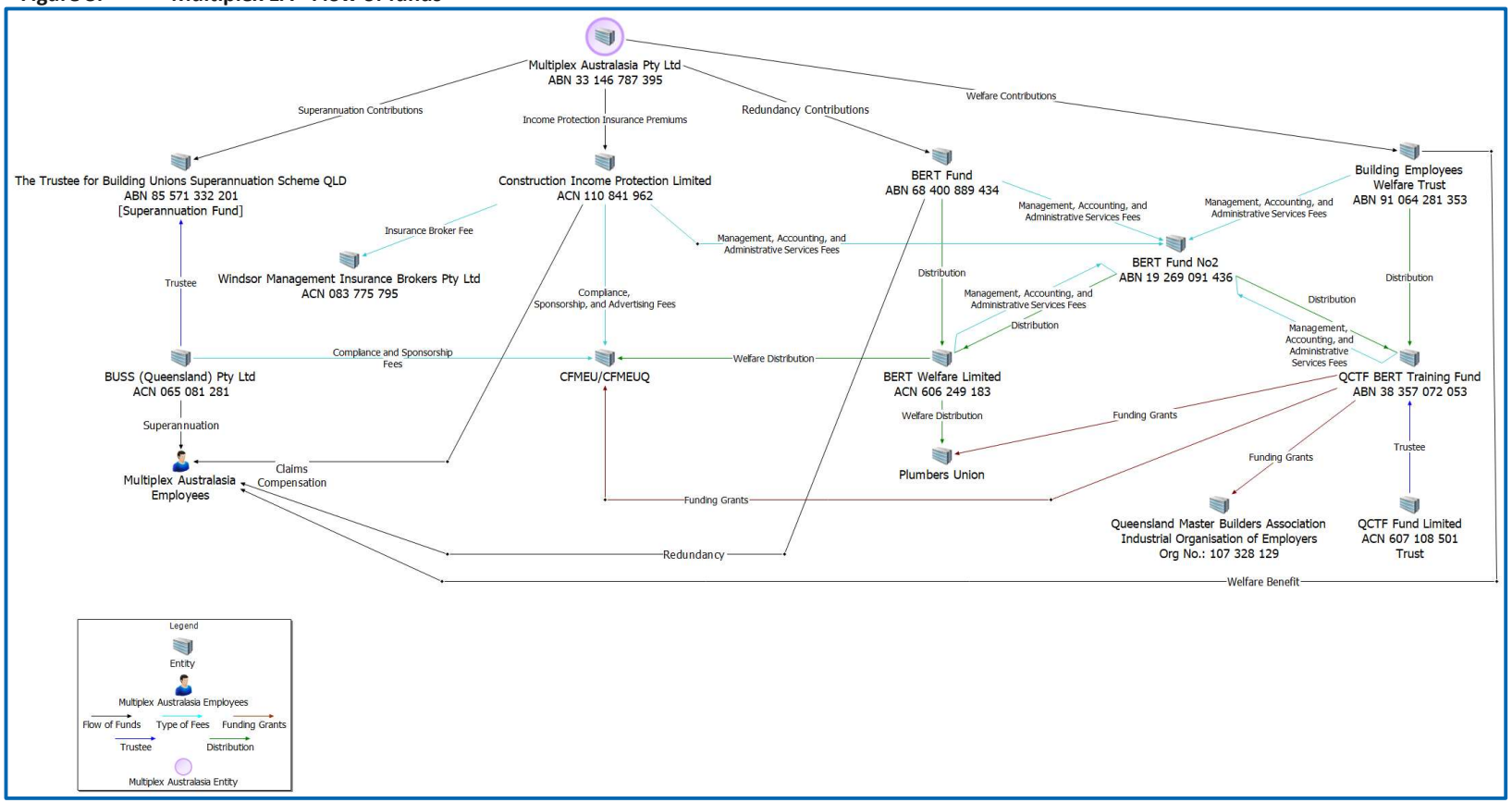
Figure 3. Multiplex EA - Flow of funds



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Who did the Multiplex EA direct money to be paid to (Question 2a)

2.4.4. As set out in Figure 3 above, the Multiplex EA directs payments to be made to the Multiplex EA Entities (set out in paragraph 2.3.2 above) including CIPL, BUSSQ, BERT Fund and BEWT. Refer to Section 7.3 for the Multiplex EA clauses.

Where did the Multiplex EA money ultimately flow to (Question 2b)

2.4.5. As set out in Figure 3 above, I identified the following key recipients of Multiplex EA funds:

(i) Multiplex EA Entities (as per the Multiplex EA[38]);

(ii) Multiplex employees (potential insurance claims from CIPL, superannuation redemptions from BUSSQ and potential redundancy payments from BERT Fund[39]);

(iii) BERT Group Entities, other than those directly receiving funds under the Multiplex EA, such as BERT Fund No. 2 receiving funds from CIPL, BERT Fund, BEWT, BERT Welfare Limited and BERT Training Fund for management, accounting and administrative services provided.

(iv) Windsor Insurance Brokers (broker fee received from CIPL);[40]

(v) Communications Electrical Plumbers Union (**Plumbers Union**) (funding received from BERT Training Fund,[41] welfare distributions from BERT Welfare Limited,[42] and fees received from CIPL for sponsorship, compliance and promotional services provided[43]);

(vi) Master Builders Queensland (**QMBA**) (funding received from BERT Training Fund[44]); and

(vii) CFMEU/CFMEUQ (refer to paragraph 2.4.8 below).

2.4.6. Question 2b asks where the money 'ultimately' flowed to. I have summarised the recipients of Multiplex EA flow of funds in paragraph 2.4.5 above, however as noted as a limitation in my report, as funds continue to be mixed and expended by companies, the ultimate beneficiary, namely the natural person who was the final recipient of funds, may not be determinable. I continue to review ultimate beneficiaries, pending additional records, set out in **Annexure J**.

Did the CFMEU/CFMEUQ receive any referral fees or other financial benefits in return for money being directed or indirectly flowing to third parties? (Question 2c)

2.4.7. Yes, between 2023 and 2025, CFMEU and CFMEUQ received payments/ revenue from the parties named, or involved, in business activities mandated by the Multiplex EA. It is unclear if this was in return for money being directed or indirectly flowing to third parties as I require further information, as set out in **Annexure J**, to complete my analysis.

[38] 28.pdf (Doc:0028, p.27 (Section 33), p.28 (Section 35), and pp.28-29 (Section 36)

[39] BERT Fund FS 2023 – 2025 (Doc:0029-Doc:0031)

[40] Agreement between CIPL, Windsor Management Insurance Brokers, and QBE Insurance (Australia) Limited covering the period from 1 June 2022 to 1 March 2026 (COM.0001.0008.0784)

[41] BERT Training Fund FS 2023 – 2025 (Doc:0053-Doc:0055)

[42] BERT Welfare Limited FS 2023 – 2025 (Doc:0035-Doc:0037)

[43] CIPL FS 2023 – 2025 (Doc:0047-Doc:0049)

[44] BERT Training Fund FS 2023 – 2025 (Doc:0053-Doc:0055)

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CFMEU/CFMEUQ receipt of funds, as recorded by Multiplex EA Entities

2.4.8. Multiplex EA Entities remitted funds to CFMEU/CFMEUQ, as referenced in the following entities' financial records:

(i) From BUSSQ for compliance, promotional services and sponsorship[45] (refer to 7.4.7(i));

(ii) From CIPL for "Compliance and Promotional Services", "Sponsorship and Services Promoting the Fund", and "Advertising"[46] (refer to paragraph 7.4.10(ii)); [47]

(iii) From the BERT Group:

(a) From BERT Training Fund under Funding Agreements[48] (refer to paragraph 7.4.19), and

(b) From BERT Welfare Limited as welfare distributions[49] (refer to paragraph 7.4.20(ii)).

Relevant agreements between CFMEU/CFMEUQ and Multiplex EA Entities

2.4.9. I have identified relevant agreements between CFMEU/CFMEUQ and BUSSQ and BERT Training Fund as set out below:

(i) Compliance and sponsorship agreements with BUSSQ[50] (Refer to Section 7.5 for further details); and

(ii) Funding Agreements with BERT (BERT Training Fund).[51]

2.4.10. To date, I have not identified any relevant agreements between CFMEU/CFMEUQ and BERT Welfare Limited nor CIPL.

CFMEU/CFMEUQ receipt of funds from parties, other than Multiplex EA entities, as recorded by CFMEU/CFMEUQ

2.4.11. My review of the CFMEU/CFMEUQ Financial Reports and general ledger records, identified other entities who may have paid CFMEU/CFMEUQ referral fees or other financial benefits in relation to EAs, including Hall Payne Lawyers, Cbus and training organisations including Future Skills, Construction Training centre, Construction Skills Queensland, Mates in Construction and Asbestos Disease Support Society. My analysis of these CFMEU/CFMEUQ receipts is ongoing with further information I require set out in **Annexure J**. Refer to **Section 7.5** for further details.

Were any current or previous CFMEU/CFMEUQ officeholders, members or associates, shareholders, ultimate beneficiaries to the Multiplex EA? (Question 2d(i))

2.4.12. To date, I have not identified any current or previous CFMEU/CFMEUQ officeholders, members or associates, shareholders who were ultimate beneficiaries to payments made under the Multiplex EA between 2023 and 2025. I continue to review ultimate beneficiaries to payments made under the Multiplex EA, pending additional records, set out in **Annexure J**.

[45] Compliance and sponsorship agreements with BUSSQ (COM.0001.0005.4501, Doc:0017) and CIPL FS 2023 – 2025 (Doc:0047-Doc:0049)

[46] I identified payments with descriptions "Compliance CIP", "Meeting fees CIPL", and "Promotional costs CIPL" in CFMEU's General Ledger between FY23 and FY25. I am yet to reconcile these to CIPL financial records referenced payments to the CFMEU.

[47] CIPL FS 2023 – 2025 (Doc:0047-Doc:0049)

[48] **Annexure F** (Agreements), BERT Training Fund FS 2023 – 2025 (Doc:0053-Doc:0055) (Payments)

[49] BERT Welfare Limited FS 2023 – 2025 (Doc:0035-Doc:0037)

[50] Compliance and sponsorship agreements with BUSSQ (COM.0001.0005.4501, Doc:0017)

[51] **Annexure F**

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Were any current or previous CFMEU/CFMEUQ officeholders, members or associates, shareholders in a position to ultimately control any monies paid under the Multiplex EA? (Question 2d(ii))

2.4.13. I have identified nine individuals, who have roles within the CFMEU/CFMEUQ and Directorships in the Multiplex EA Entities (CIPL, BUSSQ, and BERT Group). These individuals include:[52]

(i) Ross Davidson, CFMEU Training Manager and Workplace Impairment Officer, Construction Division (2024)[53]

(ii) Hemal Patel, CFMEU Construction and General Division Chief Financial Officer (2024-Current)[54]

(iii) Paul Dunbar, CFMEUQ Industrial Relations Coordinator and Industrial Officer (2024-2025)[55]

(iv) Jade Ingham, CFMEUQ State Assistant Secretary (2023-2025)[56]

(v) Paula Masters, CFMEU Administration Manager (2024)[57]

(vi) Michael Ravbar, CFMEUQ State Secretary (2023-2024)[58]

(vii) Emma Eaves, CFMEUQ Administration Executive (2023-2025)[59]

(viii) Jacqueline Collie, CFMEU Governance Officer (2023-2024)[60]

(ix) William Lowth, CFMEU Assistant Secretary (2023-2025)[61]

2.4.14. Further details are set out in Section 5 to this report. In the timeframe to draft this report, I have not had sufficient time to identify all relevant parties to respond to Question 2d, nor to perform full background checks in relation to the nine individuals identified. I continue to review individuals in a position to ultimately control any monies paid under the Multiplex EA, pending additional records, set out in **Annexure J.**

Did any third party that has no obvious connection with the CFMEU/CFMEUQ receive payments or obtain benefits directly or indirectly from the payments made pursuant to the Multiplex EA? (Question 2e)

2.4.15. My analysis of CFMEU/CFMEUQ financial records and other information available to date identified:

(i) Future Skills received payments from CFMEU/CFMEUQ between 2015 and 2025.[62] Based on the limited information available in the general ledger records, and in the timeframe to draft this report, I have not yet identified the nature of these transactions.

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52 Refer to Table 6

53 36.pdf (Doc:0036, p. 5)

54 FTI:007 (p.10), FTI:008 (p. 13)

55 FTI:007 (p.10), FT:I008 (p. 14), 36.pdf (Doc:0036, p. 5)

56 36.pdf (Doc:0036, p.5), COM.0001.0040.9178, COM.0001.0040.9179, COM.0001.0040.9180, COM.0001.0040.9189, COM.0001.0040.9190, COM.0001.0040.9191

57 FTI:004

58 36.pdf (Doc:0036, p.5), COM.0001.0040.9178, COM.0001.0040.9179, COM.0001.0040.9180, COM.0001.0040.9189, COM.0001.0040.9190, COM.0001.0040.9191

59 FTI:006 (p. 9), FTI007 (p. 9), FTI008 (p. 13)

60 48.pdf (Doc:0048, p. 5)

61 COM.0001.0040.9178, COM.0001.0040.9179, COM.0001.0040.9180, COM.0001.0040.9189, COM.0001.0040.9190, COM.0001.0040.9191

62 Based on my review of CFMEU's General Ledgers, I have identified expense related transactions with Future Skills narrated as "FU700" (in the "Reference" column) in general ledger account 10000-59972 "Training organisers/delegates", for example (Doc:0097, filter "Account Number and Name for "10000-59972 -Training organisers/delegates"). The "Source Code" column to these transactions is narrated as "AP- IN". In my experience as a Chartered Accountant, the term "AP" from an accounting perspective refers to 'Accounts Payable'. Accordingly, general ledger account 10000-59972 "Training organisers/delegates" may be an expense account by nature.

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CFMEU, in turn, received revenue from Future Skills for "training and assessment of students"[63]. It is unclear why CFMEU was paid for training, when CFMEU is not listed as a Registered Training Organisation on the National Training Register. [64]

There are no common Directorships between CFMEU/CFMEUQ and Future Skills. The nature of the relationship between CFMEU/CFMEUQ and Future Skills is unclear and requires further analysis to be undertaken, as set out in **Annexure J**.

(ii) CIPL contracts Windsor Insurance Brokers to provide broker services.[65] There are no common Directorships between CFMEU/CFMEUQ and Windsor Insurance Brokers. CIPL paid dividends to CFMEU/CFMEUQ in 2018[66] and in 2021[67], indicating CFMEU may have a shareholding in CIPL. I do not have evidence of who made the decision to engage Windsor Insurance Brokers. Windsor Insurance Brokers remit referral fees to CFMEU/CFMEUQ and sponsorship fees to CFMEUQ. It is not clear how, or where, the CFMEU is referring to Windsor Insurance Brokers.

2.4.16. My preliminary conclusion is that Future Skills and Windsor Insurance Brokers received payments which may be indirectly made pursuant to the Multiplex EA. However, this analysis is ongoing to further review payments and financial benefits remitted to third parties pursuant to the Multiplex EA. Further information that I require to respond to Question 2 set out in **Annexure J**.

63 19.PDF, (Doc:0019, p. 3)

64 FTI:003

65 Agreement between CIPL, Windsor Management Insurance Brokers, and QBE Insurance (Australia) Limited covering the period from 1 June 2022 to 1 March 2026 (COM.0001.0008.0784)

66 COM.0002.0022.0567

67 BER.0001.0001.0394

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3. BACKGROUND AND SCOPE

3.1 THE RELEVANT PARTIES

3.1.1. The Parties to this matter are set out at Section 1.1.

3.1.2. A brief background of the matter as per my instructions is provided at Section 1.3 above. The further background information below is sourced from my Letter of Instruction.

3.2 BACKGROUND

The Commission

3.2.1. There have been suggestions that the CFMEU has engaged in various varieties of misconduct.[68]

3.2.2. Under the provisions of the *Commissions of Inquiry Act 1950* (Qld), the Commission was established on 1 August 2025 to make a full and careful inquiry in an open and independent manner with respect the evidence and allegations of misconduct set out in the Terms of Reference published in the Queensland Government Gazette.[69]

3.2.3. The purpose of the Commission of Inquiry is to identify and make recommendations to the Queensland Government for reform.[70]

The CFMEU Financial Compliance Obligations

3.2.4. The CFMEU in Queensland comprises two separately registered organisations, organised along similar lines with the same officeholders:[71]

(i) the Construction, Forestry, Maritime, Mining and Energy Union (CFMEU) registered under the *Fair Work (Registered Organisations) Act 2009* (Cth); and

(ii) the Construction, Forestry, Mining and Energy, Industrial Union of Employees Queensland (CFMEUQ) registered under the *Industrial Relations Act 2016* (Qld).

3.2.5. Financial compliance obligations are, and was at all material times, principally contained in the following instruments:[72]

(i) Fair Work (Registered Organisations) Act 2009 (Cth) (Chapters 8 and 9);

(ii) Fair Work (Registered Organisations) Regulations 2009 (Cth);

(iii) Fair Work (Registered Organisations) (Transitional Provisions) Rules 2017 (Cth); and

(iv) Industrial Relations Act 2016 (Qld), Chapter 12.

3.2.6. The federal and state financial compliance regimes identified above imposed a broadly consistent set of financial compliance obligations, including but not limited to:[73]

(i) keep and maintain proper financial accounting records;

(ii) prepare periodic financial reports, including general purpose or operating reports;

(iii) comply with prescribed reporting standards governing the form and content of reports;

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[68] Letter of Instruction dated 28 May 2026, (**Annexure A1**, p. 1; para. 3)

[69] 76.pdf, (Doc:0076, pp. 1-2; para. 3)

[70] Letter of Instruction dated 28 May 2026, (**Annexure A1**, p. 1; para. 5)

[71] Letter of Instruction dated 28 May 2026, (**Annexure A1**, p. 2; para. 10)

[72] Letter of Instruction dated 28 May 2026, (**Annexure A1**, p. 2; para. 12 (a) to (d))

[73] Letter of Instruction dated 28 May 2026, (**Annexure A1**, pp. 2-3; para. 13 (a) to (j))

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(iv) ensure accounts are independently audited by qualified auditors with defined statutory powers; and

(v) ensure reports and statements are not false or misleading.

3.3 INSTRUCTIONS

3.3.1. I am instructed to prepare a report that responds to the following:[74]

> *"Revenue analysis*
>
> *Question 1: Please analyse the CFMEU/CFMEUQ's sources of revenue, and any changes in the revenue received from EAs, between 2015 and 2025. In answering this question, please set out in detail your analysis of books and records, and identify:*
>
> *(a) What are the sources of CFMEU and CFMEUQ's revenue?*
>
> *(b) How did the sources and amount of revenue change between 2015 and 2025?*
>
> *Multiplex EA 2023 – 2027*
>
> *Question 2: Please map the money trail occurring under and facilitated by the Multiplex EA, including identifying:*
>
> *(a) who did it direct money to be paid to?*
>
> *(b) where did the money ultimately flow to?*
>
> *(c) did the CFMEU/CFMEUQ receive any referral fees or other financial benefits in return for money being directed or indirectly flowing to third parties?*
>
> *(d) were any current or previous CFMEU/CFMEUQ officeholders, members or associates, officeholders, shareholders, ultimate beneficiaries or (those) in a position to ultimately control any monies paid under the Multiplex EA?*
>
> *(e) did any third party that has no obvious connection with the CFMEU/CFMEUQ receive payments or obtain benefits directly or indirectly from the payments made pursuant to the Multiplex EA?"*

3.4 SOURCES OF INFORMATION

3.4.1. The sources of information to undertake my analysis are set out in **Annexure C.**

3.5 LIMITATIONS TO SCOPE

General

3.5.1. There are limitations which impact the completeness of my analysis of revenue generated from Enterprise Agreements and flow of funds for both Questions 1 and 2 where I require source records (including but not limited to invoices, grant agreements, sponsorship letters and rental agreements) to confirm the source of CFMEU and CFMEUQ revenue where the General Ledgers and bank records do not provide sufficient detail.

3.5.2. I have reviewed the Multiplex EA as an example EA to respond to Question 1 and to respond to Question 2. I have not identified published financial statements for Multiplex to allow me to reconcile directly the payments Multiplex recorded in their accounts to CFMEU/CFMEUQ and the Multiplex EA Entities.

[74] Letter of Instruction dated 28 May 2026, (**Annexure A1,** p. 4; paras. 17-18)

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3.5.3. In addition, for amounts remitted to CFMEU/CFMEUQ by entities mentioned in the Multiplex EA, I am not able to conclude if the amounts were derived as a result of the Multiplex EA. The contracts and descriptions in the CFMEU/CFMEUQ Financial Reports do not disclose their link to which, if any, enterprise agreement or if the receipts relate to other CFMEU/CFMEUQ income from the Multiplex EA mentioned entities unrelated to Enterprise Agreement(s).

3.5.4. I have not had access to CFMEU/CFMEUQ employee emails to review any communications relating to contractual and financial decisions about the Multiplex EA and the Multiplex EA mentioned entities.

3.5.5. In some cases, CFMEU and CFMEUQ are referenced interchangeably by third parties in documentation such as agreements, contracts, board minutes and resolutions and financial reports and I am not able to determine which particular entity the documentation refers to.

3.5.6. At this stage, I have not reviewed all of the information provided in response to my Request for Information Number one and two. Therefore, my analysis of such is not reflected in this report. Information I may require to finalise my analysis is set out in **Annexure J**. **Annexure J** is not an exhaustive list, and I may additional information as my analysis progresses.

Question 1

3.5.7. Paragraph 16 (b) to (f) of the Letter of Instructions references that specific revenue streams are 'mandated under EAs'.[75] It is not within my expertise to determine whether the identified sources of revenue are mandated in the EA from a legal perspective.

3.5.8. I have only been provided with the Multiplex EA. Should other Enterprise Agreements include other commercial terms impacting CFMEU/CFMEUQ sources of revenue, these have not been included in my response to Question 1.

3.5.9. I have identified the CFMEU EA processing fee revenue, however I am limited as I do not currently have access to source records, such as invoices, receipt of funds received and all bank statements to confirm who paid these fees to the CFMEU. Information I require to complete this analysis is set out in **Annexure J**.

3.5.10. As noted above, I have not analysed whether <u>all</u> revenue reported in CFMEU and CFMEUQ's Financial Reports may relate to Enterprise Agreements due to limited underlying source documentation, such as invoices that support the nature and entities by which CFMEU and CFMEUQ derived revenue. In Table 5, I summarise at a high level, the sources of revenue reported in CFMEU and CFMEUQ's Financial Reports that I did not analyse, or only partially analysed, due to insufficient information.

Table 5. Sources of revenue reported in the Financial Reports I have analysed

Sources of Revenue[76]	CFMEU	CFMEUQ
Membership Subscription	Not reviewed	Not reviewed
Levies	Not reviewed	Not reviewed
Rental Revenue	Not reviewed	Not reviewed
Grants	Partially reviewed	Partially reviewed
Training Income	Partially reviewed	Partially reviewed
Sundry Income and Reimbursements	Partially reviewed	Partially reviewed
Enterprise Agreements	Partially reviewed	Partially reviewed
Promotional Charges	Partially reviewed	Partially reviewed
Administrative Recoveries	Not reviewed	Not applicable – no line item in the CFMEUQ financial reports
Dividend Income	Not reviewed	Not reviewed
Interest	Not reviewed	Not reviewed
Directors/Meeting Fees	Partially reviewed	Partially reviewed
Advertising & Marketing	Not applicable – no line item in the CFMEU financial reports	Not reviewed
Compliance Recoveries	Partially reviewed	Partially reviewed
Change in Fair Value of Investments	Not reviewed	Not reviewed

[75] Letter of Instruction, dated 28 May 2026, (**Annexure A1**, p. 4, para.16 (b) to (f))

[76] The sources of revenue referred to in this table are sourced from the CFMEU/ CFMEUQ Financial Reports.

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Sources of Revenue[76]	CFMEU	CFMEUQ
Gender Equity Training	Not applicable, no line item in CFMEU financial reports	Partially reviewed
Net Gains from Sale of Assets	Not reviewed	Not reviewed
Sponsorship Income	Partially reviewed	Partially reviewed
Voluntary Collections ADSS Donations	Not reviewed	Not reviewed
Other Revenue	Not reviewed	Partially reviewed

3.5.11. I have not reconciled the revenues recorded in CFMEU and CFMEUQ's Financial Reports to CFMEU and CFMEUQ's bank statements. Accordingly, I have not confirmed that where revenue has been recorded in CFMEU and CFMEUQ's Financial Reports (and underlying general ledger records) that cash has flowed to CFMEU and CFMEUQ.

3.5.12. I have not reconciled all revenues recorded in CFMEU and CFMEUQ's Financial Reports to CFMEU and CFMEUQ's General Ledgers. Accordingly, I have not been able to identify the individual general ledger transactions that underpin all revenue recorded in CFMEU and CFMEUQ's Financial Reports. Based on my review, there is a variance between the two sources of information throughout the period from 1 January 2015 to 31 March 2025 which represents 0.36%[77] (CFMEU) and 0.08%[78] (CFMEUQ) on average of the total revenue reported in the Financial Reports from CY15 to FY25. In **Annexure H5** and **Annexure H6** I provide a list of general ledger transactions that I have identified as underpinning revenue reported in CFMEU and CFMEUQ's Financial Reports.

3.5.13. To identify actual sources of revenue derived, I have applied search terms such as the entity name (for example, BUSSQ) to the general ledger account names and transaction descriptions contained in the CFMEU/CFMEUQ General Ledgers. I have not yet reviewed transactions to underlying source documentation to confirm the source of revenue. Further, a number of the transactions appear to be general journal entries, for which I have not been provided supporting documentation. Supporting documentation that would assist my analysis include journal calculations and source records, as set out in **Annexure J**.

3.5.14. My review of Relativity identified agreements with BUSS (Queensland) Pty Ltd which pre-date the 'Compliance Agreement 2025-2026'. I have not yet reviewed these agreements.

3.5.15. I have not been provided with all copies of the agreements/contracts documenting the commercial terms including revenue arrangements between CFMEU/CFMEUQ and:

(i) Future Skills Limited;

(ii) Building Unions Superannuation Scheme Queensland;

(iii) BUSS (Queensland) Pty Ltd;

(iv) Construction Income Protection Limited;

(v) Windsor Management Insurance Brokers Pty Ltd;

(vi) BERT Fund;

(vii) Building Employees Welfare Trust;

(viii) BERT Training Fund; and

(ix) Queensland Construction Training Fund.

3.5.16. Accordingly, I have been unable to reconcile revenue arrangements between the abovementioned parties and CFMEU/CFMEUQ against the revenue recorded as derived from these parties in the General Ledgers.

[77] Refer to **Annexure H6,** cell P94

[78] Refer to **Annexure H5,** cell P90

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Question 2

3.5.17. In relation to Question 2, the period covered by my analysis is limited by the information available to me. Unless specified otherwise, this period is 2023 (Multiplex EA commencement year) to 2025 (the latest CFMEU/CFMEUQ financial statements available to me are for FY24 to FY25).

3.5.18. There are many intercompany transfers between BERT Group entities. For simplicity for this report given the limited time I have had to undertake the analysis, I have considered the BERT Group of entities collectively.

3.5.19. I am instructed to map the money trail of where money flowed. I have used financial statements and General Ledger records given limitations of not having access to the Multiplex EA Entities' bank statements and time to fully review CFMEU/CFMEUQ bank statements. There may be differences between cash and accrual accounting. For example, accrual accounting in financial statements can include journal entries to account for timing differences in money received and paid, whereas money flows focuses only on the cash transactions.

3.5.20. Question 2b asks where the money 'ultimately' flowed to. I have noted the recipients of funds in my analysis, however as funds continue to be mixed and expended by companies, the ultimate beneficiary, namely the natural person who was the final recipient of funds, may not be determinable. For example:

(i) the Multiplex EA provides for employee welfare contributions to be remitted to the BEWT Fund;

(ii) BEWT Fund distributes 100% of its distributable income to BERT Training Fund (QCTF);

(iii) BERT Training Fund transfers funds to, among others, CFMEU/CFMEUQ under Funding Agreements; and

(iv) CFMEU/CFMEUQ make payments to a number of recipients, which, in turn, make further payments as part of their business activities.

Therefore, it is not always possible to determine the ultimate beneficiary who by definition is an individual/ natural person. I continue to review ultimate beneficiaries, pending additional records, set out in **Annexure J**.

When identifying the recipients of funds from each of the entities reviewed, I do not consider operational expenses, such as tax expense, general administrative expenses, utility expenses, employee expenses, audit fees, etc., unless stated otherwise. As such, in my report, I do not consider the recipients of the relevant payments, such as the Australian Tax Office, as beneficiaries of funds paid under the Multiplex EA.

3.5.21. In responding to Question 2c:

(i) My review has been limited to the general ledger transactions that support the revenues reported in CFMEU and CFMEUQ's Financial Reports.

(ii) I have not reviewed CFMEU and CFMEUQ's balance sheets nor source records (such as invoices referred to in general ledger descriptions) as this information was not provided to me.

3.5.22. Additional limitations are noted in their relevant section in this report.

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3.6 THE ASSUMPLTIONS ADOPTED

Assumptions made in this report

3.6.1. In preparing this report, I have made the assumptions as set out in the following paragraphs.

3.6.2. In the absence of evidence to the contrary, that the books and records of CFMEU and CFMEUQ such as the General Ledgers are accurate and reliable. I have therefore proceeded on the basis that the general ledger account names and transaction descriptions contained within the General Ledger represent the nature of the transactions recorded therein. Should it subsequently emerge that the books and records contain material inaccuracies, or that transaction descriptions do not accurately reflect the nature of the underlying transactions, my findings may require revision accordingly.

3.6.3. The acronyms or terms are assumed as follows:

(i) The term 'FU700' in the General Ledger is the vendor/customer code allocated to the third party, Future Skills Limited.

(ii) WMIB appears in the General Ledger and is assumed to refer to Windsor Management Insurance Brokers Ltd;

(iii) EBA as referenced in the CFMEU General Ledgers, is the acronym used for Enterprise Bargaining Agreement and is a term often used interchangeably with Enterprise Agreement.

(iv) QNTDB refers to the CFMEU; with QNTDB referring to the Queensland Northern Territory Divisional Branch.

3.6.4. I have assumed that general ledger accounts titled 'Insurance recoveries'[79] in the General Ledgers relates to insurance recoveries relevant to CFMEU and CFMEUQ own insurance policies, and does not relate to the income protection insurance as specified in the Multiplex EA.

3.6.5. Additional assumptions are noted in their relevant section of this report.

[79] General ledger accounts 1000048910 (CFMEU) and 1000048015 (CFMEUQ).

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4. METHODOLOGY ADOPTED

4.1 BACKGROUND

4.1.1. In this section, I describe the methodology I have adopted to respond to my instructions as outlined at Section 3.3 above.

4.2 METHODOLOGY AND APPROACH – INSTRUCTED QUESTION 1: REVENUE ANALYSIS

4.2.1. My instructions are set out in Section 1.3 above. To respond to Question 1, I have adopted the following approach:

(i) **Step 1**: I am instructed to review the changes to CFMEU/CFMEUQ revenue received from EAs in the period 2015 to 2025. To understand what revenue is generated from EAs, I reviewed the Multiplex EA[80] as an example Enterprise Agreement to understand the contractual commercial terms that result in flow of funds/ transactions, including revenue (Section 6.2 below).

(ii) **Step 2:** Review the actual flow of revenue to the CFMEU and CFMEUQ from their General Ledgers from the entities and activities noted in the Multiplex EA. To identify relevant transactions in the General Ledgers I have applied search terms across general ledger account names and the transaction descriptions (Section 6.3 and 6.13 below).

(iii) **Step 3:** Review the audited and unaudited financial reports including the notes for the CFMEU and CFMEUQ for the periods covering 1 January 2015 to 31 March 2025 to identify the revenue accounts and their composition (Section 6.14, Section 6.16 and Section 6.18 below) (Question 1a).

(iv) **Step 4**: Review and reconcile the General Ledgers for the periods covering 1 January 2015 to 31 March 2025 to identify the transactions that underpin the revenue reported in the Financial Reports (Sections 6.14, Section 6.16 and Section 6.18 below).

(v) **Step 5:** Analyse the movements in revenues reported in the Financial Reports (Sections 6.15, Section 6.17 and Section 6.19 below) (Question 1b).

4.3 METHODOLOGY AND APPROACH – INSTRUCTED QUESTION 2: MULTIPLEX ANALYSIS

4.3.1. My instructions are set out in Section 1.3 above. To respond to Question 2, I have adopted the following approach:

(i) **Step 1**: Review the Multiplex EA to identify to which entities funds were directed to be paid by Multiplex. Present findings in a visualised fund flow figure (Question 2a).

(ii) **Step 2**: Identify where the money flowed by reviewing, for the parties identified in Step 1, documentation including, but not limited to, their audited and unaudited financial reports, incorporation documents, board meeting minutes and resolutions (Question 2b).

(iii) **Step 3a**: Review agreements between CFMEU/CFMEUQ and the entities identified in Step 1 and Step 2, to identify any referral fees or other financial benefits pursuant to the Multiplex EA, directly or indirectly (Question 2c).

(iv) **Step 3b**: Review CFMEU/CFMEUQ financial records in the period 2023 to 2025, including the General Ledgers, to identify whether any revenue was received indicated that the CFMEU/CFMEUQ were paid

[80] 28.pdf, (Doc:0028)

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referral fees or other financial benefits in return for money being directed, or indirectly flowing, to third parties (Question 2c).

(a) In order to identify these revenues, I performed searches across the general ledger descriptions. For example, I searched each general ledger transaction (as set out in **Annexure H5 and Annexure H6**) for the term "BUSSQ" or terms similar to BUSSQ (i.e., Building Unions Superannuation Scheme); and

(b) In **Annexure I1**, I provide the entity names and similar terms searched for in CFMEU and CFMEUQ's general ledger descriptions and account names. Where a general ledger transaction contained parts or the whole entity name (and variations) searched, I reviewed the results to ensure that the only transactions included in my analysis were relevant.

(v) **Step 4**: For those payments and receipts identified in Steps 1 to 3, review associated parties (including both corporate entities and individuals) against CFMEU/CFMEUQ's registers of officeholders and directors for the period 2023 to 2025. Once I receive the additional records as set out in **Annexure J**, I propose to identify if parties were ultimate beneficiaries or in a position to control any monies paid under the Multiplex EA, based on evidence such as agreements (including signatories), records of invoice approval and delegation of authority, as well as conducting background intelligence analysis via open source records. (Question 2d).

(vi) **Step 5**: For those payments and receipts identified in Steps 1 to 3, identify if any third party that has no obvious connection with the CFMEU/CFMEUQ received payments or obtained benefits, directly or indirectly from the payments made pursuant to the Multiplex EA (Question 2e).

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5. KEY ENTITIES AND OFFICEHOLDERS

5.1 INTRODUCTION

5.1.1. In this section I set out a summary of the relevant entities and officeholders to responding to my instructions.

5.1.2. The section is set out as follows:

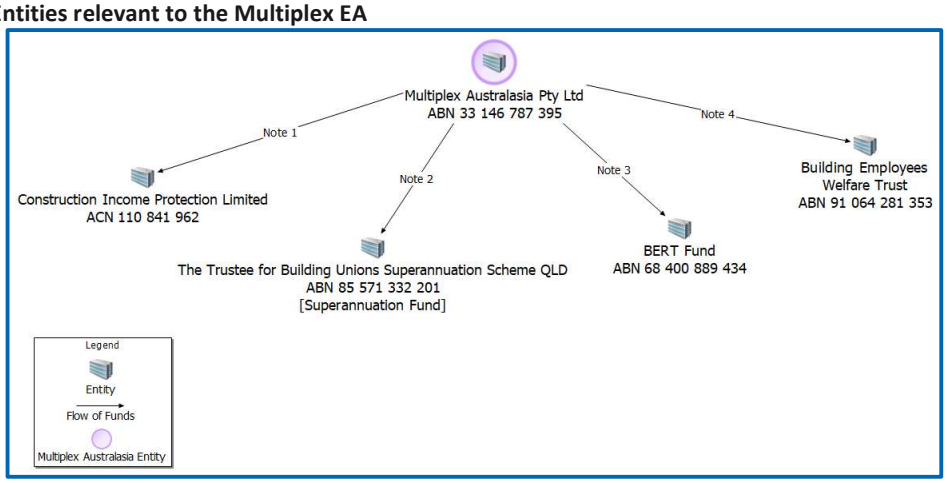
(i) Key entities

(ii) Key officeholders

5.2 KEY ENTITIES

5.2.1. Figure 4 depicts the entities noted in the Multiplex EA.

Figure 4. Entities relevant to the Multiplex EA



CIPL

5.2.2. **Figure 4 Note 1:** Construction Income Protection Limited (**CIPL**). CIPL replaced Construction Income Protection (Qld) Pty Ltd (**CIPQ**) on 6 September 2004.[81] CIPL is the administrator of the Consumer Income Protection Scheme, operating alongside Windsor Insurance Brokers, and with Total Claims Solutions Limited (ABN 78 003 191 035), who have been appointed as Claims Managers on behalf of QBE Insurance (Australia) Limited (Underwriter).[82]

5.2.3. I set out as follows the CIPL group of entities followed by the further notes to Figure 4 above.

[81] FTI:005 (p.1, para. 1). I note that CIPL does not appear to have an official website, and CIPL information is published on the official websites of Mates in Construction.

[82] FTI:001 (p.3, para. 7)

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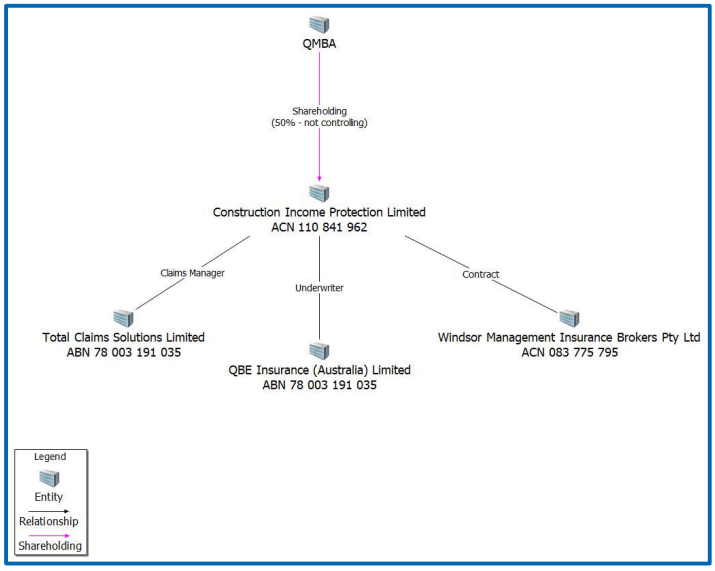
Figure 5. CIPL Group of Entities



BUSSQ

5.2.4. **Figure 4 Note 2:** The BUSSQ is an industry superannuation fund (APRA Regulated Public Offer Fund).[83] The sponsors of BUSSQ are as follows:[84]

(i) Queensland Master Builders Association, Industrial Organisation of Employers (**QMBA)**;

(ii) CFMEUQ;

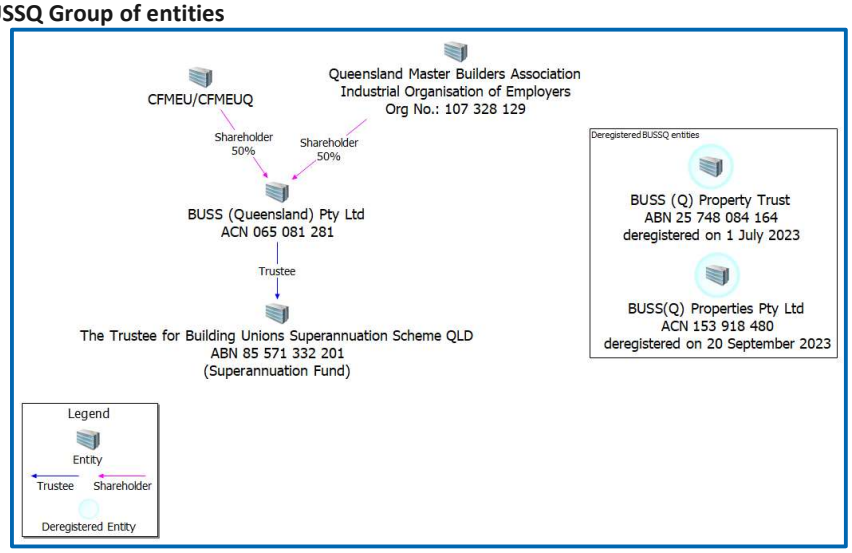
(iii) Australian Building Construction Employees and Builders' Labourers' Federation (Queensland Branch) Union of Employees;

(iv) Plumbers and Gasfitters Employees Union of Australia (Queensland Branch, Union of Employees; and

(v) Queensland Council of Unions.

5.2.5. BUSSQ is a group of entities as set out in Figure 6.

Figure 6. BUSSQ Group of entities



[83] FTI:010 and FTI:011 [84] COM.0001.0001.0003, p. 57, para. 3, section 3

[84] COM.0001.0001.0003, p. 57, para. 3, section 3

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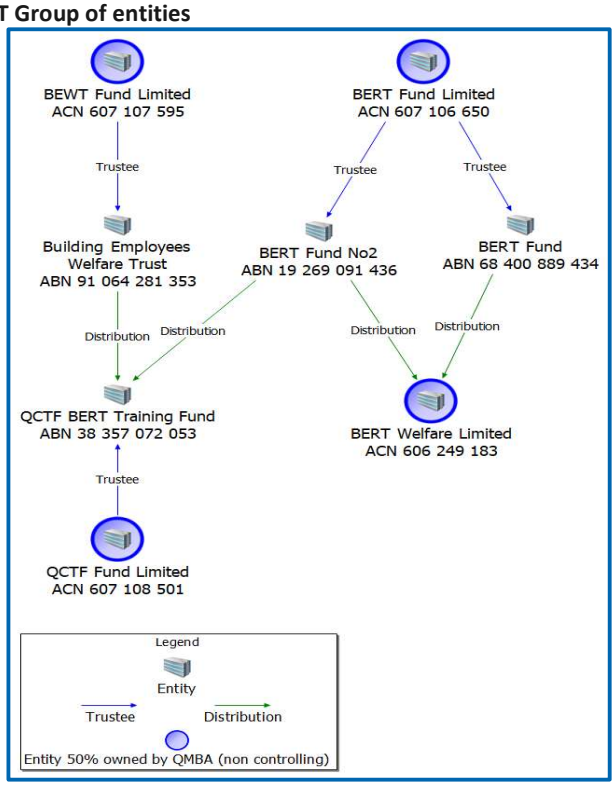
BERT Group

5.2.6. **Figure 4 Note 3 and 4:** BERT Fund and BEWT, as part of BERT Group of entities, are set out in Figure 7.

Figure 7. BERT Group of entities



Other entities identified while reviewing the CFMEU and CFMEUQ books and records

5.2.7. Based on my review of the CFMEU and CFMEUQ books and records, including the General Ledgers, I identified additional entities that the CFMEU and CFMEUQ recorded revenue in the General Ledgers from, *inter alia*:[85]

(i) Hall Payne Lawyers law firm;

(ii) United Super (Cbus);

(iii) Training and/or welfare organisations including:

(a) Future Skills Limited;

(b) Construction Training Centre (CTC);

(c) Construction Skills Queensland (CSQ), a training organisation;

(d) Mates in Construction (MIC); and

(e) Asbestos Disease Support Society (**ADSS**).

5.2.8. My analysis of the CFMEU and CFMEUQ books and records, including their General Ledger, remains preliminary at this stage. **Annexure J** sets out the additional information required to conduct a more detailed analysis, including conducting searches of the shareholdings, directorships and officeholders of the abovementioned entities, review of transactions for these entities and confirmation of identified revenue

[85] This is a non-exhaustive list; additional entities may be identified as I further analyse the CFMEU and CFMEUQ General Ledgers.

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sources and expenditure against source records. As my analysis progresses, further information beyond that outlined in **Annexure J** may also be required.

5.3 KEY OFFICEHOLDERS

5.3.1. Table 6 sets out the common officeholders between the Multiplex EA Entities. Key officeholders are referenced in my response to my instructed Question 2. Light blue denotes a Directorship role of the named entity.

5.3.2. Further, below this table, I set out Figure 8 and Figure 9 to visualise the commonality between key officeholders of entities mentioned in this report.

5.3.3. Table 6 indicates the years where the CFMEU/CFMEUQ officeholders held position at the entities named in the table.[86]

5.3.4. Directorships have been sourced from ASIC Current & Historical Company and Personal Name Extracts.[87] Details of Directorships are set out in **Annexure D**.

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[86] My review of CFMEU/CFMEUQ Records of Office Holders 2023 to 2025 only identified Mr Ravbar, Mr Ingham and Mr Lowth as Officeholders (COM.0001.0040.9178, COM.0001.0040.9179, COM.0001.0040.9180, COM.0001.0040.9189, COM.0001.0040.9190, COM.0001.0040.9191). Information of membership for other individuals was identified through CFMEU/CFMEUQ Financial Reports and other public record research.

[87] 01.PDF, (Doc:0001) to 16.PDF, (Doc:0016), COM.0001.0037.9985, COM.0001.0035.9991, COM.0001.0037.9978, COM.0001.0037.9979, COM.0001.0001.0909

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Table 6. Common Officeholder Current and Former Directorships between Multiplex EA mentioned Entities - 2015 to 2025[88]

CFMEU Officeholder Name/ Role and Year(s)	**Ross Davidson** CFMEU Training Manager and Workplace Impairment Officer, Construction Division (2024)	**Hemal Patel** CFMEU Construction and General Division Chief Financial Officer (2024-Current)	**Paul Dunbar** CFMEUQ Industrial Relations Coordinator and Industrial Officer (2024-2025)	**Jade Ingham** CFMEUQ State Assistant Secretary (2023-2025)	**Paula Masters** CFMEU Administration Manager (2024)	**Michael Ravbar** CFMEUQ State Secretary (2023-2024)	**Emma Eaves** CFMEUQ Administration Executive (2023-2025)	**Jacqueline Collie** CFMEU Governance Officer (2023-2024)	**William Lowth** CFMEU Assistant Secretary (2023-2025)
BERT Fund Limited (Trustee for BERT Fund) (ACN 607 106 650)	2024 – Current as of 2025	2024 – Current as of 2026	2024 – Current as of 2025	2016 – 2024	2015 – 2022	2015 – 2024			
BERT Welfare Limited (ACN 606 249 183)	2024 – Current as of 2025	2024 – Current as of 2026	2024 – Current as of 2025	2016 – 2024	2015 – 2022	2015 – 2024			
BERT Financial Services Pty Ltd (ACN 656 106 740)	2024 – Current as of 2025	2024 – Current as of 2026	2024 – Current as of 2025	2021 – 2024	2021 – 2022	2021 – 2024			
B.E.R.T. Pty Limited (former Trustee for BERT Fund) (ACN 010 917 281)				2018 – 2025	2014 – 2022	2014 – 2025			
Bert Management Pty Ltd (ACN 143 691 276)				2018 – 2019	2018 – 2019	2010 – 2019			
BEWT Fund Limited (Trustee for BEWT) (ACN 607 107 595)	2024 – Current as of 2025	2024 – Current as of 2026	2024 – Current as of 2025	2021 – 2024	2015 – 2022	2015 – 2024			
QCTF Fund Limited (Trustee for QCTF) (ACN 607 108 501)	2024 – Current as of 2025	2024 – Current as of 2026	2024 – Current as of 2025	2016 – 2024	2015 – 2022	2015 – 2024			
QCTF Pty Limited (former Trustee for QCTF) (ACN 073 653 399)				2016 – 2023	2016 – 2022	2016 – 2023			
BUSS (Queensland) Pty Ltd (Trustee for Building Unions Superannuation Scheme (Queensland)) (ACN 065 081 281)		2024 – Current as of 2026	2024 – Current as of 2025		2015 – 2022	2021 – 2024	2020 – 2021 and 2022 – Current as of 2025	2019 – 2024	
BUSS (Q) Properties Pty Ltd (ACN 153 918 480)					2015 –2022	2022 – 2023	2020 – 2021 and 2022 - 2023	2019 – 2023	
CIPL (ACN 110 841 962)				2013 – 2021	2015 – Current as of 2026	2007 – 2018	2024 – Current as of 2025	2018 – 2024	2021 – 2024

[88] 01.PDF, (Doc:0001) to 16.PDF, (Doc:0016), COM.0001.0037.9985, COM.0001.0035.9991, COM.0001.0037.9978, COM.0001.0037.9979, COM.0001.0001.0909

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Figure 8. Key officeholders relevant to my analysis 2015 to 2025 - Summary

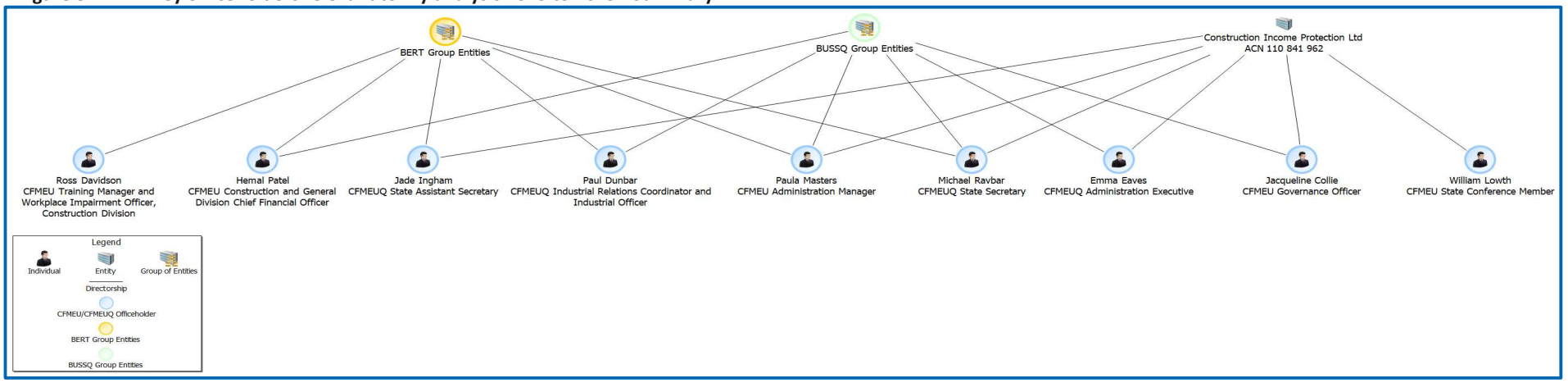
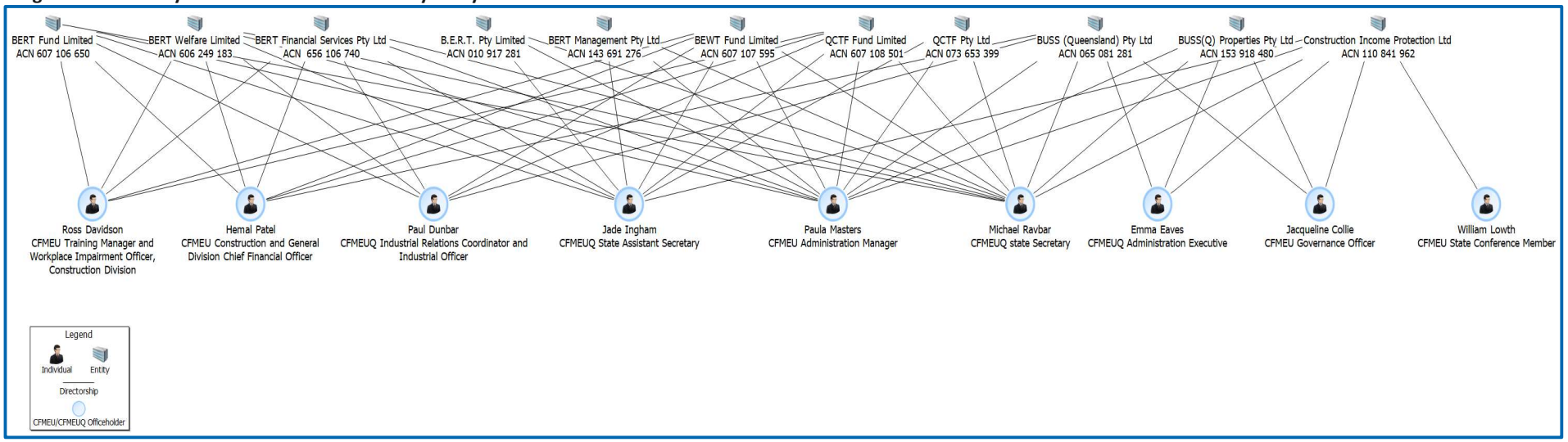


Figure 9. Key officeholders relevant to my analysis 2015 to 2025 - Detailed



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6. FINDINGS – INSTRUCTED QUESTION 1: REVENUE ANALYSIS

6.1 INTRODUCTION

6.1.1. I am instructed to respond to the following:[89]

> *"Question 1: Please analyse the CFMEU/CFMEUQ's sources of revenue, and any changes in the revenue received from EAs, between 2015 and 2025. In answering this question, please set out in detail your analysis of books and records, and identify:*
>
> *(a) What are the sources of CFMEU and CFMEUQ's revenue?*
>
> *(b) How did the sources and amount of revenue change between 2015 and 2025?"*

6.1.2. This section is set out as follows:

(i) Contractual sources of revenue the CFMEU and CFMEUQ generates through the Multiplex EA (Section 6.2);

(ii) Actual revenue derived from Enterprise Agreements (Sections 6.3 to 6.13).

(iii) Question 1a – CFMEU: Sources of revenue (Section 6.14);

(iv) Question 1b – CFMEU: The changes, or movements in the sources and amount of revenue from 2015 to 2025 (Section 6.15);

(v) Question 1a - CFMEUQ Sources of revenue (Section 6.16);

(vi) Question 1b – CFMEUQ: The changes, or movements in the sources and amount of revenue from 2015 to 2025 (Section 6.17);

(vii) Queston 1a- Consolidated sources of revenue (Section 6.18); and

(viii) Question 1b – Consolidated: The changes, or movements in the sources and amount of revenue from 2015 to 2025 (Section 6.19).

6.2 CONTRACTUAL SOURCES OF REVENUE THE CFMEU AND CFMEUQ GENERATES THROUGH THE MULTIPLEX EA

6.2.1. I am instructed to review the changes to CFMEU/CFMEUQ revenue received from EAs in the period 2015 to 2025. To understand what revenue is generated from EAs, I first reviewed the Multiplex EA[90] to understand the contractual commercial terms that result in flow of funds/ transactions, including revenue.

6.2.2. In order to isolate CFMEU and CFMEUQ revenue derived from Enterprise Agreements, I have first reviewed the Multiplex and CFMEU Union Collective Enterprise Agreement 2023 – 2027 (the Multiplex EA), as an example Enterprise Agreement.

6.2.3. The Multiplex EA outlines the application of the agreement is to Multiplex employees engaged in construction work and for whom classifications and rates of pay are provided in the agreement.[91]

[89] Letter of Instruction dated 28 May 2026, (**Annexure A1**, p.4; para. 17)

[90] 28.pdf, (Doc:0028)

[91] 28.pdf, (Doc:0028, p. 9, para.4.1(c))

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6.2.4. I have identified the following clauses relevant to my analysis:

(i) Clause 25: 'Apprentices/Trainees' which covers Multiplex apprenticeship/traineeship training requirements;

(ii) Clause 27: 'Training and Related Matters' which covers the parties' to the Multiplex EA commitment to employee training to develop the workforce;

(iii) Clause 33: 'Superannuation' which covers Multiplex's contribution to superannuation for the employee;

(iv) Clause 35: 'Income Protection and Portable Unused Sick Leave' which covers Multiplex's contribution to income protection insurance for the employee; and

(v) Clause 36: 'Redundancy' which covers the welfare fund contributions and Building Employees Welfare Trust.

6.2.5. In the following sections, I summarise the above Multiplex EA clauses to identify the sources of revenue to the CFMEU/CFMEUQ.

Apprenticeship/Trainee training (Clause 25)

6.2.6. I have reviewed clause 25 of the Multiplex EA to identify whether the agreement specifies training providers that payments would be made to for the apprenticeship/trainee training. My review identified that clause 25.5 of the Multiplex EA states:

> *"The Employer shall be responsible for meeting all costs associated with Apprenticeship/Traineeship training, including any student registration, tuition fee or other course costs."* [92]

6.2.7. I did not identify any clause specifying a preferred or stipulated training provider for the abovementioned training in the Multiplex EA.

6.2.8. Further, I did not identify how Multiplex meet the requirements for the abovementioned training, that is, who Multiplex use to conduct the training or if they run the training in-house.

Employee training to develop the workforce (Clause 27)

6.2.9. I have reviewed clause 27 of the Multiplex EA to identify whether it specifies any other training providers that payments would then be made to:

> *"The parties are committed to the promotion of a highly skilled industry that delivers ongoing employment opportunities and a world-class product through an efficient and safe construction process. To this end,* ***the Employer agrees that appropriate training, including the engagement and training of apprentices, and skills development for the workforce will be provided during the term of this agreement****."* [93]

[92] 28.pdf, (Doc:0028, p. 23, para. 25.5)

[93] 28.pdf, (Doc:0028, p. 24, para. 27.1)

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6.2.11. The Multiplex EA further outlines specific training, including:

(i) Health and Safety Representative training for elected employees;[94]

(ii) Asbestos awareness training in the nationally accredited asbestos awareness training course 10279NAT Identification and Awareness of Asbestos Containing Materials;[95]

(iii) Silica Dust training in the 'Course in identification of crystalline silica containing material and the associated risks for workers in the construction industry';[96] and

(iv) Mental health training in the nationally accredited supporting positive mental health in the Construction Industry 11085NAT.[97]

6.2.12. I did not identify any clause specifying a preferred or stipulated training provider for the abovementioned training in the Multiplex EA.

6.2.13. Further, I did not identify how Multiplex meet the requirements for the abovementioned training, that is, who Multiplex use to conduct the training or if they run the training in-house.

Superannuation (Clause 33)

6.2.14. In Clause 33 of the Multiplex EA, a default superannuation fund is prescribed that Multiplex should make payments into, on behalf of employees which states:

> *"It is agreed that **the default fund under this agreement shall be BUSSQ**."* [98]

6.2.15. Clause 2 of the Multiplex EA defines BUSSQ as:

> *"…an acronym for the Building Unions Superannuation Scheme (Queensland) Pty Ltd ABN 85 571 332 201."* [99]

6.2.16. Based on Clause 33.1 to the Multiplex EA, unless a different fund is selected by an employee, the Multiplex EA requires employee superannuation contribution payments to be made by Multiplex to BUSSQ.[100]

Income Protection insurance (Clause 35)

6.2.17. Clause 35 of the Multiplex EA specifies an income protection insurance provider for Multiplex to contribute funds to, on behalf of employees:

> *"The **Employer will contribute** the following amounts (including GST) per week **to CIPQ in respect of each of its Employees** for, or on account of, **the premium insuring income protection** for each of those Employees…"*[101]

94 28.pdf, (Doc:0028, p. 24, para. 27.4)
95 28.pdf, (Doc:0028, p. 24, para. 27.5)
96 28.pdf, (Doc:0028, p. 24, para. 27.6)
97 28.pdf, (Doc:0028, p. 25, para. 27.7)
98 28.pdf, (Doc:0028, p. 29, para. 33.1) emphasis added
99 28.pdf, (Doc:0028, p. 7, para. 2)
100 28.pdf, (Doc:0028, p. 29, para. 33.1)
101 28.pdf, (Doc:0028, p. 30, para. 35.1) emphasis added

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6.2.19. Clause 2 of the Multiplex Enterprise Agreement defines CIPQ as:

> *"…Construction Income Protection Queensland Ltd (ACN 110 841 962)."* [102]

6.2.20. Based on clause 35 to the Multiplex EA, Multiplex is required to make weekly payments to CIPQ for each employee, being the premium insuring employees for income protection in case of illness or injury. As set out in Paragraph 0, CIPL replaced Construction Income Protection (Qld) Pty Ltd on 6 September 2004.

Redundancy fund contributions (Clause 36)

6.2.21. I have reviewed clause 36 of the Multiplex EA to identify whether the agreement specifies a redundancy fund the employer will contribute funds to on behalf of employees, which states:

> *"**The Employer will utilise BERT to meet all of the liabilities for Redundancy payments** and further to ensure that an amount equal to the credit balance of the Employee's account in the Employee's Redundancy fund is paid to the Employee when the Employee is entitled to that payment pursuant to the terms of the Employee's Redundancy fund."* [103]

6.2.22. Multiplex, as the employer, is to contribute contributions to BERT on behalf of employees:

> *"…the Employer will contribute on behalf of each Employee…"*[104]

6.2.23. Further, clause 36.7 of the Multiplex EA states:

> *"Where the Employee's balance in the BERT Fund reaches $20,000.00 or an amount that equals 10 weeks' wages, the Employee will have the option to continue to have contributions paid to their Redundancy fund or redirected to BUSSQ."*[105]

6.2.24. Clause 2 of the Multiplex EA defines BERT as:

> *"…an acronym used for the Building Employee Redundancy Trust (ACN 82 010 917 281) (**BERT Fund**) as described in the Trust Deed creating the BERT Fund."* [106]

6.2.25. Based on clause 36 to the Multiplex EA, Multiplex is required to make contributions into the BERT Fund[107] on the employee's behalf and in the event an employee is made redundant, the employee will receive their accumulated balance in their BERT account.

---

[102] 28.pdf, (Doc:0028, p. 7, para. 2). Under the Multiplex EA the entity referenced as Construction Income Protection Queensland Ltd has the ACN (110 841 962); however, this ACN pertains to Construction Income Protection Limited according to corporate records retrieved from ASIC; 09.PDF, (Doc:0009).

[103] 28.pdf, (Doc:0028, p. 30, para. 36.1) emphasis added

[104] 28.pdf, (Doc:0028, pp. 30 and 31, paras. 36.2 and 36.3)

[105] 28.pdf, (Doc:0028, p. 31, para. 36.7)

[106] 28.pdf, (Doc:0028, p. 7, para. 2)

[107] Under the Multiplex EA the entity referenced as BERT Fund has the ACN (82 010 917 281); however, that is rather an ABN that pertains to BERT Pty Limited (the original trustee of the BERT Fund according to "Redundancy trust fund deed" dated 16 May 1996. BERT Fund has current ABN 68 400 889 434 (BER.0001.0001.1110, p.3, 01.PDF, (Doc:0001), FTI:009).

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Building Employees Welfare Trust (Clause 36)

6.2.26. In addition, clauses 36.2 and 36.3 of the Multiplex EA specifies an additional fund the employer needs to make payments into. Both clauses 36.2 and 36.3 state:

> *"At the same time contributions are made to the Employee's Redundancy fund,* ***the Employer must pay to the Trustee of the Building Employees Welfare Trust (BEWT) or other similar fund nominated by the Union****…"*[108]

6.2.27. Clause 2 of the Multiplex Enterprise Agreement defines BEWT as:[109]

> *"…an acronym for the Building Employees Welfare Trust. The "BEWT Fund" means the fund established pursuant to a deed between B.E.R.T Pty Limited and James Kristen Peterson* [Settlor]*. "Trustee of the BEWT Fund" means B.E.R.T Pty Limited or any trustee appointed under the BERT Redundancy Trust Deed."*

6.2.28. The published purpose of BEWT is to fund education and training in the construction industry, fund the provision of counselling and welfare services for industry members and to fund investigations into issues affecting the wellbeing and health of industry members.[110]

6.2.29. Based on clause 36 to the Multiplex EA, Multiplex is required to make payments to BEWT or any trustee appointed under the BERT Redundancy Trust Deed[111].

6.2.30. Based on my review of the relevant clauses of the Multiplex EA, no specific clauses in the agreement specify/require that any revenue would be derived by the CFMEU/CFMEUQ. There are clauses that relate to training, which may be provided by the CFMEU/CFMEUQ however this is not mandated.

6.2.31. Following, I analyse the CFMEU and CFMEUQ Financial Reports and underlying General Ledgers to identify actual revenues that may have been derived from EAs.

6.3 Actual revenue derived from the enterprise agreements

6.3.1. I am provided with the following background in my Letter of Instruction:[112]

> *"15. The CFMEU obtained revenue from, amongst other sources, enterprise bargaining agreements which it negotiated between itself, its members and employers. It also obtained revenue from membership subscriptions and levies.*
>
> *16. EA revenue includes:*
>
> *(a) EA processing fees;*
>
> *(b) grants and apprentice scheme related revenue streams from matters mandated in EAs;*
>
> *(c) promotions and sponsorship related revenue streams from matters mandated in EAs;*
>
> *(d) referral fees paid in relation to the provision of training services mandated under EAs;*
>
> *(e) the provision of compliance services by the CFMEU/CFMEUQ on behalf of various funds and services mandated under EAs; and*

[108] 28.pdf, (Doc:0028, p. 31, paras. 36.2 and 36.3) emphasis added
[109] 28.pdf, (Doc:0028, p. 7, para. 2)
[110] FTI:002, p. 1
[111] BER.0001.0001.1110
[112] Letter of Instruction dated 28 May 2026, (**Annexure A1**, p.4; paras. 15-16)

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> *(f) directors' fees and meeting fees paid to CFMEU/CFMEUQ for representation in various governance roles in respect of bodies who receive payment under mandated requirements in EAs."*

6.3.2. My review of the CFMEU and CFMEUQ Financial Reports and General Ledgers to identify actual revenue that may have been derived directly or indirectly from the Enterprise Agreements is set out below.

6.3.3. The remainder of this section is set out as follows where I identify actual CFMEU and CFMEUQ revenue that may have been derived from entities and activities noted in the example Multiplex EA:

(i) Enterprise Agreement processing revenue (Section 6.4);

Training revenue

(ii) Training revenue (Section 6.5)

(iii) Revenue from Grant apprentice scheme (Section 6.6)

(iv) Revenue from BERT Training Fund, including meeting fees (Section 6.7)

Other revenue

(v) Revenue from BUSSQ (the Multiplex EA default superannuation fund (Section 6.8)

(vi) Revenue from CIPL (the Multiplex EA income protection insurance provider) (Section 6.9)

(vii) Revenue from Windsor Insurance Brokers, the insurance broker utilised by CIPL (Section 6.10)

(viii) Revenue from BERT Fund, the redundancy fund (Section 6.11)

(ix) Revenue from BEWT, the welfare and redundancy fund, (Section 6.12)

(x) CFMEU and CFMEUQ revenue from other entities (Section 6.13)

6.4 ENTERPRISE AGREEMENTS PROCESSING REVENUE

6.4.1. The Multiplex EA does not provide for any payments to be made to the CFMEU. I have identified the CFMEU EA processing fee revenue below, however, my analysis is limited by the absence of underlying source documentation for the general ledger transactions, which limits me from confirming who paid these amounts.

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Quantum in the Financial Reports

6.4.2. Based on my review of the Financial Reports from 2015 to 2025, CFMEU reported revenue derived from Enterprise Agreements as set out in Table 7 below.

Table 7. Enterprise Agreements Revenue - CFMEU[113]

Sources of Revenue/ Line item in Financial Reports	CY15[114] $	CY16[115] $	YTD17[116] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Enterprise Agreements	-	-	-	-	378,000	196,223	282,600	381,600	180,000	731,700	389,796	**2,539,919**
Sundry Income and Reimbursements[117]	291,000	360,914	16,200	43,687	-	-	-	-	-	-	-	**711,801**
Total	**291,000**	**360,914**	**16,200**	**43,687**	**378,000**	**196,223**	**282,600**	**381,600**	**180,000**	**731,700**	**389,796**	**3,251,720**

6.4.3. As shown in Table 7, the CFMEU has reported revenue derived from Enterprise Agreements between 2015 and 2025. CFMEUQ did not report revenue derived from Enterprise Agreements between 2015 and 2025 in their Financial Reports.

General Ledger Analysis

6.4.4. I have identified revenue from 'EBA Processing Fees' and 'EBA Processing transferred to QNTDB' in the CFMEU general ledger, set out in Table 8 below. I understand EBA is an acronym used for Enterprise Bargaining Agreement, that is, Enterprise Agreements. I understand QNTDB to stand for Queensland Northern Territory Divisional Branch of the CFMEU, referenced throughout my report as CFMEU. This revenue is categorised as Sundry Income and Reimbursements from CY15 to FY18 and Enterprise Agreements from FY19 to FY25 in the Financial Reports.

Table 8. Enterprise Agreements Revenue - CFMEU[118]

Sources of Revenue	CY15[119] $	CY16[120] $	YTD17[121] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Sundry Income and Reimbursements												
EBA processing fees[122]	291,000	360,914	16,200	43,687	-	-	-	-	-	-	-	**711,801**
Subtotal	*291,000*	*360,914*	*16,200*	*43,687*	-	-	-	-	-	-	-	***711,801***
Enterprise Agreements												
EBA processing fees[123]	-	-	-	-	378,000	196,223	-	-	-	-	-	**574,223**
EBA processing transferred to QNTDB[124]	-	-	-	-	-	-	282,600	381,600	180,000	731,700	389,796	**1,965,696**
Subtotal	-	-	-	-	*378,000*	*196,223*	*282,600*	*381,600*	*180,000*	*731,700*	*389,796*	***2,539,918***
Total CFMEU revenue from EA processing	**291,000**	**360,914**	**16,200**	**43,687**	**378,000**	**196,223**	**282,600**	**381,600**	**180,000**	**731,700**	**389,796**	**3,251,720**

113 **Annexure E1**

114 1 January 2015 to 31 December 2015.

115 1 January 2016 to 31 December 2016.

116 1 January 2017 to 31 March 2017.

117 'Sundry Income and Reimbursements' line item in the Financial Reports for CY15CFY15 to FY18 includes general ledger account 1000049200, 'Enterprise Agreements'. The amounts reflected in the table only relates to the component derived from the Enterprise Agreements.

118 **Annexure H6**

119 1 January 2015 to 31 December 2015.

120 1 January 2016 to 31 December 2016.

121 1 January 2017 to 31 March 2017.

122 General ledger account 1000049200 is included in the line item 'Sundry Income and Reimbursements' of the Financial Reports for CY15 to FY18.

123 General ledger account 1000049200. For FY19 and FY20, 'EBA processing fees' is categorised as 'Enterprise Agreement' in the Financial Reports.

124 General ledger account 1000049250. For FY21 to FY25, 'EBA processing transferred to QNTDB' is categorised as 'Enterprise Agreement' in the Financial Reports.

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6.4.5. As shown in Table 8 above, the CFMEU derived revenue from the enterprise agreements for CY15 to FY18. My review of the management accounts for the CFMEU for CY15 to FY18[125] identified that 'EBA processing fees' were included within the line item 'Sundry Income and Reimbursements' in the Financial Report.

6.4.6. The Multiplex EA does not provide for enterprise agreement processing payments to be made to the CFMEU. It is not clear which Enterprise Agreements generated processing revenue, however I note no 'EBA processing' revenue appears to relate to the Multiplex EA (Multiplex was not named in the General Ledger but other entities were).

6.4.7. Further, my review of the General Ledger did not identify that CFMEUQ reported revenue derived from 'EBA processing' between 2015 and 2025.

6.5 TRAINING REVENUE

6.5.1. The Multiplex EA does not require a specific training provider be engaged by Multiplex to meet its training obligations. I have identified the CFMEU and CFMEUQ training revenue below which may relate to Enterprise Agreements, however I am limited as I do not currently have access to source records to confirm who engaged CFMEU and CFMEUQ to conduct this training.

Quantum in the Financial Reports

6.5.2. Based on my review of the Financial Reports between 2015 and 2025, CFMEU reported revenue derived from training as set out in Table 9 below.

Table 9. Training Revenue – CFMEU[126]

Sources of Revenue/ Line item in Financial Reports	CY15[127] $	CY16[128] $	YTD17[129] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Training Income	-	-	-	-	391,173	185,084	293,830	329,075	707,302	1,230,888	1,388,741	**4,526,093**
Training Asbestos	3,000	176,475	-	-	-	-	-	-	-	-	-	**179,475**
Training Impairment	-	42,403	24,149	579,014	-	-	-	-	-	-	-	**645,566**
Total	**3,000**	**218,878**	**24,149**	**579,014**	**391,173**	**185,084**	**293,830**	**329,075**	**707,302**	**1,230,888**	**1,388,741**	**5,351,134**

6.5.3. As shown in Table 9 above, the CFMEU has reported revenue derived from training between 2015 and 2025.

6.5.4. Further, based on my review of the Financial Reports between 2015 and 2025, CFMEUQ reported revenue derived from training as set out in Table 10 below.

Table 10. Training Revenue – CFMEUQ[130]

Sources of Revenue/ Line item in Financial Reports	CY15[131] $	CY16[132] $	YTD17[133] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Gender Equity Training	-	-	-	-	-	-	-	-	-	373,000	375,000	**748,000**
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**373,000**	**375,000**	**748,000**

125 Included in 'Sundry Income and Reimbursements' for CY15 and CY16 (COM.0001.0041.1431), YTD17 (COM.0001.0041.1433) and FY18 (COM.0001.0041.1443).

126 **Annexure E1**

127 1 January 2015 to 31 December 2015.

128 1 January 2016 to 31 December 2016.

129 1 January 2017 to 31 March 2017.

130 **Annexure E2**

131 1 January 2015 to 31 December 2015.

132 1 January 2016 to 31 December 2016.

133 1 January 2017 to 31 March 2017.

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6.5.5. As shown in Table 10 above, the CFMEUQ has reported revenue derived from training for FY24 and FY25 only. No such revenue was identified as a separate line item in the Financial Reports for CY15 to FY23.

General Ledger Analysis

6.5.6. As set out in Section 6.2 above, clause 25 and 27 to the Multiplex EA requires Multiplex to provide employees apprenticeship and traineeship training; as well as ongoing training to 'develop the workforce'.

6.5.7. Although a training provider is not noted, in the CFMEU and CFMEUQ general ledger records I have identified revenue generated from training, summarised in Table 11 and Table 12, respectively. This revenue is categorised as Training Income, Training Asbestos, Training Impairment and Gender Equity Training in the Financial Reports.

Table 11. CFMEU revenue from training[134]

Sources of Revenue	CY15[135] $	CY16[136] $	YTD17[137] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Training Asbestos												
Training - Asbestos[138]	3,000	176,475										**179,475**
Training Impairment												
Training - Asbestos[139]			-	287,200								**287,200**
Training - Impairment[140]		42,403	2,545	291,814								**336,762**
Subtotal	-	*42,403*	*2,545*	*579,014*	-	-	-	-	-	-	-	***623,963***
Training Income												
Training - Asbestos/ Silicosis/FIT/ Mental Health[141]					284,400	121,975	230,118	262,372	617,302	1,088,387	1,088,741	**3,693,295**
Training - Impairment[142]					106,773	63,109	63,712	66,704	90,000	142,500	300,000	**832,798**
Subtotal					*391,173*	*185,084*	*293,830*	*329,075*	*707,302*	*1,230,887*	*1,388,741*	***4,526,092***
Total CFMEU revenue from training income	**3,000**	**218,878**	**2,545[143]**	**579,014**	**391,173**	**185,084**	**293,830**	**329,076**	**707,302**	**1,230,887**	**1,388,741**	**5,329,530**

Table 12. CFMEUQ revenue from training[144]

Sources of Revenue	CY15[145] $	CY16[146] $	YTD17[147] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Training income - Gender Equity[148]	-	-	-	-	-	-	-	-	-	373,000	375,000	**748,000**
Total CFMEQ revenue from training income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**373,000**	**375,000**	**748,000**

134 **Annexure H6**

135 1 January 2015 to 31 December 2015.

136 1 January 2016 to 31 December 2016.

137 1 January 2017 to 31 March 2017.

138 General ledger account 1000048810. For CY15 and CY16, 'Training – Asbestos' is categorised as 'Training Asbestos' in the Financial Reports.

139 General ledger account 1000048810. For FY18, 'Training – Asbestos' is re-categorised to 'Training Impairment' in the Financial Reports.

140 General ledger account 6000048820. For CY16 to FY18, 'Training – Impairment' is categorised as 'Training Impairment' in the Financial Reports.

141 General ledger account 1000048810. For FY19 to FY25, 'Training - Asbestos/Silicosis/FIT/Mental Health' is categorised as 'Training Income' in the Financial Reports.

142 General ledger account 6000048820. For FY19 to FY25, 'Training – Impairment' is re-categorised to 'Training Income' in the Financial Reports.

143 Unexplained variance between the YTD17 Financial Report and General Ledger for Training – Impairment of $21,604.

144 **Annexure H5**

145 1 January 2015 to 31 December 2015.

146 1 January 2016 to 31 December 2016.

147 1 January 2017 to 31 March 2017.

148 General ledger account 1000048400. For FY24 and FY25, 'Training income - Gender Equity' is categorised as 'Gender Equity Training' in the Financial Reports.

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6.5.8. I identified two training agreements between Future Skills and the CFMEU. Future Skills is to deliver and assess employee competency training including:

(i) CPCCWHS1001 Prepare to work safely in the construction industry (white card training), effective from 10 June 2019;[149] and

(ii) 1083NAT Course in Crystalline Silica Exposure Prevention, effective for a period of five years from 11 January 2021.[150]

6.5.9. The CFMEU's role is to train and assess the students in the training programs for a training fee.[151]

6.5.10. The agreement for the provision of 'white card training' does not set out the agreed training fees.[152] Victoria Zhou (Director) signed on behalf of Future Skills on 3 July 2019 and Jade Ingham signed as authorised officer on behalf of CFMEU on 4 July 2019.[153]

6.5.11. While the other agreement (1083NAT Course in Crystalline Silica Exposure Prevention) in Schedule 1 outlines the fee arrangement between Future Skills and the CFMEU. Figure 10 below is an extract from Schedule 1.

Figure 10. Extract of Schedule 1 - Fees[154]

Schedule 1 – Fees

Item	Fees
Training and assessment service provided by CFMEU trainer and assessor	$200 per completed leaner to be paid by Future Skills
CFMEU trainer and assessor travel and accommodation associated with the training	CFMEU is responsible for all trainer and assessor's mobilisation cost
Annual audit conducted by the course owner	50% by CFMEU 50% by Future Skills

6.5.12. Based on my review of Figure 10 above, Future Skills is required to pay CFMEU $200 per completed learner for 1083NAT Course in Crystalline Silica Exposure Prevention. Victoria Zhou (Director) signed on behalf of Future Skills and Michael Ravbar signed the agreement on 17 March 2021 as authorised officer for CFMEU.[155]

6.5.13. In a letter from Future Skills Chief Executive Officer, Victoria Zhou to CFMEU Branch Secretary, Michael Ravbar, dated 15 February 2022, the fee of $200 per completed learner was decreased to $175.[156]

6.5.14. I have reviewed CFMEU bank statements in the period 24 April 2020 to 22 March 2024 and identified CFMEU/CFMEUQ receipts from Future Skills totalling $1,437,961, denoted with the bank statement description "Direct Credit 301500 FUTURE SKILLS LI INV#'.

6.5.15. Further, in the CFMEU general ledger records I have identified revenue generated from Future Skills[157], summarised in Table 13 below. The amounts summarised in Table 13 are also contained in Table 11 above. I have separately presented the revenue specifically derived from Future Skills. This revenue is recognised as Training Asbestos, Training Income and Sponsorship Income in the Financial Reports.

[149] 18.pdf, (Doc:0018, p. 2, paras.2.1 and 3.1)

[150] 19.pdf, (Doc:0019, p. 2, paras.2 and 3.1)

[151] 18.pdf, (Doc:0018, p. 3, para. 5.4.1), 19.pdf, (Doc:0019, p. 4, para. 6, first bullet point)

[152] 18.pdf, (Doc:0018, p. 5, para. 9.1)

[153] 18.pdf, (Doc:0018, pp. 8 and 9, para. 15)

[154] 19.pdf, (Doc:0019, p. 10, Schedule 1)

[155] 19.pdf, (Doc:0019, pp. 8 and 9, para. 16)

[156] 20.pdf, (Doc:0020, p. 2, para. 2)

[157] Identified by searching for general ledger accounts names and transaction references and descriptions containing 'FU700', 'FSL', 'Future Skills' and 'Future Skills Limited'.

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Table 13. CFMEU revenue from Future Skills[158]

Sources of Revenue	CY15[159] $	CY16[160] $	YTD17[161] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Training Asbestos												
Training - Asbestos[162]	-	113,350	-	146,200	-	-	-	-	-	-	-	**259,550**
Training Income												
Training - Asbestos/Silicosis /FIT/Mental Health[163]	-	-	-	-	284,400	121,975	230,118	262,372	617,302	1,088,387	828,595	**3,433,150**
Training - Impairment[164]	-	-	-	-	-	-	-	-	-	-	260,145	**260,145**
Subtotal												
Sponsorship Income												
Sponsorship Delegates Convention[165]	-	-	-	-	1,000	-	-	-	-	-	-	**1,000**
Total CFMEU revenue from Future Skills	**-**	**113,350**	**-**	**146,200**	**285,400**	**121,975**	**230,118**	**262,372**	**617,302**	**1,088,387**	**1,088,740**	**3,953,845**

6.6 REVENUE FROM GRANT APPRENTICE SCHEME

Quantum in the Financial Reports

6.6.1. Based on my review of the Financial Reports between 2015 and 2025 CFMEU reported revenue derived from the grant apprentice scheme as set out in Table 14 below.

Table 14. Grant Apprentice Scheme Revenue – CFMEU[166]

Sources of Revenue/ Line item in Financial Reports	CY15[167] $	CY16[168] $	YTD17[169] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Grants Apprentice Scheme	3,139,908	4,510,644	762,589	4,022,648	3,872,827	3,308,382	4,668,458	4,682,421	4,246,715	5,559,973	6,879,770	**45,654,335**
Total	**3,139,908**	**4,510,644**	**762,589**	**4,022,648**	**3,872,827**	**3,308,382**	**4,668,458**	**4,682,421**	**4,246,715**	**5,559,973**	**6,879,770**	**45,654,335**

6.6.2. As shown in Table 14 above, the CFMEU has reported revenue derived from 'Grant apprentice scheme' between 2015 and 2025.

158 **Annexure I2**

159 1 January 2015 to 31 December 2015.

160 1 January 2016 to 31 December 2016.

161 1 January 2017 to 31 March 2017.

162 General ledger account 1000048810. For CY16 and FY18, 'Training - Asbestos' is categorised as 'Training Asbestos' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction references and descriptions containing 'FU700', 'FSL', 'Future Skills' and 'Future Skills Limited'.

163 General ledger account 1000048810. For FY19 to FY25, 'Training - Asbestos/Silicosis/FIT/Mental Health' is re-categorised to 'Training Income' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction references and descriptions containing 'FU700', 'FSL', 'Future Skills' and 'Future Skills Limited'.

164 General ledger account 6000048820. For FY25, 'Training – Impairment' is categorised as 'Training Income' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction references and descriptions containing 'FU700', 'FSL', 'Future Skills' and 'Future Skills Limited'.

165 General ledger account 1000048560. For FY19, 'Sponsorship Delegates Convention' is categorised as 'Sponsorship Income' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction references and descriptions containing 'FU700', 'FSL', 'Future Skills' and 'Future Skills Limited'.

166 **Annexure E1**

167 1 January 2015 to 31 December 2015.

168 1 January 2016 to 31 December 2016.

169 1 January 2017 to 31 March 2017.

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6.6.3. Further, my review of the Financial Reports did not identify that CFMEUQ reported revenue derived from the grant apprentice scheme between 2015 and 2025.

General Ledger Analysis

6.6.4. Clause 25 of the Multiplex EA references the requirement for Multiplex to meet the costs associated with Apprenticeship/Trainee training (refer to Section 6.2 above). I have not been provided with documents to determine if Multiplex engaged an external training provider to meet this contractual requirement, and if so, the identity of the provider or if Multiplex provided in-house training.

6.6.5. Although the sample Multiplex EA does not provide for payments to be made to the CFMEU for the abovementioned apprentice/trainee training, I have identified seven different accounts in the CFMEU general ledger that make up the 'Grant Apprentice Scheme' revenue reported in the Financial Reports, all with the account names 'Apprentice funding', set out in Table 15 below.

Table 15. Grant Apprentice Scheme Revenue - CFMEU[170]

Sources of Revenue	CY15[171] $	CY16[172] $	YTD17[173] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Apprentice funding[174]	733,408	1,124,818	243,870	1,216,504	1,416,684	1,482,168	1,891,604	1,857,633	1,586,908	2,933,450	3,414,666	**17,901,713**
Apprentice funding[175]	258,822	150,787	75,904	96,225	202,943	15,896	135,447	-	-	-	-	**936,024**
Apprentice funding[176]	545,090	1,363,973	191,535	823,854	831,911	724,389	996,616	963,818	775,673	689,731	1,010,606	**8,917,196**
Apprentice funding[177]	157,819	32,389	19,509	3,609	7,305	-	-	304,892	338,953	378,934	530,618	**1,774,028**
Apprentice funding[178]	193,168	131,585	8,895	27,509	10,990	-	-	-	-	-	-	**372,147**
Apprentice funding[179]	1,251,601	1,707,093	222,876	1,171,042	631,972	349,625	727,017	576,469	715,844	523,860	848,228	**8,725,627**
Apprentice Funding[180]	-	-	-	683,905	771,021	736,305	917,775	979,609	829,336	1,033,998	1,075,652	**7,027,601**
Total CFMEU revenue from grant apprentice scheme	**3,139,908**	**4,510,644**	**762,589**	**4,022,648**	**3,872,826**	**3,308,382**	**4,668,458**	**4,682,421**	**4,246,715**	**5,559,973**	**6,879,770**	**45,654,334**

6.6.6. As shown in Table 15 above, the CFMEU has reported revenue derived from the "Grant Apprentice Scheme" between 2015 and 2025.

6.6.7. Further, my review of the General Ledger did not identify that CFMEUQ reported revenue derived from grant apprentice scheme between 2015 and 2025.

170 **Annexure H6**

171 1 January 2015 to 31 December 2015.

172 1 January 2016 to 31 December 2016.

173 1 January 2017 to 31 March 2017.

174 General ledger account 7100046000. For CY15 to FY25, 'Apprentice Funding' is categorised as 'Grants Apprentice Scheme' in the Financial Reports.

175 General ledger account 7200046000. For CY15 to FY25, 'Apprentice Funding' is categorised as 'Grants Apprentice Scheme' in the Financial Reports.

176 General ledger account 7300046000. For CY15 to FY25, 'Apprentice Funding' is categorised as 'Grants Apprentice Scheme' in the Financial Reports.

177 General ledger account 7400046000. For CY15 to FY25, 'Apprentice Funding' is categorised as 'Grants Apprentice Scheme' in the Financial Reports.

178 General ledger account 7500046000. For CY15 to FY25, 'Apprentice Funding' is categorised as 'Grants Apprentice Scheme' in the Financial Reports.

179 General ledger account 7600046000. For CY15 to FY25, 'Apprentice Funding' is categorised as 'Grants Apprentice Scheme' in the Financial Reports.

180 General ledger account 7900046000. For CY15 to FY25, 'Apprentice Funding' is categorised as 'Grants Apprentice Scheme' in the Financial Reports.

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6.6.8. I have identified 12 funding agreements between QCTF Fund Ltd, as Trustee for the Queensland Construction Training Fund, trading as BERT Training Fund and the CFMEU.[181] I provide details of these funding agreements in **Annexure F**. The purpose of the funding agreement is to fund various apprenticeship/trainee training schemes which are run by CFMEU.[182]

6.6.9. I have not been provided with copies of all the funding agreements entered into between the BERT Training Fund and CFMEU between 2015 and 2025.

6.7 BERT TRAINING FUND (QCTF)

Quantum in the Financial Reports

6.7.1. Based on my review of the Financial Reports between 2015 and 2025, neither CFMEU nor CFMEUQ has a line item in the Financial Reports reporting revenue derived from the BERT Training Fund.

6.7.2. I do not expect the Financial Reports to contain specific line items recording revenue derived from the BERT Training Fund. My analysis of the general ledger below identifies that revenue derived from BERT Training Fund contributes to the Sundry Income and Reimbursements, Directors/Meeting Fees and Training Asbestos balances presented in the CFMEU Financial Reports.

General Ledger Analysis

6.7.3. As set out at Section 6.12 below, CFMEU may indirectly derive revenue from the Multiplex EA by Multiplex making contributions to BEWT on behalf of its employees, and BEWT distributes funds to BERT Training Fund. BERT published that "*the ultimate beneficiaries (of BERT Training Fund) are limited to contributing employers and BERT Fund Members*". [183]

6.7.4. I have identified, in the CFMEU general ledger records, revenue generated from BERT Training Fund[184], summarised in Table 16 below. This revenue is categorised as Sundry Income and Reimbursements, Directors/Meeting Fees and Training Asbestos in the Financial Reports.

[181] **Annexure F**

[182] For example, the "Agreement No: CFMEU DM2" supports the CFMEU 2022 Demolition Scholarship stream DM2 (Doc:0062)

[183] FTI:002, p. 1

[184] Identified by searching for general ledger accounts names and transaction descriptions containing 'BERT Training Fund'.

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Table 16. CMFEU revenue from BERT Training Fund[185]

Sources of Revenue	CY15[186] $	CY16[187] $	YTD17[188] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Sundry Income and Reimbursements												
Meeting fees BERT Training Fund[189]	16,776	14,464	-	-	-	-	-	-	-	-	-	**31,241**
Advertising Publications[190]	1,898	1,898	-	1,725	-	-	-	-	-	-	-	**5,521**
Subtotal												
Directors/Meeting Fees												
Meeting fees BERT Training Fund[191]	-	-	1,000	23,879	12,392	14,011	19,392	18,889	18,233	18,756	23,274	**149,827**
Subtotal												
Training Asbestos												
Training - Asbestos[192]	-	1,725	-	-	-	-	-	-	-	-	-	**1,725**
Total CFMEU revenue from BERT Training Fund	**18,674**	**18,087**	**1,000**	**25,604**	**12,392**	**14,011**	**19,392**	**18,889**	**18,233**	**18,756**	**23,274**	**188,312**

6.7.5. As shown in Table 16 above, the CFMEU has reported revenue derived from BERT Training Fund from YTD17 to FY25.

6.7.6. Further, my review of the General Ledger did not identify that CFMEUQ reported revenue derived from BERT Training Fund between 2015 and 2025.

6.7.7. I have not been provided documents outlining the contractual basis for the sources of revenue derived from BERT Training Fund.

6.8 REVENUE FROM BUSSQ

Quantum in the Financial Reports

6.8.1. Based on my review of the Financial Reports, between 2015 to 2025 neither CFMEU nor CFMEUQ has a line item in the Financial Reports that records revenue derived from BUSSQ/superannuation fund(s).

6.8.2. I do not expect the Financial Reports to contain specific line items recording revenue derived from BUSSQ. My analysis of the general ledger below identifies that revenue derived from BUSSQ contributes to the 'Sundry Income and Reimbursements', 'Directors/Meeting Fees', 'Compliance Recoveries' and 'Promotional Charges' balances presented in the CFMEU/CFMEUQ Financial Reports.

185 **Annexure H5** and **Annexure I3** for additional sources of revenue where the transaction description contains 'BERT Training Fund'.

186 1 January 2015 to 31 December 2015.

187 1 January 2016 to 31 December 2016.

188 1 January 2017 to 31 March 2017.

189 General ledger account 1000048309. For CY15 and CY16, 'Meeting fees BERT Training Fund' is categorised as 'Sundry Income and Reimbursements' in the Financial Reports.

190 For FC15, CY16 and FY18, general ledger account 1000048690 total amount equates to $43,510, $90,098 and $40,117 respectively. The amounts reflected in the table only relates to the component derived from BERT Training Fund. For CY15, CY16 and FY18, 'Advertising Publications' is categorised as 'Sundry Income and Reimbursements' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction descriptions containing 'BERT Training Fund'.

191 General ledger account 1000048309. For YTD17 to FY25, 'Meeting fees BERT Training Fund' is re-categorised to 'Directors/Meeting Fees' in the Financial Reports.

192 For CY16, general ledger account 1000048810 total amount equates to $176,475. The amount reflected in the table only relates to the component derived from BERT Training Fund. For FY6, 'Training - Asbestos' is categorised as 'Training Asbestos' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction descriptions containing 'BERT Training Fund'.

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General Ledger Analysis

6.8.3. As set out in Section 6.2 above, Clause 33 to the Multiplex EA provides for Multiplex to direct employee superannuation contributions to BUSSQ.

6.8.4. I have identified, in the CFMEU and CFMEUQ general ledger records, revenue generated from BUSSQ[193], summarised in Table 17 and Table 18, respectively. This revenue is categorised as Sundry Income and Reimbursements, Directors/Meeting Fees, Compliance Recoveries and Promotional Charges in the Financial Reports.

Table 17. CFMEU revenue from BUSSQ[194]

Sources of Revenue	CY15[195] $	CY16[196] $	YTD17[197] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Sundry Income and Reimbursements												
Meeting fees BUSSQ[198]	66,866	54,029	-	-	-	-	-	-	-	-	-	**120,895**
Directors/Meeting Fees												
Meeting fees BUSSQ[199]			59,993	-	-	-	-	-	-	-	-	**59,993**
Compliance Recoveries												
Compliance recoveries[200]	99,148	125,453										**224,602**
Compliance BUSSQ[201]	-	-	34,578	139,175	142,385	35,763	-	-	-	-	-	**351,901**
Subtotal	*99,148*	*125,453*	*34,578*	*139,175*	*142,385*	*35,763*	-	-	-	-	-	***576,503***
Promotional Charges												
Promotions costs BUSSQ[202]	100,000	135,650	25,325	119,590	104,710	26,300	-	-	-	-	-	**511,575**
Total CFMEU revenue from BUSSQ	**266,014**	**315,132**	**119,896**	**258,765**	**247,095**	**62,063**	-	-	-	-	-	**1,268,965**

193 Identified by searching for general ledger accounts names and transaction descriptions containing 'BUSSQ' or 'Building Unions Superannuation Scheme'.

194 **Annexure H6** and **Annexure I3** for additional sources of revenue where the transaction description contains 'BUSSQ' or 'Building Unions Superannuation Scheme'.

195 1 January 2015 to 31 December 2015.

196 1 January 2016 to 31 December 2016.

197 1 January 2017 to 31 March 2017.

198 General ledger account 1000048303. For CY15 and CY16, 'Meeting fees BUSSQ' is categorised as 'Sundry Income and Reimbursements' in the Financial Reports.

199 General ledger account 1000048303. For YTD17, 'Meeting fees BUSSQ' is re-categorised to 'Directors/Meeting Fees' in the Financial Reports.

200 For CY15 and CY16, the general ledger account 1000048020 total amount equates to $351,657 and $345,453 respectively. The amounts reflected in the table only relates to the component derived from BUSSQ. For CY15 and CY16, 'Compliance recoveries' is categorised as 'Compliance Recoveries' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction descriptions containing 'BUSSQ' or 'Building Unions Superannuation Scheme'.

201 General ledger account 1000048120. For YTD17 to FY20, 'Compliance BUSSQ' is categorised as 'Compliance Recoveries' in the Financial Reports.

202 General ledger account 1000048620. CY15 to FY20, 'Promotion costs BUSSQ' is categorised as 'Promotional Charges' in the Financial Reports.

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Table 18. CFMEUQ revenue from BUSSQ[203]

Sources of Revenue	CY15[204] $	CY16[205] $	YTD17[206] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Directors/Meeting Fees												
Meeting fees BUSSQ[207]	-	-	-	-	-	45,353	108,846	111,296	139,108	215,354	200,841	**820,798**
Promotional Charges												
Promotions BUSSQ[208]	-	-	-	-	-	80,478	107,304	125,076	131,750	132,000	145,500	**722,108**
Compliance Recoveries												
Compliance BUSSQ[209]	-	-	-	-	-	109,440	145,920	145,920	145,920	145,920	151,385	**844,505**
Total CFMEUQ revenue from BUSSQ	-	-	-	-	-	**235,271**	**362,070**	**382,292**	**416,778**	**493,274**	**497,726**	**2,387,411**

6.8.5. I identified the '*Compliance Agreement 2025-2026*' between BUSS (Queensland) Pty Ltd (ABN 15 065 081 281) and CFMEU.[210] My review of the Compliance Agreement identified that:

(i) The agreement was entered into on 1 July 2025 for the duration of the financial year ending 30 June 2026;[211]

(ii) Subject to the payment of the fee, CFMEU agreed to provide certain services including the promotion of the partnership between the two parties to BUSS (Queensland) Pty Ltd;[212] and

(iii) BUSS (Queensland) Pty Ltd will pay CFMEU a monthly fee of $14,044 (inclusive of GST)[213] to promote BUSS (Queensland) Pty Ltd to CFMEU's members.

6.8.6. I have not been provided with additional documents outlining the contractual basis for all the other sources of revenue derived from BUSSQ. My further information request is set out in **Annexure J**. My analysis has identified more than one entity that uses the acronym 'BUSSQ'. I have not fully interrogated the transactions recorded in the General Ledger and traced them to the transactions underlying source documentation to determine which BUSSQ entity the transaction relates to.

6.9 REVENUE FROM CIPL

Quantum in the Financial Reports

6.9.1. Based on my review of the Financial Reports between 2015 to 2025 neither CFMEU nor CFMEUQ has a line item in the Financial Reports reporting revenue derived from CIPL/income protection insurance.

6.9.2. I do not expect the Financial Reports to contain specific line items recording revenue derived from CIPL. My analysis of the general ledger below identifies that revenue derived from CIPL contributes to the 'Sundry Income and Reimbursements', 'Promotional Charges', 'Compliance Recoveries' and 'Directors/Meeting Fees' balances presented in the CFMEU Financial Reports.

[203] **Annexure H6**
[204] 1 January 2015 to 31 December 2015.
[205] 1 January 2016 to 31 December 2016.
[206] 1 January 2017 to 31 March 2017.
[207] General ledger account 1000048303. For FY20 to FY25, 'Meeting fees BUSSQ' is categorised as 'Directors/Meeting Fees' in the Financial Reports.
[208] General ledger account 1000048620. For FY20 to FY25, 'Promotions BUSSQ' is categorised as 'Promotional Charges' in the Financial Reports.
[209] General ledger account 1000048120. For FY20 to FY25, 'Compliance BUSSQ' is categorised as 'Compliance Recoveries' in the Financial Reports.
[210] 17.pdf, (Doc:0017)
[211] 17.pdf, (Doc:0017, p. 1, para. 1.2)
[212] 17.pdf, (Doc:0017, p. 2, para. 2.1)
[213] 17.pdf, (Doc:0017, p. 2, para. 3.1)

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General Ledger Analysis

6.9.3. As set out in Section 6.2 above, clause 35 to the Multiplex EA provides for Multiplex to pay employee income protection premiums to CIPQ. As outlined at paragraph 6.2.20 above, CIPL replaced CIPQ on 6 September 2004, and CIPL is currently the entity assigned to the ACN stipulated in the Multiplex EA.[214]

6.9.4. I have identified, in the CFMEU general ledger, revenue generated from CIPL[215], summarised in Table 19 below. It is my understanding that 'CIPL' stands for Construction Income Protection Limited which operates as the administrator for the Accident and Illness Benefits Program and the Portable Sick Leave Scheme.[216]

6.9.5. This revenue is categorised as Sundry Income and Reimbursements, Promotional Charges, Compliance Recoveries and Directors/Meeting Fees in the Financial Reports.

Table 19. CFMEU revenue from CIPL[217]

Sources of Revenue	CY15[218] $	CY16[219] $	YTD17[220] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Sundry Income and Reimbursements												
Meeting fees CIPL[221]	95,737	94,080	-	-	-	-	-	-	-	-	-	**189,818**
Promotional Charges												
Promotional costs CIPL[222]	10,000	10,000	-	17,500	12,500	7,500	10,000	10,000	10,000	10,000	10,000	**107,500**
Sponsorship fees[223]	-	2,000	-	-	-	-	-	-	-	-	-	**2,000**
Sponsorship May Day[224]	-	15,000	-	-	-	-	-	-	-	-	-	**15,000**
Subtotal	*10,000*	*27,000*	*-*	*17,500*	*12,500*	*7,500*	*10,000*	*10,000*	*10,000*	*10,000*	*10,000*	***124,500***
Compliance Recoveries												
Compliance recoveries[225]	-	50,000	-	-	-	-	-	-	-	-	-	**50,000**
Compliance CIPL[226]	-	-	25,000	107,500	110,000	110,000	110,000	111,650	113,967	115,759	119,292	**923,168**
Subtotal	*-*	*50,000*	*25,000*	*107,500*	*110,000*	*110,000*	*110,000*	*111,650*	*113,967*	*115,759*	*119,292*	***973,168***
Directors/Meeting Fees												
Meeting fees CIPL[227]	-	-	-	79,175	65,889	57,717	50,029	51,333	52,689	54,141	54,344	**465,318**
Total CFMEUQ revenue from CIPL	**105,737**	**171,080**	**25,000**	**204,175**	**188,389**	**175,217**	**170,029**	**172,983**	**176,656**	**179,900**	**183,636**	**1,752,804**

6.9.1. Further, my review of the General Ledger did not identify that CFMEUQ reported revenue derived from CIPL between 2015 and 2025.

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214 09.pdf, (Doc:0009, p. 1)

215 Identified by searching for general ledger accounts names and transaction descriptions containing 'CIPL'.

216 FTI:001 (p. 3, para.4)

217 **Annexure H5** and **Annexure I3** for additional sources of revenue where the transaction description contains 'CIPL'.

218 1 January 2015 to 31 December 2015.

219 1 January 2016 to 31 December 2016.

220 1 January 2017 to 31 March 2017.

221 General ledger account 1000048304. For CY15 and CY16, 'Meeting fees CIPL' is categorised as 'Sundry Income and Reimbursements' in the Financial Reports.

222 General ledger account 1000048630. For CY15 to FY20, 'Promotional costs CIPL' is categorised as 'Promotional Charges' in the Financial Reports.

223 For CY16, the general ledger account 1000048500 total amount equates to $46,100. The amount reflected in the table only relates to the component derived from CIPL. For CY16, 'Sponsorship fees' is categorised as 'Promotional Charges' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction descriptions containing 'CIPL'.

224 For CY16, the general ledger account 1000048510 total amount equates to $32,250. The amount reflected in the table only relates to the component derived from CIPL. For CY16, 'Sponsorship May Day' is categorised as 'Promotional Charges' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction descriptions containing 'CIPL'.

225 For CY16, the general ledger account 1000048020 total amount equates to $345,453. The amount reflected in the table only relates to the component derived from CIPL. For CY16, 'Compliance recoveries' is categorised as 'Compliance Recoveries' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction descriptions containing 'CIPL'.

226 General ledger account 1000048130. For YTD17 to FY25, 'Compliance CIPL' is categorised as 'Compliance Recoveries' in the Financial Report.

227 General ledger account 1000048304. For FY18 to FY25, 'Meeting fees CIPL' is recategorised to 'Directors/Meeting Fees' in the Financial Report.

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6.9.2. On behalf of CIPL, the insurance is arranged by Windsor Insurance Brokers.[228] I have reviewed the General Ledger for revenue derived from Windsor Insurance Brokers, refer to Section 6.10 below for my analysis.

6.10 REVENUE FROM WINDSOR INSURANCE BROKERS

Quantum in the Financial Reports

6.10.1. Based on my review of the Financial Reports between 2015 and 2025, neither CFMEU nor CFMEUQ has a line item in the Financial Reports reporting revenue derived from Windsor Insurance Brokers.

6.10.2. I do not expect the Financial Reports to contain specific line items recording revenue derived from Windsor Insurance Brokers. My analysis of the General Ledger below identifies that revenue derived from Windsor Insurance Brokers contributes to the Promotional Charges balances presented in the CFMEU/CFMEUQ Financial Reports.

General Ledger Analysis

6.10.3. As set out at Section 6.9 above, Windsor Insurance Brokers is an insurance broker that arranges insurance for CIPL. Multiplex is required to pay employee income protection insurance premiums to CIPL.

6.10.4. I have identified, in the CFMEU general ledger, revenue generated from Windsor Insurance Brokers[229], summarised in Table 20 below. This revenue is categorised as Promotional Charges in the Financial Reports.

Table 20. CFMEU revenue from Windsor Insurance Brokers[230]

Sources of Revenue	CY15[231] $	CY16[232] $	YTD17[233] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Promotional Charges												
Sponsorship fees[234]	100,000	-	-	-	-	-	-	-	-	-	-	**100,000**
Promotional costs WMIB[235]	297,597	421,962	62,500	269,084	237,422	55,491	-	-	-	-	-	**1,344,055**
Total CFMEU revenue from Windsor Insurance Brokers	**397,597**	**421,962**	**62,500**	**269,084**	**237,422**	**55,491**	**-**	**-**	**-**	**-**	**-**	**1,444,056**

6.10.5. As shown in Table 20 above, the CFMEU has reported revenue derived from promotional costs from Windsor Insurance Brokers from CY15 to FY20.

228 FTI:001, (p. 3, para. 4)

229 Identified by searching for general ledger accounts names and transaction descriptions containing 'WMIB'. WMIB is the term used by CFMEU and CFMEUQ when referencing Windsor Insurance Brokers.

230 **Annexure H5** and **Annexure I3** for additional sources of revenue where the transaction description contains 'WMIB'.

231 1 January 2015 to 31 December 2015.

232 1 January 2016 to 31 December 2016.

233 1 January 2017 to 31 March 2017.

234 For CY15, the general ledger account 1000048500 total amount equates to $208,000. The amount reflected in the table only relates to the component derived from WMIB. For CY15, 'Sponsorship fees' is categorised as 'Promotional Charges' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction descriptions containing 'WMIB'. WMIB is the term used by CFMEU and CFMEUQ when referencing Windsor Insurance Brokers.

235 General ledger account 1000048660. For CY15 to FY20, 'Promotional costs WMIB' is categorised as 'Promotional Charges' in the Financial Report.

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6.10.7. I have identified a referral/spotter agreement between Windsor Insurance Brokers and CFMEU. My review identified that:

(i) The agreement is dated 1 July 2014;[236]

(ii) The agreement was for Windsor Insurance Brokers to pay CFMEU a referral fee where CFMEU:

> *"…**prospective insured's whose New Business insurance applications** (for classes shown in Schedule E) **are unconditionally approved by the relevant insurer**, and where the insurance is subsequently effected by the insured, an upfront remuneration equal to a percentage of The Licensee's commission or a fixed amount per policy as agreed and;"*
>
> *"..**clients whose policies** (for classes shown in Schedule E) **are unconditionally renewed by the relevant insurer**, an ongoing remuneration equal to a percentage of The Licensee's commission or a fixed dollar amount per policy renewal as agreed."*
>
> *"The **percentage of remuneration payable is subject to a maximum 20% at discretion of The Licensee**, and based on the overall time required in submitting a submission to the insurers for quotation." [237]*

(iii) Further agreement states that Windsor Insurance Brokers:

> *"..agrees to pay up to a maximum value of $100,000 for the Advertising & Promotions Package…'[238]*

(iv) The agreement does not contain a termination date. I have not been provided with additional documentation indicating that if, and when, the agreement ended; and

(v) The agreement was signed by Steven Tsalikidis on behalf of Windsor Insurance Brokers and Michael Ravbar on behalf of the CFMEU on 15 August 2014.[239]

6.10.8. I have also identified, in the CFMEUQ General Ledger, revenue generated from Windsor Insurance Brokers[240], summarised in Table 21 below. This revenue is categorised as Promotional Charges in the Financial Reports.

Table 21. CFMEUQ revenue from Windsor Insurance Brokers[241]

Sources of Revenue	CY15[242] $	CY16[243] $	YTD17[244] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Promotional Charges												
Promotional package WMIB[245]	-	-	-	-	-	153,000	321,280	375,902	498,451	466,073	411,222	**2,225,927**
Total CFMEUQ revenue from Windsor Insurance Brokers	**-**	**-**	**-**	**-**	**-**	**153,000**	**321,280**	**375,902**	**498,451**	**466,073**	**411,222**	**2,225,927**

[236] 22.pdf. (Doc:0022, p. 3, section titled 'Introduction')

[237] 22.pdf, (Doc:0022, pp. 3 and 4, section titled 'Appointment and Remuneration'), emphasis added

[238] 22.pdf, (Doc:0022, p. 4, section titled 'Appointment and Remuneration')

[239] 22.pdf, (Doc:0022, p. 8, section titled 'Execution')

[240] Identified by searching for general ledger accounts names and transaction descriptions containing 'WMIB'. WMIB is the term used by CFMEU and CFMEUQ when referencing Windsor Insurance Brokers.

[241] **Annexure H6**

[242] 1 January 2015 to 31 December 2015.

[243] 1 January 2016 to 31 December 2016.

[244] 1 January 2017 to 31 March 2017.

[245] General Ledger account 1000048660. For FY20 to FY25, 'Promotional package WMIB' is categorised as 'Promotional Charges' in the Financial Report.

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6.10.9. As shown in Table 21 above, the CFMEUQ has reported revenue derived from promotional package from Windsor Insurance Brokers from FY20 to FY25.

6.10.10. I have also identified a referral/spotter agreement between Windsor Insurance Brokers and CFMEUQ. My review of the agreement identified that:

(i) The agreement is dated 31 August 2012;[246]

(ii) The agreement was for Windsor Insurance Brokers to pay CFMEUQ a referral fee where CFMEUQ refers:

> *"…**prospective insureds whose New Business insurance applications** (for classes shown in Schedule D) **are unconditionally approved by the relevant insurer**, and where the insurance is subsequently effected by the insured, an up-front remuneration equal to a percentage of The Licensee's commission or a fixed amount per policy as agreed and;"*
>
> *"..**clients whose policies** (for classes shown in Schedule D) **are unconditionally renewed by the relevant insurer**, an ongoing remuneration equal to a percentage of The Licensee's commission or a fixed dollar amount per policy renewal as agreed."*
>
> *"The **percentage of remuneration payable is subject to a maximum 20% at discretion of The Licensee**, and based on the overall time required in submitting a submission to the insurers for quotation."* [247]

(iii) The agreement does not contain a termination date. I have not been provided with additional documentation indicating that if and when the agreement ended; and

(iv) The agreement was signed by Steven Tsalikidis on behalf of Windsor Insurance Brokers on 31 August 2012 and Michael Ravbar on behalf of the CFMEUQ on 21 August 2012.[248]

6.10.11. Further, I have identified two additional agreements between Windsor Insurance Brokers and CFMEUQ.[249] My review of the agreements identified Windsor Insurance Brokers was/is to pay CFMEUQ a sponsorship fee. As follows, I summarise the relevant commercial terms of these two agreements.

6.10.12. One agreement commenced on 1 January 2022, ending 30 June 2024.[250] Figure 11 below outlines the sponsorship fee for the term of the first sponsorship agreement.[251]

Figure 11. Windsor Insurance Brokers Sponsorship fee payable to CFMEUQ[252]

Sponsorship Fee	01/01/2022- 30/06/2022: $110,000+ GST 01/07/2022 – 30/06/2023: $220,000 + GST 01/07/2023 – 30/06/2024: $220,000 + GST Invoiced quarterly

6.10.13. Steven Tsalikidis signed on behalf of Windsor Insurance Brokers on 4 March 2022 and Michael Ravbar as CFMEUQ Secretary signed this agreement on behalf of the CFMEUQ on 6 March 2022.[253]

246 21.pdf, (Doc:0021, p. 1, para. 1)
247 21.pdf, (Doc:0021, pp. 1 and 2, para. 3.1.3), emphasis added
248 21.pdf, (Doc:0021, p. 5)
249 23.pdf, (Doc:0023) and 24.pdf, (Doc:0024)
250 23.pdf, (Doc:0023, pp. 12 and 13)
251 23.pdf, (Doc:0023, p. 13)
252 23.pdf, (Doc:0023, p. 13)
253 23.pdf, (Doc:0023, p. 11)

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6.10.14. Whilst the other sponsorship agreement commenced on 1 July 2024, and ends on 30 June 2027.[254] Figure 12 below outlines the sponsorship fee for the term of the second sponsorship agreement.[255]

Figure 12. Windsor Insurance Brokers Sponsorship fee payable to CFMEUQ[256]

Sponsorship Fee	2024/25: $220,000 + GST 2025/26: $220,000 + GST 2026/27: $220,000 + GST Invoiced quarterly

6.10.15. Steven Tsalikidis, Windsor Insurance Brokers Director and Shareholder, signed this agreement on 1 July 2024 and Hemal Patel, CFMEU Chief Financial Officer, signed this agreement on behalf of the CFMEUQ.[257]

6.11 REVENUE FROM BERT FUND

Quantum in the Financial Reports

6.11.1. Based on my review of the Financial Reports between 2015 and 2025 neither CFMEU nor CFMEUQ has a line item in the Financial Reports reporting revenue derived from the BERT Fund/relating to the employee redundancy fund or payments.

6.11.2. I do not expect the Financial Reports to contain specific line items recording revenue derived from BERT. My analysis of the general ledger below identifies that revenue derived from BERT contributes to Promotional Charges, Sundry Income and Reimbursements, Directors/Meeting Fees, Compliance Recoveries and Sponsorship Income balances presented in the CFMEU/CFMEUQ Financial Reports.

General Ledger Analysis

6.11.3. As set out in Section 6.2 above, clause 36 to the Multiplex EA provides for Multiplex to pay contributions into the BERT Fund to be paid to employees on their redundancy or at other eligible times.

6.11.4. I have identified, in the CFMEU General Ledger, revenue generated from 'BERT'[258], summarised in Table 22 below. This revenue is categorised as Promotional Charges, Sundry Income and Reimbursements, Directors/Meeting Fees and Compliance Recoveries in the Financial Reports.

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[254] 24.pdf, (Doc:0024, pp. 12 and 13)

[255] 24.pdf, (Doc:0024, p. 13)

[256] 24.pdf, (Doc:0024, p. 13)

[257] 24.pdf, (Doc:0024, p. 11)

[258] Identified by searching for general ledger accounts names and transaction descriptions containing 'BERT'. This excludes 'BERT Financial Services', 'BERT Welfare', 'BERT Fund.2' and 'BERT Fund No. 2', as these entities are not directly named in the Multiplex EA.

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Table 22. CFMEU revenue from the BERT Fund [259]

Sources of Revenue	CY15[260] $	CY16[261] $	YTD17[262] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Promotional Charges												
Promotional costs BERT[263]	80,000	80,000	-	-	-	-	-	-	-	-	-	**160,000**
Sponsorship fees[264]	2,000	1,500	-	-	-	-	-	-	-	-	-	**3,500**
Sponsorship May Day[265]	15,000	15,000	-	-	-	-	-	-	-	-	-	**30,000**
Subtotal	*97,000*	*96,500*	-	-	-	-	-	-	-	-	-	***193,500***
Sundry Income and Reimbursements												
Meeting fees BERT [266]	108,675	109,763	-	-	-	-	-	-	-	-	-	**218,438**
Advertising Publications[267]	8,400	-	-	4,200	-	-	-	-	-	-	-	**12,600**
Miscellaneous revenue[268]	500	-	-	-	-	-	-	-	-	-	-	**500**
Subtotal	*117,575*	*109,763*	-	*4,200*	-	-	-	-	-	-	-	***231,538***
Directors/Meeting Fees												
Meeting fees BERT [269]	-	-	-	93,114	76,132	81,854	87,691	89,976	92,353	94,899	110,742	**726,761**
Compliance Recoveries												
Compliance BERT[270]	-	-	25,000	107,500	110,000	110,000	117,659	115,744	119,513	121,391	125,101	**951,908**
Sponsorship Income												
Sponsorship fees[271]	-	-	-	-	-	-	-	68,921	-	-	-	**68,921**
Total CFMEU revenue from BERT	**214,575**	**206,263**	**25,000**	**204,814**	**186,132**	**191,854**	**205,350**	**274,641**	**211,866**	**216,290**	**235,843**	**2,172,628**

[259] **Annexure H5** and **Annexure I3** for additional sources of revenue where the transaction description contains 'BERT'.

[260] 1 January 2015 to 31 December 2015.

[261] 1 January 2016 to 31 December 2016.

[262] 1 January 2017 to 31 March 2017.

[263] General ledger account 1000048610. For CY15 and CY16, 'Promotional costs BERT' is categorised as 'Promotional Charges' in the Financial Reports.

[264] For CY15 and CY16, the general ledger account 1000048500 total amount equates to $208,000 and $46,100 respectively. The amounts reflected in the table only relates to the component derived from BERT. For CY15 and CY16, 'Sponsorship fees' is categorised as 'Promotional Charges' in the Financial Reports. This excludes 'BERT Financial Services', 'BERT Welfare', 'BERT Fund.2' and 'BERT Fund No. 2' as these entities are not directly named in the Multiplex EA.

[265] For CY15 and CY16, the general ledger account 1000048510 total amount equates to $32,400 and $32,250 respectively. The amounts reflected in the table only relates to the component derived from BERT. For CY15 and CY16, 'Sponsorship May Day' is categorised as 'Promotional Charges' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction descriptions containing 'BERT'. This excludes 'BERT Financial Services', 'BERT Welfare', 'BERT Fund.2' and 'BERT Fund No. 2' as these entities are not directly named in the Multiplex EA.

[266] General ledger account 1000048301. For CY15 and CY16, 'Meeting fees BERT' is categorised as 'Sundry Income and Reimbursements' in the Financial Reports.

[267] For CY15 and FY18, general ledger account 1000048690 total amount equates to $43,510 and $40,117 respectively. The amounts reflected in the table only relates to the component derived from BERT. For CY15 and FY18, 'Advertising Publications' is categorised as 'Sundry Income and Reimbursements' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction descriptions containing 'BERT'. This excludes 'BERT Financial Services', 'BERT Welfare', 'BERT Fund.2' and 'BERT Fund No. 2' as these entities are not directly named in the Multiplex EA.

[268] For CY15, the general ledger account 1000048900 total amount equates to $85,410. The amount reflected in the table only relates to the component derived from BERT. For CY15, 'Miscellaneous revenue' is categorised as 'Sundry Income and Reimbursements' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction descriptions containing 'BERT'. This excludes 'BERT Financial Services', 'BERT Welfare', 'BERT Fund.2' and 'BERT Fund No. 2' as these entities are not directly named in the Multiplex EA.

[269] General ledger account 1000048301. For YTD17 to FY25, 'Meeting fees BERT' is re-categorised to 'Directors/Meeting Fees' in the Financial Reports.

[270] General ledger account 1000048100. For YTD17 to FY25, 'Compliance BERT' is categorised to 'Compliance Recoveries' in the Financial Reports.

[271] For FY22, the general ledger account 1000048500 total amount equates to $96,354. The amount reflected in the table only relates to the component derived from BERT. For FY22, 'Sponsorship' is categorised as 'Sponsorship Income' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction descriptions containing 'BERT'. This excludes 'BERT Financial Services', 'BERT Welfare', 'BERT Fund.2' and 'BERT Fund No. 2' as these entities are not directly named in the Multiplex EA.

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6.11.5. As shown in Table 22 above, the CFMEU has reported revenue derived from BERT from CY15 to FY25.

6.11.6. I have also identified, in the CFMEUQ general ledger, revenue generated from BERT[272], summarised in Table 23 below. This revenue is categorised as Sponsorship Income in the Financial Reports.

Table 23. CFMEUQ revenue from BERT[273]

Sources of Revenue	CY15[274] $	CY16[275] $	YTD17[276] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Sponsorship Income												
Sponsorship Delegates Convention[277]	-	-	-	-	-	-	-	-	-	-	20,000	**20,000**
Total CFMEUQ revenue from BERT	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**20,000**	**20,000**

6.11.7. Further, my review of the General Ledger did not identify that CFMEUQ reported revenue derived from BERT between 2015 (CY15) and 2024 (FY24).

6.11.8. I have not been provided with documents outlining the contractual basis for the sources of revenue derived from BERT. The BERT Group is set out in section 5.2 to this report. I have not fully interrogated the transactions recorded in the General Ledger and trace to the transactions underlying source documentation to determine which BERT entity the transaction relates to.

6.12 REVENUE FROM BUILDING EMPLOYEES WELFARE TRUST (BEWT)

Quantum in the Financial Reports

6.12.1. Based on my review of the Financial Reports between 2015 and 2025 neither CFMEU nor CFMEUQ has a line item in the Financial Reports reporting revenue derived from any activities relating to the welfare trust, BEWT.

6.12.2. I do not expect the Financial Reports to contain specific line items recording revenue derived from BEWT. My analysis of the general ledger below identifies that revenue derived from BEWT contributes to the Compliance Recoveries balances presented in the CFMEU Financial Reports.

General Ledger Analysis

6.12.3. As set out in Section 6.2 above, clause 36 to the Multiplex EA provides for Multiplex to pay contributions into the BEWT.

[272] Identified by searching for general ledger accounts names and transaction descriptions containing 'BERT'. This excludes 'BERT Financial Services', 'BERT Welfare', 'BERT Fund.2' and 'BERT Fund No. 2' as these entities are not directly named in the Multiplex EA.

[273] **Annexure I3** for additional sources of revenue where the transaction description contains 'BERT'.

[274] 1 January 2015 to 31 December 2015.

[275] 1 January 2016 to 31 December 2016.

[276] 1 January 2017 to 31 March 2017.

[277] For FY25, the general ledger account 1000048560 total amount equates to $85,000. The amount reflected in the table only relates to the component derived from BERT. For CY15, 'Sponsorship Delegates Convention' is categorised as 'Sponsorship Income' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction descriptions containing 'BERT'. This excludes 'BERT Financial Services', 'BERT Welfare', 'BERT Fund.2' and 'BERT Fund No. 2' as these entities are not directly named in the Multiplex EA.

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6.12.4. I have identified, in the CFMEU general ledger records, revenue generated from BEWT[278], summarised in Table 24. This revenue is categorised as Compliance Recoveries in the Financial Reports.

Table 24. CFMEU revenue from BEWT[279]

Sources of Revenue	CY15[280] $	CY16[281] $	YTD17[282] $	FY18 $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $	Total $
Compliance Recoveries												
Compliance recoveries[283]	20,000	20,000	-	-	-	-	-	-	-	-	-	**40,000**
Compliance BEWT[284]	-	-	2,500	24,000	22,000	22,000	23,354	23,500	24,378	24,872	25,556	**192,159**
Total CFMEU revenue from BEWT	**20,000**	**20,000**	**2,500**	**24,000**	**22,000**	**22,000**	**23,354**	**23,500**	**24,378**	**24,872**	**25,556**	**232,159**

6.12.5. As shown in Table 24 above, the CFMEU has reported revenue derived from BEWT from YTD17 to FY25.

6.12.6. Further, my review of the General Ledger did not identify that CFMEUQ reported revenue derived from BEWT between 2015 and 2025.

6.12.7. I have not been provided with documents outlining the contractual basis for the sources of revenue derived from BEWT.

6.13 CFMEU AND CFMEUQ REVENUE FROM OTHER ENTITIES

6.13.1. Based on my review of the CFMEU and CFMEUQ General Ledgers, I identified that the CFMEU and CFMEUQ recorded revenue in the General Ledgers from, *inter alia*, the following entities:[285]

(i) Hall Payne Lawyers;

(ii) Total Claims Solutions;

(iii) Future Skills Limited;

(iv) United Super (Cbus);

(v) Construction Training Centre (CTC);

(vi) Construction Skills Queensland (CSQ);

(vii) Mates in Construction (MIC); and

(viii) Asbestos Disease Support Society (ADSS).

6.13.2. My analysis of the General Ledger for the abovementioned entities is preliminary. I refer to **Annexure J** for the information I would require to perform a more detailed analysis, including detailed analysis of the transactions relating to these entities, confirming the identified sources of revenue against source records. I note that as my analysis progresses I may require information in addition to that set out at **Annexure J**.

278 Identified by searching for general ledger accounts names and transaction descriptions containing 'BEWT'.

279 **Annexure H5** and **Annexure I3** for additional sources of revenue where the transaction description contains 'BEWT'.

280 1 January 2015 to 31 December 2015.

281 1 January 2016 to 31 December 2016.

282 1 January 2017 to 31 March 2017.

283 For CY15 and CY16, the general ledger account 1000048020 total amount equates to $351,657 and $345,453 respectively. The amounts reflected in the table only relates to the component derived from BEWT. For CY15 and CY16, 'Compliance recoveries' is categorised as 'Compliance Recoveries' in the Financial Reports. Source of revenue identified by searching for general ledger accounts names and transaction descriptions containing 'BEWT'.

284 General ledger account 1000048110. For YTD17 to FY25, 'Compliance BEWT' is categorised as 'Compliance Recoveries' in the Financial Reports.

285 This is a non-exhaustive list; additional entities may be identified as I further analyse the CFMEU and CFMEUQ General Ledgers.

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6.14 QUESTION 1A – DETAILED CFMEU SOURCES OF REVENUE

6.14.1. Based on my review of the Financial Reports for the Question 1 Review Period between 2015 and 2025,[286] CFMEU reported the sources of revenue set out in Table 25 below. In Table 25 I also provide my reconciliation of the Financial Reports to the General Ledgers. Table 25 represents a summary, thus I refer to **Annexure E1** for the detailed 'profit & loss' statements of CFMEU and **Annexure H5** for the reconciliation of the Financial Reports to the General Ledgers.

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[286] Being 1 January 2015 to 31 March 2025.

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Table 25. CFMEU sources of revenue[287]

Sources of Revenue $	CY15[288] $	CY16[289] $	YTD17[290] $	FY18[291] $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $
Membership Subscription	10,761,043	11,728,526	2,708,063	11,830,530	11,137,373	9,619,954	163,918	153,939	141,425	140,094	126,748
% of Total Revenue	*59.73%*	*54.99%*	*60.52%*	*55.24%*	*54.85%*	*55.07%*	*1.96%*	*1.96%*	*2.00%*	*1.43%*	*1.17%*
Grants[292]	3,567,408	5,035,644	893,839	4,547,648	4,397,827	3,750,882	5,046,560	4,916,169	4,466,615	5,786,573	7,114,747
% of Total Revenue	*19.80%*	*23.61%*	*19.98%*	*21.23%*	*21.66%*	*21.47%*	*60.47%*	*62.63%*	*63.03%*	*59.03%*	*65.90%*
Training Income[293]	3,000	218,878	24,149	579,014	391,173	185,084	293,830	329,075	707,302	1,230,888	1,388,741
% of Total Revenue	*0.02%*	*1.03%*	*0.54%*	*2.70%*	*1.93%*	*1.06%*	*3.52%*	*4.19%*	*9.98%*	*12.56%*	*12.86%*
Levies[294]	1,233,230	1,460,770	274,216	1,272,256	1,340,602	1,144,806	18,231	17,040	14,713	13,826	12,778
% of Total Revenue	*6.84%*	*6.85%*	*6.13%*	*5.94%*	*6.60%*	*6.55%*	*0.22%*	*0.22%*	*0.21%*	*0.14%*	*0.12%*
Administrative Recoveries	444,163	453,320	58,951	548,596	594,871	601,148	576,767	701,851	703,051	972,201	986,364
% of Total Revenue	*2.47%*	*2.13%*	*1.32%*	*2.56%*	*2.93%*	*3.44%*	*6.91%*	*8.94%*	*9.92%*	*9.92%*	*9.14%*
Promotional Charges	795,837	929,402	132,160	586,679	576,467	221,791	110,000	110,000	112,716	112,716	121,358
% of Total Revenue	*4.42%*	*4.36%*	*2.95%*	*2.74%*	*2.84%*	*1.27%*	*1.32%*	*1.40%*	*1.59%*	*1.15%*	*1.12%*
Enterprise Agreements	-	-	-	-	378,000	196,223	282,600	381,600	180,000	731,700	389,796
% of Total Revenue	-	-	-	-	*1.86%*	*1.12%*	*3.39%*	*4.86%*	*2.54%*	*7.46%*	*3.61%*
Directors/Meeting Fees	-	-	65,376	213,785	183,839	216,789	272,552	257,388	253,551	247,127	261,444
% of Total Revenue	-	-	*1.46%*	*1.00%*	*0.91%*	*1.24%*	*3.27%*	*3.28%*	*3.58%*	*2.52%*	*2.42%*
Compliance Recoveries	351,657	345,453	87,078	378,175	384,385	277,763	251,013	250,894	257,858	262,021	269,948
% of Total Revenue	*1.95%*	*1.62%*	*1.95%*	*1.77%*	*1.89%*	*1.59%*	*3.01%*	*3.20%*	*3.64%*	*2.67%*	*2.50%*
Sponsorship Income	-	-	21,000	203,755	258,500	186,000	191,717	96,354	97,733	98,671	102,861
% of Total Revenue	-	-	*0.47%*	*0.95%*	*1.27%*	*1.06%*	*2.30%*	*1.23%*	*1.38%*	*1.01%*	*0.95%*
Sundry Income and Reimbursements	740,022	851,817	50,369	197,986	92,997	295,185	116,924	6,586	4,768	-	135
% of Total Revenue	*4.11%*	*3.99%*	*1.13%*	*0.92%*	*0.46%*	*1.69%*	*1.40%*	*0.08%*	*0.07%*	*0.00%*	*0.00%*
Interest	61,801	183,244	38,876	120,110	96,978	167,472	15,231	306	12,915	40,697	20,783
% of Total Revenue	*0.34%*	*0.86%*	*0.87%*	*0.56%*	*0.48%*	*0.96%*	*0.18%*	*0.00%*	*0.18%*	*0.42%*	*0.19%*
Net Gains from Sale of Assets	2,046	58,831	62,199	68,494	24,986	36,410	221,803	86,017	131,653	75,130	-
% of Total Revenue	*0.01%*	*0.28%*	*1.39%*	*0.32%*	*0.12%*	*0.21%*	*2.66%*	*1.10%*	*1.86%*	*0.77%*	-
Change in Fair Value of Investments	-	-	-	-	187,550	-	534,414	289,933	-	79,984	-
% of Total Revenue	-	-	-	*0.00%*	*0.92%*	-	*6.40%*	*3.69%*	-	*0.82%*	-
Voluntary Collections ADSS Donations	57,430	60,940	58,290	51,210	44,800	37,391	-	-	-	-	-
% of Total Revenue	*0.32%*	*0.29%*	*1.30%*	*0.24%*	*0.22%*	*0.21%*	-	-	-	-	-
Dividend Income	-	-	-	750,000	-	-	-	-	-	-	-
% of Total Revenue	-	-	-	*3.50%*	-	-	-	-	-	-	-

[287] **Annexure E2**

[288] The period from 1 January 2015 to 31 December 2015.

[289] The period from 1 January 2016 to 31 December 2016.

[290] The period from 1 January 2017 to 31 March 2017.

[291] The period from 1 April 2017 to 31 March 2018.

[292] Comprises financial line items "Grants/Apprentice Scheme" and "Grants Other"

[293] Comprises financial line items "Training Income", "Training Asbestos" and "Training Impairment"

[294] Comprises financial line items "Compulsory Levy – Defence Fund", "Compulsory Levy – Campaign" and "Compulsory Levy – Tool Scheme" and "Voluntary Levy – Tool Scheme"

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Sources of Revenue $	CY15[288] $	CY16[289] $	YTD17[290] $	FY18[291] $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $
Other Revenue[295]	-	-	-	68,984	214,418	530,953	250,242	252,527	1,741	11,156	-
% of Total Revenue	-	-	-	*0.32%*	*1.06%*	*3.04%*	*3.00%*	*3.22%*	*0.02%*	*0.11%*	-
Total (per Financial Report)	**18,017,637**	**21,326,825**	**4,474,566**	**21,417,222**	**20,304,766**	**17,467,851**	**8,345,802**	**7,849,679**	**7,086,041**	**9,802,784**	**10,795,703**
Total (per General Ledgers)	17,960,207	21,265,886	4,394,671	21,366,011	20,072,415	17,430,461	8,345,802	7,849,680	7,086,041	9,802,783	10,795,703
Variance	57,430	60,939	79,895	51,211	232,351	37,390	0	(1)	(0)	1	(0)

[295] Comprises financial line items "Squire Patton Proceedings (Coffs Harbour) and "Income from Financial Assets"

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6.14.2. As shown in Table 25 above, and based on my review of the Financial Reports:

(i) Prior to FY21, revenue from "Membership Subscriptions" was CFMEU's main source of revenue, representing 57%[296] on average of the total revenue reported by CFMEU in the Financial Reports;

(ii) Between FY21 and FY25, revenue from "Membership Subscriptions" decreased significantly, representing 1.70%[297] on average of the total revenue reported. In terms of quantum, from FY20 to FY21 this revenue decreased by $9,456,036 (a decrease of 98%[298]);

(iii) Between FY21 and FY25, revenue received from "Grants"[299] was CFMEU's main source of revenue, representing 62%[300] on average of the total revenue reported by CFMEU in the Financial Reports. Between CY15 and FY25, revenue described as "Grants Apprentice Scheme" represented 91%,[301] on average, of the total Grants revenue; and

(iv) In FY18, CFMEU received a dividend of $750,000 noting the Financial Reports did not specify the name of the entity that paid the dividend to CFMEU. Based on my review of the underlying general ledger transactions, the dividend is described as "CIP LTD CIPL Dividend" and is dated 14 August 2017.[302]

6.14.3. This analysis is preliminary. I refer to **Annexure J** for the types of information I would require to perform a more detailed analysis, including confirming the identified sources of revenue against source records. I note that as my analysis progresses I may require information in addition to that set out at **Annexure J**.

6.15 QUESTION 1B – CFMEU: THE CHANGES, OR MOVEMENTS IN THE SOURCES AND AMOUNT OF REVENUE FROM 2015 TO 2025

6.15.1. In **Annexure H1,** I provide my detailed analysis of the changes or movements in the sources of revenue identified in Table 25 above.

6.15.2. Particularly, in **Annexure H1** I provide my analysis of the changes or movements in the sources of revenue reported in the Financial Reports that may relate to the Multiplex EA or other EAs. I refer my analysis in Section 6.3 to Section 6.12 above.

6.15.3. As I discuss above in Section 6.3 to Section 6.12, I have identified particular sources of revenue in Table 25 that may relate to both the Multiplex EA (the example EA) and/or other EAs. In Table 26 below I provide comparative and trend analysis of the specific sources of revenue (from Table 25) that may relate to the Multiplex EA and other EAs (highlighted in green) and membership subscription revenue received by CFMEU (unhighlighted).

6.15.4. Those lines highlighted in green refer to sources of revenue (at the financial statement level) that may have been derived from Enterprise Agreements. For the avoidance of doubt, Table 26 below refers to the total amounts reported for each source. Refer to Table 1 for the specific general ledger accounts and balances within these sources of revenue that may relate to EAs.

296 Calculated as (59.73% + 54.99% + 60.52% + 55.24% + 54.85% + 55.07%) ÷ 6

297 Calculated as (1.96% + 1.96% + 2.00% + 1.43% + 1.17%) ÷ 5

298 Calculated as ($163,918 - $9,619,954) ÷ 163,918

299 Comprises financial line items "Grants/Apprentice Scheme" and "Grants Other"

300 Calculated as (60.47% + 62.63% + 63.03% + 59.03% + 65.90%) ÷ 5

301 Refer to **Annexure E1**

302 **Annexure H5**

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Table 26. CFMEU: Movement of revenue reported in the Financial Reports that may relate to the Multiplex EA and other EAs[303]

Source of Revenue $	CY15[304]	CY16[305]	YTD17[306]	FY18[307]	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Membership Subscription	10,761,043	11,728,526	2,708,063	11,830,530	11,137,373	9,619,954	163,918	153,939	141,425	140,094	126,748
Compliance Recoveries	351,657	345,453	87,078	378,175	384,385	277,763	251,013	250,894	257,858	262,021	269,948
Directors/Meeting Fees	-	-	65,376	213,785	183,839	216,789	272,552	257,388	253,551	247,127	261,444
Grants	3,567,408	5,035,644	893,839	4,547,648	4,397,827	3,750,882	5,046,560	4,916,169	4,466,615	5,786,573	7,114,747
Promotional Charges	795,837	929,402	132,160	586,679	576,467	221,791	110,000	110,000	112,716	112,716	121,358
Enterprise Agreements	-	-	-	-	378,000	196,223	282,600	381,600	180,000	731,700	389,796
Sponsorship Income	-	-	21,000	203,755	258,500	186,000	191,717	96,354	97,733	98,671	102,861
Sundry Income and Reimbursements	740,022	851,817	50,369	197,986	92,997	295,185	116,924	6,586	4,768	-	135
Total Revenue	**16,215,967**	**18,890,842**	**3,957,885**	**17,958,558**	**17,409,388**	**14,764,587**	**6,435,284**	**6,172,930**	**5,514,666**	**7,378,902**	**8,387,037**
Income (% of Total Revenue)											
Membership Subscription	*66.36%*	*62.09%*	*68.42%*	*65.88%*	*63.97%*	*65.16%*	*2.55%*	*2.49%*	*2.56%*	*1.90%*	*1.51%*
Compliance Recoveries	*2.17%*	*1.83%*	*2.20%*	*2.11%*	*2.21%*	*1.88%*	*3.90%*	*4.06%*	*4.68%*	*3.55%*	*3.22%*
Directors/Meeting Fees	-	-	*1.65%*	*1.19%*	*1.06%*	*1.47%*	*4.24%*	*4.17%*	*4.60%*	*3.35%*	*3.12%*
Grants	*22.00%*	*26.66%*	*22.58%*	*25.32%*	*25.26%*	*25.40%*	*78.42%*	*79.64%*	*81.00%*	*78.42%*	*84.83%*
Promotional Charges	*4.91%*	*4.92%*	*3.34%*	*3.27%*	*3.31%*	*1.50%*	*1.71%*	*1.78%*	*2.04%*	*1.53%*	*1.45%*
Enterprise Agreements	-	-	-	-	*2.17%*	*1.33%*	*4.39%*	*6.18%*	*3.26%*	*9.92%*	*4.65%*
Sponsorship Income	-	-	*0.53%*	*1.13%*	*1.48%*	*1.26%*	*2.98%*	*1.56%*	*1.77%*	*1.34%*	*1.23%*
Sundry Income and Reimbursements	*4.56%*	*4.51%*	*1.27%*	*1.10%*	*0.53%*	*2.00%*	*1.82%*	*0.11%*	*0.09%*	-	*0.00%*
Income (% increase or decrease)											
Membership Subscription	-	*8.99%*	*(76.91%)*	*336.86%*	*(5.86%)*	*(13.62%)*	*(98.30%)*	*(6.09%)*	*(8.13%)*	*(0.94%)*	*(9.53%)*
Compliance Recoveries	-	*(1.76%)*	*(74.79%)*	*334.29%*	*1.64%*	*(27.74%)*	*(9.63%)*	*(0.05%)*	*2.78%*	*1.61%*	*3.03%*
Directors/Meeting Fees	-	-	-	*227.01%*	*(14.01%)*	*17.92%*	*25.72%*	*(5.56%)*	*(1.49%)*	*(2.53%)*	*5.79%*
Grants	-	*41.16%*	*(82.25%)*	*408.78%*	*(3.29%)*	*(14.71%)*	*34.54%*	*(2.58%)*	*(9.14%)*	*29.55%*	*22.95%*
Promotional Charges	-	*16.78%*	*(85.78%)*	*343.92%*	*(1.74%)*	*(61.53%)*	*(50.40%)*	-	*2.47%*	-	*7.67%*
Enterprise Agreements	-	-	-	-	-	*(48.09%)*	*44.02%*	*35.03%*	*(52.83%)*	*306.50%*	*(46.73%)*
Sponsorship Income	-	-	-	*870.26%*	*26.87%*	*(28.05%)*	*3.07%*	*(49.74%)*	*1.43%*	*0.96%*	*4.25%*
Sundry Income and Reimbursements	-	*15.11%*	*(94.09%)*	*293.07%*	*(53.03%)*	*217.41%*	*(60.39%)*	*(94.37%)*	*(27.60%)*	*(100.00%)*	-

[303] **Annexure H1.** The amount in the table above corresponds to the total amounts for that respective line item reported in Financial Reports. For the amounts I have partially reviewed and identified that the revenue may relate to the Multiplex EA and other EAs, refer to Table 26 above.

[304] The period from 1 January 2015 to 31 December 2015.

[305] The period from 1 January 2016 to 31 December 2016.

[306] The period from 1 January 2017 to 31 March 2017.

[307] The period from 1 April 2017 to 31 March 2018.

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6.15.5. As shown in Table 26 above:

(i) The proportional contribution of each revenue source has remained broadly consistent year on year, with two notable exceptions being revenue generated from "Membership Subscriptions" and "Grants"; and

(ii) The revenue generated from "Grants" has grown from CY15 to FY25, whilst the revenue generated from "Membership Subscriptions" has decreased. This change altered CFMEU's composition of revenues, where prior to FY20, "Membership Subscriptions" represented CFMEU's main source of revenue, and from FY21 until FY25, "Grants" represented CFMEU's main source of revenue.

6.15.6. This analysis is preliminary. I refer to **Annexure J** for the types of information I would require to perform a more detailed analysis, including confirming the identified sources of revenue against source records. I note that as my analysis progresses I may require information in addition to that set out at **Annexure J**.

6.15.7. Further to the above, on the basis the period I am to review spans from 1 January 2015 to 31 March 2025, I have also prepared analysis that examines the cumulative growth of each component of revenue (that may relate to the Multiplex EA and other EAs) compared to the revenue generated from membership subscriptions (all as identified in Table 26 above).

Table 27. CFMEU: Summary of cumulative growth in revenue that may relate to EAs and membership subscriptions[308]

Cumulative Growth $	CY15[309]	FY25[310]	% Increase/ (Decrease)
Membership Subscriptions	10,761,043	126,748	(98.82%)
Revenue that may relate to Enterprise Agreements	5,454,924[311]	8,260,289[312]	51.43%

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[308] **Annexure H1**

[309] The period from 1 January 2015 to 31 December 2015.

[310] The period from 1 April 2024 to 31 March 2025.

[311] Sum of revenue sources in CY15 highlighted in green in Table 26

[312] Sum of revenue sources in CY25 highlighted in green in Table 26

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6.16 QUESTION 1A - CFMEUQ SOURCES OF REVENUE

6.16.1. Based on my review of the Financial Reports between 2015 and 2025,[313] CFMEUQ reported the sources of revenue set out in Table 28 below. In Table 28 I also provide my reconciliation of the CFMEUQ Financial Reports to the General Ledgers. Table 28 presents a summary, thus I refer to **Annexure E2** for the detailed 'profit & loss' statements of CFMEUQ and **Annexure H6** for the detailed reconciliation of the Financial Reports to the General Ledgers.

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[313] Being 1 January 2015 to 31 March 2025

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Table 28. CFMEUQ sources of revenue[314]

Sources of Revenue $	CY15[315] $	CY16[316] $	YTD17[317] $	FY18[318] $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $
Membership Subscriptions	-	-	-	-	-	-	9,468,094	9,868,104	10,931,623	13,269,857	15,372,893
% of Total Revenue	-	-	-	-	-	-	*74.01%*	*70.73%*	*71.73%*	*75.24%*	*76.68%*
Levies[319]	-	-	-	-	-	-	1,107,486	1,175,548	1,266,331	1,512,921	1,681,563
% of Total Revenue	-	-	-	-	-	-	*8.66%*	*8.43%*	*8.31%*	*8.58%*	*8.39%*
Rental Revenue[320]	768,565	755,688	192,095	824,143	846,609	880,271	689,535	675,214	722,599	733,003	862,050
% of Total Revenue	*72.05%*	*78.30%*	*84.91%*	*90.23%*	*90.43%*	*55.06%*	*5.39%*	*4.84%*	*4.74%*	*4.16%*	*4.30%*
Grants	-	-	-	-	-	82,500	342,266	380,962	388,582	396,316	405,741
% of Total Revenue	-	-	-	-	-	*5.16%*	*2.68%*	*2.73%*	*2.55%*	*2.25%*	*2.02%*
Promotional Charges	-	-	-	-	-	342,228	573,584	537,228	630,201	598,073	556,722
% of Total Revenue	-	-	-	-	-	*21.41%*	*4.48%*	*3.85%*	*4.14%*	*3.39%*	*2.78%*
Dividend Income	511	568	312	634	445	-	-	750,000	-	-	-
% of Total Revenue	*0.05%*	*0.06%*	*0.14%*	*0.07%*	*0.05%*	-	-	*5.38%*	-	-	-
Interest	226,704	162,788	19,249	86,013	89,110	117,494	36,986	63,832	345,579	17,753	18,172
% of Total Revenue	*21.25%*	*16.87%*	*8.51%*	*9.42%*	*9.52%*	*7.35%*	*0.29%*	*0.46%*	*2.27%*	*0.10%*	*0.09%*
Directors/Meeting Fees	-	-	-	-	-	*45,353*	*108,846*	*111,296*	*139,108*	*216,404*	*201,591*
% of Total Revenue	-	-	-	-	-	*2.84%*	*0.85%*	*0.80%*	*0.91%*	*1.23%*	*1.01%*
Advertising & Marketing	-	-	-	-	-	-	44,753	75,527	92,578	140,124	191,682
% of Total Revenue	-	-	-	-	-	*0.00%*	*0.35%*	*0.54%*	*0.61%*	*0.79%*	*0.96%*
Compliance Recoveries	-	-	-	-	-	109,440	145,920	145,920	145,920	145,920	151,385
% of Total Revenue	-	-	-	-	-	*6.85%*	*1.14%*	*1.05%*	*0.96%*	*0.83%*	*0.76%*
Change in Fair Value of Investments	-	-	-	-	-	-	-	-	290,014	-	-
% of Total Revenue	-	-	-	-	-	-	-	-	*1.90%*	-	-
Gender Equity Training	-	-	-	-	-	-	-	-	-	373,000	375,000
% of Total Revenue	-	-	-	-	-	-	-	-	-	*2.11%*	*1.87%*
Net Gains from Sale of Assets	59,432	44,985	14,571	2,627	-	732	17,604	-	-	8,811	10,230
% of Total Revenue	*5.57%*	*4.66%*	*6.44%*	*0.29%*	-	*0.00%*	*0.00%*	-	-	*0.05%*	*0.05%*
Sponsorship Income	-	-	-	-	-	-	30,000	30,000	76,500	30,000	115,000
% of Total Revenue	-	-	-	-	-	-	*0.23%*	*0.22%*	*0.50%*	*0.17%*	*0.57%*
Voluntary Collections ADSS Donations	-	-	-	-	-	-	33,110	35,930	38,970	32,940	600

[314] **Annexure E2**

[315] The period from 1 January 2015 to 31 December 2015.

[316] The period from 1 January 2016 to 31 December 2016.

[317] The period from 1 January 2017 to 31 March 2017.

[318] The period from 1 April 2017 to 31 March 2018.

[319] Comprises financial line items "Compulsory Levy – Defence Fund", "Compulsory Levy – Campaign" and "Compulsory Levy – Tool Scheme".

[320] Comprises financial line items "Townsville Bayswater Road", "Darwin", "Flinders St Townsville", "Woolner", "Manor Apartments", "Campbell Street", "Edgar Street", "Hazelmount Street", "Mantra Pandanas", "Yatala", "Jeays Street" and "Jamieson Street"

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Sources of Revenue $	CY15[315] $	CY16[316] $	YTD17[317] $	FY18[318] $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $
% of Total Revenue	-	-	-	-	-	-	*0.26%*	*0.26%*	*0.26%*	*0.19%*	*0.00%*
Sundry Income and Reimbursements	11,479	1,136	-	-	-	-	107,337	14,342	79,508	55,916	5,600
% of Total Revenue	*1.08%*	*0.12%*	-	-	-	-	*0.84%*	*0.10%*	*0.52%*	*0.32%*	*0.03%*
Other Revenue[321]	-	-	-	-	-	20,655	87,534	88,131	92,467	106,808	100,883
% of Total Revenue	-	-	-	-	-	*1.29%*	*0.68%*	*0.63%*	*0.61%*	*0.61%*	*0.50%*
Total (per Financial Report)	**1,066,691**	**965,165**	**226,227**	**913,417**	**936,164**	**1,598,673**	**12,793,055**	**13,952,034**	**15,239,980**	**17,637,846**	**20,049,112**
Total (per General Ledgers)	*1,066,691*	*965,165*	*226,226*	*911,297*	*938,283*	*1,598,673*	*12,759,345*	*13,916,115*	*15,201,610*	*17,605,256*	*20,048,163*
Variance	-	-	*1*	*2,120*	*(2,119)*	-	*33,710*	*35,919*	*38,370*	*32,590*	*949*

[321] Comprises financial line items "Reimbursement Income" and "Insurance Recoveries"

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6.16.2. As shown in Table 28 above, and based on my review of the Financial Reports:

(i) Prior to FY21, rent revenue was CFMEUQ's main source of revenue. CFMEUQ generated rent revenue from properties described as 'Townsville Bayswater Road', 'Darwin', 'Flinders St Townsville', 'Woolner', 'Manor Apartments' and 'Campbell Street'. Rent revenue decreased by 21.67%[322] between FY20 and FY21 from $880,271 to $689,535.

(ii) Between CY15 and FY20, CFMEUQ did not record revenue from "Membership Subscriptions". Between FY21 and FY25, revenue from "Membership Subscriptions" on average represented 73%[323] of the total revenue reported in CFMEUQ's Financial Reports;

(iii) Between CY15 and FY19, CFMEUQ did not record revenue from "Promotional Charges". In FY20, revenue from "Promotional Charges" represented 21.41%[324] of the total revenue reported in CFMEUQ's Financial Reports. From FY20, revenue from "Promotional Charges" increased, noting that its percentage of the total revenue decreased to 3.7%[325] on average; and

(iv) In FY22, CFMEUQ received a dividend of $750,000. The Financial Reports do not specify the name of the entity that paid the dividend to CFMEUQ. However, based on my review of the underlying General Ledger transactions, the dividend is described as "CIPL Dividend" and is dated 17 December 2021.[326]

6.16.3. This analysis is preliminary. I refer to **Annexure J** for the types of information I would require to perform a more detailed analysis, including confirming the identified sources of revenue against source records. I note that as my analysis progresses I may require information in addition to that set out at **Annexure J**.

6.17 QUESTION 1B – CFMEUQ: THE CHANGES, OR MOVEMENTS IN THE SOURCES AND AMOUNT OF REVENUE FROM 2015 TO 2025

6.17.1. In **Annexure H2,** I provide my detailed analysis of the changes or movements in the sources of revenue identified in Table 28above.

6.17.2. Particularly, in **Annexure H2** I provide my analysis of the changes or movements in the sources of revenue reported in the Financial Reports that may relate to the Multiplex EA or other EAs. I refer my analysis in Section 6.3 to Section 6.12 above.

6.17.3. As I discuss above in Section 6.3 to Section 6.12, I have identified particular sources of revenue in Table 29 that may relate to both the Multiplex EA (the example EA) and or other EAs. In below I provide comparative and trend analysis of the specific sources of revenue (from Table 28) that may relate to the Multiplex EA and other EAs (highlighted in green) and membership subscription revenue received by CFMEUQ (unhighlighted).

6.17.4. Those lines highlighted in green refer to sources of revenue (at the financial statement level) that may have been derived from Enterprise Agreements. For the avoidance of doubt, Table 29 below refers to the total amounts reported for each source. Refer to Table 2 for the specific general ledger accounts and balances within these sources of revenue that may relate to EAs.

[322] Calculated as ($689,535 - $880,271) ÷ $880,271

[323] Calculated as (74.01% + 70.73% + 71.73% + 75.24% + 76.68%) ÷ 5

[324] Calculated as $226,074 ÷ $1,066,691

[325] Calculated as (4.48% + 3.85% + 4.14% + 3.39% + 2.78%) ÷ 5

[326] **Annexure H6**

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Table 29. CFMEUQ: Movement of revenue reported in the Financial Reports that may relate to the Multiplex EA and other EAs[327]

Source of Revenue $	CY15[328] $	CY16[329] $	YTD17[330] $	FY18[331] $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $
Membership Subscription	-	-	-	-	-	-	9,468,094	9,868,104	10,931,623	13,269,857	15,372,893
Compliance Recoveries	-	-	-	-	-	109,440	145,920	145,920	145,920	145,920	151,385
Directors/Meeting Fees	-	-	-	-	-	45,353	108,846	111,296	139,108	216,404	201,591
Promotional Charges	-	-	-	-	-	342,228	573,584	537,228	630,201	598,073	556,722
Sponsorship Income	-	-	-	-	-	-	30,000	30,000	76,500	30,000	115,000
Total Revenue	**-**	**-**	**-**	**-**	**-**	**497,021**	**10,326,444**	**10,692,548**	**11,923,352**	**14,260,254**	**16,397,591**
Income (% of Total Revenue)											
Membership Subscription	-	-	-	-	-	*0.00%*	*91.95%*	*92.55%*	*92.27%*	*93.25%*	*94.41%*
Compliance Recoveries	-	-	-	-	-	*22.02%*	*1.42%*	*1.37%*	*1.23%*	*1.03%*	*0.93%*
Directors/Meeting Fees	-	-	-	-	-	*9.12%*	*1.06%*	*1.04%*	*1.17%*	*1.52%*	*1.24%*
Promotional Charges	-	-	-	-	-	*68.86%*	*5.57%*	*5.04%*	*5.32%*	*4.20%*	*3.42%*
Sponsorship Income	-	-	-	-	-	-	*0.29%*	*0.28%*	*0.64%*	*0.21%*	*0.70%*
Income (% increase or decrease)											
Membership Subscription	-	-	-	-	-	-	-	*4.22%*	*10.78%*	*21.39%*	*15.85%*
Compliance Recoveries	-	-	-	-	-	-	*33.33%*	-	-	-	*3.75%*
Directors/Meeting Fees	-	-	-	-	-	-	*140.00%*	*2.25%*	*24.99%*	*55.57%*	*(6.85%)*
Promotional Charges	-	-	-	-	-	-	*67.60%*	*(6.34%)*	*17.31%*	*(5.10%)*	*(6.91%)*
Sponsorship Income	-	-	-	-	-	-	-	*0.00%*	*155.00%*	*(60.78%)*	*283.33%*

[327] **Annexure H2.** The amount in the table above corresponds to the total amounts for that respective line item reported in Financial Reports. For the amounts I have partially reviewed and identified that the revenue may relate to the Multiplex EA and other EAs, refer to Table 29 above.

[328] The period from 1 January 2015 to 31 December 2015.

[329] The period from 1 January 2016 to 31 December 2016.

[330] The period from 1 January 2017 to 31 March 2017.

[331] The period from 1 April 2017 to 31 March 2018.

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6.17.5. As shown in Table 29 above:

(i) The Financial Reports do not record revenue relating to "Membership Subscriptions", "Compliance Recoveries", "Directors/Meeting Fees" and "Promotional Charges" between CY15 to FY19;

(ii) The proportional contribution of each revenue source (as listed in Table 29 above) has remained broadly consistent year on year between FY21 and FY25, with notable exceptions relating to the "Membership Subscription" revenue generated by CFMEUQ ($nil) prior to FY20;

(iii) Revenue received relating to "Directors/Meeting Fees" continued to increase from FY20 to FY24; and

(iv) Between FY21 and FY24 revenue received relating to "Compliance Recoveries" remained constant at $145,920 per year.

6.17.6. This analysis is preliminary. I refer to **Annexure J** for the types of information I would require to perform a more detailed analysis, including confirming the identified sources of revenue against source records. I note that as my analysis progresses, I may require information in addition to that set out at **Annexure J**.

6.17.7. Further to the above, on the basis the period I am to review spans from 1 January 2015 to 31 March 2025, I have also prepared analysis that examines the cumulative growth of each component of revenue (that may relate to the Multiplex EA and other EAs) compared to the revenue generated from membership subscriptions (all as identified in Table 29 above).

Table 30. CFMEUQ: Summary of cumulative growth in revenue that may relate to EAs and membership subscriptions[332]

Cumulative Growth $	CY15[333]	FY25[334]	% Increase
Membership Subscription	-	15,372,893	100.00%
Revenue that may relate to the Multiplex EA and other EAs	-	1,024,698[335]	100.00%

6.18 QUESTION 1A - CONSOLIDATED SOURCES OF REVENUE

6.18.1. In Table 25 and Table 28 above, I set out my analysis of CFMEU and CFMEUQ's sources of revenue based on my review of the Financial Reports for the Question 1 Review Period between 2015 and 2025.[336]

6.18.2. Membership subscriptions appear to be recognised by CFMEU and CFMEUQ in different periods. I am provided with the 'Service Agreement' between CFMEU and CFMEUQ dated 25 August 2020, signed by Mr Michael Ravbar (on behalf of CFMEUQ) and Mr Jade Ingham (signed on behalf of CFMEU).[337] Based on my review, as at the date of the service agreement:[338]

(i) the CFMEU "*collects the membership fee*"; and that

(ii) "*the State Division* [being, the CFMEUQ] *will commence to collect subscriptions from the members*".

6.18.3. I am instructed that while CFMEU and CFMEUQ are two separately registered organisations, "*they are organised along similar lines and with the same office holders*".[339]

6.18.4. In Table 31 that follows below, I consolidated the revenues reported by CFMEU and CFMEUQ in their respective Financial Reports to also provide an analysis of the revenue collectively.

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[332] **Annexure H2**

[333] The period from 1 January 2015 to 31 December 2015.

[334] The period from 1 April 2024 to 31 March 2025.

[335] Sum of revenue sources in CY15 highlighted in green in Table 29

[336] Being 1 January 2015 to 31 March 2025.

[337] Service Agreement.PDF, (Doc:0128)

[338] Service Agreement.PDF, (Doc:0128, p.3; para. I-J)

[339] Letter of Instruction dated 28 May 2026, (**Annexure A1**, p. 2; para. 10)

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6.18.5. Table 31 represents a summary, thus I refer to **Annexure E1** and **Annexure E2** for the detailed 'profit & loss' statements of CFMEUQ and CFMEU and **Annexure H5** and **Annexure H6** for the reconciliation of the Financial Reports to the General Ledgers.

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Table 31. CFMEU and CFMEUQ sources of revenue[340]

Revenue $	CY15[341] $	CY16[342] $	YTD17[343] $	FY18[344] $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $
Membership Subscription	10,761,043	11,728,526	2,708,063	11,830,530	11,137,373	9,619,954	9,632,012	10,022,043	11,073,048	13,409,951	15,499,641
% of Total Revenue	*56.39%*	*52.61%*	*57.61%*	*52.98%*	*52.43%*	*50.45%*	*45.57%*	*45.97%*	*49.60%*	*48.87%*	*50.25%*
Levies	1,233,230	1,460,770	274,216	1,272,256	1,340,602	1,144,806	1,125,717	1,192,588	1,281,044	1,526,747	1,694,341
% of Total Revenue	*6.46%*	*6.55%*	*5.83%*	*5.70%*	*6.31%*	*6.00%*	*5.33%*	*5.47%*	*5.74%*	*5.56%*	*5.49%*
Rental Revenue	768,565	755,688	192,095	824,143	846,609	880,271	689,535	675,214	722,599	733,003	862,050
% of Total Revenue	*4.03%*	*3.39%*	*4.09%*	*3.69%*	*3.99%*	*4.62%*	*3.26%*	*3.10%*	*3.24%*	*2.67%*	*2.79%*
Grants[345]	3,567,408	5,035,644	893,839	4,547,648	4,397,827	3,833,382	5,388,826	5,297,131	4,855,197	6,182,889	7,520,488
% of Total Revenue	*18.69%*	*22.59%*	*19.01%*	*20.37%*	*20.70%*	*20.11%*	*25.49%*	*24.30%*	*21.75%*	*22.53%*	*24.38%*
Training Income[346]	3,000	218,878	24,149	579,014	391,173	185,084	293,830	329,075	707,302	1,230,888	1,388,741
% of Total Revenue	*0.02%*	*0.98%*	*0.51%*	*2.59%*	*1.84%*	*0.97%*	*1.39%*	*1.51%*	*3.17%*	*4.49%*	*4.50%*
Sundry Income and Reimbursements	751,501	852,953	50,369	197,986	92,997	295,185	224,261	20,928	84,276	55,916	5,735
% of Total Revenue	*3.94%*	*3.83%*	*1.07%*	*0.89%*	*0.44%*	*1.55%*	*1.06%*	*0.10%*	*0.38%*	*0.20%*	*0.02%*
Enterprise Agreements	-	-	-	-	378,000	196,223	282,600	381,600	180,000	731,700	389,796
% of Total Revenue	-	-	-	-	*1.78%*	*1.03%*	*1.34%*	*1.75%*	*0.81%*	*2.67%*	*1.26%*
Promotional Charges	795,837	929,402	132,160	586,679	576,467	564,019	683,584	647,228	742,917	710,789	678,080
% of Total Revenue	*4.17%*	*4.17%*	*2.81%*	*2.63%*	*2.71%*	*2.96%*	*3.23%*	*2.97%*	*3.33%*	*2.59%*	*2.20%*
Administrative Recoveries	444,163	453,320	58,951	548,596	594,871	601,148	576,767	701,851	703,051	972,201	986,364
% of Total Revenue	*2.33%*	*2.03%*	*1.25%*	*2.46%*	*2.80%*	*3.15%*	*2.73%*	*3.22%*	*3.15%*	*3.54%*	*3.20%*
Dividend Income	511	568	312	750,634	445	-	-	750,000	-	-	-
% of Total Revenue	*0.00%*	*0.00%*	*0.01%*	*3.36%*	*0*	-	-	*3.44%*	-	-	-
Interest	288,505	346,032	58,125	206,123	186,088	284,966	52,217	64,138	358,494	58,450	38,955
% of Total Revenue	*1.51%*	*1.55%*	*1.24%*	*0.92%*	*0.88%*	*1.49%*	*0.25%*	*0.29%*	*1.61%*	*0.21%*	*0.13%*
Directors/Meeting Fees	-	-	65,376	213,785	183,839	262,142	381,398	368,684	392,659	463,531	463,035
% of Total Revenue	-	-	*1.39%*	*0.96%*	*0.87%*	*1.37%*	*1.80%*	*1.69%*	*1.76%*	*1.69%*	*1.50%*
Advertising & Marketing	-	-	-	-	-	-	44,753	75,527	92,578	140,124	191,682
% of Total Revenue	-	-	-	-	-	-	*0.21%*	*0.35%*	*0.41%*	*0.51%*	*0.62%*
Compliance Recoveries	351,657	345,453	87,078	378,175	384,385	387,203	396,933	396,814	403,778	407,941	421,333
% of Total Revenue	*1.84%*	*1.55%*	*1.85%*	*1.69%*	*1.81%*	*2.03%*	*1.88%*	*1.82%*	*1.81%*	*1.49%*	*1.37%*

[340] **Annexure H3**

[341] The period from 1 January 2015 to 31 December 2015.

[342] The period from 1 January 2016 to 31 December 2016.

[343] The period from 1 January 2017 to 31 March 2017.

[344] The period from 1 April 2017 to 31 March 2018.

[345] Comprises financial line items "Grants Apprentice Scheme" and "Grants Other"

[346] Comprises financial line items "Training Income", "Training Asbestos" and "Training Impairment"

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Revenue $	CY15[341] $	CY16[342] $	YTD17[343] $	FY18[344] $	FY19 $	FY20 $	FY21 $	FY22 $	FY23 $	FY24 $	FY25 $
Change in Fair Value of Investments	-	-	-	-	187,550	-	534,414	289,933	290,014	79,984	-
% of Total Revenue	-	-	-	-	*0.88%*	*0.00%*	*2.53%*	*1.33%*	*1.30%*	*0.29%*	-
Gender Equity Training	-	-	-	-	-	-	-	-	-	373,000	375,000
% of Total Revenue	-	-	-	-	-	-	-	-	-	*1.36%*	*1.22%*
Net Gains from Sale of Assets	61,478	103,816	76,770	71,121	24,986	37,142	239,407	86,017	131,653	83,941	10,230
% of Total Revenue	*0.32%*	*0.47%*	*1.63%*	*0.32%*	*0.12%*	*0.19%*	*1.13%*	*0.39%*	*0.59%*	*0.31%*	*0.03%*
Sponsorship Income	-	-	21,000	203,755	258,500	186,000	221,717	126,354	174,233	128,671	217,861
% of Total Revenue	-	-	*0.45%*	*0.91%*	*1.22%*	*0.98%*	*1.05%*	*0.58%*	*0.78%*	*0.47%*	*0.71%*
Voluntary Collections ADSS Donations	57,430	60,940	58,290	51,210	44,800	37,391	33,110	35,930	38,970	32,940	600
% of Total Revenue	*0.30%*	*0.27%*	*1.24%*	*0.23%*	*0.21%*	*0.20%*	*0.16%*	*0.16%*	*0.17%*	*0.12%*	*0.00%*
Other Revenue[347]	-	-	-	68,984	214,418	551,608	337,776	340,658	94,208	117,964	100,883
% of Total Revenue	-	-	-	*0.31%*	*1.01%*	*2.89%*	*1.60%*	*1.56%*	*0.42%*	*0.43%*	*0.33%*
Total (per Financial Statements)	**19,084,328**	**22,291,990**	**4,700,793**	**22,330,639**	**21,240,930**	**19,066,524**	**21,138,857**	**21,801,713**	**22,326,021**	**27,440,630**	**30,844,815**
Total (per General Ledgers)	*19,026,898*	*22,231,050*	*4,620,898*	*22,277,308*	*21,010,698*	*19,029,134*	*21,105,146*	*21,765,784*	*22,287,651*	*27,408,039*	*30,843,866*
Variance	*57,430*	*60,940*	*79,895*	*53,331*	*230,232*	*37,390*	*33,711*	*35,929*	*38,370*	*32,591*	*949*

[347] Comprises financial line items "Income from Financial Assets", "Reimbursement Income" and "Squire Patton Proceedings (Coffs Harbour)"

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6.18.6. As shown in Table 31 above, on a consolidated basis:

(i) The revenue generated from "Membership Subscriptions" was the CFMEU and CFMEUQ's main source of revenue, representing 51%[348] on average of the total revenue reported by CFMEU and CFMEUQ in the Financial Reports;

(ii) The revenue generated from "Grants", in particular the "Grants Apprentice Scheme", represented 19%[349] on average of the total revenue reported by CFMEU and CFMEUQ in the Financial Reports; and

6.18.7. This analysis is preliminary. I refer to **Annexure J** for the types of information I would require to perform a more detailed analysis, including confirming the identified sources of revenue against source records. I note that as my analysis progresses I may require information in addition to that set out at **Annexure J**.

6.19 QUESTION 1B – CONSOLIDATED: THE CHANGES, OR MOVEMENTS IN THE SOURCES AND AMOUNT OF REVENUE FROM 2015 TO 2025

6.19.1. In **Annexure H3,** I provide my detailed analysis of the changes or movements in the sources of revenues identified in Table 31 above on a consolidated.

6.19.2. Particularly, in **Annexure H3** I provide my analysis of the changes or movements in the sources of revenue reported in the Financial Reports of CFMEU and CFMEUQ that may relate to the Multiplex EA or other EAs. I refer my analysis in Section 6.3 to Section 6.12 above.

6.19.3. In Table 32 below I provide comparative and trend analysis of the specific sources of revenue (from Table 31) that may relate to the Multiplex EA and other EAs (highlighted in green) and membership subscription revenue received by both CFMEU and CFMEUQ (unhighlighted).

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[348] **Annexure H3,** cell P39

[349] **Annexure H3,** cell P56

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Table 32. Consolidated Movement of revenue reported in the Financial Reports that may relate to the Multiplex EA and other EAs[350]

Revenue $	CY15[351]	CY16[352]	YTD17[353]	FY18[354]	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Membership Subscription	10,761,043	11,728,526	2,708,063	11,830,530	11,137,373	9,619,954	9,632,012	10,022,043	11,073,048	13,409,951	15,499,641
Compliance Recoveries	351,657	345,453	87,078	378,175	384,385	387,203	396,933	396,814	403,778	407,941	421,333
Promotional Charges	795,837	929,402	132,160	586,679	576,467	564,019	683,584	647,228	742,917	710,789	678,080
Sponsorship Income	-	-	21,000	203,755	258,500	186,000	221,717	126,354	174,233	128,671	217,861
Directors/Meeting Fees	-	-	65,376	213,785	183,839	216,789	272,552	257,388	253,551	247,127	261,444
Enterprise Agreements	-	-	-	-	378,000	196,223	282,600	381,600	180,000	731,700	389,796
Sundry Income and Reimbursements	751,501	852,953	50,369	197,986	92,997	295,185	224,261	20,928	84,276	55,916	5,735
Grants	3,567,408	5,035,644	893,839	4,547,648	4,397,827	3,833,382	5,388,826	5,297,131	4,855,197	6,182,889	7,520,488
Total Revenue	**16,227,446**	**18,891,978**	**3,957,885**	**17,958,558**	**17,409,388**	**15,298,755**	**17,102,485**	**17,149,486**	**17,767,000**	**21,874,984**	**24,994,378**
Income (% of Total Revenue)											
Membership Subscription	*66.31%*	*62.08%*	*68.42%*	*65.88%*	*63.97%*	*62.88%*	*56.32%*	*58.44%*	*62.32%*	*61.30%*	*62.01%*
Compliance Recoveries	*2.17%*	*1.83%*	*2.20%*	*2.11%*	*2.21%*	*2.53%*	*2.32%*	*2.31%*	*2.27%*	*1.86%*	*1.69%*
Promotional Charges	*4.90%*	*4.92%*	*3.34%*	*3.27%*	*3.31%*	*3.69%*	*4.00%*	*3.77%*	*4.18%*	*3.25%*	*2.71%*
Sponsorship Income	-	-	*0.53%*	*1.13%*	*1.48%*	*1.22%*	*1.30%*	*0.74%*	*0.98%*	*0.59%*	*0.87%*
Directors/Meeting Fees	-	-	*1.65%*	*1.19%*	*1.06%*	*1.42%*	*1.59%*	*1.50%*	*1.43%*	*1.13%*	*1.05%*
Enterprise Agreements	-	-	*0.00%*	*0.00%*	*2.17%*	*1.28%*	*1.65%*	*2.23%*	*1.01%*	*3.34%*	*1.56%*
Sundry Income and Reimbursements	*4.63%*	*4.51%*	*1.27%*	*1.10%*	*0.53%*	*1.93%*	*1.31%*	*0.12%*	*0.47%*	*0.26%*	*0.02%*
Grants	*21.98%*	*26.65%*	*22.58%*	*25.32%*	*25.26%*	*25.06%*	*31.51%*	*30.89%*	*27.33%*	*28.26%*	*30.09%*
Income (% increase or decrease)											
Membership Subscription	-	*8.99%*	*(76.91%)*	*336.86%*	*(5.86%)*	*(13.62%)*	*0.13%*	*4.05%*	*10.49%*	*21.10%*	*15.58%*
Membership Subscription	-	*(1.76%)*	*(74.79%)*	*334.29%*	*1.64%*	*0.73%*	*2.51%*	*(0.03%)*	*1.75%*	*1.03%*	*3.28%*
Compliance Recoveries	-	*16.78%*	*(85.78%)*	*343.92%*	*(1.74%)*	*(2.16%)*	*21.20%*	*(5.32%)*	*14.78%*	*(4.32%)*	*(4.60%)*
Promotional Charges	-	-	-	*870.26%*	*26.87%*	*(28.05%)*	*19.20%*	*(43.01%)*	*37.89%*	*(26.15%)*	*69.32%*
Sponsorship Income	-	-	-	*227.01%*	*(14.01%)*	*17.92%*	*25.72%*	*(5.56%)*	*(1.49%)*	*(2.53%)*	*5.79%*
Directors/Meeting Fees	-	-	-	-	-	*(48.09%)*	*44.02%*	*35.03%*	*(52.83%)*	*306.50%*	*(46.73%)*
Enterprise Agreements	-	*13.50%*	*(94.09%)*	*293.07%*	*(53.03%)*	*217.41%*	*(24.03%)*	*(90.67%)*	*302.69%*	*(33.65%)*	*(89.74%)*
Sundry Income and Reimbursements	-	*41.16%*	*(82.25%)*	*408.78%*	*(3.29%)*	*(12.83%)*	*40.58%*	*(1.70%)*	*(8.34%)*	*27.35%*	*21.63%*
Grants	-	*16.42%*	*(79.05%)*	*353.74%*	*(3.06%)*	*(12.12%)*	*11.79%*	*0.27%*	*3.60%*	*23.12%*	*14.26%*

[350] **Annexure H3**

[351] The period from 1 January 2015 to 31 December 2015.

[352] The period from 1 January 2016 to 31 December 2016.

[353] The period from 1 January 2017 to 31 March 2017.

[354] The period from 1 April 2017 to 31 March 2018.

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6.19.4. As shown in Table 32 above, on a consolidated basis:

(i) The proportional contribution of each revenue source (as listed in Table 32 above) has remained broadly consistent year on year between FY21 and FY25; and

(ii) Revenue received relating to "Membership Subscription", "Sponsorship Income", "Directors/Meeting Fees" and "Grants" has increased in quantum ($) from CY15 to FY25.

6.19.5. This analysis is preliminary. I refer to **Annexure J** for the types of information I would require to perform a more detailed analysis, including confirming the identified sources of revenue against source records. I note that as my analysis progresses I may require information in addition to that set out at **Annexure J**.

6.19.6. Further to the above, on the basis the period I am to review spans from 1 January 2015 to 31 March 2025, I have also prepared analysis that examines the cumulative growth of each component of revenue (that may relate to the Multiplex EA and other EAs) compared to the revenue generated from membership subscriptions (all as identified in Table 32 above).

Table 33. Consolidated: Summary of cumulative growth in revenue that may relate to EAs and membership subscriptions[355]

Cumulative Growth $	CY15[356]	FY25[357]	% Increase	CY15 as a % of FY25
Membership Subscription	10,761,043	15,499,641	44.03%	(30.57%)
Revenue that may relate to the Multiplex EA and other EAs	5,466,403	9,494,737	73.69%	(42.43%)

[355] **Annexure H3**

[356] The period from 1 January 2015 to 31 December 2015.

[357] The period from 1 April 2024 to 31 March 2025.

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7. FINDINGS – INSTRUCTED QUESTION 2: FUND FLOW ANALYSIS - MULTIPLEX ENTERPRISE AGREEMENT

7.1 INTRODUCTION

7.1.1. I am instructed to respond to the following:[358]

> *"**Multiplex EA 2023 - 2027***
>
> *Question 2: Please map the money trail occurring under, and facilitated by the Multiplex EA, including identifying:*
>
> *(a) who did it direct money to be paid to?*
>
> *(b) where did the money ultimately flow to?*
>
> *(c) did the CFMEU/CFMEUQ receive any referral fees or other financial benefits in return for money being directed or indirectly flowing to third parties?*
>
> *(d) were any current or previous CFMEU/CFMEUQ officeholders, members or associates, officeholders, shareholders, ultimate beneficiaries or in a position to ultimately control any monies paid under the Multiplex EA?*
>
> *(e) did any third party that has no obvious connection with the CFMEU/CFMEUQ receive payments or obtain benefits directly or indirectly from the payments made pursuant to the Multiplex EA?"*

7.1.2. The remainder of this section is set out as follows:

(i) Who the Multiplex EA directed money to be paid to (Question 2a);

(ii) Where money flowed per the Multiplex EA in the period 2023 to 2027 (Question 2b);

(iii) CFMEU/CFMEUQ referral fees or other financial benefits and evidence of this relating to money directed or indirectly flowing to third parties (Question 2c);

(iv) Evidence of if any current or previous CFMEU/CFMEUQ officeholders, members or associates, officeholders, shareholders, beneficiaries were in a position to control any monies paid under the Multiplex EA (Question 2d); and

(v) Evidence of any third party that has no obvious connection with the CFMEU/CFMEUQ receive payments or obtain benefits directly or indirectly from the payments made pursuant to the Multiplex EA (Question 2e).

[358] Letter of Instruction dated 28 May 2026, (**Annexure A1**, p.4, para. 18)

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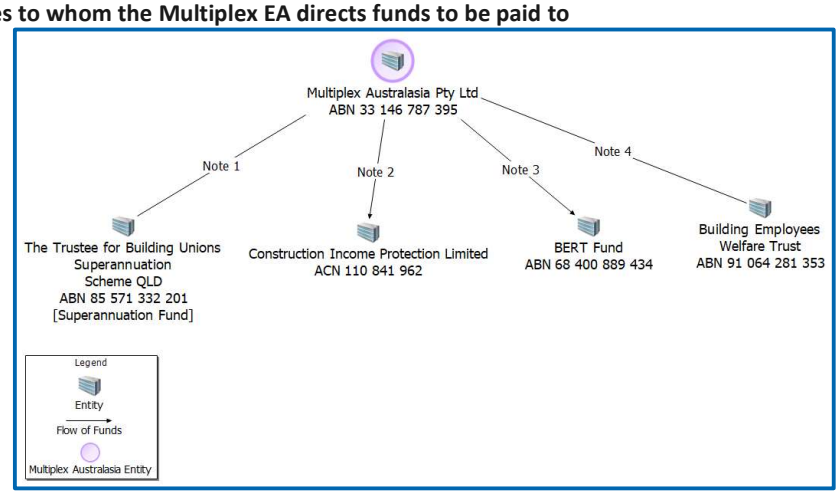
7.3 QUESTION 2A: WHO THE MULTIPLEX EA DIRECTED MONEY TO BE PAID TO

7.3.1. Parties mandated to receive funds under the Multiplex EA (Multiplex EA Entities) are depicted in summary in Figure 13 with notes below the figure and detailed in Section 6.2 to this report. The Multiplex EA also requires Multiplex to train its employees, however a specific training provider is not disclosed in the agreement.

Figure 13. Parties to whom the Multiplex EA directs funds to be paid to



7.3.2. **Figure 13 Note 1 The Trustee for Building Unions Superannuation Scheme QLD (ABN 85 571 332 201) (BUSSQ):** As set out in paragraphs 6.2.14 to 6.2.16 above, the Multiplex EA requires Multiplex to make superannuation contributions on behalf of its employees to BUSSQ, the default superannuation fund under the agreement.

7.3.3. **Figure 13 Note 2 Construction Income Protection Ltd (CIPL) under the Construction Income Protection Scheme**: As set out in paragraphs 6.2.17 to 6.2.20, under clause 35 of the Multiplex EA, the Employer must make weekly insurance contributions on behalf of each employee to CIPL.

7.3.4. **Figure 13 Note 3 BERT Fund**: As set out in paragraphs 6.2.21 to 6.2.29, under clause 36 of the Multiplex EA, Multiplex must make redundancy contributions on behalf of its employees to the BERT Fund[359];

7.3.5. **Figure 13 Note 4 Building Employees Welfare Trust (BEWT Fund):** Under clause 36 of the Multiplex EA, Multiplex must make payments to the Trustee of BEWT.

[359] Under the Multiplex EA the entity referenced as BERT Fund has ACN 82 010 917 281; however, this is an ABN that pertains to BERT Pty Limited, the original trustee of the BERT Fund according to "Redundancy trust fund deed" dated 16 May 1996 [BER.0001.0001.1110, p.3].
On 16 July 2015, BERT Pty Limited, as Trustee of BERT, was replaced with BERT Fund Limited (ACN 607 106 650), per "Deed of retirement and appointment of trustee – B.E.R.T. Fund" dated 16 July 2015 [BER.0001.0001.1109, p.2].

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7.4 QUESTION 2B: WHERE MONEY FLOWED PER THE MULTIPLEX EA IN THE PERIOD 2023 TO 2027

7.4.1. To identify where money flowed per the Multiplex EA in the period 2023 to 2027, I followed the flow of funds from each of the four entities in Section 7.3 above.

7.4.2. The period covered by my analysis is limited by the information available to me. Unless specified otherwise, this period is financial year 2023 to financial year 2025.

7.4.3. To the extent that relevant information was made available to me, I identified the following main beneficiaries of the funds paid per the Multiplex EA to be:

(i) Multiplex EA Entities;

(ii) Multiplex employees;

(iii) BERT Group;

(iv) CFMEU/CFMEUQ;

(v) Windsor Insurance Brokers;

(vi) Communications Electrical Plumbers Union (Plumbers Union); and

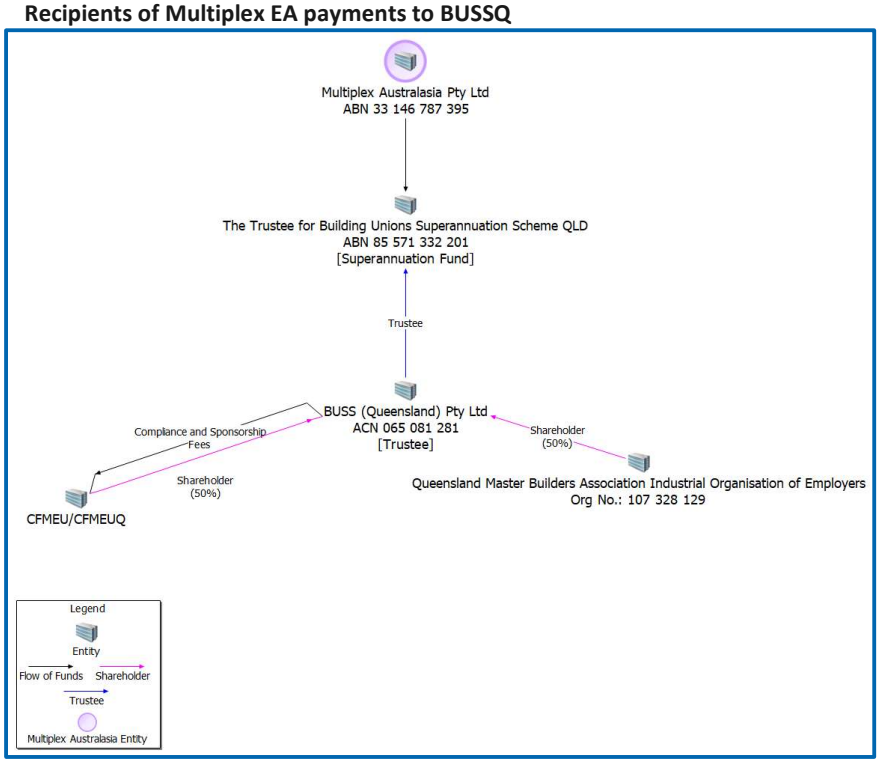
(vii) Master Builders Queensland (QMBA).

7.4.4. I set out as follows the flow of funds from the Multiplex EA by entity to recipients of the funds.

Recipients of superannuation contributions paid to BUSSQ

7.4.5. Figure 14 depicts the recipients of the Multiplex EA payments to BUSSQ.

Figure 14. Recipients of Multiplex EA payments to BUSSQ



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7.4.7. Recipients of Multiplex EA payments to BUSSQ include, *inter alia*:

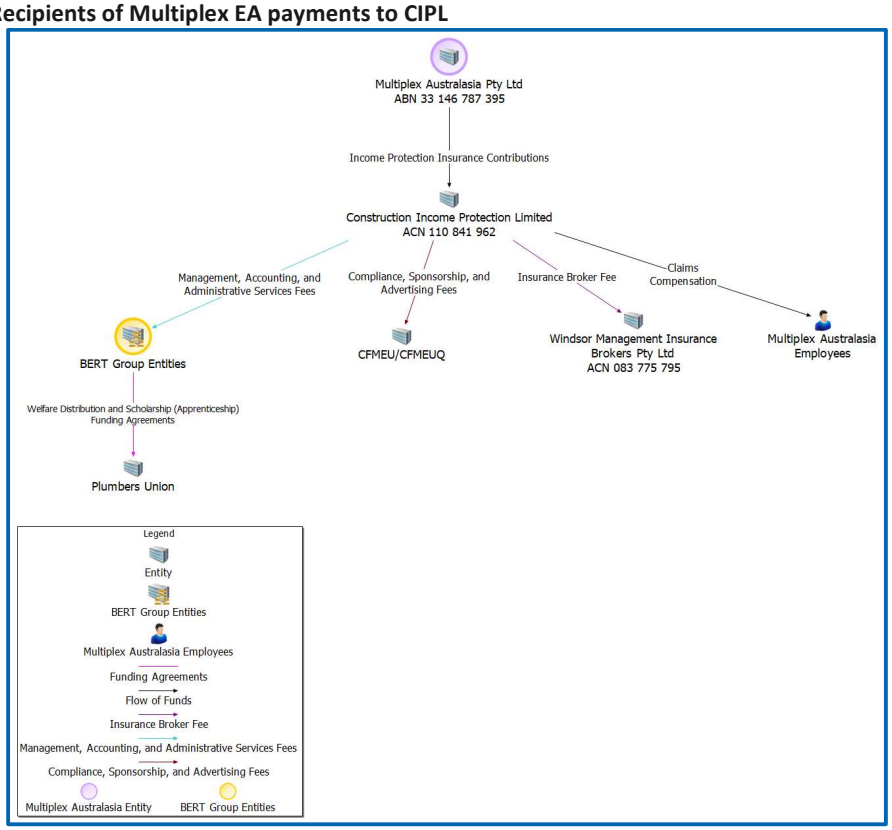
(i) CFMEU/CFMEUQ revenue from BUSSQ includes revenue derived from Compliance and Sponsorship Agreements;

(ii) I do not have BUSSQ financial records sufficiently detailed to determine if distributions were made to QMBA, as a shareholder of BUSSQ Trustee. I note BUSSQ is an industry, hence not-for-profit, superannuation fund.

Recipients of insurance contributions paid to CIPL

7.4.8. Figure 15 depicts the recipients of the Multiplex EA payments to CIPL. These include the BERT Group, Plumbers Union, CFMEU/CFMEUQ, Windsor Insurance Brokers and Multiplex Australasia Employees.

Figure 15. Recipients of Multiplex EA payments to CIPL



7.4.9. Table 34 below sets out the detail of CIPL revenue and expenditure for 2023 to 2025.[360] Expenditure demonstrates who the recipients of the Multiplex EA funds are.

[360] 47.pdf (Doc:0047), 48.pdf (Doc:0048) 49.pdf (Doc:0049)

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Table 34. CIPL financial results inclusive of Multiplex EA revenue and expenditure/ where the money flowed to[361]

CIPL received	FY23 $	FY24 $	FY25 $
Revenue			
(A) Employer Contributions received	21,932,009	27,979,028	33,380,474
(B) Insurance Premium paid	(20,243,357)	(25,828,594)	(30,628,827)
(C) Other Income	186,018	294,730	375,126
Net Revenue	**1,874,670**	**2,445,164**	**3,126,773**
(D) = B / (A+C) Insurance Premium paid as % of total revenue	**91.50%**	**91.30%**	**90.70%**
Total Expenditure excluding insurance premiums includes:	**1,156,141**	**1,258,892**	**1,330,582**
CFMEU			
Compliance and Promotional Services	114,556	116,160	120,337
Sponsorship and Services Promoting the Fund	15,000	15,000	27,000
Advertising	8,200	8,200	8,200
Total CFMEU	**137,756**	**139,360**	**155,537**
% CFMEU of total expenditure (excluding insurance premium paid)	*11.92%*	*11.07%*	*11.69%*
Plumbers Union			
Compliance and Promotional Services	57,222	58,080	60,166
Sponsorship and Services Promoting the Fund	10,200	10,200	10,200
Total Plumbers Union	**67,422**	**68,280**	**70,366**
% Plumbers Union of total expenditure (excluding insurance premium paid)	*5.83%*	*5.42%*	*5.29%*
BERT Fund No2			
Management, Accounting and Administrative Services	549,269	674,264	728,400
Total BERT Fund No2	**549,269**	**674,264**	**728,400**
% BERT Fund No 2 of total expenditure (excluding insurance premium paid)	*47.51%*	*53.56%*	*54.74%*
Other expenditure	401,694	376,988	376,279
Income tax expense	217,573	356,090	533,412
Total Comprehensive Income (Net income) for the year	**500,956**	**830,182**	**1,262,779**

7.4.10. Based on my review of CIPL's audited annual financial reports for years 2023 to 2025, and as summarised in Table 34 above, CIPL revenue from the Multiplex EA flowed to:

(i) Employees for premiums on insurance, being approximately 91% of total revenue received in each year;

(ii) CFMEU for compliance and promotional services, sponsorship and services promoting the fund, and advertising totalling approximately 11% to 12% of CIPL's total expenditure per year, excluding insurance premiums paid;

(iii) Plumbers Union for compliance and promotional services, sponsorship and services promoting the fund, totalling approximately 5% to 6% of CIPL's total expenditure of the year, excluding insurance premium paid; and

(iv) BERT Group, via BERT Fund No. 2, for management, accounting and administrative services, totalling approximately 48% to 55% of CIPL's total expenditure per year, excluding insurance premium paid.

7.4.11. Further to the above, I reviewed an Agreement between CIPL (Client), Windsor Management Insurance Brokers (Broker) and QBE Insurance (Australia) Limited (ABN 78 003 191 035), covering the period from 1 June 2022 to 1 March 2026,[362] under which CIPL engaged Windsor Insurance Brokers to provide broker

[361] **Annexure E7**

[362] COM.0001.0008.0784, p.3

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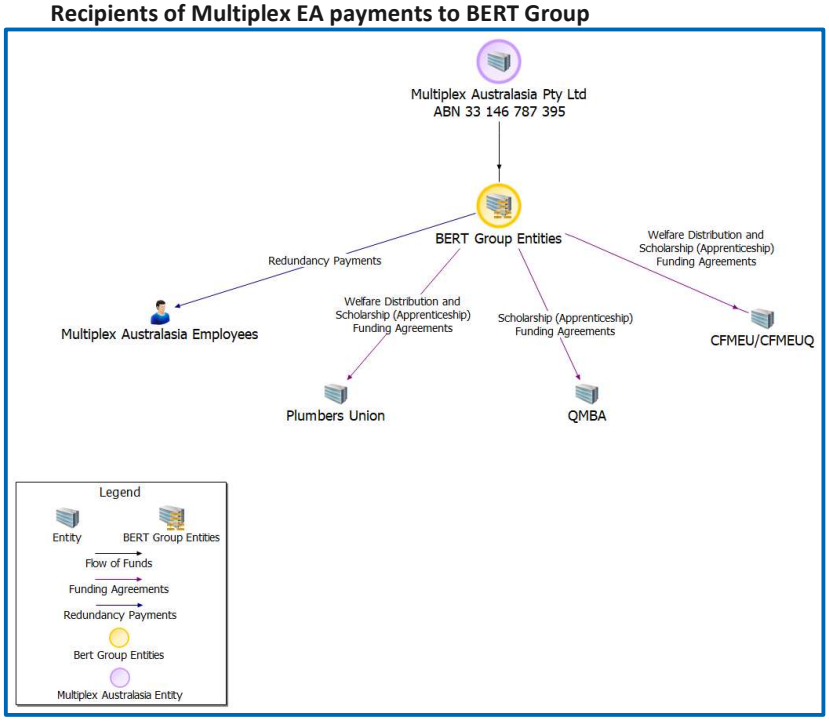
services in relation to an 'Insurance product' which references a pricing schedule.[363] Hence, I include Windsor Insurance Brokers as a beneficiary of funds flowing under the Multiplex EA via CIPL. I do not have sufficiently detailed financial records for CIPL or Windsor Insurance Brokers to evidence payments made under this Agreement.

Recipients of Multiplex EA Redundancy and Welfare Contributions paid to the BERT Group

7.4.12. Figure 16 depicts the recipients of the Multiplex EA payments to BERT Group. Although the Multiplex EA provides for payments to BERT Fund and BEWT, I depict and consider BERT Group receipt and payments due to intercompany transfers between the group.

Figure 16. Recipients of Multiplex EA payments to BERT Group



7.4.13. As set out in Figure 16 above, the recipients of Multiplex EA payments to the BERT Group include:

(i) Employees who receive redundancy and welfare benefits (via BERT Fund No. 2 and BERT Welfare Limited);

(ii) Plumbers Union (via BERT Trading Fund and BERT Welfare Limited);

(iii) QMBA (via BERT Trading Fund); and

(iv) CFMEU (via BERT Trading Fund and BERT Welfare Limited).

7.4.14. I set out as follows my analysis of the income and payments to each relevant BERT Group entity to identify the recipients of payments external to the BERT Group.

BERT Fund

7.4.15. BERT Fund did not report any receipts of Employer contributions from 2023 to 2025. This is not consistent with Clause 36 of the Multiplex EA, which mandates Multiplex to make redundancy contributions to BERT Fund. Enterprise Agreement contributions rather, appear to be paid to BERT Fund No. 2. BERT entities published that "*The ATO introduced the concept of an "approved worker entitlement fund"…(and) as a*

[363] COM.0001.0008.0784, p.2

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result, the sponsors were obliged to create a second fund, BERT Fund No 2 in 2003. BERT Fund No 2 receives employer contributions previously paid to BERT Fund."[364]

7.4.16. Based on my review of BERT Fund financial reports for the years ended 30 June 2023, 2024, and 2025, BERT Fund made distributions only within the BERT Group to BERT Welfare Limited, consistent with its 'Records of Resolution'.

BEWT

7.4.17. In 2023, 2024 and 2025, all the profit recorded by the BEWT Fund was distributed wholly and exclusively within the BERT Group to BERT Training Fund.

BERT Training Fund

7.4.18. As set out in Table 35 below, BERT Training Fund received distributions from BERT entities (BEWT and BERT Fund No. 2) of $10.4m in 2023, $8.9m in 2024 and $12.1m in 2025; and paid out training grants and subsidies of $8.4m in 2023, $10.4m in 2024 and $10.8m in 2025. That is, some of the distribution funds remain in the BERT Training Fund.

Table 35. BERT Training Fund income and distributions[365]

BERT Training Fund	FY23 $	FY24 $	FY25 $
Income			
Distributions			
BEWT	6,393,558	8,906,451	12,086,193
BERT Fund No. 2	4,002,610	-	-
Total Distributions	**10,396,168**	**8,906,451**	**12,086,193**
Grants Received	1,032,548	1,335,664	1,435,664
Other Income	230,224	381,944	406,241
Total Income	**11,658,940**	**10,624,059**	**13,928,098**
Expenses			
Training Grants / Subsidies Paid (Refer to **Note 1** below)	8,040,504	10,035,115	10,767,296
Other Expenses	478,872	557,057	889,183
Total Expenses	**8,519,376**	**10,592,172**	**11,656,479**
Net Profit/(Loss) Before Tax	**3,139,564**	**31,887**	**2,271,619**

7.4.19. **Table 35 Note 1:** Training Grants/ Subsidies were paid to CFMEU (65%-66%), the Plumbers Union (22%-23%) and QMBA (1%-3%) by BERT Training Fund from 2023 to 2025 as follows:

[364] FTI:002, p. 25

[365] **Annexure E9**

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Table 36. BERT Training Fund distributions to CFMEU, Plumbers Union, QMBA

BERT Training Fund	FY23 $	FY24 $	FY25 $
Training Grants / Subsidies Paid	8,040,504	10,035,115	10,767,296
of which:			
CFMEU			
Funding Grants paid	**5,233,496**	**6,666,666**	**6,970,736**
% CFMEU of total Training Grants / Subsidies Paid	*65.09%*	*66.43%*	*64.74%*
Plumbers Union			
Funding Grants Paid	**1,865,684**	**2,210,576**	**2,528,926**
% of total Training Grants / Subsidies Paid	*23.20%*	*22.03%*	*23.49%*
Master Builders Association Industrial Organisation of Employers (QMBA)			
Funding Grants paid	**240,384**	**89,486**	**92,700**
% MBA of total Training Grants / Subsidies Paid	*2.99%*	*0.89%*	*0.86%*
Total % Training Grants / Subsidies Paid to CFMEU, Plumbers Union, and QMBA	**91.28%**	**89.35%**	**89.09%**

BERT Welfare Limited

7.4.20. As set out in Table 37 below, BERT Welfare Limited annual financial reports from 2023 to 2025 disclose:

(i) Income distributions from BERT and BERT Fund No 2, along with consulting revenue from BERT Fund No. 2; and

(ii) The recipients of funds include:

- The CFMEU (total of $1,982,846[366] in the three years);
- The Plumbers Union (total of $814,847 in the three years); and
- Employees of those entities with an Enterprise Agreement receiving welfare distributions.

7.4.21. Note that the annual financial reports do not contain information as to the beneficiaries of all payments made by the entity.

[366] Calculated as $708,114 + $728,408 + $546,324

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Table 37. BERT Welfare Limited income and recipient of payments[367]

BERT Welfare Limited	Formula	FY23 $	FY24 $	FY25 $
Income				
Dividends/Distributions				
BERT Fund No. 2	A	4,002,610	7,690,291	12,087,138
BERT Fund	B	-	86,401	66,157
Total Dividends/Distributions	C = A+B	**4,002,610**	**7,776,692**	**12,153,295**
Consulting Revenue received from BERT Fund No 2	D	732,000	742,247	768,972
Other income	E	1,973,763	1,554,088	3,269,526
Total income	F = C+D+E	**6,708,373**	**10,073,027**	**16,191,793**
Expenses				
Employee expenses	G	878,546	1,006,429	1,501,425
Other expenses	H	442,808	577,900	516,589
Welfare Distributions				
CFMEU				
HSO Funding - CFMEU	I	394,381	402,124	208,295
NT Support - CFMEU	J	93,733	97,484	100,992
Impairment Training - CFMEU	K	220,000	228,800	237,037
Total CFMEU	L=I+J+K	**708,114**	**728,408**	**546,324**
Plumbers Union				
HSO Funding - CEPU		197,200	201,057	416,590
Total Plumbers Union	M	**197,200**	**201,057**	**416,590**
Other welfare distributions	N	2,881,329	2,946,799	3,317,710
Total Welfare Distribution	O=L+M+N	**3,786,643**	**3,876,264**	**4,280,624**
Total Expenses	P=G+H+O	**5,107,997**	**5,460,593**	**6,298,638**
Net Profit/(Loss) Before Tax	Q=F-P	1,600,376	4,612,434	9,893,155
Income Tax Expense	R	(569,556)	805,365	1,481,559
Total Income / Loss	S=Q-R	**2,169,932**	**3,807,069**	**8,411,596**

[367] **Annexure E5**

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7.5 QUESTION 2C: CFMEU/CFMEUQ REFERRAL FEES OR OTHER FINANCIAL BENEFITS RECEIVED OCCURING UNDER, OR FACILITATED BY, THE MULTIPLEX EA AND EVIDENCE OF THIS RELATING TO MONEY DIRECTED OR INDIRECTLY FLOWING TO THIRD PARTIES

7.5.1. Between 2023 and 2025, CFMEU and CFMEUQ received fees and other payments from the parties named, or involved, in business activities mandated by, the Multiplex EA which I set out as follows.

Identified Transactions with Multiplex EA Entities

7.5.2. As set out in Section 6.3 of this report, based on my review of CFMEU and CFMEUQ's Financial Reports and General Ledgers, I identified revenues which may be considered referral fees and financial benefits recorded by CFMEU and CFMEUQ from, *inter alia*, the Multiplex EA Entities (i.e., BUSSQ, CIPL and the BERT Group).

7.5.3. In Table 38 (CFMEU) and Table 39 (CFMEUQ) below, I have summarised the total value ($) of revenues which may be considered referral fees and financial benefits received by CFMEU and CFMEUQ respectively from the Multiplex EA Entities. In **Annexure I1,** I provide the general ledger transactions that underpin these tables, as well as the entity names and similar terms searched for in CFMEU and CFMEUQ's general ledger descriptions.

Table 38. CFMEU: Summary of the total value of revenue related transactions[368]

CFMEU				
Multiplex EA Entity	FY23 $	FY24 $	FY25 $	Total $
CIPL	176,656	179,900	183,637	**540,192**
BERT[369]	485,706	467,241	414,153	**1,367,100**
Total	**662,362**	**647,141**	**597,790**	**1,907,292**

Table 39. CFMEUQ: Summary of the total value of revenue related transactions[370]

CFMEUQ				
Multiplex EA Entity	FY23 $	FY24 $	FY25 $	Total $
BUSSQ	416,778	493,274	497,727	**1,407,779**
BERT[371]	936	(5,808)	9,151	**4,279**
Total	**417,714**	**487,466**	**506,878**	**1,412,058**

7.5.4. The revenues summarised in Table 38 and Table 39 above were recorded against various general ledger accounts, which include *inter alia*:

(i) "Apprentice Funding";

(ii) "Compliance BUSSQ";

(iii) "Compliance BERT";

(iv) "Meeting Fees BUSSQ";

(v) "Meeting Fees BERT Welfare";

(vi) "Promotions BUSSQ";

(vii) "Promotional Costs BERT"; and

368 **Annexure I1**

369 Includes BERT Welfare, BERT Fund No. 2, BERT Training Fund and BERT Financial Services.

370 **Annexure I1**

371 Includes BERT Welfare, BERT Fund No. 2, BERT Training Fund and BERT Financial Services.

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(viii) "Sponsorship Fees".

7.5.5. In the remainder of this section, I set out relevant agreements between CFMEU/CFMEUQ and the Multiplex EA Entities, and provide breakdowns of CFMEU/CFMEUQ revenues that may be considered referral fees from Multiplex EA Entities. Please refer to Figure 1 and Figure 2 for the full breakdown of sources of revenue for CFMEU/CFMEUQ.

BUSSQ

7.5.6. I identified sponsorship and compliance agreements between CFMEU and BUSSQ as set out in Table 40 below.

Table 40. Identified agreements between CFMEU and BUSSQ

Agreement	Contract Start Date	Contract End Date	Total $
Sponsorship Agreement 2023 - 2024[372]	01-July-2023	30-June-2024	150,000
Sponsorship Agreement 2024 - 2025[373]	01-July-2024	30-June-2054	169,800
Total for 2023 - 2025			**319,800**
Sponsorship Agreement 2025 - 2026[374]	01-July-2025	30-June-2026	169,800
Compliance Agreement 2025 - 2026[375]	01-July-2025	30-June-2026	168,528
Total for 2026			**338,328**

7.5.7. In Table 41 below I have summarised the total value ($) of revenues which may be considered referral fees and other financial benefits received by CFMEU and CFMEUQ respectively from BUSSQ from FY23 to FY25 from CFMEU/CFMEUQ General Ledgers. I provide this analysis for CY15 to FY22 in **Annexure I1** including the entity names and similar terms searched for in CFMEU and CFMEUQ's[376] general ledger descriptions and account names.

Table 41. General ledger accounts relating to revenue where the term "BUSSQ" or similar has been identified for CFMEUQ[377]

General Ledger Account	General Ledger Account Name	FY23 $	FY24 $	FY25 $	Total $
CFMEUQ					
1000048620	Promotions BUSSQ	131,750	132,000	145,500	**409,250**
1000048303	Meeting fees BUSSQ	139,108	215,354	200,841	**555,303**
1000048120	Compliance BUSSQ	145,920	145,920	151,385	**443,225**
Total CFMEUQ		**416,778**	**493,274**	**497,726**	**1,407,778**

7.5.8. As shown in Table 41 above, I identified $1,407,778 of revenue-related general ledger transactions that referred to BUSSQ or similar terms in CFMEUQ's General Ledger between FY23 and FY25.

7.5.9. I did not identify any revenue-related transactions in CFMEU's General Ledger between FY23 and FY25.

7.5.10. The basis for the quantum of revenue related transactions in CFMEUQ's General Ledger that may relate to BUSSQ is unclear, noting the total of identified transactions (being $1,407,778) exceeds the amounts set out in the identified agreements in Table 40 above.

[372] COM.0001.0001.2281

[373] COM.0002.0004.6279

[374] COM.0001.0005.4501

[375] 17.PDF, (Doc:0017)

[376] While both CFMEU and CFMEUQ General Ledgers were searched, only CFMEUQ had revenue-related transactions that referred to BUSSQ or similar terms in the General Ledger.

[377] **Annexure I1**

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CIPL

7.5.11. I have not identified any agreements between CFMEU/CFMEUQ and CIPL.

7.5.12. In Table 42 below, I have summarised the total value ($) of revenues which may be considered referral fees and financial benefits received by CFMEU and CFMEUQ respectively from CIPL from FY23 to FY25 from CFMEU and CFMEUQ General Ledgers. I provide this analysis for financials CY15 to FY22 in **Annexure I1** and the terms searched for in CFMEU and CFMEUQ's general ledger descriptions and account names in CFMEU and CFMEUQ's general ledger descriptions and account names.

Table 42. CFMEU's General Ledger revenue accounts where the term "CIPL" or similar is identified[378]

General Ledger Account	General Ledger Account Name	FY23 $	FY24 $	FY25 $	Total $
CFMEU					
1000048130	Compliance CIPL	113,967	115,759	119,292	**349,018**
1000048304	Meeting fees CIPL	52,689	54,141	54,344	**161,174**
1000048630	Promotional costs CIPL	10,000	10,000	10,000	**30,000**
Total CFMEU		**176,656**	**179,900**	**183,636**	**540,192**

7.5.13. As shown in Table 42 above, I identified $540,192 of revenue-related general ledger transactions that referred to CIPL or terms similar in CFMEU's General Ledger between FY23 and FY25.

7.5.14. I did not identify any revenue-related transactions in CFMEUQ's General Ledger between FY23 and FY25.

7.5.15. Table 43 below sets out the CIPL annual financial reports for 2023 to 2025 payments to CFMEU/CFMEUQ:

Table 43. CIPL financial reports - CIPL potential referral fees to CFMEU

Expenditure	FY23 $	FY24 $	FY25 $	Total $
CFMEU				
Compliance and Promotional Services	114,556	116,160	120,337	351,053
Sponsorship and Services Promoting the Fund	15,000	15,000	27,000	57,000
Advertising	8,200	8,200	8,200	24,600
Total CFMEU	**137,756**	**139,360**	**155,537**	**432,653**

7.5.16. I identified CFMEU general ledger transactions totalling $540,193 which exceeds the amounts reported by CIPL in their financial reports as being paid to CFMEU in the same period (being $432,653).

BERT Group

7.5.17. As set out in Section 6.6,BERT Training Fund distributes funds to CFMEU/CFMEUQ through the grant apprentice scheme. I have been provided with 12 Funding Agreements between BERT Training Fund and CFMEU/CFMEUQ which provide for BERT Training Fund to make payments to CFMEU/CFMEUQ from 2023 onwards.[379]

7.5.18. In Table 44 below I have summarised the total value ($) of revenues which may be considered referral fees and financial benefits received by CFMEU and CFMEUQ respectively from the BERT Group from FY23 to FY25. I provide this analysis for financials CY15 to FY22 in **Annexure I1.**

7.5.19. Table 44 details the revenue-related general ledger accounts of CFMEU and CFMEUQ where transactions that sit within them have referred to the entity name "BERT" or terms similar in the descriptions and general ledger account names. In **Annexure I1**, I provide the terms searched for in CFMEU and CFMEUQ's general ledger descriptions and account names.

[378] **Annexure I1**

[379] **Annexure F**

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7.5.20. I note that my analysis below includes all general ledger transactions where the description and account name refers to "BERT" and "BEWT". Accordingly, Table 44 below includes revenue-related general ledger accounts that refer to, for example, BERT Financial Services and BERT Welfare.

Table 44. General ledger accounts relating to revenue where "BERT" has been identified for CFMEU/CFMEUQ[380]

General Ledger Account	General Ledger Account Name	FY23 $	FY24 $	FY25 $	Total $
CFMEU					
1000048100	Compliance BERT	119,513	121,391	125,101	**366,004**
1000048110	Compliance BEWT[381]	24,378	24,872	25,556	**74,805**
1000048301	Meeting fees BERT	92,353	94,899	110,742	**297,993**
1000048313	Meeting fees BERT Financial Services[382]	15,851	10,896	12,715	**39,462**
1000048309	Meeting fees BERT Training Fund[383]	18,233	18,756	23,274	**60,263**
1000048306	Meeting fees BERT Welfare[384]	15,853	16,290	18,907	**51,051**
1000044200	Grant Impairment Officer[385]	54,900	(2,200)	(2,060)	**50,640**
1000048500	Sponsorship fees[386]	-	(2,813)	(2,631)	**(5,444)[387]**
1000048810	Training - Asbestos/Silicosis/FIT/Mental Health[388]	144,625	185,150	88,750	**418,525**
6000048820	Training - Impairment[389]	-	-	13,800	**13,800**
Total		**461,328**	**442,369**	**388,598**	**1,367,100**
CFMEUQ					
1000044100	Grant Health and Safety Officers[390]	(5,799)	(5,808)	(10,850)	**(22,457)[391]**
1000048560	Sponsorship Delegates Convention	-	-	20,000	**20,000**
1000048040	Miscellaneous revenue[392]	6,735	-	-	**6,735**
Total		**936**	**(5,808)**	**9,150**	**4,278**

7.5.21. Table 45 below summarises the total payable by the BERT Training Fund to CFMEU/CFMEUQ from 2023 to 2028.

Table 45. Funding Agreement amounts payable by BERT Training Fund to CFMEU/CFMEUQ[393]

BERT Training Fund $	FY23 $	FY24 $	FY25 $	FY26 $	FY27 $	FY28 $	Total $
Total Payable to CFMEU/CFMEUQ under Funding Agreements with BERT Training Fund	**1,383,135**	**3,086,935**	**5,950,353**	**1,753,327**	**902,450**	**461,000**	**10,420,423**

7.5.22. Other than the Funding Agreements discussed above, I have not identified any agreements between CFMEU/CFMEUQ and BERT Group. However, I have identified CFMEU and CFMEUQ revenue from other BERT Group entities, as set out in Section 6 of this report.

380 **Annexure I2**

381 **Annexure H5** and per Table 24

382 The general ledger account name refers to BERT Financial Services. Revenue derived from BERT Financial Services has been excluded from Table 22 above.

383 The general ledger account name refers to BERT Training Fund. Revenue derived from BERT Training Fund has been excluded from Table 22 above.

384 The general ledger account name refers to BERT Welfare. Revenue derived from BERT Welfare has been excluded from Table 22 above.

385 The transaction descriptions refer to BERT Welfare. Revenue derived from BERT Welfare has been excluded from Table 22 above.

386 The differences relate to the transaction descriptions that refer to BERT Welfare. Revenue derived from BERT Welfare has been excluded from Table 22 above.

387 The amounts in brackets represent expense (debit) transactions that have been recorded in revenue related general ledger accounts. It is unclear why these transactions are recorded as revenue in the Financial Reports. I do not have underlying source documentation such as invoices to determine the nature of the transaction.

388 The amounts included in this table under "Training – Asbestos/Silicosis/FIT/Mental Health" will not reconcile to amounts included Table 9, Table 10, Table 11 and Table 12 as this table is based on transactions that include the term "BERT" or similar terms (as listed in **Annexure I1**).

389 The amounts included in this table under "Training – Impairment" will not reconcile to amounts included Table 9, Table 10, Table 11 and Table 12 as this table is based on transactions that include the term "BERT" or similar terms (as listed in **Annexure I1**).

390 The transaction descriptions refer to BERT Welfare. Revenue derived from BERT Welfare has been excluded from Table 23 above.

391 The amounts in brackets represent expense (debit) transactions that have been recorded in revenue related general ledger accounts. It is unclear why these transactions are recorded as revenue in the Financial Reports. I do not have underlying source documentation such as invoices to determine the nature of the transaction.

392 The transaction descriptions refer to BERT Training Fund. Revenue derived from BERT Training Fund has been excluded from Table 23 above.

393 **Annexure F** (Agreements), BERT Training Fund FY 2023 – 2025 (Doc:0053-Doc:0055) (Payments)

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Identified Transactions with Other Entities

7.5.23. I am instructed to identify referral fees or other financial benefits that may be facilitated by the Multiplex EA. Further to the above, I identified that CFMEU and CFMEUQ recorded revenue in their General Ledgers from, *inter alia*, the following entities. As at the date of this report, it is not clear if these receipts to CFMEU and CFMEUQ represent referral fees relating to the Multiplex EA:

(i) Windsor Insurance Brokers;

(ii) Hall Payne Lawyers;

(iii) Future Skills Limited;

(a) Mates in Construction (MIC); and

(b) Asbestos Disease Support Society (ADSS).

7.5.24. I have summarised the total value ($) of revenue received by CFMEU and CFMEUQ from the entities listed in the paragraph above, in Table 46 and Table 47 below. In **Annexure I2,** I provide the general ledger transactions that underpin Table 46 and Table 47 and terms searched for in CFMEU and CFMEUQ's general ledger descriptions.

Table 46. CFMEU: Summary of the total value of revenue related transactions[394]

CFMEU				
Entity Name	FY23 $	FY24 $	FY25 $	Total $
Future Skills	617,302	1,088,387	1,088,740	2,794,429
Total	**617,302**	**1,088,387**	**1,088,740**	**2,794,429**

Table 47. CFMEUQ: Summary of the total value of revenue related transactions[395]

CFMEUQ				
Entity Name	FY23 $	FY24 $	FY25 $	Total $
Windsor Insurance Brokers	498,451	466,073	411,222	1,375,745
Mates in Construction	-	-	10,000	10,000
Asbestos Disease Support Society	(372)[396]	(582)[397]	10,263	9,309
Total	**498,079**	**465,491**	**431,484**	**1,395,054**

7.5.25. CFMEU/CFMEUQ general ledger revenue from these entities, identified in **Annexure I2**, are described as, *inter alia*, "Sponsorship Fees", "Compliance Fees" and "Promotional Costs", similar to the revenues generated from Multiplex EA Entities listed in paragraph 7.5.4 above.

7.5.26. However, I have not yet reviewed in detail the nature of the revenue derived from these entities to source records. I refer to **Annexure J** for the types of information I would require to perform a more detailed analysis. I note that as my analysis progresses I may require information in addition to that set out at **Annexure J**.

394 **Annexure I2**

395 **Annexure I2**

396 The amounts in brackets represent expense (debit) transactions that have been recorded in revenue related general ledger accounts. It is unclear why these transactions are recorded as revenue in the Financial Reports. I do not have underlying source documentation such as invoices to determine the nature of the transaction.

397 The amounts in brackets represent expense (debit) transactions that have been recorded in revenue related general ledger accounts. It is unclear why these transactions are recorded as revenue in the Financial Reports. I do not have underlying source documentation such as invoices to determine the nature of the transaction.

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Hall Payne Lawyers

7.5.27. Hall Payne Lawyers is the law firm who drafted the service agreement between CFMEU and CFMEUQ dated 25 August 2020[398] and is paying rent to CFMEUQ. I have identified, but not yet reviewed, agreements[399] between CFMEU/CFMEUQ and Hall Payne Lawyers.

7.5.28. In Table 48 below I have summarised the general ledger revenue accounts received by CFMEU and CFMEUQ from "Hall Payne" or similar in the description between CY15[400] and FY25, noting that I have not identified any revenue in financial years FY19 to FY23 or FY25. In **Annexure I2**, I provide the entity names and terms searched in CFMEU and CFMEUQ's general ledger descriptions and account names to identify these balances as Hall Payne Lawyers revenue.

Table 48. General ledger accounts relating to revenue where the term "Hall Payne" or similar has been identified[401]

General Ledger Account	General Ledger Account Name	CY15 $	CY16[402] $	YTD17[403] $	FY18[404] $	FY24 $	Total
CFMEU							
1000048900	Miscellaneous revenue	-	-	-	1,948	-	**1,948**
1000048630	Promotional costs CIPL	-	-	-	-	25,679	**25,679**
1000048650	Promotional costs Hall Payne	67,340	67,340	-	16,835	(25,679)[405]	**125,836**
1000048500	Sponsorship fees	-	(16,835)[406]	-	-	-	**(16,835)**
1000048520	Sponsorship Sub Branches	500	-	-	-	-	**500**
7600046000	Apprentice funding	-	-	204,600	-	-	**204,600**
Total CFMEU		**67,840**	**50,505**	**204,600**	**18,783**	**-**	**341,728**
CFMEUQ							
1020048055	Rent Received 14 & 16 Campbell Street	5,226	4,824	1,206	1,608	-	**12,864**
1000048055	Rent Received 448 Flinders Street	-	-	-	-	-	**-**
Total CFMEUQ		**5,226**	**4,824**	**1,206**	**1,608**	**-**	**12,864**

7.5.29. It is unclear whether the transactions identified in Table 48 above as relating to "Hall Payne" relate to, or refer to the same entity as, Hall Payne Lawyers who drafted the services agreement referred to in paragraph 7.5.27 above. **Annexure J** sets out additional information I require to complete this analysis.

7.6 QUESTION 2D: EVIDENCE OF IF ANY CURRENT OR PREVIOUS CFMEU/CFMEUQ OFFICEHOLDERS, MEMBERS OR ASSOCIATES, SHAREHOLDERS, ULTIMATE BENEFICIARIES OR IN A POSITION TO CONTROL ANY MONIES PAID UNDER THE MULTIPLEX EA

Were any current or previous CFMEU/CFMEUQ officeholders, members or associates, officeholders (sic), shareholders, ultimate beneficiaries to the Multiplex EA? (Question 2d(i))

7.6.1. To date, I have not identified any current or previous CFMEU/CFMEUQ officeholders, members or associates, shareholders who were ultimate beneficiaries to payments made under the Multiplex EA between 2023 and 2025.

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398 Service Agreement.PDF, (Doc:0128)

399 Including "Agreement for Provision of Service" dated June 2018 (COM.0002.0022.0763)

400 The period from 1 January 2015 to 31 December 2015.

401 **Annexure I2**

402 The period from 1 January 2016 to 31 December 2016.

403 The period from 1 January 2017 to 31 March 2017.

404 The period from 1 April 2017 to 31 March 2018.

405 The amounts in brackets represent expense (debit) transactions that have been recorded in revenue related general ledger accounts. It is unclear why these transactions are recorded as revenue in the Financial Reports. I do not have underlying source documentation such as invoices to determine the nature of the transaction.

406 The amounts in brackets represent expense (debit) transactions that have been recorded in revenue related general ledger accounts. It is unclear why these transactions are recorded as revenue in the Financial Reports. I do not have underlying source documentation such as invoices to determine the nature of the transaction.

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Were any current or previous CFMEU/CFMEUQ officeholders, members or associates, officeholders (sic), shareholders (in) a position to ultimately control any monies paid under the Multiplex EA? (Question 2d(ii))

7.6.2. Yes, I have identified CFMEU/CFMEUQ officeholders who were in a position to control monies paid under the Multiplex EA. Those individuals with common Directorships are set out in Section 5.3 above. Light blue denotes a Directorship role of the individual relating to the named entity in the period 2015 to 2025.[407]

7.6.3. For the period 2023 to 2025, CFMEU and CFMEUQ combined, reported 509 officeholders, including representatives of the Construction Division and QLD/NT Branch in National CFMEU governing bodies (National Executive Committee, National Executive, and National Conference).[408]

7.6.4. I further note that those in a position to control monies paid under the Multiplex EA would include:

(i) Employees in third party entities that have the delegated authority to approve payments, which may also extend to include employees in the Finance and Procurement functions;

(ii) Others may be in a position to control monies with the cooperation of others (such as shareholders acting together to combine voting rights);

(iii) Others may have 'effective' control through their influence that is not described in an organisational chart.

7.6.5. In the timeframe to draft this report, I have not had sufficient time to identify all relevant parties to respond to Question 2d.

1.1.1. Therefore, I have limited my analysis in this report as follows. To identify, amongst 509 officeholders, the key individuals for further targeted review, I identified common Directorships between the Multiplex EA entities in the period 2023 to 2025 and CFMEU/CFMEUQ.

7.7 QUESTION 2E: EVIDENCE OF ANY THIRD PARTY THAT HAS NO OBVIOUS CONNECTION WITH THE CFMEU/CFMEUQ RECEIVE PAYMENTS OR OBTAIN BENEFITS DIRECTLY OR INDIRECTLY FROM THE PAYMENTS MADE PURSUANT TO THE MULTIPLEX EA

7.7.1. Yes, I have identified third parties receiving payments indirectly from the payments made pursuant to the Multiplex EA.

7.7.2. The Multiplex EA requires training and income protection insurance to be provided by Multiplex to its employees.

7.7.3. Future Skills and Windsor Insurance Brokers are not specified in the Multiplex EA however received payments/ financial benefits which I consider in turn:

(i) Future Skills received some payments from CFMEU/CFMEUQ between 2015 and 2025.[410] Based on the limited information available in the General Ledger records, and in the timeframe to draft this report, I have not yet identified the nature of these transactions.

The Multiplex EA does not provide for the CFMEU or Future Skills to provide Multiplex employees with training. I have identified no common Directorships between CFMEU and Future Skills.

[407] Directorships from January 2026 are not included in this table.

[408] COM.0001.0040.9178, COM.0001.0040.9179, COM.0001.0040.9180

[410] Based on my review of CFMEU's General Ledgers, I have identified expense related transactions with Future Skills narrated as "FU700" (in the "Reference" column) in general ledger account 10000-59972 "Training organisers/delegates", for example (Doc:0097, filter "Account Number and Name for "10000-59972 -Training organisers/delegates"). The "Source Code" column to these transactions is narrated as "AP- IN". In my experience as a Chartered Accountant, the term "AP" from an accounting perspective refers to 'Accounts Payable'. Accordingly, general ledger account 10000-59972 "Training organisers/delegates" may be an expense account by nature.

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I have reviewed the Future Skills agreements and funds remitted to CFMEU, as set out in paragraphs 6.5.8 to 6.5.15. It is unclear why CFMEU is being paid by Future Skills for "training and assessment of students"[411] when CFMEU are not listed as a Registered Training Organisation on the National Training Register.[412]

(ii) CIPL contracts Windsor Insurance Brokers to provide broker services. The Multiplex EA requires funds to be remitted to CIPL.

I have no evidence to support what is CFMEU's shareholdings or level of control over CIPL, however CIPL paid dividends to CFMEU/CFMEUQ in 2018[413] and in 2021[414], indicating CFMEU has or had a shareholding in CIPL.

I do not have evidence of who made the decision to engage Windsor Insurance Brokers. There are no common Directorships between CFMEU/CFMEUQ and Windsor Insurance Brokers.

Windsor Insurance Brokers remits referral fees to CFMEU/CFMEUQ and sponsorship fees for CFMEUQ. It is not clear how, or where, the CFMEU is referring Windsor Insurance Brokers.

7.7.4. My preliminary conclusion is that Future Skills and Windsor Insurance Brokers receive payments which may be indirectly made pursuant to the Multiplex EA. However, this analysis is ongoing to further review payments and financial benefits remitted to third parties pursuant to the Multiplex EA. Further information that I require to respond to Question 2 set out in **Annexure J**.

411 19.PDF, (Doc:0019, p. 3)

412 FTI:003

413 COM.0002.0022.0567

414 BER.0001.0001.0394

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8. EXPERT'S DECLARATION

I, Natalie Faulkner DECLARE THAT:

8.1.1. I understand that my duty to the Commission in providing written reports and giving evidence is to help the Commission, and that this duty overrides any obligation to the party by whom I am engaged or the person who has paid or is liable to pay me. I confirm that I have complied and will continue to comply with my duty.

8.1.2. The opinions expressed in this report are my own. I confirm that I have not entered into any arrangement where the amount or payment of my fees is in any way dependent on the outcome of the case.

8.1.3. I have no conflict of interest which would affect my ability as an expert witness to provide impartial evidence on any of the issues on which I have given evidence. I will advise the party by whom I am instructed if, between the date of my report and the conclusion of the Commission of Inquiry hearings, there is any change in circumstances which affect my independence.

8.1.4. I reserve the right to review and alter the conclusions reached in this report, should information that is relevant to my conclusions come to my attention after the date of this report. I will notify those instructing me immediately and confirm in writing if, for any reason, my existing report requires any correction or qualification.

8.1.5. This report has been prepared solely for the purpose set out in Section 1. It should not be used for any other purpose without my or my firm's prior written consent. Neither I nor FTI Consulting accepts any liability or responsibility for loss suffered by any party as a result of the circulation, publication, reproduction or other use of this report contrary to the provisions of this paragraph without my or my firm's prior written consent.

8.1.6. Neither I nor FTI Consulting accepts any liability or responsibility for loss suffered by any party as a result of the circulation, publication, reproduction or other use of this report contrary to the provisions of this paragraph.

8.1.7. I have read, understood and complied with and agree to be bound by:

(I) Part 1C of the Uniform Civil Procedure Rules 1999 – Queensland Code of Conduct; and

(II) the Expert Evidence Practice Note (GPN-EXPT).

8.1.8. I have also prepared my report in accordance with *APES 215 – Forensic Accounting Services*, as issued by the Accounting Professional and Ethical Standards Board, an independent, national body that sets the code of ethics and professional standards by which members of Chartered Accountants Australia and New Zealand must abide.

8.1.9. I have not yet made all inquiries that I believe are desirable or appropriate, and there remain matters of significance that are still under review. Further work is needed before I am in a position to confirm that all relevant information has been considered, noting that in this regard I have not withheld any known matters of significance from the Commission.

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8.1.11. I declare that Generative AI was not used in generating:

(I) Any part of the content of this report (including by way of alternating, embellishing, strengthening or diluting or rephrasing my witness evidence); or

(II) The content of any annexure or exhibit prepared by me for the purpose of my evidence.

Signature …… …….

Natalie Allegra Faulkner

Senior Managing Director

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9. LIST OF ANNEXURES

A. My Letters of instructions

B. Curriculum Vitae of Natalie Allegra Faulkner

C. Sources of Information Relied On

D. Directorships of Key Officeholders

E. Financial Reports

E.1 CFMEU

E.2 CFMEUQ

E.3 BERT Fund

E.4 BERT Fund No. 2

E.5 BERT Welfare Limited

E.6 Building Employees Welfare Trust

E.7 Construction Income Protection Limited

E.9 Queensland Construction Training Fund

E.11 Windsor Management Insurance Brokers Pty Ltd

F. Funding Agreements

G. Documents Obtained

H. Revenue Analysis

H1. CFMEU

H2. CFMEUQ

H3. Consolidated

H4A. Revenue that may be derived from EAs – CFMEU

H4B. Revenue that may be derived from EAs – CFMEUQ

H5. General Ledger Transactions: CFMEU

H6. General Ledger Transactions: CFMEUQ

I. General Ledger Transaction Preliminary Review

I1. Transactions that refer to entities named in the Multiplex EA

I2. Transactions that refer to entities not named in the Multiplex EA

I3. Transactions that may relate to the Multiplex EA

J. List of Information Required

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ANNEXURE A

Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry

Ms Natalie Faulkner
Senior Managing Director
Leader, Australia Risk & Investigations
FTI Consulting
Level 22, Gateway
1 Macquarie Place
Sydney NSW 2000

By email: natalie.faulkner@fticonsulting.com

28 May 2026

Dear Ms Faulkner,

Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry

1. We act for the *Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry* (**Commission**), appointed by the Queensland Government pursuant to the *Commissions of Inquiry Act 1950* (Qld) under the *Commissions of Inquiry Order (No.2) 2025* (Qld).

2. The Commission's terms of reference are enclosed and identified in the index of documents at the conclusion of this letter.

Alleged misconduct & terms of reference

3. As you may be aware, there have been suggestions the union colloquially referred to as the CFMEU has engaged in various varieties of misconduct.

4. The Commission is inquiring into that misconduct, more particularly described in the terms of reference.

5. The purpose of the Commission's inquiry is to identify and make recommendations to the Queensland Government for reform. Otherwise, the Commission may refer matters to existing prosecutorial and regulatory bodies where appropriate.

Questions, report & oral evidence

6. We wish to retain you to prepare an independent expert report answering the questions contained later in this letter.

7. Your report is intended to be produced in open hearing before the Commission. We anticipate that will occur at some time between 16 – 19 June 2026.

8. The author responsible for the report will need to be available to present the report and answer questions about it during those dates. The author may be subject to cross-examination by other interested parties, subject to the Commissioner allowing it.

9. In your report, please:

   (a) include a summary of your opinions at the commencement of the report;

   (b) state any assumptions you have made;

   (c) include detailed reasoning and analysis in the body of the report;

   (d) ensure you identify the methodology and information you employ and rely upon;

   (e) include a copy of your curriculum vitae and identify any people and their qualifications who have assisted in the preparation of the report; and

   (f) include a copy of this letter of instructions.

Background: union structure, registration and financial compliance regime

10. The so called CFMEU is relevantly, in Queensland, comprised of two separately registered organisations, albeit they are organised along similar lines and with the same officeholders. They are:

   (a) the Construction, Forestry, Maritime, Mining and Energy Union (**CFMEU**) registered under the *Fair Work (Registered Organisations) Act 2009* (Cth); and

   (b) the Construction, Forestry, Mining and Energy, Industrial Union of Employees, Queensland (**CFMEUQ**) registered under the *Industrial Relations Act 2016* (Qld).

11. Both the federal and Queensland statutory regimes identified above required the CFMEU and the CFMEUQ to have rules. A copy of the rules in force at the relevant time is included in the index of documents with this letter.

12. Financial compliance is and was at all material times principally contained in the following instruments:

   (a) *Fair Work (Registered Organisations) Act 2009* (Cth) (Chapters 8 and 9);

   (b) *Fair Work (Registered Organisations) Regulations 2009* (Cth);

   (c) *Fair Work (Registered Organisations) (Transitional Provisions) Rules 2017* (Cth); and

   (d) *Industrial Relations Act 2016* (Qld), Chapter 12.

13. The federal and state financial compliance regimes identified above imposed a broadly consistent set of financial compliance obligations. Those obligations included requirements to, broadly:

    (a) keep and maintain proper financial and accounting records;

    (b) retain prescribed records for mandated periods;

    (c) prepare periodic financial reports, including general purpose or operating reports;

    (d) comply with prescribed reporting standards governing the form and content of reports;

    (e) ensure accounts are independently audited by qualified auditors with defined statutory powers;

    (f) provide financial reports and audited accounts to members and present them at meetings;

    (g) lodge financial reports and related material with the relevant regulator;

    (h) regulate and disclose financial dealings, including:

        i. loans, grants and donations;

        ii. officer remuneration and benefits; and

        iii. material personal interests and related-party transactions.

    (i) ensure officers satisfy prescribed governance and financial training requirements; and

    (j) ensure reports and statements are not false or misleading.

14. We draw these matters to your attention as the relevant financial compliance framework in which the CFMEU and CFMEUQ operated and operate.

Revenue from enterprise bargaining agreements (EA)

15. The CFMEU obtained revenue from, amongst other sources, enterprise bargaining agreements which it negotiated between itself, its members and employers. It also obtained revenue from membership subscriptions and levies.

16. EA revenue includes:

    (a) EA processing fees;

(b) grants and apprentice scheme related revenue streams from matters mandated in EAs;

(c) promotions and sponsorship related revenue streams from matters mandated in EAs;

(d) referral fees paid in relation to the provision of training services mandated under EAs;

(e) the provision of compliance services by the CFMEU/CFMEUQ on behalf of various funds and services mandated under EAs; and

(f) directors' fees and meeting fees paid to CFMEU/CFMEUQ for representation in various governance roles in respect of bodies who receive payment under mandated requirements in EAs.

Revenue analysis

17. Question 1: Please analyse the CFMEU/CFMEUQ's sources of revenue, and any changes in the revenue received from EAs, between 2015 and 2025. In answering this question, please set out in detail your analysis of books and records, and identify:

(a) What are the sources of CFMEU and CFMEUQ's revenue?

(b) How did the sources and amount of revenue change between 2015 and 2025?

Multiplex EA 2023 – 2027

18. Question 2: Please map the money trail occurring under and facilitated by the Multiplex EA, including identifying:

(a) who did it direct money to be paid to?

(b) where did the money ultimately flow to?

(c) did the CFMEU/CFMEUQ receive any referral fees or other financial benefits in return for money being directed or indirectly flowing to third parties?

(d) were any current or previous CFMEU/CFMEUQ officeholders, members or associates, officeholders, shareholders, ultimate beneficiaries or in a position to ultimately control any monies paid under the Multiplex EA?

(e) did any third party that has no obvious connection with the CFMEU/CFMEUQ receive payments or obtain benefits directly or indirectly from the payments made pursuant to the Multiplex EA?

Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry

Index of documents

19. At the end of this letter is an index of documents provided for your consideration.

Without prejudice

20. When you provide your report could you please mark it “without prejudice and subject to legal privilege”.

Further information and queries

21. To the extent that you require further information or have any queries, please contact the writer.

Yours faithfully,

Mick Moy

Partner | Seyfarth Shaw Australia

Lawyers for Commission of Inquiry

M: 0439 060 343

E: mick.moy@cfmeuinquiry.qld.gov.au

Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry

Index of Documents

No.	Document	Date
ASIC Company Searches		
1.	BERT Pty Limited	30 September 2025
2.	BERT Financial Services Pty Ltd	24 October 2025
3.	BERT Fund Limited	13 October 2025
4.	BERT Management Pty Ltd	24 October 2025
5.	BERT Welfare Limited	24 October 2025
6.	BEWT Fund Limited	13 October 2025
7.	BUSS (Queensland) Pty Ltd	30 September 2025
8.	BUSS(Q) Properties Pty Ltd	24 October 2025
9.	Construction Income Protection Ltd	30 September 2025
10.	Future Skills Limited	3 March 2026
11.	Future Skills Management & Consulting Pty Ltd	10 March 2026
12.	QCTF Fund Limited	24 October 2025
13.	QCTF Pty Ltd	24 October 2025
ASIC Personal Searches		
14.	Jade Ingham	20 October 2025
15.	Michael Ravbar	16 October 2025
16.	William Kane Lowth	14 October 2025
CFMEU Agreements		
17.	BUSSQ Compliance Agreement 2025-2026	1 July 2025
18.	Future Skills Memorandum of Understanding 2019	3 July 2019
19.	Future Skills Memorandum of Understanding 2021	17 March 2021

20.	Future Skills Memorandum of Understanding 2022 Amendment	15 February 2022
21.	Windsor Referral Agreement 2012	31 August 2012
22.	Windsor Referral Agreement 2014	1 July 2014
23.	Windsor Sponsorship Agreement 2022	6 March 2022
24.	Windsor Sponsorship Agreement 2024	1 July 2024
25.	Windsor Transaction Listing FY23	11 March 2026
26.	Windsor Transaction Listing FY24	11 March 2026
27.	Windsor Transaction Listing FY25	11 March 2026
Enterprise Agreements		
28.	Multiplex Australasia Pty Ltd and CFMEU Union Collective Agreement 2023-2027	29 November 2023
Financial Statements		
BERT Fund		
29.	Annual Financial Report	10 October 2023
30.	Annual Financial Report	8 October 2024
31.	Annual Financial Report	14 October 2025
BERT Fund No. 2		
32.	Annual Financial Report	10 October 2023
33.	Annual Financial Report	8 October 2024
34.	Annual Financial Report	14 October 2025
BERT Welfare Limited		
35.	Annual Report	10 October 2023
36.	Annual Report	8 October 2024
37.	Annual Report	14 October 2025

BEWT Fund		
38.	Annual Report	10 October 2023
39.	Annual Report	8 October 2024
40.	Annual Report	14 October 2025
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41.	Financial Statements	30 May 2023
42.	Financial Statements	28 May 2024
43.	Financial Statements	29 July 2025
CFMEUQ		
44.	Financial Statements	30 May 2023
45.	Financial Statements	28 May 2024
46.	Financial Statements	29 July 2025
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47.	Annual Financial Report	10 October 2023
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49.	Annual Financial Report	14 October 2025
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50.	Financial Statements	26 October 2023
51.	Financial Statements	24 October 2024
52.	Financial Statements	30 October 2025
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53.	Annual Financial Report	10 October 2023
54.	Annual Financial Report	8 October 2024
55.	Annual Financial Report	14 October 2025

Total Claim Solutions		
56.	Financial Report	26 September 2023
57.	Financial Report	3 September 2024
58.	Financial Report	6 November 2025
Windsor Management Insurance Brokers		
59.	Annual Report	22 September 2023
60.	Annual Report	3 September 2024
61.	Annual Report	9 October 2025
Funding Agreements		
62.	CFMEU 2022 Demolition Scholarship Stream DM2	July 2022
63.	CFMEU 2022 Northern Territory Indigenous Training Program I6	July 2022
64.	CFMEU 2022 Skilled Labourer Trainee Scholarship Stream F19	July 2022
65.	CFMEU 23 Civil Scholarship Stream C15	12 June 2023
66.	CFMEU 2023 Demolition Scholarship Stream DM3	12 June 2023
67.	CFMEU 2023 Northern Territory Indigenous Training Program I7	12 June 2023
68.	CFMEU 2023 Skilled Labourer Trainee Scholarship Stream F20	12 June 2023
69.	CFMEU 2024 Apprentice Scholarship Stream A28	11 June 2024
70.	CFMEU 24 Civil Scholarship Stream C16	11 June 2024
71.	CFMEU 2024 Demolition Scholarship Stream DM4	11 June 2024
72.	CFMEU 2024 Northern Territory Indigenous Training Program I8	11 June 2024
73.	CFMEU 2024 Skilled Labourer Trainee Scholarship Stream F21	11 June 2024

Other Documents		
74.	Bundle of Catering Invoices	Various
75.	Minutes of State Divisional Council of CFMEU	3 November 2022
76.	Terms of Reference	1 August 2025

ANNEXURE B

Annexure B – Curriculum Vitae of Natalie Faulkner

Senior Managing Director, Forensic Litigation Consulting

+61 412 076 877
Natalie.faulkner@fticonsulting.com

Location
Sydney

Education & Certifications

- HSC, Kambala Girls School,1994
- Bachelor of Commerce (UNSW), 1998
- Master of Applied Finance and Investment (FINSIA), 2005
- Certificate III in Investigative Services, Charles Sturt University
- Certificate IV in Fraud Control (Government), Charles Sturt University
-

Professional Associations

- Fellow Member of the Institute of Chartered Accountants of England and Wales, ICAEW
- Chartered Accountant, Australia & New Zealand

Natalie has over 25 years' professional services experience and is a Chartered Accountant Australia and New Zealand (CA ANZ) and a Fellow Chartered Accountant with the Institute of Chartered Accountants in England and Wales (ICAEW)

Natalie's core expertise is to assist clients in complex and sensitive situations, be it investigation into accounting irregularities, unreconciled balanced, regulatory breaches and allegations of fraud and misconduct.

Natalie has assisted clients to respond to government agencies post regulatory breaches, fraud investigations and unreconciled balances including ASIC, ACCC, ATO, ASX, RBA, the Australian Mint and the ICAC.

She draws on skills from accounting, finance, data mining and provision of commercial advice to deliver analysis on issues that typically involve large data sets and complex issues. Natalie integrates, analyses and presents data to facilitate a deeper understanding of the issues relevant to a matter.

Professional and Industry Experience

Natalie's engagement experience covers a variety of industries including construction, mining, government, financial services, telecommunications, retail and technology.

Her experience includes:

- Funds flow tracing to identify the recipients of unauthorised transactions and preparation of network analysis to visually display findings;
- Background intelligence to identify undisclosed conflicts of interests and persons of interest relationships;
- Reconstruction of financial records, reconciliation of balances and quantification of loss in fraud and misconduct investigations, white collar crime and regulatory incidents;
- Reviews of costs of major projects and quantification of contractually non-compliant spend;
- Assessment of loss of profits in commercial disputes, construction and insurance claims;
- Review of accounting treatment in post-acquisition disputes and estate matters;
- Preparation of reports, including Independent Expert Reports in civil and criminal proceedings, briefs of evidence for referral to law enforcement and to seek recovery in insurance claims; and
- Control enhancement, proactively in Fraud and Corruption framework reviews and risk assessments and controls remediation post incidents to remediate control gaps and weaknesses that led to fraud and misconduct occurring and going undetected to mitigate the risk of incident recurrence.

Forensic accounting investigations

- Quantification of construction project cost misallocation and books and records manipulation for a major Australian retailer of over $5 million.
- For an ASX listed company, investigation into allegations of bringing forward the sales of high margin products and delaying the recording of low margin products to impact financial results reported to the market and realise team key performance indicators.
- For a bond trading client, reconstruct and reconcile client money accounts over a 5 year period and assist the client to report to ASIC. This engagement identified employee fraud, so the engagement was extended to quantify amounts misappropriated, undertake asset searches and seek recovery via an insurance claim.
- For an insurer, Consulting Expert accounting analysis of a $900m+ claim by a Wealth Manager relating to their Consumer Remediation program costs. Identified claims for costs not covered by their insurance policy including salaries and wages, overheads, amounts incurred predating the program, staff entertainment, costs relating to unrelated programs of work and accounting entries not representative of cash transactions.
- For a retailer, account reconstruction and reconciliation to determine the cause of a $10 million unreconciled balance in the company accounts.
- For an Australian University, investigation into financial irregularities that resulted in the material re-statement of financial accounts.
- For a major Australian bank, reconstruction and reconciliation of its 4am reporting to the Reserve Bank of Australia and the Mint when issues arose following changing to a new cash carrier.
- For a stock broker, account reconstruction and reconciliation of over 120,000 share trades to client money accounts, reporting to ASIC and the ASX. This engagement led to further work to process map core banking and trust account procedures, identify control gaps and weaknesses, conduct a lean analysis and work with the client to build an action plan to mitigate the risk of further regulatory breaches.
- For a major international bank, reconciliation of credit card transactions to ledger, investigation of unknown balances resulting in $900,000 being recognised as fee revenue, process mapping, and retiring of a legacy agreement resulting in the bank saving over $200,000 annually in fees.
- For a law firm, verification of settlement amounts to be paid to outgoing partners.
- Pro-bono assistance with the reconciliation of the NSW Reconciliation Council's transactions account with Central Corporate Services Unit.
- Forensic accounting investigation on behalf of ASIC of one of Australia's largest corporate collapses, involving allegations of reporting irregularities and assessment of the consequential damages totalling $90 million.

Investigations and controls remediation

- Misconduct investigation into allegations of procurement kick-backs and undisclosed conflicts of interest for local and state government clients.
- Fraud and misconduct investigation of a logistics manager at a large Australian telecommunications company. Allegations included conflicts of interest, running a side business, misappropriation of stock and overcharging for services provided. The engagement involved imaging and analysis of electronic records, reconstruction of records, quantification of loss of over AU$10 million and

litigation support. Following the investigation, Natalie assisted the remediation of controls through a targeted review of reverse logistics.

- Fraud and misconduct investigation of a Director of a Concreting company who misappropriated approximately $600,000 through charging personal expenses to the business.
- Fraud and misconduct investigation of the Payroll Manager of a construction company totalling approximately $250,000 through recording fictitious payroll journals.
- Fraud and misconduct investigation of a staff member in a Sydney private school who misappropriated approximately $70,000 in cash receipts.
- Natalie was engaged by a government department as Special Inspector. In this role Natalie led a number of investigations which identified and quantified misappropriation of assets.
- For an international bank, conducted an investigation into allegations of undisclosed conflicts of interest by the Chairman;
- For a Bank, conducted an investigation into allegations of their auditor breaching independence requirements;
- For an Australian Bank, conducted an investigation into allegations of expenses fraud by the CEO;
- For an Australian Bank, investigation into the loss of portable storage devises containing approximately 1.8 billion customer records. The engagement involved leading a team to conduct enquiries, review closed circuit television footage, reconstruct and analyse data contained on the devises and provide the client with privacy advice regarding disclosure to regulators;
- Fraud investigation of an International bank relationship manager (RM) performing discretionary unauthorised trading on customer accounts. The engagement involved imaging computers, review of electronic documents and customer statements, translating mandarin recorded phone conversations, assisting in interviews with the RM and customers affected, quantification of loss of over AU$2 million (plus representations that account balances were AU$3.5 million higher than actuals) and working with the bank's compliance function to remediate controls.

Expert Witness services

- Independent expert to assess fraud controls to determine if, in my opinion, they were adequate to protect stakeholders from financial harm.
- Independent expert to determine monetary benefit in a case involving allegations of waste being processed in excess of the licensed tonnage;
- Independent expert in a case in the Land and Environment Court to determine monetary benefit relating to breaches of development consent relating to the amount of waste able to be received;
- Independent expert in a case involving allegations of employee misconduct whereby the employee was alleged to have colluded with a supplier to falsify invoices for services not provided. The analysis involved quantification of false invoicing, funds flow tracing to the persons of interest bank accounts and performing a spend analysis of funds allegedly misappropriated;
- Independent expert in a post-acquisition dispute, providing a determination on the Earn Out clause interpretation in the Share Acquisition Agreement;
- Independent expert in a post-acquisition dispute involving the appropriate accounting treatment to expense or capitalise expenses.
- Independent expert in an international arbitration post-acquisition dispute involving the consideration of accrued liabilities that had not been included in the final statements of account.

- Independent expert in an estate family law matter involving consideration of accounting treatment of transactions between related entities.
- Independent expert in a dispute involving the appropriate allocation of assets and liabilities from local councils in the process of local council amalgamations;
- Independent expert in a commercial dispute involving loss of profits to the operator of a car park business. Allegations were that a car park operator failed to renew a lease, and then took on the lease himself resulting in a claim for damages;
- Consulting expert in the investigation of an Australian fund manager to determine the reasons for the decline in the client's portfolio from $45 million to $20 million. The engagement included a detailed review of multiple foreign currency bank and trading accounts, analysis of management and performance fees, identification of unexplained withdrawals, review of transcripts with banks/ trading platform providers and review of Australian Financial Services license (AFSL) application. Natalie provided mediation support in this matter.
- Consulting expert in a matter involving a major Australian bank, conducting an analysis to demonstrate a nexus between over $220 million in misappropriated funds and assessable income for submissions to the Australian Tax Office.
- In addition, Natalie has experience in damages calculations involving loss of profit from disputes including:
  - damages under contract regarding obligations to supply;
  - damages under contract regarding construction of a galvanising plant;
  - completion accounts;
  - professional malpractice, including allegations against auditors and company officers, and
  - assessment of future loss of earnings in personal injury cases.

Contract management and Cost recovery

- For an Australian miner, conducted a review of AU$4.5 billion in project spend and identified over AU$50 million of contractually non-compliant spend including charging for contract exclusions, incorrect application of labour rates, delay and disruption claims caused by the contractor and double charging for rectification of works.
- Expert determination on the commercial terms and performance standards of a license agreement between a university and an agricultural company.
- For a charity, Natalie advised on the commerciality of proposed licensing terms and royalties with an overseas body wishing to licence the charity's business model.
- Licensee compliance reviews for software providers, a hardware manufacturer, a publishing company resulting including the identification of underpayment of royalties and other areas of noncompliance.

Consumer Remediation

- For a Big 4 bank, assistance to remediate a portfolio of Collections incidents relating to Financial Hardship, Credit Listing and Paid directs. Each remediation involves validating the nature of the incident, confirm that the incident root cause has been addressed and future fixed, identifying all impacted customers, defining and endorsing business rules to apply to quantify redress, including oncosts and time value of money interest, undertaking compliance washes and coordinating & reconciling payments made to customers;

	■ For a Big 4 retail bank conducting expeditious remediation of highly complex regulatory incidents relating to responsible lending, credit cards, marketing packages and ATM channel issues (Banking Code of Practice, National Consumer Credit Protection Act, Responsible lending). ■ For a Global bank, execution end to end of remediations relating to dishonour fees, incorrect fees charged by a stand-alone system and product fees; ■ For a Big 4 bank, conducting their Deceased Estates remediation across all brands and products; ■ For an Insurer, conducting a remediation of levies incorrectly charged. This involved defining the customer population, review of the actuarial calculation methodology, documentation of remediation processes and decisioning.
Review of Consumer Remediation calculators/model validation	■ Review of calculators used in remediations including sales practices compensation and actual rate of return calculators to ensure they operate as intended, aligned to business rules and regulatory guidance. ■ For a Big 4 bank, conducting model validation on a calculator to be used in wealth remediation to calculate weighted average actual returns to members impacted by various risk incidents.
Payroll Remediation	■ For an education institution, calculate employee entitlements under the by the Victorian Early Childhood Teachers and Educators Agreement 2020 which had not attributed the correct advisor levels and pay rates. ■ For a Biotechnology company, quantify underpayments in employee long service leave entitlements, considering bonuses, incentives and car allowances paid, applying the relevant State based Enterprise Agreement or award.
Fraud & Scam Risk Management	■ **Planning:** Natalie designed KPMG's Fraud Navigator to optimise organisations' Fraud maturity/ Operating models. The Fraud Navigator has been applied to local and global banks to assess and improve their Operating Model to manage fraud & scam risks. ■ **Prevention:** Natalie has benchmarked a number of entities Anti-corruption frameworks to The Australian Standard on Fraud & Corruption Control (AS8001:2021 & 2008), drafted fraud and whistle blower policies, conducted fraud awareness training and conducted reviews of Fraud Control Plans for compliance with the Commonwealth Fraud Control guidelines. ■ For a state government department, following a fraud and an Independent Commission against Corruption (ICAC) investigation, Natalie led a team to provide fraud prevention services. This included conducting Fraud Awareness training, a review of procure to pay and payroll processes to identify control gaps and weaknesses and conducting targeted fraud analytics. ■ **Detection:** Natalie has led numerous data mining engagements to identify unusual relationships and transactions in payroll, accounts payable, accounts receivable and store cards data.
Assurance experience - Sydney and London	■ In 2003, Natalie was a member of the Financial Services assurance practice of PwC Sydney. ■ Between 1999 and 2003, Natalie was a member of the London Investment Management and Private Banking+ Assurance practice in PwC London.

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ANNEXURE C

Annexure C: List of documents provided

Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry

Privileged and Confidential

1 List of Documents Provided

Document No.	Bates Number	Document Name	Date Provided	Provided By	Type	Obtained From
0001		01.PDF	13-May-26	Seyfarth Shaw Australia	PDF	
0002		02.PDF	13-May-26	Seyfarth Shaw Australia	PDF	
0003		03.PDF	13-May-26	Seyfarth Shaw Australia	PDF	
0004		04.PDF	13-May-26	Seyfarth Shaw Australia	PDF	
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Annexure C: List of documents provided

Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry

Privileged and Confidential

1 List of Documents Provided

	COM.0001.0041.3661		25-May-26	Seyfarth Shaw Australia	PDF	Relativity
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0111		CFMEUQ-TB-FY22	27-May-26	Seyfarth Shaw Australia	Excel	

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0112		CFMEUQ-TB-FY23	27-May-26	Seyfarth Shaw Australia	Excel	
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	COM.0001.0002.4377	CFMEUQ Main Bank Statement 2022-11.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0002.4378	CFMEUQ Main Bank Statement 2022-12.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0002.4379	CFMEUQ Main Bank Statement 2023-01.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0002.4380	CFMEUQ Main Bank Statement 2023-02.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0002.4381	CFMEUQ Main Bank Statement 2023-03.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0002.4382	CFMEUQ Main Bank Statement 2023-04 to 2023-09.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0002.4383	CFMEUQ Main Bank Statement 2023-10 to 2024-03.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0002.4384	CFMEUQ Main Bank Statement 2024-04 to 2024-07.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0002.4385	CFMEUQ Main Bank Statement 2024-08 to 2024-10.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0002.4386	CFMEUQ Main Bank Statement 2024-11 to 2025-03.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity

Annexure C: List of documents provided

Commission of Inquiry into the CFMEU and Misconduct in the Construction Industry

Privileged and Confidential

1 List of Documents Provided

	COM.0001.0002.4387	CFMEUQ Main Bank Statement 2025-04 to 2025-10-15.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0002.0021.9067	CBA Main Bank Statement April 2018.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0002.0021.9225	CBA Main account post year end bank statement.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0002.0021.9268	CBA Main Account Post year end bank statement.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0002.0021.9593	CFMEU Main Bank Statement 2021.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0002.0021.9595	CFMEU Main Bank Statement April 2021.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0002.0021.9784	QNTBD Main Bank Statement 2021.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0002.0021.9786	QNTBD Main Bank Statement April 2021.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0002.0022.0356	CFMEUQ Main Bank Statement Apr-Sep 2023.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0002.0022.0357	CFMEUQ Main Bank Statement Oct-Mar 2024.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0002.0022.0413	QNTDB Main Bank Statement.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0009.8107	CBA Main Account Post year end bank statement.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0009.8581	QNTBD Main Bank Statement 2021 (1).pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0009.9230	QNTDB Main Bank Statement.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0005.8066	CFMEU Main Bank Statement 2021.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0005.8914	CFMEUQ Main Bank Statement Oct-Mar 2024.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0040.9607	CBA Main Bank Statement April 2018.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0040.9765	CBA Main account post year end bank statement.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0040.9808	CBA Main Account Post year end bank statement.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0041.0134	CFMEU Main Bank Statement 2021.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0041.0136	CFMEU Main Bank Statement April 2021.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0041.0324	QNTBD Main Bank Statement 2021.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0041.0326	QNTBD Main Bank Statement April 2021.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0041.0900	CFMEUQ Main Bank Statement Apr-Sep 2023.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0041.0901	CFMEUQ Main Bank Statement Oct-Mar 2024.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0041.0957	QNTDB Main Bank Statement.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0041.5161	CFMEU Main Bank Statement 2021.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0041.6009	CFMEUQ Main Bank Statement Oct-Mar 2024.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0041.7008	CBA Main Account Post year end bank statement.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0041.7482	QNTBD Main Bank Statement 2021 (1).pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
	COM.0001.0041.8132	QNTDB Main Bank Statement.pdf	29-May-26	Seyfarth Shaw Australia	PDF	Relativity
0128		Service Agreement.PDF	08-Jun-26	Seyfarth Shaw Australia	PDF	

2 List of Documents Obtained

Document No.	Document Name	Date Obtained	Type
FTI001	CIP Booklet Accident And Illness Benefits Program MP Queens Wharf March 2025	03-Jun-26	PDF
FTI002	BERT Entities - Fair Work Laws Amendment Submission 33	04-Jun-26	PDF
FTI003	National Training Register	09-Jun-26	PDF
FTI004	About Us - BERT-CIP-Paula Masters	09-Jun-26	PDF
FTI005	Construction Income Protection - Website	10-Jun-26	PDF
FTI006	BUSSQ Annual Report 2022-2023	10-Jun-26	PDF
FTI007	BUSSQ Annual Report 2023-2024	10-Jun-26	PDF
FTI008	BUSSQ Annual Report 2024-2025	10-Jun-26	PDF
FTI009	Current details for ABN 68 400 889 434	11-Jun-26	PDF
FTI010	ABN Lookup - The Trustee for Building Unions Superannuation Scheme Qld	19-May-26	PDF
FTI011	Super Fund Lookup - The Trustee for Building Unionts Superannuation Scheme Qld	19-May-26	PDF

ANNEXURE D

ANNEXURE D – DIRECTORSHIPS OF KEY OFFICEHOLDERS

ASIC records identify the following current and former directorships for the Key Officeholders as follows:

Ross Davidson

Table 1. Mr Davidson – Directorships[1]

Company Name	Role	Date of Appointment	Date of Cessation
CISC (ACN 067 097 625)	Director	08/10/2024	Current as of 21/05/2026
ACN 010 917 281[2]	Director	29/01/2026	Current as of 21/05/2026
BERT Financial Services Pty Ltd (ACN 656 106 740)	Director	13/09/2024	Current as of 21/05/2026
BERT Welfare Limited (ACN 606 249 183)	Director	13/09/2024	Current as of 24/10/2025
QCTF Fund Limited (ACN 607 108 501)	Director	13/09/2024	Current as of 24/10/2025
BERT Fund Limited (ACN 607 106 650)	Director	13/09/2024	Current as of 13/10/2025
BEWT Fund Limited (ACN 607 107 595)	Director	13/09/2024	Current as of 13/10/2025

Hemal Patel

Table 2. Mr Patel – Directorships[3]

Company Name	Role	Date of Appointment	Date of Cessation
ACN 010 917 281[4]	Director	29/01/2026	Current as of 21/05/2026
BERT Financial Services Pty Ltd (ACN 656 106 740)	Director	13/09/2024	Current as of 21/05/2026
BERT Fund Limited (ACN 607 106 650)	Director	13/09/2024	Current as of 21/05/2026
BERT Welfare Limited (ACN 606 249 183)	Director	13/09/2024	Current as of 21/05/2026
BEWT Fund Limited (ACN 607 107 595)	Director	13/09/2024	Current as of 21/05/2026
BUSS (Queensland) Pty Ltd (ACN 065 081 281)	Director	13/09/2024	Current as of 21/05/2026
QCTF Fund Limited (ACN 607 108 501)	Director	13/09/2024	Current as of 21/05/2026

Paul Dunbar

Table 3. Mr Dunbar – Directorships[5]

Company Name	Role	Date of Appointment	Date of Cessation
BERT Welfare Limited (ACN 606 249 183)	Director	13/09/2024	Current as of 24/10/2025
QCTF Fund Limited (ACN 607 108 501)	Director	13/09/2024	Current as of 24/10/2025
BEWT Fund Limited (ACN 607 107 595)	Director	13/09/2024	Current as of 13/10/2025
BERT Fund Limited (ACN 607 106 650)	Director	13/09/2024	Current as of 13/10/2025

[1] COM.0001.0037.9985, (Doc:0003, p. 2)
[2] ASIC file for Mr Davidson identifies this entity as ACN 010 917 281 (COM.0001.0037.9985) but the ACN pertains to B.E.R.T Pty Limited as identified in (Doc:0001)
[3] COM.0001.0035.9991, (Doc:0003, pp. 2-3)
[4] ASIC file for Mr Patel identifies this entity as ACN 010 917 281 (COM.0001.0035.9991) but the ACN pertains to B.E.R.T Pty Limited as identified in (Doc:0001)
[5] COM.0001.0037.9978, (Doc:0003, p. 3), (Doc:0005), (Doc:0002), (Doc:0006), (Doc:0012), COM.0001.0002.4303 (p.4, para. 1)

Company Name	Role	Date of Appointment	Date of Cessation
BERT Financial Services Pty Ltd (ACN 656 106 740)	Director	13/09/2024	Current as of 13/10/2025
BUSS (Queensland) Pty Ltd (ACN 065 081 281)	Director	12/09/2024	Current as of 30/09/2025

Jade Ingham

Table 1. Mr Ingham – Directorships [6]

Company Name	Role	Date of Appointment	Date of Cessation
Your Union Your Choice Ltd (ACN 680 168 487)	Director	23/08/2024	Current as of 16/10/2025
Mates in Construction (QLD & NT) (ACN 129 828 397)	Director	01/07/2024	29/07/2025
B.E.R.T. Pty Limited (ACN 010 917 281)	Director	13/06/2018	18/05/2025
BERT Financial Services Pty Ltd (ACN 656 106 740)	Director	16/12/2021	12/09/2024
BERT Fund Limited (ACN 607 106 650)	Director	19/09/2016	12/09/2024
BERT Welfare Limited (ACN 606 249 183)	Director	19/09/2016	12/09/2024
BEWT Fund Limited (ACN 607 107 595)	Director	01/03/2021	12/09/2024
QCTF Fund Limited (ACN 607 108 501)	Director	09/12/2016	12/09/2024
BEWT Pty Limited (ACN 108 313 622)	Director	08/08/2018	17/05/2023
QCTF Pty Ltd (ACN 073 653 399)	Director	09/12/2016	22/11/2023
Construction Income Protection Ltd (ACN 110 841 962)	Director	19/09/2013	01/02/2021
BERT Management Pty Ltd (ACN 143 691 276)	Director	15/06/2018	08/12/2019

Paula Masters

Table 1. Ms Masters – Directorships [7]

Company Name	Role	Date of Appointment	Date of Cessation
Coralgale Pty Ltd (ACN 090 882 2025)	Director	20/12/1999	Current as of 21/05/2026
Buildskills Australia Limited (ACN 668 509 822)	Director	05/06/2023	Current as of 21/05/2026
CISC Pty Ltd (ACN 067 097 625)	Director	01/03/2021	Current as of 21/05/2026
Construction Income Protection Ltd (ACN 110 841 962)	Director	28/08/2015	Current as of 21/05/2026
B.E.R.T. Pty Limited (ACN 010 917 281)	Director	28/11/2014	03/01/2022
BERT Financial Services Pty Ltd (ACN 656 106 740)	Director	16/12/2021	03/01/2022
BERT Fund Limited (ACN 607 106 650)	Director	16/07/2015	03/01/2022
BERT Welfare Limited (ACN 606 249 183)	Director	04/06/2015	03/01/2022
BEWT Fund Limited (ACN 607 107 595)	Director	16/07/2015	03/01/2022
BUSS (Queensland) Pty Ltd (ACN 065 081 281)	Director	01/04/2015	14/12/2022
BUSS(Q) Properties Pty Ltd (ACN 153 918 480)	Director	29/04/2015	14/12/2022
QCTF Fund Limited (ACN 607 108 501)	Director	09/12/2016 16/07/2015	03/01/2022 24/09/2015

[6] (Doc:0014)
[7] COM.0001.0037.9979, (Doc:0003, p. 3), (Doc:0005, p. 4), (Doc:0002), (Doc:0001, p. 5), (Doc:0004, p.3), (Doc:0006, p. 4), (Doc:0012, p.4), (Doc:0013, p.4), (Doc:0007, p.3), (Doc:0008, p. 4)

Company Name	Role	Date of Appointment	Date of Cessation
QCTF Pty Ltd (ACN 073 653 399)	Director	09/12/2016	19/04/2022
BERT Management Pty Ltd (ACN 143 691 276)	Director	15/06/2018	08/12/2019

Michael Ravbar

Table 2. Mr Ravbar – Directorships [8]

Company Name	Role	Date of Appointment	Date of Cessation
Your Union Your Choice Ltd (ACN 680 168 487)	Director	23/08/2024	Current as of 16/10/2025
B.E.R.T. Pty Limited (ACN 010 917 281)	Director	09/09/2014	18/05/2025
CISC Pty Ltd (ACN 067 097 625)	Director	17/04/2012	25/11/2024
BERT Financial Services Pty Ltd (ACN 656 106 740)	Director	16/12/2021	12/09/2024
BERT Fund Limited (ACN 607 106 650)	Director	16/07/2015	12/09/2024
BERT Welfare Limited (ACN 606 249 183)	Director	04/06/2015	12/09/2024
BEWT Fund Limited (ACN 607 107 595)	Director	16/07/2015	12/09/2024
BUSS (Queensland) Pty Ltd (ACN 065 081 281)	Director	03/11/2021	12/09/2024
QCTF Fund Limited (ACN 607 108 501)	Director	09/12/2016 16/07/2015	12/09/2024 24/09/2015
QCTF Pty Ltd (ACN 073 653 399)	Director	09/12/2016	22/11/2023
BUSS(Q) Properties Pty Ltd (ACN 153 918 480)	Director	07/07/2022	21/09/2023
BEWT Pty Limited (ACN 108 313 622)	Director	08/08/2018	17/05/2023
BERT Management Pty Ltd (ACN 143 691 276)	Director	17/05/2010	08/12/2019
Mates in Construction (QLD & NT) (ACN 129 828 397)	Director	24/09/2012	20/06/2019
Construction Income Protection Ltd (ACN 110 841 962)	Director	01/07/2007	02/01/2018
BCITF (QLD) Limited (ACN 105 495 387)	Director	02/11/2009	02/11/2012

Emma Eaves

Table 3. Ms Eaves – Directorships [9]

Company Name	Role	Date of Appointment	Date of Cessation
Construction Income Protection Ltd (ACN 110 841 962)	Director	13/09/2024	Current as of 30/09/2025
BUSS (Queensland) Pty Ltd (ACN 065 081 281)	Director	14/12/2022	Current as of 30/09/2025
		01/01/2020	13/10/2021
BUSS(Q) Properties Pty Ltd (ACN 153 918 480)	Director	14/12/2022 01/01/2020	21/09/2023 03/12/2021

[8] (Doc:0001, p. 4), (Doc:0002, p. 3), (Doc:0003, p.3), (Doc:0004, p. 3), (Doc:0005, p. 3), (Doc:0006, p. 3), (Doc:0007, 4), (Doc:0008, p. 3), (Doc:0012, p.3), (Doc:0015)

[9] (Doc:0007, p. 3 and 5), (Doc:0008, p.4), (Doc:0009, p.3), COM.0001.0002.4302 (p.4, para. 1)

Jacqueline Collie

Table 4. Ms Collie – Directorships [10]

Company Name	Role	Date of Appointment	Date of Cessation
BUSS (Queensland) Pty Ltd (ACN 065 081 281)	Director	28/08/2019	12/09/2024
Construction Income Protection Ltd (ACN 110 841 962)	Director	02/01/2018	12/09/2024
BUSS(Q) Properties Pty Ltd (ACN 153 918 480)	Director	28/08/2019	21/09/2023

William Lowth

Table 5. Mr Lowth – Directorships [11]

Company Name	Role	Date of Appointment	Date of Cessation
Your Union Your Choice Ltd (ACN 680 168 487)	Director	23/08/2024	Current as of 14/10/2025
Construction Income Protection Ltd (ACN 110 841 962)	Director	01/02/2021	12/09/2024
Skylight Financial Solutions Pty Ltd	Director	20/03/2020	13/10/2021

[10] (Doc:0007, p.4), (Doc:0008, p. 3), (Doc:0009, p. 3 and 4)
[11] (Doc:0016), COM.0001.0001.0909

ANNEXURE E

ANNEXURE E1

Financial Reports
CFMEU

Liability limited by a scheme approved under Professional Standards Legislation

Financial Reports

CFMEU

1 January 2015 to 31 December 2015

Liability limited by a scheme approved under Professional Standards Legislation

CFMEU
QLD/NT

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

Financial Statements

For the year ended 31 December 2015

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Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Statement of Comprehensive Income for the year ended 31 December 2015

	Note	2015 $	2014 $
Revenue			
Membership subscriptions		10,761,043	10,145,616
Compulsory levy - Defence Fund		909,385	666,953
Compulsory levy - Campaign		274,645	59,287
Voluntary Levy - Tool Scheme		49,200	47,892
Voluntary collections - ADSS donations		57,430	65,363
Gain on disposal of fixed assets		2,046	-
Capitation fees		-	-
Revenue from other reporting units of the organisation		-	-
Total revenue		12,053,749	10,985,111
Other Income			
Grants Apprentice Scheme		3,139,908	3,159,736
Grants Other		427,500	320,000
Donations		-	-
Interest		61,801	19,459
Sundry income and reimbursement	3	2,334,679	2,158,760
Total other income		5,963,888	5,657,955
Total other income		18,017,637	16,643,066
Expenses			
Affiliation fees	4	235,867	175,891
Auditors remuneration - Audit services		34,042	18,200
Capitation fees	5	967,343	951,633
Compulsory levy - Campaign		274,645	59,287
Voluntary levy - Tool Scheme		200	-
Voluntary collections		57,430	65,363
Consideration to employers for payroll deductions		418	1,992
Donations	6	27,184	9,631
Apprentice Schemes		3,139,908	3,159,736
Legal fees	7	3,618,324	3,014,570
Meeting and conference costs	8	46,742	243,932
Meeting and conference attendance fees		9,409	26,794
Penalties	9	1,955	3,731
Depreciation of property, plant & equipment	10	246,357	144,045
Officers and employee expenses	11	6,098,228	5,696,877
Other	12	2,832,916	2,771,197
Total expenses		17,590,968	16,342,879

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Statement of Comprehensive Income for the year ended 31 December 2015

	Note	2015 $	2014 $
Surplus before income tax		426,669	300,187
Income tax expense	2	-	-
Surplus for the year		426,669	300,187
Other comprehensive income:		-	-
Total comprehensive surplus attributable to the Union		426,669	300,187

The accompanying notes form part of these financial statements.

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Statement of Financial Position as at 31 December 2015

	Note	2015 $	2014 $
Current assets			
Cash and cash equivalents	13	9,748,742	2,721,357
Receivables	14	668,516	746,954
Prepayments		78,525	61,950
Total current assets		10,495,783	3,530,261
Non-current assets			
Property, plant and equipment	15	1,097,219	873,698
Receivables	14	3,202,137	10,286,239
Total non-current assets		4,299,356	11,159,937
Total assets		14,795,139	14,690,198
Trade and other payables	16	3,666,573	4,440,349
Short-term provisions	17	1,373,370	1,188,209
Revenue in advance	18	6,434,832	5,317,783
Total current liabilities		11,474,775	10,946,341
Non-current liabilities			
Long-term provisions	17	480,138	686,828
Revenue in advance	18	566,342	1,209,814
Total non-current liabilities		1,046,480	1,896,642
Total liabilities		12,521,255	12,842,983
Net assets		2,273,884	1,847,215
Equity			
Retained earnings		2,273,884	1,847,215
Total equity		2,273,884	1,847,215

The accompanying notes form part of these financial statements.

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Statement of Changes in Equity for the year ended 31 December 2015

	Note	Retained earnings		
		General Fund	Compulsory Levy Defence Fund	Total
		$	$	$
Balance at 1 January 2014		(604,599)	2,151,627	1,547,028
Surplus attributable to the Union		(366,766)	666,953	300,187
Other comprehensive income for the year		-	-	-
Balance at 31 December 2014		(971,365)	2,818,580	1,847,215
Surplus/deficit attributable to the Union		(482,716)	909,385	426,669
Other comprehensive income for the year		-	-	-
Balance at 31 December 2015		(1,454,081)	3,727,965	2,273,884

The accompanying notes form part of these financial statements.

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Cash Flow Statement for the year ended 31 December 2015

	Note	2015 $	2014 $
Cash flows from operating activities			
Receipts from members		13,947,687	12,907,203
Grant receipts		4,120,597	3,253,608
Advertising Receipts		47,861	45,794
Interest received		46,720	18,282
Other sundry receipts		2,154,586	2,959,058
Receipts from other reporting units			
CFMEU National Office		-	2,622
CFMEU C&G National Office		58,261	9,464
CFMEU C&G BLF		-	58,089
CFMEU C&G NSW		21,933	1,300
CFMEU C&G Vic		2,988	-
CFMEU C&G WA		3,247	15,614
CFMEU C&G ACT		19,223	-
CFMEU C&G ACT		943	-
CFMEU FFPD SA		-	500
CFMEU M&E QLD		-	59,300
Payments to other suppliers and employees		(21,612,285)	(13,969,235)
Payments to other reporting units			
CFMEU C&G National Office		1,643,896	(1,236,797)
CFMEU C&G BLF		-	(5,895)
CFMEU C&G VIC		-	(3,000)
CFMEU C&G ACT		-	(8,596)
CFMEU C&G WA		2,000	-
CFMEU FFPD National Office		-	(11,638)
CFMEU M&E QLD		-	(3,371)
Net cash provided by operating activities	19	457,657	4,092,302
Cash flow from investing activities			
Purchase of fixed assets		(496,967)	(785,844)
Net cash (used) by investing activities		(496,967)	(785,844)
Cash flow from financing activities			
Cash received from/(provided to) CFMEUQ		7,066,695	(1,469,329)
Net cash provided (used) by investing activities		7,066,695	(1,469,329)
Net increase (decrease) in cash held		7,027,385	1,837,129
Cash at the beginning of the year		2,721,357	884,228
Cash at the end of the year	13	9,748,742	2,721,357

The accompanying notes form part of these financial statements.

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Recovery of Wages Activity Report for the year ended 31 December 2015

	Note	2015 No of Workers	2015 $	2014 No of Workers	2014 $
Cash assets in respect of recovered money at the beginning of the year			-		-
Receipts					
Amounts recovered from employers in respect of wages etc			-		-
Interest received on recovered money			-		-
Nett bank charges reimbursed from general account			-		-
Total receipts			-		-
Payments					
Undistributed monies returned to employers			-		-
Deductions of amounts due in respect of membership for:					
12 months or less			-		-
greater than 12 months			-		-
Deductions of donations or other contributions to accounts or funds of:					
Other entities:					
BERT			-		-
BEWT			-		-
BUSSQ			-		-
Cbus			-		-
CIPQ			-		-
Deductions of fees or reimbursement of expenses			-		-
Payments to workers in respect of recovered money			-		-
Bank charges			-		-
Total payments			-		-
Cash assets in respect of recovered money at the end of the year			-		-
Amounts recovered but not yet paid to workers			-		-

The accompanying notes form part of these financial statements.

Note 1: Information to be provided to members

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

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

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

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

Note 2: Summary of significant accounting policies

The financial statements cover the Construction, Forestry, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch as an individual reporting unit.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisations) Act 2009*. The financial statements also comply with Tier 1 reporting requirement under AASB 1053 - *Application of Tiers of Australian Accounting Standards.*

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

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

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

Accounting Policies

(a) Income tax

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

Note 2: Summary of significant accounting policies (contd)

(b) Revenue

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

Receivables for goods and services or reimbursement of expenditure on behalf of another party have 30 day terms and are recognised at the nominal amounts due less any impairment allowance amount. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of debt is no longer probable.

Grant revenue

Grants are 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 balance sheet as revenue in advance.

(c) Property, Plant and Equipment

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

Plant and equipment

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

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

Depreciation and amortisation

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

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

Fixed asset	*Rate*
Motor vehicles	25%
Plant & Equipment	10-33.3%

(d) Leases

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

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

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

Note 2: Summary of significant accounting policies (contd)

(e) Financial Instruments

Initial recognition and measurement

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

Classification and subsequent measurement:

Financial Assets at fair value

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or is so designated by management and within the requirements of *AASB139: Recognition and Measurement of Financial Instruments*. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

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

Held to maturity investments

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

Available for sale financial assets

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

Financial liabilities

Non-derivative financial liabilities are recognised at fair value, net of transaction costs, and subsequently measured at amortised cost, comprising original debt less principal repayments and amortisation.

Impairment

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

(f) Impairment of Assets

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

Note 2: Summary of significant accounting policies (contd)

(f) Impairment of Assets (contd)

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

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

(g) Fair value measurement

The Union measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, at fair value at each balance sheet date.

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

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.

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.

Note 2: Summary of significant accounting policies (contd)

(h) 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 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 reporting unit in respect of services provided by employees up to reporting date.

No provision is made for separation and redundancy benefit payments.

(i) Provisions

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

(j) Cash and Cash Equivalents

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

(k) Goods and services tax (GST)

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

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

(l) Comparative Figures

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

(m) Key accounting estimates and judgements

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

Key estimates - Impairment

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

Note 2: Summary of significant accounting policies (contd)

(n) 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.

(o) Accounting Standards Adopted during the Current Financial Year

The Union adopted all new Australian Accounting Standards that became mandatory for reporting periods beginning on 1 January 2015. No new accounting standards adopted had any material impact on this financial report.

(p) New Accounting Standards for Application in Future Periods

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Union, together with an assessment of the potential impact of such pronouncements on the Union when adopted in future periods, are discussed below:

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

  The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

  The key changes that may affect the Union on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

  The adoption of AASB 9 is not expected to have a significant impact on the Union's financial instruments.

- AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2018, as deferred by AASB 2015-8: *Amendments to Australian Accounting Standards – Effective Date of AASB 15*).

  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.

Note 2: Summary of significant accounting policies (contd)

(p) New Accounting Standards for Application in Future Periods (contd)

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 the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

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

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented per AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* (subject to certain practical expedients in AASB 15); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced

Although the Committee anticipate that the adoption of AASB 15 may have an impact on the Union's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

Note 2: Summary of significant accounting policies (contd)

(p) New Accounting Standards for Application in Future Periods (contd)

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial

Although the Committee anticipate that the adoption of AASB 16 will impact the Union's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact

	2015 $	2014 $
Note 3: Sundry income and reimbursement		
Apprentice Scheme administration recovery	444,163	547,115
Promotional charges	795,837	761,051
Compliance recoveries	351,657	289,007
Sundry income and reimbursements	743,022	561,587
	2,334,679	2,158,760
Note 4: Affiliation fees		
Political affiliation	112,902	69,663
Other affiliations		
QCU	112,699	69,525
Union Shopper	-	36,703
NT Trades & Labour Council	10,266	-
	235,867	175,891
Note 5: Capitation fees		
CFMEU C&G National Office affiliation	955,053	941,624
CFMEU FFPD National Office affiliation	12,290	10,009
	967,343	951,633
Note 6: Donations		
Total paid that were $1,000 or less	6,684	1,831
Total paid that exceeded $1,000	20,500	7,800
	27,184	9,631
Note 7: Legal fees		
Litigation	1,479,120	1,344,791
Other	377,170	169,629
Penalties & Settlements	1,762,034	1,500,150
	3,618,324	3,014,570

	2015 $	2014 $
Note 8: Meeting and conference costs		
Convention expenses	-	187,574
SMC & state executive expenses	11,968	9,037
Sub-branch expenses	11,808	29,433
Other meeting expenses	22,966	17,888
	46,742	243,932
Note 9: Penalties		
RO Act and Regulations penalties	-	-
Other penalties	1,955	3,731
	1,955	3,731
Note 10: Depreciation of property, plant & equipment		
Motor vehicles depreciation	225,805	135,306
Plant and equipment depreciation	20,552	8,739
	246,357	144,045
Note 11: Officers and employee expenses		
Holders of Office:		
Wages & salaries	796,371	727,698
Superannuation	160,228	113,910
Redundancy Fund	11,400	11,361
Leave and other entitlements	(12,358)	131,521
Other employee expenses	6,026	4,397
	961,667	988,887
Employees other than office holders:		
Wages & Salaries	4,060,286	3,936,329
Superannuation	639,987	680,878
Redundancy Fund	154,407	152,244
Leave and other entitlements	232,319	(107,546)
Other employee expenses	49,562	46,085
	5,136,561	4,707,990
	6,098,228	5,696,877

	2015 $	2014 $
Note 12: Other operating costs		
Administration expenditure	137,322	88,545
Advertising & marketing	141,092	183,499
Aged auxiliary	13,372	14,931
Communications	116,636	125,286
Computer expenses	19,355	16,065
Conference expenses	15,899	10,415
Fringe Benefits Tax	218,895	125,171
Insurance	883	1,195
International delegates	24,137	10,407
Labour Day expenses	89,833	91,605
Motor vehicle expenses	339,509	379,037
Organising expenses	456,219	537,507
Payroll Tax	320,734	298,867
Postage	98,481	101,747
Printing and stationery	132,260	94,481
Publication Expenses	64,065	75,446
Rent paid	609,017	583,251
Subscriptions	1,643	6,332
Training	13,776	14,402
Workers Compensation	19,788	13,008
	2,832,916	2,771,197
Note 13: Cash and cash equivalents		
Petty cash on hand	4,300	4,300
Debit card	343	500
Main account	257,116	576,181
CBA training account	3	-
CBA term deposit	7,000,000	-
Business Internet Saver account	2,486,980	2,140,376
	9,748,742	2,721,357

Note 14: Receivables

Current		
Interest receivable	17,809	2,728
Membership dues	792,444	942,610
Other receivables	292,976	296,659
Receivables from other reporting units		
CFMEU C&G WA	-	2,289
	1,103,229	1,244,286
Less: Provision for impairment of receivables	(434,713)	(497,332)
Total current receivables	668,516	746,954
Non-current		
Receivables from other reporting units		
CFMEUQ	3,202,137	10,286,239
Total non-current receivables	3,202,137	10,286,239
Total Receivables	3,870,653	11,033,193

Note 15: Property, Plant and Equipment

Motor vehicles - at cost	1,354,447	991,754
Less: accumulated depreciation	(357,834)	(172,325)
	996,613	819,429
Plant and equipment - at cost	130,546	63,783
Less: accumulated depreciation	(29,940)	(9,514)
	100,606	54,269
	1,097,219	873,698

Movements in carrying amounts

Motor vehicles		
Balance at beginning of year	819,429	236,474
Additions	530,462	736,463
Disposals (WDV)	(98,338)	-
Depreciation expense - Note 10	(225,805)	(135,306)
Depreciation - Apprentice Scheme	(29,135)	(18,202)
Carrying amount at end of year	996,613	819,429

	2015 $	2014 $
Note 15: Property, Plant and Equipment (contd)		
Movements in carrying amounts (contd)		
Plant & equipment		
Balance at beginning of year	54,269	13,627
Additions	69,778	49,381
Disposals (WDV)	(2,889)	-
Depreciation expense - Note 10	(20,552)	(8,739)
Carrying amount at end of year	100,606	54,269
Note 16: Trade and other payables		
Trade payables and accruals	1,876,371	1,104,713
Payable to other reporting units		
CFMEU C&G National Office	437,421	106,049
CFMEU FFPD National Office	5,750	808
Legal costs	1,286,091	3,135,195
Voluntary collections - ARDSSQ	60,940	93,584
Consideration to employers for payroll deductions	-	-
Total classified as financial liabilities at amortised cost	3,666,573	4,440,349
Note 17: Provisions		
Employee entitlements:		
Opening Balance at 1 January	1,875,037	1,344,735
Staff transferred in	39,092	626,799
Additional provisions raised during year		
General fund	219,961	23,975
Apprentice Scheme	(9,686)	114,960
Amounts used	(270,896)	(235,432)
Balance at 31 December	1,853,508	1,875,037
Analysis of employee entitlements:		
Current	1,373,370	1,188,209
Non-current	480,138	686,828
	1,853,508	1,875,037
Holders of office:		
Annual leave	77,350	88,132
Long service leave	303,524	357,921
Separations and redundancies	-	-
Total holders of office	380,874	446,053

	2015 $	2014 $
Note 17: Provisions (contd)		
Employees other than holders of office:		
Annual leave	585,525	673,602
Long service leave	887,109	755,382
Separations and redundancies	-	-
Total employees other than holders of office	1,472,634	1,472,634
Total Officers and Employee Entitlements Provision	1,853,508	1,918,687
Note 18: Revenue in advance		
Current		
Apprentice Scheme Funding	2,725,324	2,260,441
Other revenue in advance	3,709,508	3,057,342
Total Current Revenue in Advance	6,434,832	5,317,783
Non-Current		
Apprentice Scheme Funding NC	566,342	1,209,814
Total Non-current Revenue in Advance	566,342	1,209,814
Total revenue in Advance	7,001,174	6,527,597
Note 19: Cash flow information		
(a) Reconciliation of cash flow from operations with surplus after income tax		
Surplus from ordinary activities after income tax	426,669	300,187
Non-cash flows in ordinary activities		
Depreciation expense - Note 10	246,357	144,045
Depreciation - Apprentice Scheme	29,135	18,202
Depreciation - Apprentice Scheme assets owned by CFMEUQ	17,407	29,122
(Gain)/Loss on sale of assets	(2,046)	-
Rent paid to CFMEUQ	-	562,230
Changes in assets and liabilities		
(Increase) decrease in receivables	78,438	(511,331)
(Increase) decrease in prepayments	(16,575)	107,312
Increase (decrease) in payables	(773,776)	3,044,036
Increase in revenue in advance	473,577	494,996
(Decrease) in provisions	(21,529)	(96,497)
	457,657	4,092,302

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

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

Note 20: Capital and Lease Commitments

	2015 $	2014 $
Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:		
Within one year	2,167	22,279
After one year but not more than five years	-	2,167
More than five years	-	-
Total operating lease commitment	2,167	24,446

The above leases are rental in nature and the average lease term across leases is 5 years.

As at 31 December 2015 the Union did not have any capital expenditure commitments.

Note 21: Contingent Liabilities

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

If at year end, a judgement has been awarded against the union 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 as the Union intends to defend the claims.

Note 22: Events after the Reporting date

The Union is not aware of any significant events since the end of the reporting period.

Note 23: Related Party Disclosures

	2015 $	2014 $
(a) Related Party Transactions for the Reporting Period		
The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.		
Revenue received from CFMEUQ:	-	-
Expenses paid to CFMEUQ:		
Rent	644,216	628,384
Amounts owed by CFMEUQ:	3,202,137	10,286,239
Amounts owed to CFMEUQ:	-	-
Loans to CFMEUQ:	-	-
Assets transferred from CFMEUQ includes the following:		
2014 Amalgamation with BLF - Net liabilities	-	2,556,878

Note 23: Related Party Disclosures (contd)

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the yearend 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 December 2015, the CFMEU QNTDB has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2014: $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 receives a rate of interest of Nil% and is expected to be repaid within 5 years.

(b) Key management personnel remuneration for the reporting period:

	2015	2014
	$	$
Short term employee benefits		
Salary (including annual leave taken)	796,371	727,698
Annual leave accrued	(10,060)	-
Performance bonus	-	
Other employee benefits	6,026	4,397
	792,337	732,095
Post employment benefits		
Superannuation	160,228	113,910
Redundancy fund	11,400	11,361
	171,628	125,271
Other long term benefits		
Long service leave	(2,298)	131,521
	(2,298)	131,521
Termination benefits	-	-
Total	961,667	988,887

Note 24: Financial Risk Management Policies

The Committee of Management monitors the Union's financial risk management policies and exposures 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

Note 24: Financial Risk Management (contd)

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 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's objectives, policies and processes for managing or measuring the risks from the previous period.

The Union's financial instruments are listed below.

	2015 $	2014 $
Financial assets		
Cash and bank	9,748,742	2,721,357
Receivables	668,516	746,954
	10,417,258	3,468,311
Financial liabilities		
Trade and Other Payables	3,666,573	4,440,349
	3,666,573	4,440,349

(a) 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 equivalents and deposits with banks and financial institutions, as well as exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

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

The following table details the Union's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled, within the terms and conditions agreed between the Union and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Union.

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

The Union does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

Note 24: Financial Risk Management (contd)

The other classes of receivables do not contain impaired assets.

	Gross Amount	Past Due and impaired	Past due but not <30	31-60
	$	$	$	$
2015				
Membership dues	357,731	357,731	-	-
Monies owing by CFMEUQ	3,202,137	-	-	-
Other receivables	310,785	-	310,785	-
	3,870,653	357,731	310,785	-
2014				
Membership dues	445,278	445,278	-	-
Monies owing by CFMEUQ	10,286,239	-	-	-
Other receivables	301,676	-	301,676	-
	11,033,193	445,278	301,676	-

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

The Union does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

(b) Liquidity Risk

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

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- 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

(c) 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 is also exposed to earnings volatility on floating rate instruments.

The financial instruments that primarily expose the Union to interest rate risk are fixed interest securities, and cash and cash equivalents.

Note 24: Financial Risk Management (contd)

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.

Net Fair Values

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

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

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

Note 25: Acquisition of assets/liabilities from an amalgamation/restructure

On 1 May 2014 (prior year), the Construction, Forestry, Mining and Energy Union, Construction & General Division, Queensland Northern Territory Divisional Branch (QNTDB) was amalgamated with the Construction, Forestry, Mining and Energy Union, Queensland Builders Labourers

On 1 May 2014 (prior year), the Construction, Forestry, Mining & Energy, Industrial Union of Employees,Queensland (CFMEUQ) was amalgamated with the Australian Building Construction Employees and Builders Labourers' Federation (Queensland) Union of Employees (BLF).

Note 25: Acquisition of assets/liabilities from an amalgamation/restructure (contd)

As a consequence of the amalgamation, from 1 May 2014 the BLF was deregistered and all assets and liabilities were transferred to the CFMEUQ.

Assets and liabilities of an operational nature were transferred to the Federally registered reporting unit the Construction, Forestry, Mining & Energy, Union, Construction & General Division, Queensland Northern Territory Divisional Branch (QNTDB).

The detailed financial effect of the amalgamation was presented in the prior year financial statemen

No assets or liabilities have been acquired during the current year as part of an amalgamation, restructure, change in the organisation, or by determination or revocation by the Committee of Management.

Note 26: Administration of financial affairs by a third party

The Union's financial affairs were previously administered by the Construction, Forestry, Mining and Energy, Industrial Union of Employees, Queensland.

Under this informal arrangement membership subscriptions were collected and all affiliation fees paid on the Union's behalf with any surplus funds paid to the CFMEUQ as an administrative fee. This arrangement ceased effective 1 July 2013.

Note 27: Going Concern

The Union was in a net current liability position of $978,992 (2014: $7,416,080) as at 31 December 2015.

Given the union's net current liability position, the ability of the union to continue as a going concern, including its ability to pay its debts as and when they fall due needs to be considered.

The net current liability position was mainly due to the following:

- Significant revenue received in advance.
- The recognition of $1 million in legal costs which is payable within the next 12 months.

The continuation of the union as a going concern is dependent upon its ability to achieve the following:

- The continued support of its members;
- The continued support of the CFMEUQ; and
- The union's ability to potentially liquidate non-current assets.

It is on the basis of the union's ability to maintain the above arrangements, that the Committee of Management have prepared the financial report on a going concern basis. In the event that the above arrangements are not continued, there is uncertainty as to whether the union will continue as a going concern and, therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the union not continue as a going concern.

Note 28: Disclosures of Officers' Remuneration and Non-cash Benefits

Pursuant to Rule 24B of the Union's Rules, the Divisional Executive make the following disclosures of Officer remuneration and non-cash benefits received for the 2015 calendar year ('the disclosure period'):

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

	Michael Ravbar Divisional Branch Secretary	Royce Kupsch Divisional Branch President	Total
	$	$	$
Salary and allowances	167,617	132,461	300,078
Movement in annual and long service leave provisions	9,719	19,264	28,983
Superannuation	22,941	27,540	50,481
Redundancy	4,940	-	4,940
	205,217	179,265	384,482

In addition, these officers are each provided with a fully maintained motor vehicle (non-cash benefit).

Note 28: Disclosures of Officers' Remuneration and Non-cash Benefits (contd)

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

Michael Ravbar	Divisional Branch Secretary	7,044
David Hanna	Divisional Branch President	6,628
Jade Ingham	Divisional Branch Assistant Secretary	2,950
		16,622

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

In accordance with Rule 24D, refer to note 23 for payments made by the Union to related parties. There were no payments made to a declared person or body of the Union during the disclosure period.

Note 29: Union details

The principal place of business of the Union is:

Construction, Forestry, Mining and Energy Union, Construction and General Division,
Queensland Northern Territory Divisional Branch
16 Campbell Street, Bowen Hills Qld 4006

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch
Committee of Management Statement for the year ended 31 December 2015

Fair Work (Registered Organisations) Act 2009

In accordance with a resolution passed by the Committee of Management of the Construction, Forestry, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch on 7 JUNE 2016 the Committee declares that in their opinion:

(a) The financial statements and notes comply with Australian Accounting Standards.

(b) The financial statements and notes comply with the reporting guidelines of the General Manager.

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

(d) With reference to the points rasied in Note 27: Going Concern, there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable, and

(e) During the financial year to which the general purpose financial report relates and since the end of that year:
   (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
   (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
   (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
   (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
   (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or General Manager; and
   (vi) there has been compliance with any order for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act.

(f) In relation to recovery of wages activity:
   (i) No revenue has been derived from undertaking recovery of wages activity during the reporting period.

Signed on behalf of the Committee of Management by:

[redacted]

Michael John Ravbar
Divisional Branch Secretary

7/6/16
Date:

PKF

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

Report on the Financial Report

We have audited the accompanying financial report of Construction, Forestry, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch which comprises the Statement of Financial Position as at 31 December 2015, 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 and the Committee of Management Statement, Designated Officer Certificate and Operating Report.

Committee of Management's Responsibility 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.

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 us to 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 Union'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 Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, 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 the Accounting Professional and Ethical Standards Board.

PKF Hacketts Audit
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Auditor's Opinion

In our opinion, the financial report of the Construction, Forestry, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch:

(a) presents fairly in all material respects, the Union's financial position as at 31 December 2015 and of its performance and cash flows for the year then ended; and
(b) complies with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*

Emphasis of Matter

Without qualification to the opinion expressed above, attention is drawn to the following matter. As a result of the matters described in Note 27 to the financial report, there is some uncertainty as to whether the entity will be able to continue as going concern. However, based on the facts provided we have concluded the management's use of the going concern basis of accounting in the preparation of the financial report is appropriate as at 31 December 2015.

Report on Other Regulatory Requirements

a) The scope of our audit did extend to recovery of wages activity because, as noted in the Committee of Management Statement, no such activity was undertaken during the reporting period.

b) 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.

c) I am an approved auditor as defined by Regulation 4 of the *Fair Work (Registered Organisations) Regulations 2009* being a member of the Institutes of Chartered Accountants in Australia & New Zealand who holds a current Public Practice Certificate.

PKF Hacketts

PKF Hacketts Audit

[redacted]

Shaun Lindemann
Partner

Brisbane, 30 June 2016

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch
Designated Officer Certificate for the year ended 31 December 2015

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

- that the documents lodged herewith are copies of the full report for the Construction, Forestry, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch for the period ended 31 December 2015 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009.

- that the full report was provided to members of the reporting unit 7 JUNE 2016; and

- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 7 JUNE 2016 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Divisional Branch Secretary

Date: 14 JULY 2016

The Committee of Management presents the Operating Report for the financial year ended 31 December 2015:

Principal Activities

The principal activities of the Union during the year were:

- 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 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 year.

Financial Affairs

As at 31 December 2015, the Union had a net current liability position. However, based on the points raised at Note 27, the Union is still of the opinion that accounts should be prepared on a going concern basis.

Members' Rights

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

Superannuation Fund Trustees

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

Name	Position	Super Fund	
David Hanna	Director	Buss(Q)	resigned 30 July 2015
Paula Masters	Director	Buss(Q)	appointed 1 April 2015

Number of Members

The number of members at the end of the financial year recorded in the register of members and taken to be members of the Union was 17,975.

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was 49.8.

Committee of Management

Listed below are the members of the Committee of Management at any time during the financial year. Those marked with an asterix were members for the entire year.

* Steven Anderson	* Dallas Hunter
* Paul Barber	* Jade Ingham
* Andrew Clark	* Dean Kupsch
* Peter Close	* Royce Kupsch
* John Cummins	* Ian McKewin
* Bradley Daniel	* Keith Murphy
* Marcus Dittman	* Kane Pearson
* Anthony Dougherty	* Michael Ravbar
* Dallas Ezzy	* Wayne Scobie
* James Fissenden	* Thomas Smith
* Steven Gaske	* Shaun Weatherall
* Terrance Hamilton	* Bob Williams
* Kevin Heenan	* Patrick Maher

David Hanna	resigned 3/8/15	Tony Floro	resigned 17/8/15
Kane Pearson	resigned 11/9/15	Mick Koning	resigned 12/10/15
Andrew Sutherland	appointed 2/10/15		

Signed on behalf of the Committee of Management by:

[redacted]

Michael John Ravbar
Divisional Branch Secretary

7/6/16
Date

Financial Reports

CFMEU

1 January 2016 to 31 December 2016

Liability limited by a scheme approved under Professional Standards Legislation

CFMEU
QLD/NT

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

Financial Statements

For the year ended 31 December 2016

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Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Statement of Comprehensive Income for the year ended 31 December 2016

	Note	2016 $	2015 $
Revenue			
Membership subscriptions		11,728,526	10,761,043
Compulsory levy - Defence Fund		1,123,927	909,385
Compulsory levy - Campaign	2(o)	287,043	274,645
Voluntary Levy - Tool Scheme		49,800	49,200
Voluntary collections - ADSS donations		60,940	57,430
Gain on disposal of fixed assets		58,831	2,046
Capitation fees		-	-
Revenue from other reporting units of the organisation		-	-
Total revenue		13,309,067	12,053,749
Other Income			
Grants Apprentice Scheme		4,510,644	3,139,908
Grants Other		525,000	427,500
Donations		-	-
Interest		183,244	61,801
Sundry income and reimbursement	3	2,798,870	2,334,679
Total other income		8,017,758	5,963,888
Total other income		21,326,825	18,017,637
Expenses			
Affiliation fees	4	196,475	235,867
Auditors remuneration - Audit services		32,260	34,042
Capitation fees	5	1,016,439	967,343
Compulsory levy - Campaign		287,043	274,645
Voluntary levy - Tool Scheme		-	200
Voluntary collections		60,940	57,430
Consideration to employers for payroll deductions		543	418
Donations	6	41,993	27,184
Apprentice Schemes		3,385,054	3,139,908
Legal fees	7	3,025,178	3,618,324
Meeting and conference costs	8	293,720	46,742
Meeting and conference attendance fees		3,430	9,409
Penalties	9	4,586	1,955
Depreciation of property, plant & equipment	10	295,463	246,357
Officers and employee expenses	11	6,696,841	6,098,228
Other	12	3,246,419	2,832,916
Total expenses		18,586,384	17,590,968

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Statement of Comprehensive Income for the year ended 31 December 2016

	Note	2016 $	2015 $
Surplus before income tax		2,740,441	426,669
Income tax expense	2	-	-
Surplus for the year		2,740,441	426,669
Other comprehensive income:		-	-
Total comprehensive surplus attributable to the Union		2,740,441	426,669

The accompanying notes form part of these financial statements.

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Statement of Financial Position as at 31 December 2016

	Note	2016 $	2015 $
Current assets			
Cash and cash equivalents	13	7,941,340	9,748,742
Receivables	14	2,901,399	668,516
Prepayments		77,435	78,525
Total current assets		10,920,174	10,495,783
Non-current assets			
Property, plant and equipment	15	1,263,697	1,097,219
Receivables	14	2,952,137	3,202,137
Total non-current assets		4,215,834	4,299,356
Total assets		15,136,008	14,795,139
Trade and other payables	16	1,841,613	3,666,573
Short-term provisions	17	1,669,391	1,373,370
Revenue in advance	18	5,460,862	6,434,832
Total current liabilities		8,971,866	11,474,775
Non-current liabilities			
Long-term provisions	17	577,122	480,138
Revenue in advance	18	572,695	566,342
Total non-current liabilities		1,149,817	1,046,480
Total liabilities		10,121,683	12,521,255
Net assets		5,014,325	2,273,884
Equity			
Retained earnings		5,014,325	2,273,884
Total equity		5,014,325	2,273,884

The accompanying notes form part of these financial statements.

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Statement of Changes in Equity for the year ended 31 December 2016

	Note	Retained earnings		
		General Fund	Compulsory Levy Defence Fund	Total
		$	$	$
Balance at 1 January 2015		(971,365)	2,818,580	1,847,215
Surplus attributable to the Union		(482,716)	909,385	426,669
Other comprehensive income for the year		-	-	-
Balance at 31 December 2015		(1,454,081)	3,727,965	2,273,884
Surplus/deficit attributable to the Union		1,616,514	1,123,927	2,740,441
Other comprehensive income for the year		-	-	-
Balance at 31 December 2016		162,433	4,851,892	5,014,325

The accompanying notes form part of these financial statements.

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch
Cash Flow Statement for the year ended 31 December 2016

	Note	2016 $	2015 $
Cash flows from operating activities			
Receipts from members		14,039,062	13,947,687
Grant receipts		2,987,332	4,120,597
Advertising Receipts		40,098	47,861
Interest received		183,773	46,720
Other sundry receipts		2,598,760	2,154,586
Receipts from other reporting units			
CFMEUQ		-	-
CFMEU National Office		-	-
CFMEU C&G National Office		1,000	58,261
CFMEU C&G NSW		1,000	21,933
CFMEU C&G Vic		-	2,988
CFMEU C&G WA		1,000	3,247
CFMEU C&G ACT		3,219	19,223
CFMEU C&G ACT		-	943
Payments to other suppliers and employees		(18,882,825)	(18,320,493)
Payments to other reporting units			
CFMEUQ		(668,724)	-
CFMEU National Office		(255,982)	-
CFMEU C&G National Office		(1,612,218)	(1,643,896)
CFMEU C&G VIC		(24,075)	-
CFMEU C&G ACT		(2,200)	-
CFMEU C&G WA		(2,725)	(2,000)
CFMEU C&G NSW		(141)	-
CFMEU FFPD National Office		(10,013)	-
CFMEU M&E QLD		(20,031)	-
Net cash provided by operating activities	19	(1,623,690)	457,657
Cash flow from investing activities			
Proceeds from sale of fixed assets		365,427	-
Purchase of fixed assets		(799,139)	(496,967)
Net cash (used) by investing activities		(433,712)	(496,967)
Cash flow from financing activities			
Cash received from/(provided to) CFMEUQ		250,000	7,066,695
Net cash provided (used) by investing activities		250,000	7,066,695
Net increase (decrease) in cash held		(1,807,402)	7,027,385
Cash at the beginning of the year		9,748,742	2,721,357
Cash at the end of the year	13	7,941,340	9,748,742

The accompanying notes form part of these financial statements.

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Recovery of Wages Activity Report for the year ended 31 December 2016

	Note	2016 No of Workers	2016 $	2015 No of Workers	2015 $
Cash assets in respect of recovered money at the beginning of the year			-		-
Receipts					
Amounts recovered from employers in respect of wages etc			-		-
Interest received on recovered money			-		-
Nett bank charges reimbursed from general account			-		-
Total receipts			-		-
Payments					
Undistributed monies returned to employers			-		-
Deductions of amounts due in respect of membership for:					
12 months or less			-		-
greater than 12 months			-		-
Deductions of donations or other contributions to accounts or funds of:					
Other entities:					
BERT			-		-
BEWT			-		-
BUSSQ			-		-
Cbus			-		-
CIPL			-		-
Deductions of fees or reimbursement of expenses			-		-
Payments to workers in respect of recovered money			-		-
Bank charges			-		-
Total payments			-		-
Cash assets in respect of recovered money at the end of the year			-		-
Amounts recovered but not yet paid to workers			-		-

The accompanying notes form part of these financial statements.

Note 1: Information to be provided to members

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

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

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

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

Note 2: Summary of significant accounting policies

The financial statements cover the Construction, Forestry, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch as an individual reporting unit.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisations) Act 2009*. The financial statements also comply with Tier 1 reporting requirement under AASB 1053 - *Application of Tiers of Australian Accounting Standards.*

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

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

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

Accounting Policies

(a) Income tax

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

Note 2: Summary of significant accounting policies (contd)

(b) Revenue

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

Receivables for goods and services or reimbursement of expenditure on behalf of another party have 30 day terms and are recognised at the nominal amounts due less any impairment allowance amount. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of debt is no longer probable.

Grant revenue

Grants are 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 balance sheet as revenue in advance.

(c) Property, Plant and Equipment

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

Plant and equipment

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

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

Depreciation and amortisation

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

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

Fixed asset	*Rate*
Motor vehicles	25%
Plant & Equipment	10-33.3%

(d) Leases

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

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

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

Note 2: Summary of significant accounting policies (contd)

(e) Financial Instruments

Initial recognition and measurement

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

Classification and subsequent measurement:

Financial Assets at fair value

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or is so designated by management and within the requirements of *AASB139: Recognition and Measurement of Financial Instruments*. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

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

Held to maturity investments

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

Available for sale financial assets

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

Financial liabilities

Non-derivative financial liabilities are recognised at fair value, net of transaction costs, and subsequently measured at amortised cost, comprising original debt less principal repayments and amortisation.

Impairment

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

(f) Impairment of Assets

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

Note 2: Summary of significant accounting policies (contd)

(f) Impairment of Assets (contd)

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

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

(g) Fair value measurement

The Union measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, at fair value at each balance sheet date.

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.

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.

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.

Note 2: Summary of significant accounting policies (contd)

(h) 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 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 reporting unit in respect of services provided by employees up to reporting date.

No provision is made for separation and redundancy benefit payments.

(i) Provisions

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

(j) Cash and Cash Equivalents

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

(k) Goods and services tax (GST)

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

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

(l) Comparative Figures

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

(m) Key accounting estimates and judgements

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

Key estimates - Impairment

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

Note 2: Summary of significant accounting policies (contd)

(n) 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 deposits.

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.

There have been no transfers or withdrawals to or from the compulsory levy defence fund in the period.

(o) Compulsory Levy Campaign

The compulsory campaign levy was established by the National Office of the CFMEU 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 CFMEU's Construction and General Division.

(p) Accounting Standards Adopted during the Current Financial Year

The Union adopted all new Australian Accounting Standards that became mandatory for reporting periods beginning on 1 January 2016. No new accounting standards adopted had any material impact on this financial report.

(q) New Accounting Standards for Application in Future Periods

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Union, together with an assessment of the potential impact of such pronouncements on the Union when adopted in future periods, are discussed below:

- AASB 9*: Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

  The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

  The key changes that may affect the Union on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income.

  The adoption of AASB 9 is not expected to have a significant impact on the Union's financial instruments.

Note 2: Summary of significant accounting policies (contd)

(q) New Accounting Standards for Application in Future Periods (contd)

- AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2018, as deferred by AASB 2015-8: *Amendments to Australian Accounting Standards – Effective Date of AASB 15*).

  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 the goods or services. To achieve this objective, AASB 15 provides the following five-step process:
  - identify the contract(s) with a customer;
  - identify the performance obligations in the contract(s);
  - determine the transaction price;
  - allocate the transaction price to the performance obligations in the contract(s); and
  - recognise revenue when (or as) the performance obligations are satisfied.

  The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented per AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* (subject to certain practical expedients in AASB 15); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements regarding revenue.

  Although the Committee anticipate that the adoption of AASB 15 may have an impact on the Union's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

  When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

Note 2: Summary of significant accounting policies (contd)

(q) New Accounting Standards for Application in Future Periods (contd)

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

Although the Committee anticipate that the adoption of AASB 16 will impact the Union's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

	2016 $	2015 $
Note 3: Sundry income and reimbursement		
Administration recoveries	453,320	444,163
Promotional charges	929,402	795,837
Compliance recoveries	345,453	351,657
Training Asbestos	176,475	3,000
Training Impairment	42,403	-
Sundry income and reimbursements	851,817	740,022
	2,798,870	2,334,679
Note 4: Affiliation fees		
Political affiliation	78,183	112,902
Other affiliations		
QCU	116,315	112,699
NT Trades & Labour Council	1,977	10,266
	196,475	235,867
Note 5: Capitation fees		
CFMEU C&G National Office affiliation	1,002,753	955,053
CFMEU FFPD National Office affiliation	13,686	12,290
	1,016,439	967,343

	2016 $	2015 $
Note 6: Donations		
Total paid that were $1,000 or less	3,879	6,684
Total paid that exceeded $1,000	38,114	20,500
	41,993	27,184
No grants were paid during the reporting period.		
Note 7: Legal fees		
Litigation	1,323,653	1,479,120
Other	255,104	377,170
Penalties & Settlements	1,446,421	1,762,034
	3,025,178	3,618,324
Note 8: Meeting and conference costs		
Convention expenses	218,801	-
SMC & state executive expenses	7,075	11,968
Sub-branch expenses	20,275	11,808
Other meeting expenses	47,569	22,966
	293,720	46,742
Note 9: Penalties		
RO Act and Regulations penalties	-	-
Other penalties	4,586	1,955
	4,586	1,955
Note 10: Depreciation of property, plant & equipment		
Motor vehicles depreciation	258,909	225,805
Plant and equipment depreciation	36,554	20,552
	295,463	246,357
Note 11: Officers and employee expenses		
Holders of Office:		
Wages & salaries	1,151,791	796,371
Superannuation	172,280	160,228
Redundancy Fund	30,286	11,400
Leave and other entitlements	94,453	(12,358)
Other employee expenses	139,417	6,026
	1,588,227	961,667

	2016 $	2015 $
Note 11: Officers and employee expenses (contd)		
Employees other than office holders:		
Wages & Salaries	4,013,534	4,060,286
Superannuation	712,721	639,987
Redundancy Fund	147,230	154,407
Leave and other entitlements	295,477	232,319
Other employee expenses	(60,348)	49,562
	5,108,614	5,136,561
	6,696,841	6,098,228
Note 12: Other operating costs		
Administration expenditure	185,304	137,322
Advertising & marketing	231,795	141,092
Aged auxiliary	10,547	13,372
Communications	96,962	116,636
Computer expenses	26,917	19,355
Conference expenses	29,900	15,899
Fringe Benefits Tax	158,044	218,895
Insurance	883	883
International delegates	-	24,137
Labour Day expenses	99,040	89,833
Motor vehicle expenses	324,281	339,509
Organising expenses	644,894	456,219
Payroll Tax	327,227	320,734
Postage	105,255	98,481
Printing and stationery	157,024	132,260
Publication Expenses	95,170	64,065
Rent paid	643,248	609,017
Subscriptions	6,622	1,643
Training	23,002	13,776
Impairment Counselling & delivery costs	42,403	-
Workers Compensation	37,901	19,788
	3,246,419	2,832,916

	2016 $	2015 $
Note 13: Cash and cash equivalents		
Petty cash on hand	4,643	4,300
Debit card	-	343
Main account	259,906	257,116
CBA training account	276,100	3
CBA term deposit	6,668,373	7,000,000
Business Internet Saver account	732,318	2,486,980
	7,941,340	9,748,742

The effective interest rate on bank deposits was 2.35% (2015: 2.85%); these deposits have an average maturity of 3 months.

Note 14: Receivables		
Current		
Interest receivable	17,280	17,809
Membership dues	832,095	792,444
Grants receivable	1,004,700	-
Other receivables	558,848	292,976
Receivables from Other Reporting Units		
CFMEUQ	771,170	-
CFMEU C&G National Office	7,403	-
CFMEU M&E QLD	120,414	-
	3,311,910	1,103,229
Less: Provision for impairment of receivables	(410,511)	(434,713)
Total current receivables	2,901,399	668,516
Non-current		
Receivables from other reporting units		
CFMEUQ	2,952,137	3,202,137
Total non-current receivables	2,952,137	3,202,137
Total Receivables	5,853,536	3,870,653

No provision for doubtful debt has been raised against related balances shown.

	2016 $	2015 $
Note 15: Property, Plant and Equipment		
Motor vehicles - at cost	1,508,364	1,354,447
Less: accumulated depreciation	(369,107)	(357,834)
	1,139,257	996,613
Plant and equipment - at cost	187,741	130,546
Less: accumulated depreciation	(63,301)	(29,940)
	124,440	100,606
	1,263,697	1,097,219
Movements in carrying amounts		
Motor vehicles		
Balance at beginning of year	996,613	819,429
Additions	737,170	530,462
Disposals (WDV)	(305,015)	(98,338)
Depreciation expense - Note 10	(258,909)	(225,805)
Depreciation - Apprentice Scheme	(30,602)	(29,135)
Carrying amount at end of year	1,139,257	996,613
Plant & equipment		
Balance at beginning of year	100,606	54,269
Additions	61,969	69,778
Disposals (WDV)	(1,581)	(2,889)
Depreciation expense - Note 10	(36,554)	(20,552)
Carrying amount at end of year	124,440	100,606
Note 16: Trade and other payables		
Trade payables and accruals	758,222	1,876,371
Payable to other reporting units		
CFMEU C&G National Office	450	437,421
CFMEU FFPD National Office	180	5,750
Legal costs		
Litigation	24,471	286,091
Settlements	1,000,000	1,000,000
Other legal	-	-
Voluntary collections - ADSS	58,290	60,940
Consideration to employers for payroll deductions	-	-
Total classified as financial liabilities at amortised cost	1,841,613	3,666,573

	2016 $	2015 $
Note 17: Provisions		
Employee entitlements:		
Opening Balance at 1 January	1,853,508	1,875,037
Staff transferred in	-	39,092
Additional provisions raised during year		
General fund	389,930	219,961
Apprentice Scheme	8,238	(9,686)
Amounts used	(54,445)	(270,896)
Balance at 31 December	2,197,231	1,853,508
Holders of office:		
Annual leave	83,628	59059
Long service leave	350,928	281044
Separations and redundancies	-	-
Other employee provisions	-	-
Total holders of office	434,556	340,103
Employees other than holders of office:		
Annual leave	744,930	585,525
Long service leave	1,017,745	887,109
Separations and redundancies	-	-
Other employee provisions	-	-
Total employees other than holders of office	1,762,675	1,472,634
Total Officers and Employee Entitlements Provision	2,197,231	1,812,737
Impairment Rehabilitation:		
Opening Balance at 1 January	-	-
Additional provisions raised during year		
Training revenue surplus	49,282	-
Balance at 31 December	49,282	-
Analysis of provisions:		
Current	1,669,391	1,373,370
Non-current	577,122	480,138
	2,246,513	1,853,508

	2016 $	2015 $
Note 18: Revenue in advance		
Current		
Apprentice Scheme Funding	1,403,783	2,725,324
Other revenue in advance	4,057,079	3,709,508
Total Current Revenue in Advance	5,460,862	6,434,832
Non-Current		
Apprentice Scheme Funding NC	572,695	566,342
Total Non-current Revenue in Advance	572,695	566,342
Total revenue in Advance	6,033,557	7,001,174
Note 19: Cash flow information		
(a) Reconciliation of cash flow from operations with surplus after income tax		
Surplus from ordinary activities after income tax	2,740,441	426,669
Non-cash flows in ordinary activities		
Depreciation expense - Note 10	295,463	246,357
Depreciation - Apprentice Scheme	30,602	29,135
Depreciation - Apprentice Scheme assets owned by CFMEU	-	17,407
(Gain)/Loss on sale of assets	(58,831)	(2,046)
Rent paid to CFMEUQ	-	-
Changes in assets and liabilities		
(Increase) decrease in receivables	(2,232,883)	78,438
(Increase) decrease in prepayments	1,090	(16,575)
(Decrease) in payables	(1,824,960)	(773,776)
Increase (decrease) in revenue in advance	(967,617)	473,577
Increase (decrease) in provisions	393,005	(21,529)
	(1,623,690)	457,657

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

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

Note 20: Capital and Lease Commitments

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

Within one year	-	2,167
After one year but not more than five years	-	-
More than five years	-	-
Total operating lease commitment	-	2,167

The above leases are rental in nature and the average lease term across leases is 5 years.

As at 31 December 2016 the Union did not have any capital expenditure commitments.

Note 21: Contingent Liabilities

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

The Union has provided bank guarantees of $500,000 (2015: Nil).

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 as the Union intends to defend the claims.

Note 22: Events after the Reporting date

The Union is not aware of any significant events since the end of the reporting period.

Note 23: Related Party Disclosures

	2016 $	2015 $
(a) Related Party Transactions for the Reporting Period		
The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.		
Revenue received from CFMEUQ:	-	-
Expenses paid to CFMEUQ:		
Rent	607,931	644,216
Amounts owed by CFMEUQ:	771,170	-
Amounts owed to CFMEUQ:	-	-
Loans to CFMEUQ:	2,952,137	3,202,137

Terms and conditions of transactions with related parties

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 prevail 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 December 2016, the CFMEU QNTDB has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2015: $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 receives a rate of interest of Nil% and is expected to be repaid within 5 years.

Note 23: Related Party Disclosures (contd)

(b) Key management personnel remuneration for the reporting period:

	2016 $	2015 $
Short term employee benefits		
Salary (including annual leave taken)	1,151,791	796,371
Annual leave accrued	24,569	(10,060)
Performance bonus	-	-
Other employee benefits	139,417	6,026
	1,315,777	792,337
Post employment benefits		
Superannuation	172,280	160,228
Redundancy fund	30,286	11,400
	202,566	171,628
Other long term benefits		
Long service leave	69,884	(2,298)
	69,884	(2,298)
Termination benefits	-	-
Total	1,588,227	961,667

Note 24: Financial Risk Management Policies

The Committee of Management monitors the Union's financial risk management policies and exposures 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 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'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 bank	7,941,340	9,748,742
Receivables	2,901,399	668,516
	10,842,739	10,417,258

Note 24: Financial Risk Management (contd)

	2016 $	2015 $
Financial liabilities		
Trade and Other Payables	1,841,613	3,666,573
	1,841,613	3,666,573

(a) 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 equivalents and deposits with banks and financial institutions, as well as exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

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

The following table details the Union's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled, within the terms and conditions agreed between the Union and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Union.

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

The Union does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

			Past due but not impaired (days overdue)			
	Gross Amount $	Past Due and impaired $	<30 $	31-60 $	60-90 $	>90 $
2016						
Membership dues	832,095	410,511	-	-	-	-
Monies owing by CFMEUQ	3,723,307	-	-	-	-	-
Other receivables	1,708,645	-	1,355,218	144,398	10,650	198,379
	6,264,047	410,511	1,355,218	144,398	10,650	198,379

Note 24: Financial Risk Management (contd)

(a) Credit Risk (contd)

	Gross Amount	Past Due and impaired	Past due but not impaired (days overdue)			
			<30	31-60	60-90	>90
	$	$	$	$	$	$
2015						
Membership dues	792,444	434,713	-	-	-	-
Monies owing by CFMEUQ	3,202,137	-	-	-	-	-
Other receivables	310,785	-	310,785	-	-	-
	4,305,366	434,713	310,785	-	-	-

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

The Union does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

(b) Liquidity Risk

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

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- 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.

	Demand	< 1 year	Past due but not impaired (days overdue) 1-2 years	2-5 years	>5 years	Total
	$	$	$	$	$	$
2016						
Trade payables & other accruals	1,841,613	-	-	-	-	1,841,613
	1,841,613	-	-	-	-	1,841,613
2015						
Trade payables & other accruals	3,666,573	-	-	-	-	3,666,573
	3,666,573	-	-	-	-	3,666,573

Note 24: Financial Risk Management (contd)

(c) 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 is also exposed to earnings volatility on floating rate instruments.

The financial instruments that primarily expose the Union to interest rate risk are fixed interest securities, and cash and cash equivalents.

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.

Net Fair Values

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

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

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

Note 25: Acquisition of assets/liabilities from an amalgamation/restructure

No assets or liabilities have been acquired during the current year as part of an amalgamation, restructure, change in the organisation, or by determination or revocation by the Committee of Management.

Note 26: Administration of financial affairs by a third party

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

Note 27: Financial Support

The Union has not agreed to provide financial support to another reporting unit to ensure it can continue as a going concern.

The Union has not received any agreed financial support from another reporting unit, in order to be able to continue as a going concern.

Note 28: Disclosures of Officers' Remuneration and Non-cash Benefits

Pursuant to Rule 24B of the Union's Rules, the Divisional Executive make the following disclosures of Officer remuneration and non-cash benefits received for the 2016 calendar year ('the disclosure period'):

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

	Michael Ravbar Divisional Branch Secretary	Royce Kupsch Divisional Branch President	Total
	$	$	$
Salary and allowances	162,899	158,082	320,981
Movement in annual and long service leave provisions	37,006	15,119	52,125
Superannuation	25,014	28,140	53,154
Redundancy	5,400	-	5,400
	230,319	201,341	431,660

In addition, these officers are each provided with a fully maintained motor vehicle (non-cash benefit).

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

Michael Ravbar	Divisional Branch Secretary	8,095
Jade Ingham	Divisional Branch Assistant Secretary	6,455
		14,550

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

In accordance with Rule 24D, refer to note 23 for payments made by the Union to related parties. There were no payments made to a declared person or body of the Union during the disclosure period.

Note 29: Union details

The principal place of business of the Union is:

Construction, Forestry, Mining and Energy Union, Construction and General Division,
Queensland Northern Territory Divisional Branch
16 Campbell Street, Bowen Hills Qld 4006

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch
Committee of Management Statement for the year ended 31 December 2016

Fair Work (Registered Organisations) Act 2009

In accordance with a resolution passed by the Committee of Management of the Construction, Forestry, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch on 17.5.2017 the Committee declares that in their opinion:

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

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

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

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

(e) during the financial year to which the general purpose financial report relates and since the end of that year:
  (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or General Manager; and
  (vi) there has been compliance with any order for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act.

(f) In relation to recovery of wages activity:
  (i) No revenue has been derived from undertaking recovery of wages activity during the reporting period.

Signed on behalf of the Committee of Management by:

[redacted]

Michael John Ravbar
Divisional Branch Secretary

Date: 17/5/17

PKF

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

Opinion

We have audited the accompanying financial report of Construction, Forestry, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch which comprises the Statement of Financial Position as at 31 December 2016, 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 and the Committee of Management Statement, Designated Officer Certificate and Operating Report.

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 and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch:

(a) presents fairly in all material respects, the Union's financial position as at 31 December 2016 and of its performance and cash flows for the year then ended; and
(b) complies with Australian Accounting Standards and 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.

Committee of Management's Responsibility 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.

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Auditor's Responsibility

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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.aspx. This description forms part of our auditor's report.

Report on Other Regulatory Requirements

a) 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.

b) 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.

c) 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 Hacketts

PKF Hacketts Audit

[redacted]

Shaun Lindemann
Partner

Brisbane, 25 May 2017

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch
Designated Officer Certificate for the year ended 31 December 2016

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

- that the documents lodged herewith are copies of the full report for the Construction, Forestry, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch for the period ended 31 December 2016 referred to in s.268 of the Fair Work (Registered Organisations) Act
- that the full report was provided to members of the reporting unit 2.6.2017; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 16 June, 2017 for the purposes of s.266 of the Fair Work (Registered Organisations) Act 2009.

[redacted]

Michael John Ravbar
Divisional Branch Secretary

Date: 16.6.17

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Operating Report for the year ended 31 December 2016

The Committee of Management presents the Operating Report for the financial year ended 31 December 2016:

Principal Activities

The principal activities of the Union during the year were:

- 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 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 year.

Financial Affairs

As at 31 December 2015, the Union had a net current liability position. There is no net current liability in the current year. The Union is of the opinion that accounts should be prepared on a going concern basis.

Members' Rights

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

Superannuation Fund Trustees

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

Name	Position	Super Fund	
Paula Masters	Director	Buss(Q)	appointed 1 April 2015

Number of Members

The number of members at the end of the financial year recorded in the register of members and taken to be members of the Union was 18,751.

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was 54.2.

Committee of Management

Listed below are the members of the Committee of Management at any time during the financial year. Those marked with an asterix were members for the entire year.

* Steven Anderson
* Paul Barber
* Andrew Clark
* Peter Close
* John Cummins
* Bradley Daniel
* Marcus Dittman
* Anthony Dougherty
* Dallas Ezzy
* James Fissenden
* Steven Gaske
* Terrance Hamilton
* Kevin Heenan
* Dallas Hunter
* Jade Ingham
* Dean Kupsch
* Royce Kupsch
* Ian McKewin
* Keith Murphy
* Andrew Sutherland
* Michael Ravbar
* Wayne Scobie
* Thomas Smith
* Shaun Weatherall
* Bob Williams
* Patrick Maher

Signed on behalf of the Committee of Management by:

[redacted]

Michael John Ravbar
Divisional Branch Secretary

17/5/17
Date

Financial Reports

CFMEU

1 January 2017 to 31 March 2017

Liability limited by a scheme approved under Professional Standards Legislation

CFMEU
QLD/NT

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

Financial Statements

For the period ended 31 March 2017

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Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Committee of Management's Operating Report for the period ended 31 March 2017

The Committee of Management presents the Operating Report for the financial period ended 31 March 2017:

Principal Activities

The principal activities of the Union during the period were:

- 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 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.

Financial Affairs

The Union is of the opinion that accounts should be prepared on a going concern basis.

Members' Rights

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

Superannuation Fund Trustees

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

Name	Position	Super Fund	
Paula Masters	Director	Buss(Q)	appointed 1 April 2015

Number of Members

The number of members at the end of the period recorded in the register of members and taken to be members of the Union was 19,480.

Number of Employees

The number of full-time equivalent employees of the Union at the end of the period was 51.2.

Committee of Management

Listed below are the members of the Committee of Management at any time during the financial period. Those marked with an asterix were members for the entire period.

* Peter Close
* John Cummins
* Dallas Ezzy
* Steven Gaske
* Jade Ingham
* Royce Kupsch
* Ian McKewin
* Keith Murphy
* Andrew Sutherland
* Michael Ravbar

Signed on behalf of the Committee of Management by:

[redacted]

Michael John Ravbar
Divisional Branch Secretary

31 July 2017

Brisbane

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch
Committee of Management Statement for the period ended 31 March 2017

Fair Work (Registered Organisations) Act 2009

In accordance with a resolution passed by the Committee of Management of the Construction, Forestry, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch on 31 July 2017 the Committee declares that in their opinion:

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

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

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

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

(e) during the financial period to which the general purpose financial report relates and since the end of that period:
  (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or General Manager; and
  (vi) there has been compliance with any order for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act.

(f) In relation to recovery of wages activity:
  (i) No revenue has been derived from undertaking recovery of wages activity during the reporting period.

Signed on behalf of the Committee of Management by:

[redacted]

Michael John Ravbar
Divisional Branch Secretary

31 July 2017

Brisbane

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Statement of Comprehensive Income for the period ended 31 March 2017

	Note	3 mths 2017 $	12 mths 2016 $
Revenue			
Membership subscriptions		2,708,063	11,728,526
Compulsory levy - Defence Fund	2(n)	216,990	1,123,927
Compulsory levy - Campaign	2(o)	44,876	287,043
Voluntary Levy - Tool Scheme		12,350	49,800
Voluntary collections - ADSS donations		58,290	60,940
Gain on disposal of fixed assets		62,199	58,831
Capitation fees		-	-
Revenue from other reporting units of the organisation		-	-
Total revenue		3,102,768	13,309,067
Other Income			
Grants Apprentice Scheme		762,589	4,510,644
Grants Other		131,250	525,000
Donations		-	-
Interest		38,876	183,244
Sundry income and reimbursement	3	439,083	2,798,870
Total other income		1,371,798	8,017,758
Total other income		4,474,566	21,326,825
Expenses			
Affiliation fees	4	53,201	196,475
Auditors remuneration - Audit services		5,000	32,260
Capitation fees	5	230,031	1,016,439
Compulsory levy - Campaign		44,876	287,043
Voluntary levy - Tool Scheme		-	-
Voluntary collections		58,290	60,940
Consideration to employers for payroll deductions		160	543
Donations	6	1,000	41,993
Apprentice Schemes		762,589	3,385,054
Legal fees	7	356,654	3,025,178
Meeting and conference costs	8	33,618	293,720
Meeting and conference attendance fees		-	3,430
Penalties	9	-	4,586
Depreciation of property, plant & equipment	10	75,699	295,463
Officers and employee expenses	11	1,780,007	6,696,841
Other	12	692,638	3,246,419
Total expenses		4,093,763	18,586,384

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Statement of Comprehensive Income for the period ended 31 March 2017

	Note	3 mths 2017 $	12 mths 2016 $
Surplus before income tax		380,803	2,740,441
Income tax expense	2	-	-
Surplus for the period		380,803	2,740,441
Other comprehensive income:		-	-
Total comprehensive surplus attributable to the Union		380,803	2,740,441

The accompanying notes form part of these financial statements.

0210

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Statement of Financial Position as at 31 March 2017

	Note	2017 $	2016 $
Current assets			
Cash and cash equivalents	13	7,942,973	7,941,340
Receivables	14	2,013,426	2,901,399
Prepayments		192,136	77,435
Total current assets		10,148,535	10,920,174
Non-current assets			
Property, plant and equipment	15	1,575,680	1,263,697
Receivables	14	2,952,137	2,952,137
Total non-current assets		4,527,817	4,215,834
Total assets		14,676,352	15,136,008
Trade and other payables	16	2,000,950	1,841,613
Short-term provisions	17	1,683,332	1,669,391
Revenue in advance	18	4,769,365	5,460,862
Total current liabilities		8,453,647	8,971,866
Non-current liabilities			
Long-term provisions	17	587,820	577,122
Revenue in advance	18	239,757	572,695
Total non-current liabilities		827,577	1,149,817
Total liabilities		9,281,224	10,121,683
Net assets		5,395,128	5,014,325
Equity			
Retained earnings		5,395,128	5,014,325
Total equity		5,395,128	5,014,325

The accompanying notes form part of these financial statements.

0211

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch

Statement of Changes in Equity for the period ended 31 March 2017

	Note	Retained earnings		
		General Fund	Compulsory Levy Defence Fund	Total
		$	$	$
Balance at 1 January 2016		(1,454,081)	3,727,965	2,273,884
Surplus attributable to the Union		1,616,514	1,123,927	2,740,441
Other comprehensive income for the year		-	-	-
Balance at 31 December 2016		162,433	4,851,892	5,014,325
Surplus/deficit attributable to the Union		163,813	216,990	380,803
Other comprehensive income for the period		-	-	-
Balance at 31 March 2017		326,246	5,068,882	5,395,128

The accompanying notes form part of these financial statements.

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch
Statement of Cash Flows for the period ended 31 March 2017

	Note	3 mths 2017 $	12 mths 2016 $
Cash flows from operating activities			
Receipts from members		2,013,575	14,039,062
Grant receipts		(798,166)	2,987,332
Advertising Receipts		-	40,098
Interest received		43,634	183,773
Other sundry receipts		3,433,247	2,598,760
Receipts from other reporting units			
CFMEUQ		-	-
CFMEU National Office		-	-
CFMEU C&G National Office		1,000	1,000
CFMEU C&G NSW		1,000	1,000
CFMEU C&G Vic		-	-
CFMEU C&G WA		1,000	1,000
CFMEU C&G ACT		3,219	3,219
CFMEU C&G ACT		-	-
Payments to other suppliers and employees		(3,767,618)	(18,882,825)
Payments to other reporting units			
CFMEUQ		(170,459)	(668,724)
CFMEU National Office		(180)	(255,982)
CFMEU C&G National Office		(411,677)	(1,612,218)
CFMEU C&G VIC		-	(24,075)
CFMEU C&G ACT		-	(2,200)
CFMEU C&G WA		-	(2,725)
CFMEU C&G NSW		-	(141)
CFMEU FFPD National Office		(11,367)	(10,013)
CFMEU M&E QLD		-	(20,031)
Net cash provided by operating activities	19	337,208	(1,623,690)
Cash flow from investing activities			
Proceeds from sale of fixed assets		227,296	365,427
Purchase of fixed assets		(562,871)	(799,139)
Net cash (used) by investing activities		(335,575)	(433,712)
Cash flow from financing activities			
Cash received from/(provided to) CFMEUQ		-	250,000
Net cash provided (used) by investing activities		-	250,000
Net increase (decrease) in cash held		1,633	(1,807,402)
Cash at the beginning of the period		7,941,340	9,748,742
Cash at the end of the period	13	7,942,973	7,941,340

The accompanying notes form part of these financial statements.

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch
Recovery of Wages Activity Report for the period ended 31 March 2017

	Note	No of Workers	3 mths 2017 $	No of Workers	12 mths 2016 $
Cash assets in respect of recovered money at the beginning of the period			-		-
Receipts					
Amounts recovered from employers in respect of wages etc			-		-
Interest received on recovered money			-		-
Nett bank charges reimbursed from general account			-		-
Total receipts			-		-
Payments					
Undistributed monies returned to employers			-		-
Deductions of amounts due in respect of membership for:					
12 months or less			-		-
greater than 12 months			-		-
Deductions of donations or other contributions to accounts or funds of:					
Other entities:					
BERT			-		-
BEWT			-		-
BUSSQ			-		-
Cbus			-		-
CIPL			-		-
Deductions of fees or reimbursement of expenses			-		-
Payments to workers in respect of recovered money			-		-
Bank charges			-		-
Total payments			-		-
Cash assets in respect of recovered money at the end of the period			-		-
Amounts recovered but not yet paid to workers			-		-

The accompanying notes form part of these financial statements.

0214

Note 1: Information to be provided to members

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

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

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

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

Note 2: Summary of significant accounting policies

The financial statements cover the Construction, Forestry, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch as an individual reporting unit.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisations) Act 2009*. The financial statements also comply with Tier 1 reporting requirement under AASB 1053 - *Application of Tiers of Australian Accounting Standards.*

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

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

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

Accounting Policies

(a) Income tax

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

Note 2: Summary of significant accounting policies (contd)

(b) Revenue

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

Receivables for goods and services or reimbursement of expenditure on behalf of another party have 30 day terms and are recognised at the nominal amounts due less any impairment allowance amount. Collectability of debts is reviewed at the end of the reporting period. Allowances are made when collectability of debt is no longer probable.

Grant revenue

Grants are 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 balance sheet as revenue in advance.

(c) Property, Plant and Equipment

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

Plant and equipment

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

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

Depreciation and amortisation

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

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

Fixed asset	*Rate*
Motor vehicles	25%
Plant & Equipment	10-33.3%

(d) Leases

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

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

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

Note 2: Summary of significant accounting policies (contd)

(e) Financial Instruments

Initial recognition and measurement

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

Classification and subsequent measurement:

Financial Assets at fair value

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or is so designated by management and within the requirements of *AASB139: Recognition and Measurement of Financial Instruments*. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

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

Held to maturity investments

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

Available for sale financial assets

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

Financial liabilities

Non-derivative financial liabilities are recognised at fair value, net of transaction costs, and subsequently measured at amortised cost, comprising original debt less principal repayments and amortisation.

Impairment

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

(f) Impairment of Assets

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

Note 2: Summary of significant accounting policies (contd)

(f) Impairment of Assets (contd)

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

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

(g) Fair value measurement

The Union measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, at fair value at each balance sheet date.

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

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

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.

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.

Note 2: Summary of significant accounting policies (contd)

(h) 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 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 reporting unit in respect of services provided by employees up to reporting date.

No provision is made for separation and redundancy benefit payments.

(i) Provisions

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

(j) Cash and Cash Equivalents

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

(k) Goods and services tax (GST)

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

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

(l) Comparative Figures

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

(m) Key accounting estimates and judgements

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

Key estimates - Impairment

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

Note 2: Summary of significant accounting policies (contd)

(n) 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

No funds have been invested in assets.

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

There have been no transfers or withdrawals to or from the compulsory levy defence fund in the period.

(o) Compulsory Levy Campaign

The compulsory campaign levy was established by the National Office of the CFMEU 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 CFMEU's Construction and General

(p) Accounting Standards Adopted during the Current Period

The Union adopted all new Australian Accounting Standards that became mandatory for reporting periods beginning on 1 January 2016. No new accounting standards adopted had any material impact on this financial report.

(q) New Accounting Standards for Application in Future Periods

Accounting Standards issued by the AASB that are not yet mandatorily applicable to the Union, together with an assessment of the potential impact of such pronouncements on the Union when adopted in future periods, are discussed below:

- AASB 9*: Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

  The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge

  The key changes that may affect the Union on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income.

  The adoption of AASB 9 is not expected to have a significant impact on the Union's financial instruments.

Note 2: Summary of significant accounting policies (contd)

(q) New Accounting Standards for Application in Future Periods (contd)

- AASB 15: *Revenue from Contracts with Customers* (applicable to annual reporting periods beginning on or after 1 January 2018, as deferred by AASB 2015-8: *Amendments to Australian Accounting Standards – Effective Date of AASB 15*).

  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 the goods or services. To achieve this objective, AASB 15 provides the following five-step process:
  - identify the contract(s) with a customer;
  - identify the performance obligations in the contract(s);
  - determine the transaction price;
  - allocate the transaction price to the performance obligations in the contract(s); and
  - recognise revenue when (or as) the performance obligations are satisfied.

  The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented per AASB 108: *Accounting Policies, Changes in Accounting Estimates and Errors* (subject to certain practical expedients in AASB 15); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements regarding revenue.

  Although the Committee anticipate that the adoption of AASB 15 may have an impact on the Union's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 16: *Leases* (applicable to annual reporting periods beginning on or after 1 January 2019).

  When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases* and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

Note 2: Summary of significant accounting policies (contd)

(q) New Accounting Standards for Application in Future Periods (contd)

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial

Although the Committee anticipate that the adoption of AASB 16 will impact the Union's financial statements, it is impracticable at this stage to provide a reasonable estimate of

	3 mths 2017 $	12 mths 2016 $
Note 3: Sundry income and reimbursement		
Administration recoveries	58,951	453,320
Promotional charges	153,160	929,402
Compliance recoveries	87,078	345,453
Training Asbestos	-	176,475
Training Impairment	24,149	42,403
Sundry income and reimbursements	115,745	851,817
	439,083	2,798,870
Note 4: Affiliation fees		
Political affiliation	22,512	78,183
Other affiliations		
QCU	29,700	116,315
NT Trades & Labour Council	989	1,977
	53,201	196,475
Note 5: Capitation fees		
CFMEU C&G National Office	226,190	1,002,753
CFMEU FFPD National Office	3,841	13,686
	230,031	1,016,439

	3 mths 2017 $	12 mths 2016 $
Note 6: Donations		
Total paid that were $1,000 or less	1,000	3,879
Total paid that exceeded $1,000	-	38,114
	1,000	41,993

No grants were paid during the reporting period.

Note 7: Legal fees		
Litigation	274,427	1,323,653
Other	34,967	255,104
Penalties & Settlements	47,260	1,446,421
	356,654	3,025,178
Note 8: Meeting and conference costs		
Convention expenses	-	218,801
SMC & state executive expenses	6,113	7,075
Sub-branch expenses	4,799	20,275
Other meeting expenses	22,706	47,569
	33,618	293,720
Note 9: Penalties		
RO Act and Regulations penalties	-	-
Other penalties	-	4,586
	-	4,586
Note 10: Depreciation of property, plant & equipment		
Motor vehicles depreciation	63,167	258,909
Plant and equipment depreciation	12,532	36,554
	75,699	295,463
Note 11: Officers and employee expenses		
Holders of Office:		
Wages & salaries	148,492	1,151,791
Superannuation	25,477	172,280
Redundancy Fund	5,987	30,286
Leave and other entitlements	27,632	94,453
Other employee expenses	1,437	139,417
	209,025	1,588,227

	3 mths 2017 $	12 mths 2016 $
Note 11: Officers and employee expenses (contd)		
Employees other than office holders:		
Wages & Salaries	1,245,368	4,013,534
Superannuation	212,923	712,721
Redundancy Fund	45,499	147,230
Leave and other entitlements	47,297	295,477
Other employee expenses	19,895	(60,348)
	1,570,982	5,108,614
	1,780,007	6,696,841
Note 12: Other operating costs		
Administration expenditure	36,103	185,304
Advertising & marketing	36,943	231,795
Aged auxiliary	-	10,547
Communications	19,395	96,962
Computer expenses	1,809	26,917
Conference expenses	6,241	29,900
Fringe Benefits Tax	46,142	158,044
Fee and Allowances - conference costs	-	-
Insurance	225	883
Labour Day expenses	5,992	99,040
Motor vehicle expenses	97,186	324,281
Organising expenses	99,349	644,894
Payroll Tax	93,860	327,227
Postage	12,344	105,255
Printing and stationery	37,651	157,024
Publication Expenses	5,929	95,170
Rent paid	165,064	643,248
Subscriptions	732	6,622
Training	2,318	23,002
Impairment Counselling & delivery costs	24,149	42,403
Workers Compensation	1,206	37,901
	692,638	3,246,419

	3 mths 2017 $	12 mths 2016 $
Note 13: Cash and cash equivalents		
Petty cash on hand	4,300	4,643
Debit card	486	-
Main account	527,968	259,906
CBA training account	271,690	276,100
CBA term deposit	6,704,513	6,668,373
Business Internet Saver account	434,016	732,318
	7,942,973	7,941,340

The effective interest rate on bank deposits was 1.73% (2016: 2.35%); these deposits have an average maturity of 3 months.

Note 14: Receivables		
Current		
Interest receivable	12,522	17,280
Membership dues	1,545,543	832,095
Grants receivable	-	1,004,700
Other receivables	732,452	558,848
Receivables from Other Reporting Units		
CFMEUQ	1,147,766	771,170
CFMEU C&G National Office	620	7,403
CFMEU M&E QLD	45,893	120,414
	3,484,796	3,311,910
Less: Provision for impairment of receivables	(1,471,370)	(410,511)
Total current receivables	2,013,426	2,901,399
Non-current		
Receivables from other reporting units		
CFMEUQ	2,952,137	2,952,137
Total non-current receivables	2,952,137	2,952,137
Total Receivables	4,965,563	5,853,536

No provision for doubtful debt has been raised against related party balances shown.

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	3 mths 2017 $	12 mths 2016 $
Note 15: Property, Plant and Equipment		
Motor vehicles - at cost	1,709,919	1,508,364
Less: accumulated depreciation	(298,268)	(369,107)
	1,411,651	1,139,257
Plant and equipment - at cost	239,862	187,741
Less: accumulated depreciation	(75,833)	(63,301)
	164,029	124,440
	1,575,680	1,263,697
Movements in carrying amounts		
Motor vehicles		
Balance at beginning of period	1,139,257	996,613
Additions	510,750	737,170
Disposals (WDV)	(165,097)	(305,015)
Depreciation expense - Note 10	(63,167)	(258,909)
Depreciation - Apprentice Scheme	(10,092)	(30,602)
Carrying amount at end of period	1,411,651	1,139,257
Plant & equipment		
Balance at beginning of period	124,440	100,606
Additions	52,121	61,969
Disposals (WDV)	-	(1,581)
Depreciation expense - Note 10	(12,532)	(36,554)
Carrying amount at end of period	164,029	124,440
Note 16: Trade and other payables		
Trade payables and accruals	851,530	758,222
Payable to other reporting units		
CFMEU C&G National Office	89,726	450
CFMEU FFPD National Office	3,841	180
CFMEUQ	29,545	-
Legal costs		
Litigation	11,908	24,471
Settlements	1,000,000	1,000,000
Other legal	-	-
Voluntary collections - ADSS	14,400	58,290
Consideration to employers for payroll deductions	-	-
Total classified as financial liabilities at amortised cost	2,000,950	1,841,613

	3 mths 2017 $	12 mths 2016 $
Note 17: Provisions		
Employee entitlements:		
Opening balance	2,197,231	1,853,508
Staff transferred in	-	-
Additional provisions raised during period		
General fund	74,929	389,930
Apprentice Scheme	45,086	8,238
Amounts used	(117,181)	(54,445)
Closing balance	2,200,065	2,197,231
Holders of office:		
Annual leave	88,342	83,628
Long service leave	373,846	350,928
Separations and redundancies	-	-
Other employee provisions	-	-
Total holders of office	462,188	434,556
Employees other than holders of office:		
Annual leave	699,365	744,930
Long service leave	1,038,512	1,017,745
Separations and redundancies	-	-
Other employee provisions	-	-
Total employees other than holders of office	1,737,877	1,762,675
Total Officers and Employee Entitlements Provision	2,200,065	2,197,231
Impairment Rehabilitation:		
Opening Balance	49,282	-
Additional provisions raised during period		
Training revenue surplus	21,805	49,282
Closing Balance	71,087	49,282
Analysis of provisions:		
Current	1,683,332	1,669,391
Non-current	587,820	577,122
	2,271,152	2,246,513

	3 mths 2017 $	12 mths 2016 $
Note 18: Revenue in advance		
Current		
Apprentice Scheme Funding	1,121,977	1,403,783
Other revenue in advance	3,647,388	4,057,079
Total Current Revenue in Advance	4,769,365	5,460,862
Non-Current		
Apprentice Scheme Funding NC	239,757	572,695
Total Non-current Revenue in Advance	239,757	572,695
Total revenue in Advance	5,009,122	6,033,557
Note 19: Cash flow information		
(a) Reconciliation of cash flow from operations with surplus after income tax		
Surplus from ordinary activities after income tax	380,803	2,740,441
Non-cash flows in ordinary activities		
Depreciation expense - Note 10	75,699	295,463
Depreciation - Apprentice Scheme	10,092	30,602
Depreciation - Apprentice Scheme assets owned by CFMEU	-	-
(Gain)/Loss on sale of assets	(62,199)	(58,831)
Changes in assets and liabilities		
(Increase) decrease in receivables	887,973	(2,232,883)
(Increase) decrease in prepayments	(114,701)	1,090
Increase (decrease) in payables	159,337	(1,824,960)
(Decrease) in revenue in advance	(1,024,435)	(967,617)
Increase in provisions	24,639	393,005
	337,208	(1,623,690)

(b) There were no non-cash financing or investment activities during the period.

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

Note 20: Capital and Lease Commitments

Future minimum rentals payable under non-cancellable operating leases are as follows:		
Within one year	31,233	31,233
After one year but not more than five years	96,300	104,108
More than five years	-	-
Total operating lease commitment	127,533	135,341

The above leases are rental in nature and the average lease term across leases is 5 years.

As at 31 March 2017 the Union did not have any capital expenditure commitments (2016: Nil).

Note 21: Contingent Liabilities

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

The Union has provided bank guarantees of $Nil (2016: $500,000).

If at period 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 as the Union intends to defend the claims.

Note 22: Events after the Reporting date

The Union is not aware of any significant events since the end of the reporting period.

Note 23: Related Party Disclosures

	3 mths 2017 $	12 mths 2016 $
(a) Related Party Transactions for the Reporting Period		
The following table provides the total amount of transactions that have been entered into with related parties for the relevant period.		
Revenue received from CFMEUQ:	-	-
Expenses paid to CFMEUQ:		
Rent	154,963	607,931
Amounts owed by CFMEUQ:	1,147,766	771,170
Amounts owed to CFMEUQ:	29,545	-
Loans to CFMEUQ:	2,952,137	2,952,137

Terms and conditions of transactions with related parties

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 prevail 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 period ended 31 March 2017, the CFMEU QNTDB has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2016: $Nil). This assessment is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates.

The loan provided to CFMEUQ receives a rate of interest of Nil% and is expected to be repaid within 5 years.

Note 23: Related Party Disclosures (contd)

(b) Key management personnel remuneration for the reporting period:

	3 mths 2017 $	12 mths 2016 $
Short term employee benefits		
Salary (including annual leave taken)	148,492	1,151,791
Annual leave accrued	4,714	24,569
Performance bonus	-	-
Other employee benefits	1,437	139,417
	154,643	1,315,777
Post employment benefits		
Superannuation	25,477	172,280
Redundancy fund	5,987	30,286
	31,464	202,566
Other long term benefits		
Long service leave	22,918	69,884
	22,918	69,884
Termination benefits	-	-
Total	209,025	1,588,227

Note 24: Financial Risk Management Policies

The Committee of Management monitors the Union's financial risk management policies and exposures 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 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's objectives, policies and processes for managing or measuring the risks from the previous period.

The Union's financial instruments are listed below.

	3 mths 2017 $	12 mths 2016 $
Financial assets		
Cash and bank	7,942,973	7,941,340
Receivables	2,013,426	2,901,399
	9,956,399	10,842,739

Note 24: Financial Risk Management (contd)

	3 mths 2017 $	12 mths 2016 $
Financial liabilities		
Trade and Other Payables	2,000,950	1,841,613
	2,000,950	1,841,613

(a) 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 equivalents and deposits with banks and financial institutions, as well as exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

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

The following table details the Union's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled, within the terms and conditions agreed between the Union and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Union.

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

The Union does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

			Past due but not impaired (days overdue)			
	Gross Amount $	Past Due and impaired $	<30 $	31-60 $	60-90 $	>90 $
2017						
Membership dues	1,545,543	1,471,370	-	-	-	-
Monies owing by CFMEUQ	4,099,903	-	-	-	-	-
Other receivables	791,487	-	791,487	-	-	-
	6,436,933	1,471,370	791,487	-	-	-

Note 24: Financial Risk Management (contd)

(a) Credit Risk (contd)

			Past due but not impaired (days overdue)			
	Gross Amount	Past Due and impaired	<30	31-60	60-90	>90
	$	$	$	$	$	$
2016						
Membership dues	832,095	410,511	-	-	-	-
Monies owing by CFMEUQ	2,952,137	-	-	-	-	-
Other receivables	2,479,815	-	2,479,815	-	-	-
	6,264,047	410,511	2,479,815	-	-	-

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

The Union does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

(b) Liquidity Risk

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

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- 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.

			Past due but not impaired (days overdue)			
	Demand	< 1 year	1-2 years	2-5 years	>5 years	Total
	$	$	$	$	$	$
2017						
Trade payables & other accruals	2,000,950	-	-	-	-	2,000,950
	2,000,950	-	-	-	-	2,000,950
2016						
Trade payables & other accruals	1,841,613	-	-	-	-	1,841,613
	1,841,613	-	-	-	-	1,841,613

Note 24: Financial Risk Management (contd)

(c) 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 is also exposed to earnings volatility on floating rate instruments.

The financial instruments that primarily expose the Union to interest rate risk are fixed interest securities, and cash and cash equivalents.

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.

Net Fair Values

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

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

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

Note 25: Acquisition of assets/liabilities from an amalgamation/restructure

No assets or liabilities have been acquired during the period as part of an amalgamation, restructure, change in the organisation, or by determination or revocation by the Committee of Management.

Note 26: Administration of financial affairs by a third party

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

Note 27: Financial Support

The Union has not agreed to provide financial support to another reporting unit to ensure it can continue as a going concern.

The Union has not received any agreed financial support from another reporting unit, in order to be able to continue as a going concern.

Note 28: Disclosures of Officers' Remuneration and Non-cash Benefits

Pursuant to Rule 24B of the Union's Rules, the Divisional Executive make the following disclosures of Officer remuneration and non-cash benefits received for the 2017 financial period ('the disclosure period'):

(a) the five highest paid officers of the Union for the financial period, 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 allowances	35,104	41,217	38,043	34,128	148,492
Movement in annual and long service leave provisions	13,152	3,780	532	10,168	27,632
Superannuation	5,382	7,373	5,722	7,000	25,477
Redundancy	1,996	-	1,996	1,996	5,987
Other employee benefits	359	359	359	359	1,437
	55,992	52,729	46,653	53,651	209,025

In addition, these officers are each provided with a fully maintained motor vehicle (non-cash benefit). The Union has only 4 paid officers.

(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	411
		411

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, refer to note 23 for payments made by the Union to related parties. There were no payments made to a declared person or body of the Union during the disclosure period.

Note 29: Union details

The principal place of business of the Union is:

Construction, Forestry, Mining and Energy Union, Construction and General Division,
Queensland Northern Territory Divisional Branch
16 Campbell Street, Bowen Hills Qld 4006

PKF

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

Opinion

We have audited the accompanying financial report of Construction, Forestry, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch which comprises the Statement of Financial Position as at 31 March 2017, Statement of Comprehensive Income, Statement of Changes in Equity, and the Statement of Cash Flows for the period ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the Committee of Management Statement, Designated Officer Certificate and Operating Report.

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 and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch:

(a) presents fairly in all material respects, the Union's financial position as at 31 March 2017 and of its performance and cash flows for the period then ended; and
(b) complies with Australian Accounting Standards and 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.

Committee of Management's Responsibility 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.

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Auditor's Responsibility

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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.aspx. This description forms part of our auditor's report.

Report on Other Regulatory Requirements

a) 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.

b) 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.

c) 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 Hacketts

PKF Hacketts Audit

[redacted]

Partner

Brisbane, 31 July 2017

Construction, Forestry, Mining and Energy Union
Construction and General Division
Queensland Northern Territory Divisional Branch
Designated Officer Certificate for the period ended 31 March 2017

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

- that the documents lodged herewith are copies of the full report for the Construction, Forestry, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch for the period ended 31 March 2017 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009.
- that the full report was provided to members of the reporting unit on 3 August 2017 and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 29 August 2017 for the purposes of s.266 of the Fair Work (Registered Organisations) Act 2009.

[redacted]

Michael John Ravbar
Divisional Branch Secretary

29 August 2017

Brisbane

0237

Financial Reports

CFMEU

1 April 2017 to 31 March 2018

Liability limited by a scheme approved under Professional Standards Legislation

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 2018

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

COMMITTEE OF MANAGEMENT OPERATING REPORT

FOR THE YEAR ENDED 31 MARCH 2018

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 2018.

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 $1,697,701 (3 months ending 31 March 2017: $380,803)

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 of 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.

COMMITTEE OF MANAGEMENT OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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 18,135 (2017: 19,480).

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was 50 (2017: 51.2).

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	Whole period
Keith Murphy	Whole period
Peter Close	Whole period
Jack Cummins	Whole period

COMMITTEE OF MANAGEMENT OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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 2018 and 31 March 2017.

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 2018 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.

Disclosure Statements – Loans, Grants and Donations

A copy of the loans, grants and donations register of the Union have been disclosed as described under s. 237 of the *Fair Work (Registered Organisations) Act 2009.*

Disclosure by the Union of Payments to Related Parties or Declared Persons

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 2018.

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:

[redacted]

Michael John Ravbar
Divisional Branch Secretary

30 May 2018

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 2018

On 30 May 2018, 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 2018.

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 General Manager;

(c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the 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 Registered Organisations Commission under section 273 of the RO Act, there has been compliance.

(f) No revenue has been derived from undertaking recovery of wages activity during the reporting period.

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:	30 May 2018

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

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	31 March 2018	1 January 2017 to 31 March 2017
		$	$
Revenue			
Membership subscription		11,830,530	2,708,063
Capitation fees		-	-
Levies	3A	1,272,256	274,216
Voluntary collections – ADSS donations		51,210	58,290
Interest	3B	120,110	38,876
Other revenue	3E	3,526,974	439,083
Total revenue		16,801,080	3,518,528
Other Income			
Grants and/or donations	3C	4,547,648	893,839
Net gains from sale of assets	3D	68,494	62,199
Total other income		4,616,142	956,038
Total income		21,417,222	4,474,566
Expenses			
Employee expenses	4A	6,638,526	1,780,007
Capitation fees	4B	790,574	230,031
Affiliation fees	4C	214,352	53,201
Administration expenses	4D	456,394	84,895
Voluntary collections		51,210	58,290
Grants or donations	4E	67,623	1,000
Depreciation and amortisation	4F	347,234	75,699
Finance costs	4G	69,197	5,395
Legal costs	4H	3,007,670	356,654
Audit fees	4I	36,214	5,000
Apprentice Schemes		4,022,648	762,589
Other expenses	4J	4,017,879	681,002
Total expenses		19,719,521	4,093,763
Surplus (deficit) for the year		1,697,701	380,803
Other comprehensive income			
Revaluation increment/(decrement) – Financial Assets		36,128	-
Total comprehensive income for the year		1,733,829	380,803

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 2018

	Notes	31 March 2018 $	31 March 2017 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	6,560,505	7,942,973
Trade and other receivables	5B	398,551	2,013,426
Other current assets	5C	163,642	192,136
Financial assets	5D	5,104,217	-
Total current assets		12,226,915	10,148,535
Non-Current Assets			
Trade and other receivables	5B	2,500,000	2,952,137
Property, plant and equipment	5E	1,505,055	1,575,680
Total non-current assets		4,005,055	4,527,817
Total assets		16,231,970	14,676,352
LIABILITIES			
Current Liabilities			
Trade and other payables	6A	1,681,842	2,000,950
Employee provisions	6B	1,617,802	1,612,245
Other provisions	6C	-	71,087
Revenue in Advance	6D	5,171,731	4,769,365
Total current liabilities		8,471,375	8,453,647
Non-Current Liabilities			
Employee provisions	6B	631,638	587,820
Revenue in Advance	6D	-	239,757
Total non-current liabilities		631,638	827,577
Total liabilities		9,103,013	9,281,224
Net assets		7,128,957	5,395,128
EQUITY			
Retained earnings		7,092,829	5,395,128
Financial asset revaluation reserve		36,128	-
Total equity		7,128,957	5,395,128

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

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

STATEMENT OF CHANGES IN EQUITY

AS AT 31 MARCH 2018

	Retained Earnings		Financial Asset Revaluation Reserve	Total
	General Fund	Compulsory Levy Defence Fund		
	$	$	$	$
Balance as at 1 January 2017	162,433	4,851,892	-	5,014,325
Surplus (deficit) for the period	163,813	216,990	-	380,803
Other comprehensive income for the period	-	-	-	-
Closing balance as at 31 March 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 year	-	-	36,128	36,128
Closing balance as at 31 March 2018	**1,652,229**	**5,440,600**	**36,128**	**7,128,957**

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

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	31 March 2018 $	1 January 2017 to 31 March 2017 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	7B	1,220,194	6,219
Receipts from members and other customers		14,019,760	2,013,575
Grant receipts		5,002,413	(798,166)
Interest		90,850	43,634
Dividend received		750,000	-
Other		4,044,160	3,433,247
Cash used			
Employees and suppliers		(18,846,826)	(3,767,618)
Finance cost		(69,197)	-
Payment to other reporting units	7B	(2,702,971)	(593,683)
Net cash from (used by) operating activities	7A	3,508,383	337,208
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of property, plant and equipment		377,788	227,296
Cash used			
Purchase of plant and equipment		(652,687)	(562,871)
Purchase of financial assets		(5,068,089)	-
Net cash from (used by) investing activities		(5,342,988)	(335,575)
FINANCING ACTIVITIES			
Net cash received from/(paid to) CFMEUQ	7B	452,137	-
Net increase (decrease) in cash held		(1,382,468)	1,633
Cash & cash equivalents at the beginning of the reporting period.		7,942,973	7,941,340
Cash & cash equivalents at the end of the reporting period	5A	6,560,505	7,942,973

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 RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES

FOR THE YEAR ENDED 31 MARCH 2018

	31 March 2018	1 January 2017 to 31 March 2017
	$	$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
- other union	-	-
- other entity	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash assets in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-

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

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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. Due to the change in balance date of the Union in the prior year, comparatives have been shown for the 3 months ended 31 March 2017.

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

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

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 anticipate that the adoption of AASB 15 will not have a significant impact on the Union's financial statements.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.4 New Australian Accounting Standards (Continued)

AASB 16: Leases (Continued)

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.

Although the Committee of Management anticipate that the adoption of AASB 16 may have an impact on the Union's financial statements, it is impractical at this stage to provide a reasonable estimate of such impact.

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.

Although the Committee of Management anticipate that the adoption of AASB 1058 may have an impact on the Union's financial statements, it is impractical at this stage to provide a reasonable estimate of such impact.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

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 Union becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.14 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:
- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Union manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:
- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Union's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.14 Financial assets (Continued)

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Union's right to receive the dividends is established.

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Union's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.14 Financial assets (Continued)

Impairment of financial assets

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

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

The Union derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.15 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Union manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Union's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Union derecognises financial liabilities when, and only when, the Union's obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.16 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.

1.17 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 2018	31 March 2017
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.

1.18 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)

1.19 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.

1.20 Fair value measurement

The Union measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, 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)

1.20 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.

1.21 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.

1.22 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 245(1).

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

1.23 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)

1.24 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 year, the Committee of Management made a resolution that $600,000 will be contributed towards the ACTU campaign levy from the compulsory levy defence fund.

There have been no transfers or withdrawals to or from the compulsory levy defence fund during the year.

The surplus/(deficit) in Compulsory Levy Defence Fund during the year was due to the following:

	$
Compulsory Levies – Defence Fund	971,718
Less: ACTU Campaign Levy to be paid from Defence Fund	(600,000)
Surplus/(deficit) of Compulsory Levy Defence Fund	**371,718**

1.25 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

NOTE 2 EVENTS AFTER REPORTING DATE

There were no events that occurred after 31 March 2018, 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 2018 $	1 January 2017 to 31 March 2017 $
Note 3A: Levies		
Compulsory levy – Defence Fund (Note 1.24)	971,718	216,990
Compulsory levy – Campaign (Note 1.25)	258,188	44,876
Voluntary levy – Tool Scheme	42,350	12,350
Total levies	1,272,256	274,216
Note 3B: Interest		
Interest	120,110	38,876
Total Interest	120,110	38,876
Note 3C: Grants or donations		
Grants Apprentice Scheme	4,022,648	762,589
Grants Other	525,000	131,250
Donations	-	-
Total grants or donations	4,547,648	893,839
Note 3D: Net gains from sale of assets		
Gain on sale of property, plant and equipment	68,494	62,199
Total net gain from sale of assets	68,494	62,199
Note 3E: Other Revenue		
Administration recoveries	548,596	58,951
Compliance recoveries	378,175	87,078
Dividend income	750,000	-
Income from financial asset	68,984	-
Promotional charges	586,679	132,160
Sponsorship income	203,755	21,000
Training income	579,014	24,149
Directors/Meeting fees	213,785	65,376
Sundry income and reimbursements	197,986	50,369
Financial support from another reporting unit	-	-
Total other revenue	3,526,974	439,083

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

NOTE 4 EXPENSES	31 March 2018 $	1 January 2017 to 31 March 2017 $
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	571,671	148,492
Superannuation	84,628	25,477
Leave and other entitlements	10,607	27,632
*Separation and redundancies	21,851	5,987
Other employee expenses	5,339	1,437
Subtotal employee expenses holders of office	694,096	209,025
Employees other than office holders:		
Wages and salaries	4,749,193	1,245,368
Superannuation	763,261	212,923
Leave and other entitlements	182,975	47,297
*Separation and redundancies	166,691	45,499
Other employee expenses	82,310	19,895
Subtotal employee expenses employees other than office holders	5,944,430	1,570,982
Total employee expenses	6,638,526	1,780,007

*Separation and redundancies include contributions to the redundancy fund.

Note 4B: Capitation fees		
CFMEU C&G National Office	790,574	226,190
CFMEU FFPD National Office	-	3,841
Total Capitation fees	790,574	230,031
Note 4C: Affiliation fees		
Australian Labor Party Queensland Branch	138,391	20,112
Australian Labor Party Northern Territory Branch	2,455	2,400
Building and Wood Workers' International	40,057	-
Queensland Council of Unions Brisbane Branch	30,000	29,370
Queensland Council of Unions Gold Coast Branch	-	220
Queensland Council of Unions Cairns Branch	-	110
Ipswich Trades Hall & Labour Day Committee	30	-
NT Trades & Labour Council	3,419	989
Total Affiliation fees	214,352	53,201

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

NOTE 4 EXPENSES (CONTINUED)	31 March 2018	1 January 2017 to 31 March 2017
	$	$
Note 4D: Administration expenses		
Consideration to employers for payroll deductions	585	160
Compulsory levy – Campaign (Note 1.25)	333,400	44,876
Voluntary levy – Tool Scheme	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	122,409	39,859
Total administration expenses	456,394	84,895
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	4,348	1,000
Total paid that exceeded $1,000	63,275	-
Total grants or donations	67,623	1,000
Note 4F: Depreciation and amortisation		
Depreciation:		
Property, plant and equipment	60,670	12,532
Motor vehicles	286,564	63,167
Total depreciation	347,234	75,699
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	347,234	75,699
Note 4G: Finance costs		
Bank fees and charges	69,197	5,395
Total finance costs	69,197	5,395
Note 4H: Legal costs		
Litigation	144,896	274,427
Other legal matters	231,302	34,967
Penalties & Settlements (Litigation costs)	2,631,472	47,260
Total legal costs	3,007,670	356,654

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

NOTE 4 EXPENSES (CONTINUED)	31 March 2018	1 January 2017 to 31 March 2017
	$	$
Note 4I: Audit fees		
External audit expense	36,214	5,000
Other services	-	-
Total audit fees	36,214	5,000
Note 4J: Other expenses		
Penalties – via RO Act or RO Regulations	-	-
*ACTU campaign	600,000	-
Administration expenditure	162,251	30,708
Advertising & marketing	140,689	36,943
Aged auxiliary	-	-
Campaign expenses	442,288	5,000
Communications	89,085	19,395
Computer expenses	18,152	1,809
Fringe benefit tax	196,379	46,142
Impairment counselling & delivery costs	41,590	24,149
Insurance	1,366	225
Labour day expenses	91,648	5,992
Motor vehicles expenses	329,853	97,186
Organising expenses	515,451	94,349
Payroll tax	334,749	93,860
Postage	111,191	12,344
Printing and stationery	119,596	37,651
Publication expenses	76,755	5,929
Rental expenses	688,585	165,064
Sponsorship expenses	14,427	-
Subscriptions	3,812	732
Training	9,100	2,318
Workers compensation	30,912	1,206
Total other expenses	4,017,879	681,002

**ACTU Campaign cost is to be paid from the compulsory levy defence fund.*

NOTE 5 ASSETS	31 March 2018 $	1 January 2017 to 31 March 2017 $
Note 5A: Cash and Cash Equivalents		
Cash at bank	2,555,705	1,233,674
Cash on hand	4,300	4,300
Debit card	500	486
Term deposits	4,000,000	6,704,513
Total cash and cash equivalents	6,560,505	7,942,973
Note 5B: Trade and Other Receivables		
Current		
Interest receivable	41,782	12,522
Membership dues receivable	1,404,787	1,545,543
Grants receivable	-	-
Other receivables	122,559	732,452
Receivables from other reporting units		
CFMEUQ	-	1,147,766
CFMEU C&G National Office	181,781	620
CFMEU M&E QLD	-	45,893
Total current trade and other receivables	1,750,909	3,484,796
Less provision for doubtful debts	(1,352,358)	(1,471,370)
Total provision for doubtful debts	(1,352,358)	(1,471,370)
Total current trade and other receivables (net)	398,551	2,013,426
Non-current		
Receivables from other reporting units		
CFMEUQ	2,500,000	2,952,137
Total non-current trade and other receivables	2,500,000	2,952,137
Total trade and other receivables	2,898,551	4,965,563

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

Note 5C: Other Current Assets		
Prepayments	163,642	192,136
Total other current assets	163,642	192,136

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

NOTE 5 ASSETS (CONTINUED)	31 March 2018	1 January 2017 to 31 March 2017
	$	$
Note 5D: Financial Assets		
Financial asset at cost	5,000,000	-
Addition investment	68,089	-
Growth investment (unrealised)	36,128	-
Total financial assets	5,104,217	-
Note 5E: Property, Plant and Equipment		
Property, Plant and Equipment comprises of:		
Motor vehicles	1,353,848	1,411,651
Plant and equipment	151,207	164,029
Total property plant and equipment	1,505,055	1,575,680
Motor vehicles:		
At cost	1,765,265	1,709,919
Less accumulated depreciation	(410,417)	(298,268)
Total motor vehicles	1,354,848	1,411,651
Plant and Equipment:		
At cost	283,627	239,862
Less accumulated depreciation	(132,420)	(75,833)
Total plant and equipment	151,207	164,029

	Motor Vehicles	Plant & Equipment	Total
	$	$	$
Balance at beginning of the year	1,411,651	164,029	1,575,680
Additions	604,839	47,848	652,687
Disposals	(309,294)	-	(309,294)
Depreciation expense – Note 4F	(286,564)	(60,670)	(347,234)
Depreciation allocated to Apprentice Scheme	(66,784)	-	(66,784)
Carrying amount at end of the year	1,353,848	151,207	1,505,055

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

NOTE 6 LIABILITIES	31 March 2018 $	1 January 2017 to 31 March 2017 $
Note 6A: Trade and Other Payables		
Trade payables and accruals	717,424	629,615
Payables to other reporting units		
- CFMEU C&G National Office	-	89,726
- CFMEU FFPD National Office	-	3,841
- CFMEUQ	-	29,545
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	51,193	11,908
Settlements (Penalties from Litigation)	622,000	1,000,000
Other legal matters	-	-
GST payable	280,455	221,915
Voluntary collections - ADSS	10,770	14,400
Wages collected on behalf of members	-	-
Total trade and other payables	1,681,842	2,000,950
Note 6B: Employee Provisions		
Employee provisions comprises of:		
Current		
Provision for annual leave	826,995	787,707
Provision for long service leave	790,807	824,538
	1,617,802	1,612,245
Non-current		
Provision for long service leave	631,638	587,820
Total employee provisions	2,249,440	2,200,065

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	2,200,065	2,197,231
Additional provisions raised during the year:		
General fund	193,582	74,929
Apprentice scheme	114,602	45,086
Amounts used	(258,809)	(117,181)
Balance at the end of the year	2,249,440	2,200,065

NOTE 6 LIABILITIES (CONTINUED)	31 March 2018 $	1 January 2017 to 31 March 2017 $
Note 6B: Employee Provisions (Continued)		
Office Holders:		
Annual leave	76,442	88,342
Long service leave	344,280	373,846
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	420,722	462,188
Employees other than office holders:		
Annual leave	750,553	699,365
Long service leave	1,078,165	1,038,512
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	1,828,718	1,737,877
Total current employee provisions	2,249,440	2,000,065
Note 6C: Other Provisions		
Impairment Rehabilitation:		
Balance at beginning of the year	71,087	49,282
Additional provisions raised during the year	-	21,805
Provision utilised during the year	(71,087)	-
Balance at the end of the year	-	71,087
Note 6D: Revenue in Advance		
Revenue in advance comprises of:		
Current		
Apprentice scheme funding	1,078,336	1,121,977
Membership dues in advance	3,586,645	3,532,738
Other revenue in advance	506,750	114,650
	5,171,731	4,769,365
Non-current		
Apprentice scheme funding	-	239,757
Total revenue in advance	5,171,731	5,009,122

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

NOTE 7 CASH FLOW	31 March 2018	1 January 2017 to 31 March 2017
	$	$
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	6,560,505	7,942,973
Statement of financial position	6,560,505	7,942,973
Difference	-	-
Reconciliation of surplus/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	1,697,701	380,803
Adjustments for non-cash items		
Depreciation expense – Note 4F	347,234	75,699
Depreciation – Apprentice scheme	66,784	10,092
(Gain)/Loss on disposal of assets	(68,494)	(62,199)
Changes in assets/liabilities		
(Increase)/decrease in net receivables	1,614,875	887,973
(Increase)/decrease in prepayments	28,494	(114,701)
Increase/(decrease) in trade and other payables	(319,108)	159,337
Increase/(decrease) in revenue in advance	162,609	(1,024,435)
Increase/(decrease) in employee provisions	49,375	2,834
Increase/(decrease) in other provisions	(71,087)	21,805
Net cash from (used by) operating activities	3,508,383	337,208
Note 7B: Cash flow information		
Cash inflows		
CFMEUQ	1,570,358	-
CFMEU C&G National Office	60,660	1,000
CFMEU C&G NSW	-	1,000
CFMEU C&G WA	-	1,000
CFMEU C&G ACT	1,000	3,219
CFMEU VIC	300	-
CFMEU M&E QLD	40,013	-
Total cash inflows	1,672,331	6,219

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

NOTE 7 CASH FLOW (CONTINUED)	31 March 2018	1 January 2017 to 31 March 2017
	$	$

Note 7B: Cash flow information (Continued)

Cash outflows

CFMEUQ	702,292	170,459
CFMEU National Office	-	180
CFMEU C&G National Office	1,999,447	411,677
CFMEU C&G ACT	432	-
CFMEU C&G WA	800	-
CFMEU FFPD National Office	-	11,367
Total cash outflows	2,702,971	593,683

Note 7C: Credit standby arrangements and loan facilities

CBA Mastercard Facility		
Used facility	2,950	18,252
Unused facility	57,050	41,748
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 2018 (31 March 2017: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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 2018	1 January 2017 to 31 March 2017
	$	$
Income received includes the following:		
CFMEUQ	-	-
Sale of vehicle to CFMEU C&G National office	40,000	-
Airfares reimbursement from CFMEU C&G National office	14,552	620
Expense reimbursement from CFMEU M&E QLD	1,626	-
Affiliation fees reimbursement from CFMEU M&E QLD	34,386	35,030
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	638,447	154,963
Capitation fees to CFMEU C&G National Office	790,574	226,190
Capitation fees to CFMEU FFPD National Office	-	3,841
Campaign levy to CFMEU C&G National Office	333,400	44,876
Wages reimbursement to CFMEU C&G National Office	32,807	-
Legal cost contribution to CFMEU C&G National Office	95,438	-
Legal penalties contribution to CFMEU C&G National Office	67,557	-
ABCC campaign contribution to CFMEU C&G National Office	121,257	-
Merchandise purchase from CFMEU C&G WA	727	-
Donation – contribution to CFMEU M&E QLD for Oaky North Miners	20,000	-
Amounts owed by includes the following:		
CFMEUQ	-	1,147,766
CFMEU C&G National Office	181,781	620
CFMEU M&E QLD	-	45,893
Amounts owed to includes the following:		
CFMEUQ	-	29,545
CFMEU C&G National Office	-	89,726
CFMEU FFPD National Office	-	3,841
Loans to CFMEUQ:	2,500,000	2,952,137

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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 2018, the union has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2017: $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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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)

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

	31 March 2018 $	1 January 2017 to 31 March 2017 $
Short-term employee benefits		
Salary (including annual leave taken)	571,671	148,492
Annual leave accrued	11,754	4,714
Performance bonus	-	-
Other employee benefits	5,339	1,437
Total short-term employee benefits	588,764	154,643
Post-employment benefits:		
Superannuation	84,628	25,477
Redundancy fund	21,851	5,987
Total post-employment benefits	106,479	31,464
Other long-term benefits:		
Long-service leave	(1,147)	22,918
Total other long-term benefits	(1,147)	22,918
Termination benefits	-	-
Total	694,096	209,025

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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 2018 $	31 March 2017 $
Payable – minimum lease commitments		
- not later than 12 months	123,855	31,233
- between 12 months and 5 years	174,286	96,300
- greater than 5 years	-	-
Minimum lease payments	298,141	127,533

(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 2018 (2017: Nil).

(d) Capital expenditure commitments

There are no capital expenditure commitments at 31 March 2018 (2017: Nil).

NOTE 10 REMUNERATION OF AUDITORS

	31 March 2018 $	1 January 2017 to 31 March 2017 $
Value of the services provided		
Financial statement audit services	36,214	5,000
Other services – included in apprentice scheme expense	5,000	-
Total remuneration of auditors	41,214	5,000

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	6,560,505	7,942,973
Trade and other receivables	2,898,551	4,965,563
Financial assets	5,104,217	-
	14,563,273	12,908,536
Financial Liabilities		
Trade and other payables	1,681,842	2,000,950
	1,681,842	2,000,950

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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 following table details the Union's trade and other receivables exposed to credit risk. Amounts are considered 'past due' when the debt has not been settled, within the terms and conditions agreed between the Union and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Union.

			Past due but not impaired (days overdue)				
2018	**Gross Amount**	**Past Due and Impaired**	**< 30**	**31-60**	**60-90**	**> 90**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Membership dues	1,404,787	1,352,358	52,429	-	-	-	52,429
CFMEUQ	2,500,000	-	-	-	-	2,500,000	2,500,000
Other receivables	346,123	-	346,123	-	-	-	346,122
Total	4,250,910	1,352,359	398,552	-	-	2,500,000	2,898,551

			Past due but not impaired (days overdue)				
2017	**Gross Amount**	**Past Due and Impaired**	**< 30**	**31-60**	**60-90**	**> 90**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Membership dues	1,545,543	1,471,370	74,173	-	-	-	74,173
CFMEUQ	4,099,903	-	-	-	-	4,099,903	4,099,903
Other receivables	791,487	-	791,487	-	-	-	791,487
Total	6,436,933	1,471,370	865,660	-	-	4,099,903	4,965,563

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

The Union does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

Collateral held as security

The Union does not hold collateral with respect to its receivables at 31 March 2018 (31 March 2017: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

NOTE 11 FINANCIAL INSTRUMENTS (CONTINUED)

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
2018		$	$	$	$	$
Trade and other payables	1,681,842	-	-	-	-	1,681,842
	1,681,842	-	-	-	-	1,681,842
2017						
Trade and other payables	2,000,950	-	-	-	-	2,000,950
	2,000,950	-	-	-	-	2,000,950

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

NOTE 11 FINANCIAL INSTRUMENTS (CONTINUED)

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.

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

		31 March 2018		31 March 2017	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	6,560,505	6,560,505	7,942,973	7,942,973
Trade and other receivables	(i)	2,898,551	2,898,551	4,965,563	4,965,563
Financial assets	(i)	5,104,217	5,104,217	-	-
Total financial assets		14,563,273	14,563,273	12,908,536	12,908,536

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

NOTE 12 FAIR VALUE MEASUREMENT (CONTINUED)

		31 March 2018		31 March 2017	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial liabilities					
Trade and other payables	(i)	1,681,842	1,681,842	2,000,950	2,000,950
Total financial liabilities		1,681,842	1,681,842	2,000,950	2,000,950

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 139.

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 2018 financial year.

(a) the five 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	170,918	166,546	153,988	80,219	571,671
Movement in annual and long service leave provisions	8,185	9,329	2,173	(9,080)	(10,607)
Superannuation	22,609	24,305	23,148	14,566	84,628
Redundancy	5,525	5,525	5,525	5,276	21,851
Other employee benefits	1,648	1,648	1,648	395	5,339
	208,885	207,353	186,482	91,376	694,096

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 four paid officers during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

NOTE 13 DISCLOSURE OF OFFICERS' REMUNREATION AND NON-CASH BENEFITS (CONTINUED)

(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	$8,880
Jade Ingham	Assistant Branch Secretary	$7,188

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 2018.

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

Opinion

We have audited the accompanying financial report of Construction, Forestry, Maritime, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch which comprises the Statement of Financial Position as at 31 March 2018, 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 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 accompanying financial report presents fairly, in all material respects, the financial position of the Construction, Forestry, Maritime, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch as at 31 March 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

(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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Committee of Management's Responsibility 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 Responsibility

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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.aspx. 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 Hacketts

PKF HACKETTS AUDIT

[redacted]

SHAUN LINDEMANN
PARTNER

BRISBANE, 30 MAY 2018
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 2018

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 2018 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 1 June 2018; and

- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 25 June 2018 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

[redacted]

Michael John Ravbar

Divisional Branch Secretary

25 June 2018

Brisbane

Sample statement of loans, grants and donations exceeding $1,000 for financial period ending 31/03/18

Please refer to section 237 of the *Fair Work (Registered Organisations) Act 2009* when completing this form. A statement lodged with the ROC under subsection (1) may be inspected, during office hours, by a member of the organisation concerned. Use of this form is optional.

Organisation details

Name of organisation including division or branch

Construction, Forestry, Maritime, Mining and Energy Union Construction and General Division Queensland Northern Territory Divisional Branch

Postal Address

16 Campbell Street

Bowen Hills, QLD Postcode: 4006

Details of officer completing the statement

Name

Michael Ravbar

Name of office held in organisation

Divisional Branch Secretary

(An officer of the organisation should complete the statement)

Postal Address

16 Campbell Street

Bowen Hills. QLD Postcode: 4006

Telephone number (BH)	Facsimile number	Email
(07) 3231 4600	(07) 3231 4699	

I certify that the information contained in this statement and its attachments is true and complete.

Signature [redacted]

Date 30/05/2018

An organisation must lodge this statement within 90 days of the end of its financial year.

LOANS, GRANTS AND DONATIONS EXCEEDING $1,000 MADE BY ORGANISATION

(if insufficient space, please attach separate sheet)

LOANS

Name of Recipient of Loan	Address	Amount	Purpose for which loan required	Security given in relation to loan	Arrangements for repayment of loan
Nil					

Note: where a loan is made to relieve a member or dependant of a member from severe financial hardship, the name and address and particulars of arrangements for repayment need not be stated.

GRANTS

Name of Recipient of Grant	Address	Amount	Purpose of Grant
Nil			

Note: where a grant is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated

DONATIONS

Name of Recipient of Donation	Address	Amount	Purpose of Donation
Campbell McCullough	22 Benbullen Boulevard, Kingsley, WA 6026	$4,000.00	Sam McCullogh's Death
Luisa Wilson	42 Percival Terrace, Holland Park QLD 4121	$7,275.00	Ashley Morris's Death
Movember Foundation	PO Box 60, East Melbourne, VIC 8002	$2,000.00	Movember Donation
Queensland Labor	16 Peel St, South Brisbane, QLD 4101	$30,000.00	ALP QLD – Springwood Campaign
CFMEU M&E QLD	Level 2, 61 Bowen Street, Spring Hill QLD 4000	$20,000.00	CFMEU Oaky North Miners

Note: where a donation is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated.

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Financial Reports

CFMEU

1 April 2018 to 31 March 2019

Liability limited by a scheme approved under Professional Standards Legislation

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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, FORESTRY, MARITIME, MINING & ENERGY UNION
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.

COMMITTEE OF MANAGEMENT OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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:

[redacted]

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: [redacted]

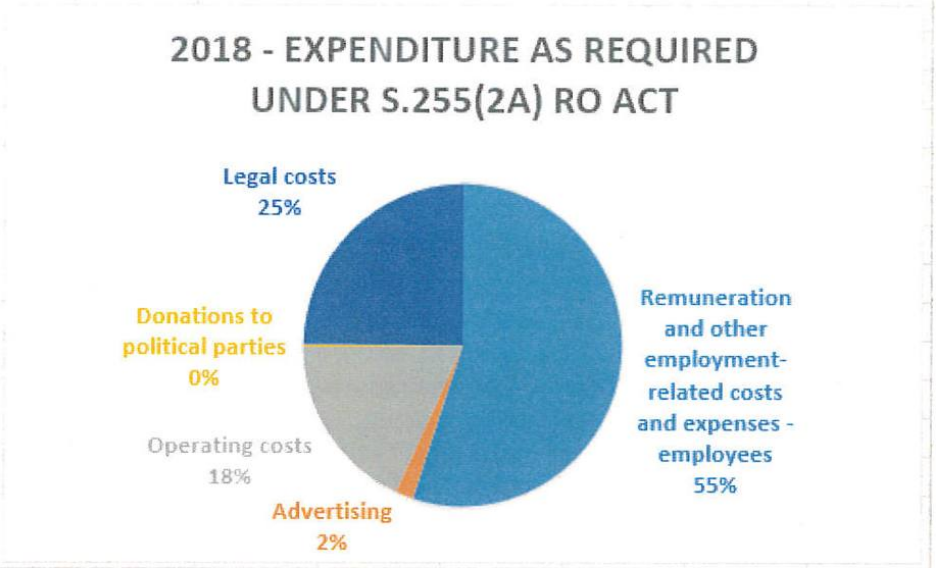
Date: 27 May 2019

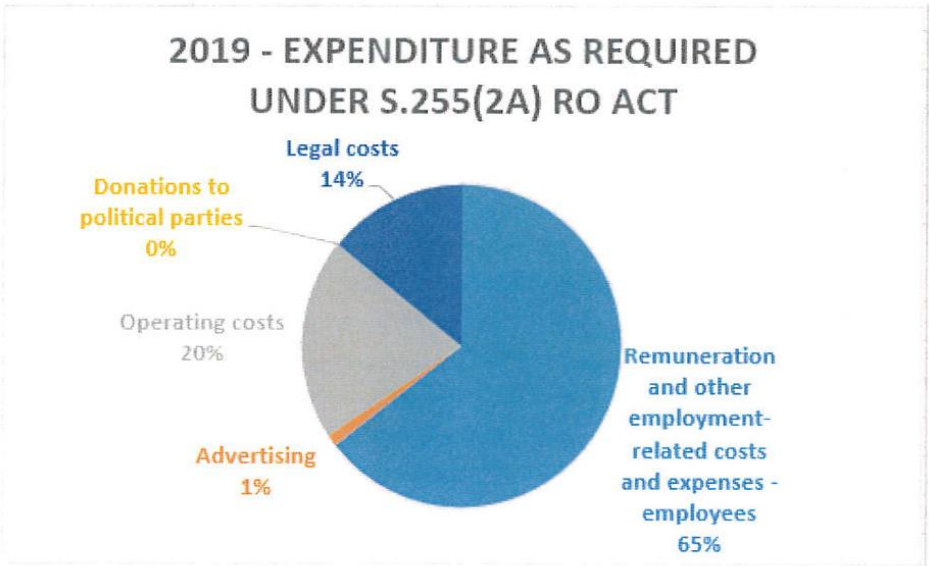
CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

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: [redacted]

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.

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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

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

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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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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
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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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:		
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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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

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).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

	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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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:

		31 March 2019		31 March 2018	
	Footnote	Carrying value	Fair value	Carrying value	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

		31 March 2019		31 March 2018	
	Footnote	Carrying value	Fair value	Carrying value	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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR 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.

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

[redacted]

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

Financial Reports

CFMEU

1 April 2019 to 31 March 2020

Liability limited by a scheme approved under Professional Standards Legislation

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 2020

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

COMMITTEE OF MANAGEMENT OPERATING REPORT

FOR THE YEAR ENDED 31 MARCH 2020

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 2020.

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 deficit for the financial year amounted to $785,725 (31 March 2019: $2,906,205 surplus)

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

Pursuant to a Service Agreement between Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division ('CFMEUQ') and Construction, Forestry, Maritime, Mining & Energy Union Construction and General Division Queensland Northern Territory Divisional Branch ('QNTDB'), it was resolved that from 1 April 2020 administrative arrangements between the entities would change. Under the agreement, administration arrangements, including the collection of subscription fees from members, labour and staffing costs would become the responsibility of CFMEUQ, which is expected to materially impact the level and type of revenues and expenses recorded in both entities, in future periods.

COMMITTEE OF MANAGEMENT OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

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 - Chair of BUSSQ
Jacqui Collie	– Member of the Union - Director of BUSSQ
Emma Eaves	– 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 14,434 (2019: 16,313).

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was 43 (2019: 52).

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
Keith Murphy	Whole period
Peter Close	Whole period
Jack Cummins	Whole period

COMMITTEE OF MANAGEMENT OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

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 2020 and 31 March 2019.

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 2020 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:

[redacted]

Michael John Ravbar
Divisional Branch Secretary

26 May 2020

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 2020

On 26 May 2020, 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 2020.

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.

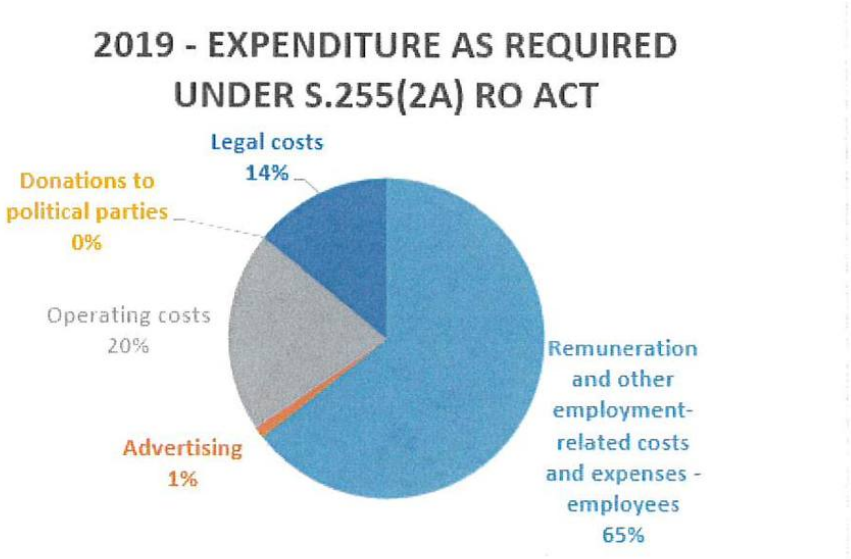
Name of Designated Officer:	**Michael John Ravbar**
Title of Designated Officer:	Divisional ~~Branch~~ Secretary
Signature:	[redacted]
Date:	26 May 2020

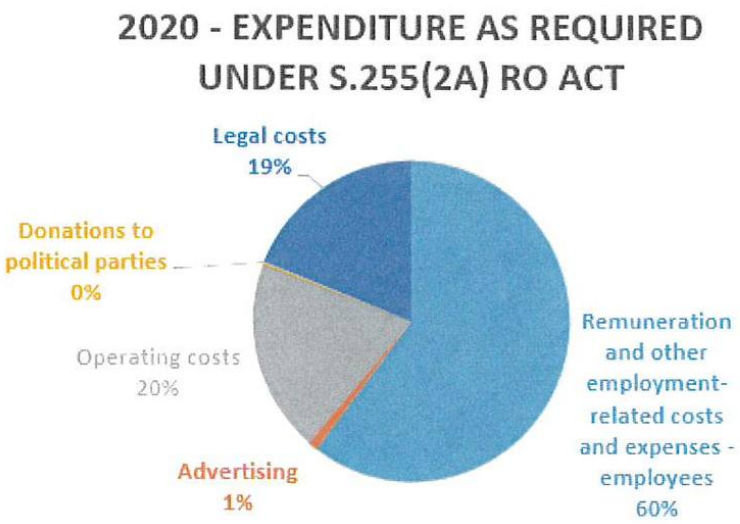
CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

REPORT REQUIRED UNDER SUBSECTION 255(2A)

FOR THE YEAR ENDED 31 MARCH 2020

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 March 2019 and 31 March 2020.





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

Title of Designated Officer: Divisional Branch Secretary

Signature: [redacted]

Date: 26 May 2020

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

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	31 March 2020 $	31 March 2019 $
Revenue			
Membership subscription		9,619,954	11,137,373
Capitation fees		-	-
Levies	3A	1,144,806	1,340,602
Voluntary collections – ADSS donations		37,391	44,800
Interest	3B	167,472	96,977
Other revenue	3E	2,710,936	3,074,650
Total revenue		13,680,559	15,694,402
Other Income			
Grants and/or donations	3C	3,750,882	4,397,827
Net gains from sale of assets	3D	36,410	24,986
Change in fair value of financial assets		-	187,550
Total other income		3,787,292	4,610,363
Total income		17,467,851	20,304,765
Expenses			
Employee expenses	4A	6,919,424	7,232,012
Capitation fees	4B	738,547	774,578
Affiliation fees	4C	83,204	98,116
Administration expenses	4D	245,443	152,557
Voluntary collections		37,391	44,800
Grants or donations	4E	149,390	409,375
Depreciation and amortisation	4F	355,747	364,052
Finance costs	4G	84,309	91,815
Legal costs	4H	2,181,530	1,593,886
Audit fees	4I	23,405	24,271
Apprentice Schemes		3,309,215	3,418,315
Change in fair value of financial assets		428,756	-
Other expenses	4J	3,697,215	3,194,783
Total expenses		18,253,576	17,398,560
Surplus (deficit) for the year		(785,725)	2,906,205
Other comprehensive income			
Total comprehensive income for the year		(785,725)	2,906,205

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

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2020

	Notes	31 March 2020 $	31 March 2019 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	9,179,882	9,668,803
Trade and other receivables	5B	282,025	162,366
Other current assets	5C	157,303	11,359
Financial assets	5D	5,279,954	5,505,302
Total current assets		14,899,164	15,347,830
Non-Current Assets			
Trade and other receivables	5B	1,500,000	1,500,000
Property, plant and equipment	5E	1,277,559	1,505,800
Total non-current assets		2,777,559	3,005,800
Total assets		17,676,723	18,353,630
LIABILITIES			
Current Liabilities			
Trade and other payables	6A	523,849	1,030,906
Employee provisions	6B	1,576,719	1,608,420
Revenue in Advance	6C	5,639,879	4,981,814
Total current liabilities		7,740,447	7,621,140
Non-Current Liabilities			
Employee provisions	6B	686,839	697,328
Total non-current liabilities		686,839	697,328
Total liabilities		8,427,286	8,318,468
Net assets		9,249,437	10,035,162
EQUITY			
Retained earnings		9,249,437	10,035,162
Total equity		9,249,437	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 CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2020

	Retained Earnings		Financial Asset Revaluation Reserve	Total
	General Fund	Compulsory Levy Defence Fund		
	$	$	$	$
Balance as at 1 April 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	(600,000)	600,000	-	-
Transfer from financial asset revaluation reserve to retained earnings	36,128	-	(36,128)	-
Other comprehensive income for the period	-	-	-	-
Closing balance as at 31 March 2019	**2,964,925**	**7,070,237**	**-**	**10,035,162**
Surplus (deficit) for the year	(1,661,691)	875,966	-	(785,725)
Other comprehensive income for the year	-	-	-	-
Closing balance as at 31 March 2020	**1,303,234**	**7,946,203**	**-**	**9,249,437**

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

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	31 March 2020 $	31 March 2019 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	7B	86,990	135,521
Receipts from members and other customers		11,719,804	12,177,235
Grant receipts		5,098,251	4,996,958
Interest		111,543	107,486
Other		2,759,594	3,417,526
Cash used			
Employees and suppliers		(16,623,115)	(15,866,754)
Short term lease payments		(130,000)	-
Finance cost		(84,309)	(91,815)
Payment to other reporting units	7B	(3,072,846)	(2,155,323)
Net cash from (used by) operating activities	7A	(134,088)	2,720,834
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of property, plant and equipment		251,838	363,995
Cash used			
Purchase of plant and equipment		(403,263)	(762,996)
Purchase of financial assets		(203,408)	(213,535)
Net cash from (used by) investing activities		(354,833)	(612,536)
FINANCING ACTIVITIES			
Net cash received from/(paid to) CFMEUQ	7B	-	1,000,000
Net increase (decrease) in cash held		(488,921)	3,108,298
Cash & cash equivalents at the beginning of the reporting period.		9,668,803	6,560,505
Cash & cash equivalents at the end of the reporting period	5A	9,179,882	9,668,803

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

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

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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)

1.3 Significant accounting judgements and estimates (continued)

Key Judgements

Impact of COVID19
A global pandemic (COVID19) occurred during the period, which has resulted in broad and significant economic and social impacts. Whilst the Committee does not believe that the Union will be significantly impacted by the pandemic, they are currently unable to reliably determine the potential impact of the pandemic on future results or cashflows. Accordingly, no adjustments have been made in these financial statements relating to any potential future impacts of COVID19.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

The Union has adopted AASB 16: *Leases* during the period, applying the retrospective approach from 1 April 2019. As at 1 April 2019, the Union held two operating leases – one of which expired during the year ended 31 March 2020, and the other in May 2020. As the impact of recording the right of use asset and lease liability relating to the operating lease still in place at balance date is deemed to be immaterial, the Union has chosen to account for these leases as short-term leases as permitted under the standard. Accordingly, no right-of-use asset and lease liability was recognised on 1 April 2019 upon adoption of AASB 16, and there is no right-of-use asset and lease liability recognised at balance date.

The Union has adopted AASB 15: *Revenue from Contracts with Customers* retrospectively with the cumulative effect of initially applying AASB 15 recognised at 1 April 2019. In accordance with AASB 15, the comparatives for the 2019 reporting period have not been restated. The AASB 15 replaces AASB 118 *Revenue,* AASB 111 *Construction Contracts* and several revenue-related interpretations. In accordance with the transition guidance, AASB 15 has only been applied to contracts that are incomplete as at 1 April 2019. The adoption of AASB 15 has not affected the financial statements. There have been no adjustments made to the financial statements for the year ended 31 March 2020 as a result of the adoption of AASB 15: *Revenue from Contracts with Customers.*

The Union has adopted AASB 1058: *Income for Not-for-Profit Entities* retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 April 2019. In accordance with AASB 1058, the comparatives for the 2019 reporting period have not been restated. AASB 1058 is applicable to transactions that do not arise from enforceable contracts with customers involving sufficiently specific performance obligations, as such transactions are accounted for in accordance with AASB 15. The adoption of AASB 1058 has not affected the financial statements. There have been no adjustments made to the financial statements for the year ended 31 March 2020 as a result of the adoption of AASB 1058: *Income for Not-for-Profit Entities.*

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 2018-7: Amendments to Australian Accounting Standards – Definition of Material
(applicable for annual reporting periods beginning on or after 1 January 2020)

AASB 2018-7 principally amends AASB 101 and AASB 108. The amendments refine the definition of material in AASB 101. The amendments clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendment also includes some supporting requirements in AASB 101 in the definition to give it more prominence and clarifies the explanation accompanying the definition of material.

The Committee of Management anticipate that the adoption of AASB 2018-7 will not have a significant impact on the Union's financial statements.

1.5 Revenue

To determine whether to recognise revenue, the Union follows a 5 step process as prescribed by AASB 15:

- 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.

Revenue is recognised either at a point in time or over time, where (or as) the Union satisfies performance obligations by transferring the promised goods or services to its customers.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.9 Leases

For leases as a lessor, 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.

Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

For leases as a lessee, a right-of-use and a corresponding lease liability is recognised. However, all contracts that are classified as short-term leases (i.e. lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

The lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payment are discounted at the interest rate implicit in the lease. The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, the specific asset is depreciated over the useful life of the underlying asset.

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 components 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 2020	31 March 2019
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 assets 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.

There have been no withdrawals to or from the compulsory levy defence fund during the year.

The surplus in Compulsory Levy Defence Fund during the year was $875,966.

1.23 Compulsory Campaign Levy

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

Pursuant to a Service Agreement between Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division ('CFMEUQ') and Construction, Forestry, Maritime, Mining & Energy Union Construction and General Division Queensland Northern Territory Divisional Branch ('QNTDB'), it was resolved that from 1 April 2020 administrative arrangements between the entities would change. Under the agreement, administration arrangements, including the collection of subscription fees from members, labour and staffing costs would become the responsibility of CFMEUQ, which is expected to materially impact the level and type of revenues and expenses recorded in both entities, in future periods.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

NOTE 3 INCOME	31 March 2020 $	31 March 2019 $
Note 3A: Levies		
Compulsory levy – Defence Fund (Note 1.22)	875,966	1,029,637
Compulsory levy – Campaign (Note 1.23)	238,711	273,945
Voluntary levy – Tool Scheme	30,129	37,020
Total levies	1,144,806	1,340,602
Note 3B: Interest		
Interest	162,472	96,978
Total Interest	162,472	96,978
Note 3C: Grants or donations		
Grants Apprentice Scheme	3,308,382	3,872,827
Grants Other	442,500	525,000
Donations	-	-
Total grants or donations	3,750,882	4,397,827
Note 3D: Net gains from sale of assets		
Gain on sale of property, plant and equipment	36,410	24,986
Total net gain from sale of assets	36,410	24,986
Note 3E: Other Revenue		
Administration recoveries	601,148	594,871
Compliance recoveries	277,763	384,385
Income from financial asset	233,688	214,418
Promotional charges	221,791	576,467
Sponsorship income	186,000	258,500
Training income	185,084	391,173
Directors/Meeting fees	216,789	183,839
Enterprise agreements	196,223	378,000
Squire Patton Proceedings (Coffs Harbour)	297,265	-
Sundry income and reimbursements	295,185	92,997
Financial support from another reporting unit	-	-
Total other revenue	2,710,936	3,074,650

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

NOTE 4 EXPENSES	31 March 2020 $	31 March 2019 $
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	581,911	523,195
Superannuation	61,740	73,078
Leave and other entitlements	27,006	57,175
*Separation and redundancies	19,166	19,617
Other employee expenses	5,304	5,304
Subtotal employee expenses holders of office	695,127	678,369
Employees other than office holders:		
Wages and salaries	5,104,479	5,198,353
Superannuation	748,431	782,643
Leave and other entitlements	115,162	313,930
*Separation and redundancies	198,543	179,844
Other employee expenses	57,682	78,873
Subtotal employee expenses employees other than office holders	6,224,297	6,553,643
Total employee expenses	6,919,424	7,232,012

*Separation and redundancies include contributions to the redundancy fund.

Note 4B: Capitation fees		
CFMEU C&G National Office	738,547	774,578
Total Capitation fees	738,547	774,578
Note 4C: Affiliation fees		
Australian Labor Party Queensland Branch	62,420	74,245
Australian Labor Party Northern Territory Branch	1,227	2,073
Building and Wood Workers' International	18,697	18,855
Queensland Council of Unions Brisbane Branch	-	-
Queensland Council of Unions Townsville Branch	-	100
Ipswich Trades Hall & Labour Day Committee	60	30
NT Trades & Labour Council	-	2,813
Other	800	-
Total Affiliation fees	83,204	98,116

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

NOTE 4 EXPENSES (CONTINUED)	31 March 2020 $	31 March 2019 $
Note 4D: Administration expenses		
Consideration to employers for payroll deductions	1,017	522
Compulsory levy – Campaign (Note 1.23)	134,860	61,825
Voluntary levy – Tool Scheme	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	109,566	90,210
Total administration expenses	245,443	152,557
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	1,450	5,640
Total paid that exceeded $1,000	147,940	403,735
Total grants or donations	149,390	409,375
Note 4F: Depreciation and amortisation		
Depreciation:		
Property, plant and equipment	54,456	56,031
Motor vehicles	301,291	308,021
Total depreciation	355,747	364,052
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	355,747	364,052
Note 4G: Finance costs		
Bank fees and charges	84,309	91,815
Total finance costs	84,309	91,815
Note 4H: Legal costs		
Litigation	1,785,195	1,275,697
Other legal matters	128,285	102,009
Penalties & Settlements (Litigation costs)	268,050	216,180
Total legal costs	2,181,530	1,593,886

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

NOTE 4 EXPENSES (CONTINUED)	**31 March 2020 $**	**31 March 2019 $**
Note 4I: Audit fees		
External audit expense	23,405	24,271
Other services	-	-
Total audit fees	23,405	24,271
Note 4J: Other expenses		
Penalties – via RO Act or the *Fair Work Act 2009*	-	-
Administration expenditure	161,241	173,564
Advertising & marketing	58,285	73,641
Campaign expenses	642,883	161,770
Campaign expenses – ACTU change the rules	-	(393,302)
Communications	65,670	70,419
Computer expenses	51,268	33,270
Delegates convention	-	308,960
Fringe benefit tax	210,687	203,205
Impairment counselling & delivery costs	115,223	17,956
Insurance	885	902
Labour day expenses	101,221	135,312
Motor vehicles expenses	369,424	365,673
Organising expenses	419,279	440,741
Payroll tax	358,609	351,496
Postage	93,254	98,680
Printing and stationery	76,548	117,966
Publication expenses	60,450	58,075
Rental expenses	712,842	807,515
Short-term lease expense	130,000	-
Sponsorship expenses	12,200	109,273
Subscriptions	12,498	7,490
Training	7,369	11,835
Workers compensation	37,379	40,342
Total other expenses	3,697,215	3,194,783

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

NOTE 5 ASSETS	31 March 2020 $	31 March 2019 $
Note 5A: Cash and Cash Equivalents		
Cash at bank	6,175,082	4,664,003
Cash on hand	4,300	4,300
Debit card	500	500
Term deposits	3,000,000	5,000,000
Total cash and cash equivalents	9,179,882	9,668,803
Note 5B: Trade and Other Receivables		
Current		
Interest receivable	87,203	31,274
Membership dues receivable	1,430,066	1,523,329
Grants receivable	-	-
Other receivables	55,042	80,328
Receivables from other reporting units		
CFMEU C&G National Office	39,635	17,595
Total current trade and other receivables	1,611,946	1,652,526
Less provision for doubtful debts	(1,329,921)	(1,490,160)
Total provision for doubtful debts	(1,329,921)	(1,490,160)
Total current trade and other receivables (net)	282,025	162,366
Non-current		
Receivables from other reporting units		
CFMEUQ	1,500,000	1,500,000
Total non-current trade and other receivables	1,500,000	1,500,000
Total trade and other receivables	1,782,025	1,662,366

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

Note 5C: Other Current Assets		
Prepayments	157,303	11,359
Total other current assets	157,303	11,329

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

NOTE 5 ASSETS (CONTINUED)	31 March 2020 $	31 March 2019 $
Note 5D: Financial Assets		
Financial asset at cost	5,000,000	5,000,000
Addition investment	485,032	281,624
Growth/(reduction) in investment - unrealised	(205,078)	223,678
Total financial assets	5,279,954	5,505,302
Note 5E: Property, Plant and Equipment		
Property, Plant and Equipment comprises of:		
Motor vehicles	1,113,805	1,366,167
Plant and equipment	163,754	139,633
Total property plant and equipment	1,277,559	1,505,800
Motor vehicles:		
At cost	1,789,154	1,900,069
Less accumulated depreciation	(675,349)	(533,902)
Total motor vehicles	1,113,805	1,366,167
Plant and Equipment:		
At cost	304,273	302,557
Less accumulated depreciation	(140,519)	(162,924)
Total plant and equipment	163,754	139,633

	Motor Vehicles	Plant & Equipment	Total
	$	$	$
Balance at beginning of the year	1,366,167	139,633	1,505,800
Additions	324,686	78,577	403,263
Disposals	(215,428)	-	(215,428)
Depreciation expense – Note 4F	(301,291)	(54,456)	(355,747)
Depreciation allocated to Apprentice Scheme	(60,329)	-	(60,329)
Carrying amount at end of the year	1,113,805	163,754	1,277,559

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

NOTE 6 LIABILITIES	31 March 2020	31 March 2019
	$	$
Note 6A: Trade and Other Payables		
Trade payables and accruals	135,534	439,412
Payables to other reporting units		
- CFMEU C&G National Office	7,403	-
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	89,346	130,501
Settlements (Penalties from Litigation)	172,000	210,000
Other legal matters	-	-
GST payable	110,655	241,813
Voluntary collections - ADSS	8,911	9,180
Wages collected on behalf of members	-	-
Total trade and other payables	523,849	1,030,906
Note 6B: Employee Provisions		
Employee provisions comprises of:		
Current		
Provision for annual leave	752,984	870,107
Provision for long service leave	823,735	738,313
	1,576,719	1,608,420
Non-current		
Provision for long service leave	686,839	697,328
Total employee provisions	2,263,558	2,305,748

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	2,305,748	2,249,440
Additional provisions raised during the year:	644,564	389,609
Amounts used	(686,754)	(333,301)
Balance at the end of the year	2,263,558	2,305,748

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

NOTE 6 LIABILITIES (CONTINUED)	31 March 2020	31 March 2019
	$	$
Note 6B: Employee Provisions (Continued)		
Office Holders:		
Annual leave	69,078	85,195
Long service leave	435,825	392,702
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	504,903	477,897
Employees other than office holders:		
Annual leave	683,906	784,912
Long service leave	1,074,749	1,042,939
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	1,758,655	1,827,851
Total employee provisions	2,263,558	2,305,748

Note 6C: Revenue in Advance

Revenue in advance comprises of:

Current		
Apprentice scheme funding	2,179,027	1,295,135
Membership dues in advance	3,239,102	3,237,429
Other revenue in advance	221,750	449,250
	5,639,879	4,981,814
Non-current		
Apprentice scheme funding	-	-
Total revenue in advance	5,639,879	4,981,814

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

NOTE 7 CASH FLOW	**31 March 2020 $**	**31 March 2019 $**
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	9,179,882	9,668,803
Statement of financial position	9,179,882	9,668,803
Difference	-	-
Reconciliation of surplus/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	(785,725)	2,906,205
Adjustments for non-cash items		
Depreciation expense – Note 4F	355,747	364,052
Depreciation – Apprentice scheme	60,329	59,190
(Gain)/Loss on disposal of assets	(36,410)	(24,986)
(Gain)/Loss in fair value of financial assets	428,756	(187,550)
Changes in assets/liabilities		
(Increase)/decrease in net receivables	(119,659)	236,185
(Increase)/decrease in prepayments	(145,944)	152,283
Increase/(decrease) in trade and other payables	(507,057)	(650,936)
Increase/(decrease) in employee provisions	(42,190)	56,308
Increase/(decrease) in revenue in advance	658,065	(189,917)
Net cash from (used by) operating activities	(134,088)	2,720,834
Note 7B: Cash flow information		
Cash inflows		
CFMEUQ	-	1,006,200
CFMEU National Office	-	61,516
CFMEU C&G National Office	40,720	14,639
CFMEU C&G ACT	5,715	-
CFMEU VIC	-	300
CFMEU M&E QLD	40,555	52,866
Total cash inflows	86,990	1,135,521

NOTE 7 CASH FLOW (CONTINUED)	31 March 2020	31 March 2019
	$	$

Note 7B: Cash flow information (Continued)

Cash outflows

CFMEUQ	1,000,738	794,745
CFMEU C&G National Office	1,971,721	1,359,703
CFMEU C&G ACT	100,000	-
CFMEU M&E QLD	387	-
CFMEU C&G WA	-	875
Total cash outflows	3,072,846	2,155,323

Note 7C: Credit standby arrangements and loan facilities

CBA Mastercard Facility		
Used facility	22,073	12,317
Unused facility	37,927	47,683
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 2020 (31 March 2019: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

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 2020 $	31 March 2019 $
Income received includes the following:		
Audit fee reimbursed from CFMEUQ	-	6,200
Wages reimbursement from CFMEU National Office	-	61,516
Airfares reimbursement from CFMEU C&G National office	21,344	10,249
Expense reimbursement from CFMEU C&G National office	770	3,059
Transfer leave entitlements from CFMEU C&G National office	14,904	-
Affiliation fees reimbursement from CFMEU M&E QLD	35,668	34,364
Expense reimbursement from CFMEU M&E QLD	1,200	13,696
Expense reimbursement from CFMEU C&G VIC	-	273
Merchandise sales to CFMEU C&G ACT	5,195	-
Expenses paid includes the following:		
Rent paid to CFMEUQ	721,224	722,495
Leave entitlements transferred to CFMEUQ	151,211	-
Promotional charges transferred to CFMEUQ	26,826	-
Compliance recoveries transferred to CFMEUQ	26,752	-
Capitation fees to CFMEU C&G National Office	738,547	774,578
Campaign levy to CFMEU C&G National Office	134,860	61,825
Wages reimbursement to CFMEU C&G National Office	102,425	120,990
Campaign contribution to CFMEU C&G National Office	366,234	-
Dentsu X cost contribution to CFMEU C&G National Office	173,177	-
Bossman Media cost contribution to CFMEU C&G National Office	160,435	-
Legal cost contribution to CFMEU C&G National Office	55,000	20,185
Donation – contribution to CFMEU C&G National Office for Bushfire Appeal	17,440	-
Staff cost reimbursement to CFMEU C&G National Office	-	2,500
ACTU campaign donation to CFMEU C&G National Office	-	196,651
Change the rules campaign donation to CFMEU C&G National Office	-	196,651
Donation – contribution to CFMEU C&G ACT for security cost	100,000	-
Accommodation costs reimbursement to CFMEU M&E QLD	352	-
Conference accommodation from CFMEU C&G WA	-	795

NOTE 8 RELATED PARTY DISCLOSURES (CONTINUED)

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

Holders of office and related reporting units (continued)

	31 March 2020 $	31 March 2019 $
Amounts owed by includes the following:		
CFMEU C&G National Office	39,635	17,595
Amounts owed to includes the following:		
CFMEU C&G National Office	7,403	-
Loans to CFMEUQ:	1,500,000	1,500,000

Terms and conditions of transactions with related parties

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 prevail 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 2020, the union has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2019: $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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

NOTE 8 RELATED PARTY DISCLOSURES (CONTINUED)

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

Terms and conditions of transactions with related parties (continued)

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 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)

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

	31 March 2020 $	31 March 2019 $
Short-term employee benefits		
Salary (including annual leave taken)	581,911	523,195
Annual leave	(16,117)	8,753
Performance bonus	-	-
Other employee benefits	5,304	5,304
Total short-term employee benefits	571,098	537,252
Post-employment benefits:		
Superannuation	61,740	73,078
Redundancy fund	19,166	19,617
Total post-employment benefits	80,906	92,695
Other long-term benefits:		
Long-service leave	43,123	48,422
Total other long-term benefits	43,123	48,422
Termination benefits	-	-
Total	695,127	678,369

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

NOTE 9 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

(a) Operating lease commitments

Leases as lessee

The leases relate to rent of regional office located at Townsville. The current lease expires in May 2020. The future minimum lease payments under non-cancellable operating leases are as follows (FY2019 comparative only):

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

In FY2020, the above leases are accounted as short-term leases under AASB16.

Leases as lessor

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

	31 March 2020 $	31 March 2019 $
Receivable – minimum lease commitments		
- not later than 12 months	4,024	45,014
- between 12 months and 5 years	-	7,623
- greater than 5 years	-	-
Minimum lease payments	4,024	52,637

(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 2020 (2019: Nil).

(d) Capital expenditure commitments

There are no capital expenditure commitments at 31 March 2020 (2019: Nil).

	31 March 2020 $	31 March 2019 $
NOTE 10 REMUNERATION OF AUDITORS		
Value of the services provided		
Financial statement audit services	23,405	22,750
Other services – included in apprentice scheme expense	4,000	10,000
Total remuneration of auditors	27,405	32,750

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	9,179,882	9,668,803
Trade and other receivables	1,782,025	1,662,366
Financial assets	5,279,954	5,505,302
	16,241,861	16,836,471
Financial Liabilities		
Trade and other payables	523,849	1,030,906
	523,849	1,030,906

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 2020 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 2020

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Expected loss rate	82.5%	0%	0%	0%	42.7%
Gross Carrying amount	1,611,946	-	-	1,500,000	3,111,946
Loss allowing provision	1,329,921	-	-	-	1,329,921

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

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 2020 (31 March 2019: 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
2020		**$**	**$**	**$**	**$**	**$**
Trade and other payables	523,849	-	-	-	-	523,849
	523,849	-	-	-	-	523,849
2019						
Trade and other payables	1,030,906	-	-	-	-	1,030,906
	1,030,906	-	-	-	-	1,030,906

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.

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 in an arm's length transaction.

Fair value may be based on information that is estimated or subject to judgement, 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

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:

		31 March 2020		31 March 2019	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	9,179,882	9,179,882	9,668,803	9,668,803
Trade and other receivables	(i)	1,782,025	1,782,025	1,662,366	1,662,366
Financial assets	(i)	5,279,954	5,279,954	5,505,302	5,505,302
Total financial assets		16,241,861	16,241,861	16,836,471	16,836,471

		31 March 2020		31 March 2019	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial liabilities					
Trade and other payables	(i)	523,849	523,849	1,030,906	1,030,906
Total financial liabilities		523,849	523,849	1,030,906	1,030,906

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.

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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 2020 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	Total
	$	$	$	$
Salary and allowance	201,537	204,904	175,470	581,911
Movement in annual and long service leave provisions	12,512	7,018	7,476	27,006
Superannuation	21,000	22,292	18,448	61,740
Redundancy	6,349	6,703	6,114	19,166
Other employee benefits	1,768	1,768	1,768	5,304
	243,166	242,685	209,276	695,127

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.

(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	$6,445
Jade Ingham	Assistant Branch Secretary	$9,910

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 2020.

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

Opinion

We have audited the accompanying financial report of Construction, Forestry, Maritime, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch which comprises the Statement of Financial Position as at 31 March 2020, 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, Maritime, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch:

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 am required to report that fact. We have nothing to report in this regard.

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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 BRISBANE AUDIT

[redacted]

SHAUN LINDEMANN
PARTNER

DATED THIS 26TH DAY OF MAY 2020
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 2020

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 2020 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 3 June 2020; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 23 June 2020 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

[redacted]

Michael John Ravbar

Divisional Branch Secretary

23 June 2020

Brisbane

Financial Reports

CFMEU

1 April 2020 to 31 March 2021

Liability limited by a scheme approved under Professional Standards Legislation

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 2021

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

COMMITTEE OF MANAGEMENT OPERATING REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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 2021.

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.

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 $1,202,921 (31 March 2020: $$785,725 deficit)

Significant Changes in Financial Affairs

Longstanding administrative arrangements have existed between the Construction, Forestry, Maritime, Mining & Energy Union Construction and General Division Queensland Northern Territory Divisional Branch (**QNTDB**) and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**CFMEUQ**) to improve the effectiveness of dual registration and, as far as practicable, to reduce unnecessary costs associated with dual registration.

The administrative arrangements established the QNTDB as the 'operating entity' in that, for consideration provided by the CFMEUQ (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), the QNTDB would provide the resources necessary to service the Dual Members and members of the CFMEUQ.

Following negotiations between the QNTDB and the CFMEUQ, it was determined by the Divisional Branch Executive to agree to alter these arrangements, including the arrangements for the collection of entrance fees or subscriptions. An agreement was entered into between the QNTDB and the CFMEUQ to reflect these new arrangements and has been in operation for the entirety of the financial year ended 31 March 2021 (**Service Agreement**).

Significant Changes in Financial Affairs (continued)

As a result of the alteration to these arrangements by the Service Agreement, a number of items were transferred from the QNTDB to the CFMEUQ including: accrued employee entitlements; ongoing employee expenses; financial administration costs; agents fees; the defence fund and legal fees.

The CFMEUQ, for consideration provided by the QNTDB (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), provides the resources necessary to service the Dual Members, members of the QNTDB and members of the Manufacturing Division. This has materially impacted the level and type of revenues and expenses recorded in the QNTDB in current and future periods.

Events subsequent to reporting date

There were no events that occurred after 31 March 2021, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

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 - Chair of BUSSQ
Jacqui Collie	– Member of the Union - Director of BUSSQ
Emma Eaves	– 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 14,096 (2020: 14,434).

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was 9 (2020: 43).

COMMITTEE OF MANAGEMENT OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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
Keith Murphy	Whole period
Peter Close	Whole period
Jack Cummins	01/04/2020 to 02/01/2021
Mark Read	02/01/2021 to 31/03/2021
Steve Amies	02/01/2021 to 31/03/2021
Kane Lowth	02/01/2021 to 31/03/2021

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 2021 and 31 March 2020.

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 2021 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:

[redacted]

Michael John Ravbar
Divisional Branch Secretary

29 June 2021

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 2021

On 29 June 2021, 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 2021.

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

(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: [redacted]

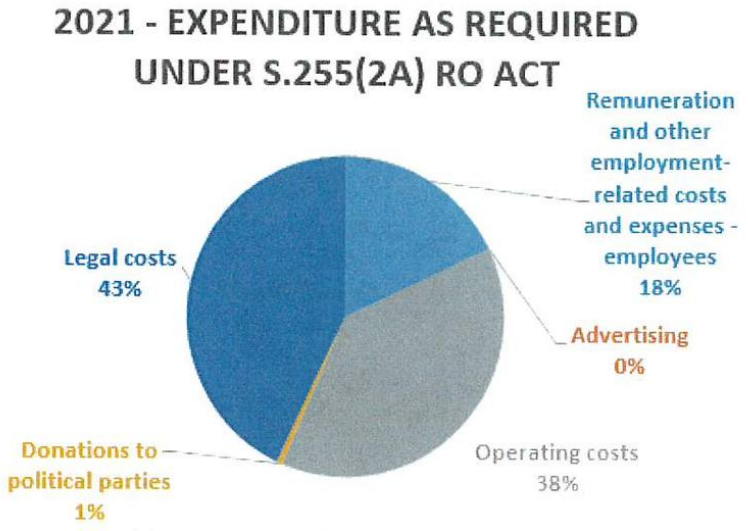
Date: 29 June 2021

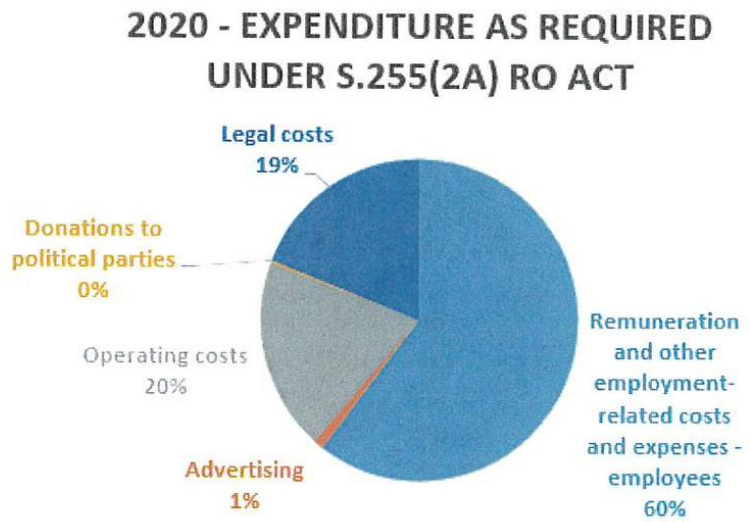
CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

REPORT REQUIRED UNDER SUBSECTION 255(2A)

FOR THE YEAR ENDED 31 MARCH 2021

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 March 2020 and 31 March 2021.





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

Title of Designated Officer: Divisional Branch Secretary

Signature: [redacted]

Date: 29 June 2021

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

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	31 March 2021 $	31 March 2020 $
Revenue from contracts with customers			
Membership subscription		163,918	9,619,954
Capitation fees		-	-
Levies	3A	18,231	1,144,806
Voluntary collections – ADSS donations		-	37,391
Interest	3B	15,231	167,472
Other revenue	3E	2,345,645	2,710,936
Total revenue		2,543,025	13,680,559
Income for furthering objectives			
Grants and/or donations	3C	5,046,560	3,750,882
Total income for furthering objectives		5,046,560	3,750,882
Other Income			
Net gains from sale of assets	3D	221,803	36,410
Change in fair value of financial assets		534,414	-
Total other income		756,217	36,410
Total income		8,345,802	17,467,851
Expenses			
Employee expenses	4A	385,407	6,919,424
Capitation fees	4B	-	738,547
Affiliation fees	4C	1,798	83,204
Administration expenses	4D	334,444	245,443
Voluntary collections		-	37,391
Grants or donations	4E	13,804	149,390
Depreciation and amortisation	4F	342,842	355,747
Finance costs	4G	58,386	84,309
Legal costs	4H	924,899	2,181,530
Audit fees	4I	14,563	23,405
Apprentice Schemes		3,949,916	3,309,215
Change in fair value of financial assets		-	428,756
Other expenses	4J	1,116,822	3,697,215
Total expenses		7,142,881	18,253,576
Surplus (deficit) for the year		1,202,921	(785,725)
Other comprehensive income		-	-
Total comprehensive income for the year		1,202,921	(785,725)

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 2021

	Notes	31 March 2021 $	31 March 2020 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	1,386,186	9,179,882
Trade and other receivables	5B	209,849	282,025
Other current assets	5C	-	157,303
Financial assets	5D	6,094,155	5,279,954
Total current assets		7,690,190	14,899,164
Non-Current Assets			
Trade and other receivables	5B	1,500,000	1,500,000
Property, plant and equipment	5E	1,656,965	1,277,559
Total non-current assets		3,156,965	2,777,559
Total assets		10,847,155	17,676,723
LIABILITIES			
Current Liabilities			
Trade and other payables	6A	5,287,279	523,849
Employee provisions	6B	603,740	1,576,719
Revenue in Advance	6C	2,013,866	5,639,879
Total current liabilities		7,904,885	7,740,447
Non-Current Liabilities			
Employee provisions	6B	237,602	686,839
Total non-current liabilities		237,602	686,839
Total liabilities		8,142,487	8,427,286
Net assets		2,704,668	9,249,437
EQUITY			
Retained earnings		2,704,668	9,249,437
Total equity		2,704,668	9,249,437

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 2021

		Retained Earnings		Financial Asset Revaluation Reserve	Total
		General Fund	Compulsory Levy Defence Fund		
	Notes	$	$	$	$
Balance as at 1 April 2019		2,964,925	7,070,237	-	10,035,162
Surplus (deficit) for the year		(1,661,691)	875,966	-	(785,725)
Other comprehensive income for the period		-	-	-	-
Closing balance as at 31 March 2020		**1,303,234**	**7,946,203**	**-**	**9,249,437**
Surplus (deficit) for the year		1,188,716	14,205	-	1,202,921
Transfer of Defence Fund to CFMEUQ	**1.24**	-	(7,747,690)	-	(7,747,690)
Other comprehensive income for the year		-	-	-	-
Closing balance as at 31 March 2021		**2,491,950**	**212,718**	**-**	**2,704,668**

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

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	31 March 2021 $	31 March 2020 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	7B	408,776	86,990
Receipts from members and other customers		174,014	11,719,804
Grant receipts		5,170,800	5,098,251
Interest		97,845	111,543
Other		2,030,957	2,759,594
Cash used			
Employees and suppliers		(4,325,524)	(16,623,115)
Short term lease payments		-	(130,000)
Finance cost		(58,386)	(84,309)
Payment to other reporting units	7B	(10,458,409)	(3,072,846)
Net cash from (used by) operating activities	7A	(6,959,927)	(134,088)
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of property, plant and equipment		749,605	251,838
Cash used			
Purchase of plant and equipment		(1,303,587)	(403,263)
Purchase of financial assets		(279,787)	(203,408)
Net cash from (used by) investing activities		(833,769)	(354,833)
FINANCING ACTIVITIES			
Net cash received from/(paid to) CFMEUQ	7B	-	-
Net increase (decrease) in cash held		(7,793,696)	(488,921)
Cash & cash equivalents at the beginning of the reporting period.		9,179,882	9,668,803
Cash & cash equivalents at the end of the reporting period	5A	1,386,186	9,179,882

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

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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 except for the requirements applicable to not-for-profit entity. 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

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 and judgements

Impairment of property, plant and equipment
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.

Provisions
As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.3 Significant accounting judgements and estimates (continued)

Key estimates and judgements (continued)

Receivables
The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

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.

Impact of COVID19
As a result of the evolving nature of the COVID-19 outbreak and the evolving government policies of restrictive measures put in place to contain it, as at the date of these financial statements, the Union is not in a position to reasonably estimate the financial effects of the COVID-19 outbreak on the future financial performance and financial position of the Union.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

The accounting policies adopted are consistent with those of the previous financial year except for the following accounting standards and amendments, which have been adopted for the first time this financial year:

AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Union.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 2020-1 – Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
(applicable for annual reporting periods beginning on or after 1 January 2022)

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period.

The Committee of Management anticipate that the adoption of AASB 2020-1 will not have a significant impact on the Union's financial statements.

1.5 Revenue

The Union enters into various arrangements where it receives consideration from another party. These arrangement include consideration in the form of membership subscriptions, levies, sponsorships and interest.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Union has a contract with a customer, the Union recognises revenue when or as it transfers control of goods or service to the customer. The Union accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or service to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Union.

If there is only one distinct membership service promised in the arrangement, the Union recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Union's promise to stand ready to provide assistance and support to the member as required.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue (continued)

If there is more than one distinct good or service promised in the membership subscription, the Union allocates the transaction price to each performance obligation based on the relative standalone selling price of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Union charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good or as the service transfers to the customer (for example, member services or training course), the Union recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Union has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Union at their standalone selling price, the Union accounts for those sales as a separate contract with a customer.

Capitation fees

Where the Union's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Union recognises the capitation fees promised under that arrangement when or as it transfers service to the member.

In circumstances where the criteria for a contract with a customer are not met, the Union will recognise capitation fees as income upon receipt.

Levies

Levies paid by a member in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Union transfers the relevant services to the member. In circumstances where the criteria for a contract with a customer are not met, the Union will recognise levies as income upon receipt.

Income of the Union as a Not-for-Profit Entity

Consideration is received by the Union to enable the entity to further its objectives. The Union recognises each of these amounts of consideration as income when the consideration is received (which is when the Union obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- The Union's recognition of the cash contribution does not give rise to any related liabilities.

The Union receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- donations and voluntary contributions from members (including whip arounds); and
- government grants – (Cash Flow Boost).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue (continued)

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

Interest income

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

1.6 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.7 Leases

The Union assesses whether a contract is or contains a lease, at inception of a contract. The Union recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Union recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Reporting Entity uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments, less any lease incentives.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

1.8 Borrowing costs

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

1.9 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.

1.10 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)

1.11 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions of the instrument.

1.12 Financial assets

Contract assets and receivables

A contract asset is recognised when the Union's right to consideration in exchange for goods or services that have transferred to the customer when that right is conditional on the Union's future performance or some other condition. A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (**OCI**), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Union's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Union initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (**SPPI**) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Union's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Union commits to purchase or sell the asset.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial assets (Continued)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories as:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income

Financial assets at amortised cost

The Union measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (**EIR**) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Union's financial assets at amortised cost includes trade receivables, receivables from other reporting units and term deposits.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Union has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  a) the Union has transferred substantially all the risks and rewards of the asset, or
  b) the Union has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Union has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Union continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial assets (Continued)

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

(i) Trade receivables

For trade receivables that do not have a significant financing component, the Union applies a simplified approach in calculating expected credit losses (**ECLs**) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Union does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Union has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Union recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Union expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Union considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Union may also consider a financial asset to be in default when internal or external information indicates that the Union is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial Liabilities

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Union's financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.14 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Union transfer the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Union performs under the contract (i.e. transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Union's refund liabilities arise from customers' right of return. The liabilities is measured at the amount the Union's ultimately expects it will have to return to the customer. The Union updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.15 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.

1.16 Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment of losses. Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

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 2021	31 March 2020
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.

1.17 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)

1.18 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.

1.19 Fair value measurement

The Union measures financial instruments, such as, financial assets 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)

1.19 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.

1.20 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.

1.21 Acquisition of Assets and Liabilities

The Union did not acquire any asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

1.22 Recovery of Wages

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

1.23 Compulsory Campaign Levy

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 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.24 Retained Earnings – Compulsory Levy Defence Fund

The Defence Fund is maintained to provide the additional resources needed to defend members of the QNTDB and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**CFMEUQ**) against continuing attacks from employers and Federal Government agencies.

In 2004, the (then) Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland determined to create the Defence Fund and resolved that members were required to make payment of the Levy.

On 1 July 2013, the CFMEUQ transferred those monies held in the Fund to the QNTDB. On, and from, 1 July 2013, the QNTDB began collecting the Levy from members of both the QNTDB and the CFMEUQ.

During the year, the QNTDB transferred $7,747,690 comprising the Defence Fund to the CFMEUQ.

At the time of the transfer, the Defence Fund comprised:

- the monies paid by the members resident in the Northern Territory;
- the monies transferred by the CFMEUQ in 2013; and
- the monies collected by the QNTDB since 1 July 2013.

The monies paid by the members resident in the Northern Territory were not transferred to the CFMEUQ and have remained in the retained earnings of QNTDB as detailed in the statement of changes in equity.

The members resident in the Northern Territory continue to make contibutions in accordance with the compulsory Defence Fund levy which is retained by the QNTDB. The surplus in compulsory Defence Fund levy collected from Northern Territory members during the year was $14,205.

Funds collected by the compulsory Defence Fund levy 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 retained earnings as detailed in the statement of changes in equity.

1.25 Service Agreement

Longstanding administrative arrangements have existed between the Construction, Forestry, Maritime, Mining & Energy Union Construction and General Division Queensland Northern Territory Divisional Branch (**QNTDB**) and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**CFMEUQ**) to improve the effectiveness of dual registration and, as far as practicable, to reduce unnecessary costs associated with dual registration.

The administrative arrangements established the QNTDB as the 'operating entity' in that, for consideration provided by the CFMEUQ (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), the QNTDB would provide the resources necessary to service the Dual Members and members of the CFMEUQ.

1.25 Service Agreement (continued)

Following negotiations between the QNTDB and the CFMEUQ, it was determined by the Divisional Branch Executive to agree to alter these arrangements, including the arrangements for the collection of entrance fees or subscriptions. An agreement was entered into between the QNTDB and the CFMEUQ to reflect these new arrangements and has been in operation for the entirety of the financial year ended 31 March 2021 (**Service Agreement**).

As a result of the alteration to these arrangements by the Service Agreement, a number of items were transferred from the QNTDB to the CFMEUQ including: accrued employee entitlements; ongoing employee expenses; financial administration costs; agents fees; the defence fund and legal fees.

The CFMEUQ, for consideration provided by the QNTDB (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), provides the resources necessary to service the Dual Members, members of the QNTDB and members of the Manufacturing Division.

This has materially impacted the level and type of revenues and expenses recorded in the QNTDB in current and future periods.

NOTE 2 EVENTS AFTER REPORTING DATE

There were no events that occurred after 31 March 2021, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 3 INCOME	31 March 2021 $	31 March 2020 $

Disaggregation of revenue from contracts with customers

A disaggregation of the Union's revenue by type of arrangements is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.

Type of customer		
Members	182,149	10,802,151
Other reporting units	-	-
Government	100,000	73,223
Other parties	2,260,876	2,805,185
Total revenue from contracts with customers	2,543,025	13,680,559

Disaggregation of income for furthering activities

A disaggregation of the Union's income by type of arrangement is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of income by funding source:

Income funding sources		
Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	5,046,560	3,750,882
Total income for furthering activities	5,046,560	3,750,882

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 3 INCOME

	31 March 2021 $	31 March 2020 $
Note 3A: Levies		
Compulsory levy – Defence Fund (Note 1.24)	14,205	875,966
Compulsory levy – Campaign (Note 1.23)	4,026	238,711
Voluntary levy – Tool Scheme	-	30,129
Total levies	18,231	1,144,806
Note 3B: Interest		
Interest	15,231	167,472
Total Interest	15,231	167,472
Note 3C: Grants or donations		
Grants Apprentice Scheme	4,668,458	3,308,382
Grants Other	378,102	442,500
Donations	-	-
Total grants or donations	5,046,560	3,750,882
Note 3D: Net gains from sale of assets		
Gain on sale of property, plant and equipment	221,803	36,410
Total net gain from sale of assets	221,803	36,410
Note 3E: Other Revenue		
Administration recoveries	576,767	601,148
Compliance recoveries	251,013	277,763
Income from financial asset	250,242	233,688
Promotional charges	110,000	221,791
Sponsorship income	191,717	186,000
Training income	293,830	185,084
Directors/Meeting fees	272,552	216,789
Enterprise agreements	282,600	196,223
Squire Patton Proceedings (Coffs Harbour)	-	297,265
Sundry income and reimbursements	116,924	295,185
Total other revenue	2,345,645	2,710,936

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 4 EXPENSES

	31 March 2021 $	31 March 2020 $
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	-	581,911
Superannuation	-	61,740
Leave and other entitlements	-	27,006
*Separation and redundancies	-	19,166
Other employee expenses	-	5,304
Subtotal employee expenses holders of office	-	695,127
Employees other than office holders:		
Wages and salaries	495,226	5,104,479
Superannuation	74,382	748,431
Leave and other entitlements	(210,172)	115,162
*Separation and redundancies	20,995	198,543
Other employee expenses	4,976	57,682
Subtotal employee expenses employees other than office holders	385,407	6,224,297
Total employee expenses	385,407	6,919,424

*Separation and redundancies include contributions to the redundancy fund.

Note 4B: Capitation fees

CFMEU C&G National Office	-	738,547
Total Capitation fees	-	738,547

From 1 April 2020, capitation fees is paid by CFMEUQ

Note 4C: Affiliation fees

Australian Labor Party Queensland Branch	-	62,420
Australian Labor Party Northern Territory Branch	918	1,227
Building and Wood Workers' International	-	18,697
Ipswich Trades Hall & Labour Day Committee	-	60
Other	880	800
Total Affiliation fees	1,798	83,204

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 4 EXPENSES (CONTINUED)	31 March 2021 $	31 March 2020 $
Note 4D: Administration expenses		
Consideration to employers for payroll deductions of membership subscriptions	-	1,017
Compulsory levy – Campaign (Note 1.23)	-	134,860
Voluntary levy – Tool Scheme	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	334,444	109,566
Total administration expenses	334,444	245,443
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	1,904	1,450
Total paid that exceeded $1,000	11,900	147,940
Total grants or donations	13,804	149,390
Note 4F: Depreciation and amortisation		
Depreciation:		
Property, plant and equipment	72,415	54,456
Motor vehicles	270,427	301,291
Total depreciation	342,842	355,747
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	342,842	355,747
Note 4G: Finance costs		
Bank fees and charges	58,386	84,309
Total finance costs	58,386	84,309
Note 4H: Legal costs		
Litigation	68,457	1,785,195
Other legal matters	-	128,285
Penalties & Settlements (Litigation costs)	856,442	268,050
Total legal costs	924,899	2,181,530

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 4 EXPENSES (CONTINUED)	31 March 2021 $	31 March 2020 $
Note 4I: Audit fees		
External audit expense	14,563	23,405
Other services	-	-
Total audit fees	14,563	23,405
Note 4J: Other expenses		
Penalties – via RO Act or the *Fair Work Act 2009*	-	-
Administration expenditure	72,678	161,241
Advertising & marketing	318	58,285
Campaign expenses	43,150	642,883
Communications	10,745	65,670
Computer expenses	19,802	51,268
Fringe benefit tax	207,559	210,687
Impairment counselling & delivery costs	38,520	115,223
Insurance	950	885
Labour day expenses	-	101,221
Motor vehicles expenses	70,417	369,424
Organising expenses	143,646	419,279
Payroll tax	34,992	358,609
Postage	9,649	93,254
Printing and stationery	39,320	76,548
Publication expenses	-	60,450
Rental expenses	363,424	712,842
Short-term lease expense	-	130,000
Sponsorship expenses	-	12,200
Subscriptions	9,042	12,498
Training	27,827	7,369
Workers compensation	24,783	37,379
Total other expenses	1,116,822	3,697,215

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 5 ASSETS	31 March 2021 $	31 March 2020 $
Note 5A: Cash and Cash Equivalents		
Cash at bank	1,385,686	6,175,082
Cash on hand	-	4,300
Debit card	500	500
Term deposits	-	3,000,000
Total cash and cash equivalents	1,386,186	9,179,882
Note 5B: Trade and Other Receivables		
Current		
Interest receivable	4,589	87,203
Membership dues receivable	-	1,430,066
Other receivables	62,505	55,042
Receivables from other reporting units		
CFMEUQ	142,755	-
CFMEU C&G National Office	-	39,635
Total current trade and other receivables	209,849	1,611,946
Less provision for doubtful debts	-	(1,329,921)
Total provision for doubtful debts	209,849	(1,329,921)
Total current trade and other receivables (net)	209,849	282,025
Non-current		
Receivables from other reporting units		
CFMEUQ	1,500,000	1,500,000
Total non-current trade and other receivables	1,500,000	1,500,000
Total trade and other receivables	1,709,849	1,782,025

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

Note 5C: Other Current Assets		
Prepayments	-	157,303
Total other current assets	-	157,303

NOTE 5 ASSETS (CONTINUED)	31 March 2021 $	31 March 2020 $
Note 5D: Financial Assets		
Financial asset at cost	5,000,000	5,000,000
Addition investment	764,819	485,032
Growth/(reduction) in investment - unrealised	329,336	(205,078)
Total financial assets	6,094,155	5,279,954
Note 5E: Property, Plant and Equipment		
Property, Plant and Equipment comprises of:		
Motor vehicles	1,473,876	1,113,805
Plant and equipment	183,089	163,754
Total property plant and equipment	1,656,965	1,277,559
Motor vehicles:		
At cost	1,966,771	1,789,154
Less accumulated depreciation	(492,895)	(675,349)
Total motor vehicles	1,473,876	1,113,805
Plant and Equipment:		
At cost	396,022	304,273
Less accumulated depreciation	(212,933)	(140,519)
Total plant and equipment	183,089	163,754

	Motor Vehicles	Plant & Equipment	Total
	$	$	$
Balance at beginning of the year	1,113,805	163,754	1,277,559
Additions	1,211,837	91,750	1,303,587
Disposals	(527,802)	-	(527,802)
Depreciation expense – Note 4F	(270,427)	(72,415)	(342,842)
Depreciation allocated to Apprentice Scheme	(53,537)	-	(53,537)
Carrying amount at end of the year	1,473,876	183,089	1,656,965

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 6 LIABILITIES	31 March 2021	31 March 2020
	$	$
Note 6A: Trade and Other Payables		
Trade payables and accruals	155,244	135,534
Payables to other reporting units		
- CFMEU C&G National Office	-	7,403
- CFMEUQ	5,041,855	
Consideration to employers for payroll deductions of membership subscriptions	-	-
Legal costs		
Litigation	50,000	89,346
Settlements (Penalties from Litigation)	-	172,000
Other legal matters	-	-
GST payable	40,180	110,655
Voluntary collections - ADSS	-	8,911
Total trade and other payables	5,287,279	523,849
Note 6B: Employee Provisions		
Employee provisions comprises of:		
Current		
Provision for annual leave	232,789	752,984
Provision for long service leave	370,951	823,735
	603,740	1,576,719
Non-current		
Provision for long service leave	237,602	686,839
Total employee provisions	841,342	2,263,558

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	2,263,558	2,305,748
Additional provisions raised during the year	26,346	795,775
Provisions transferred to CFMEUQ	(1,317,767)	(151,211)
Amounts used	(130,795)	(686,754)
Balance at the end of the year	841,342	2,263,558

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NOTE 6 LIABILITIES (CONTINUED)	31 March 2021	31 March 2020
	$	$
Note 6B: Employee Provisions (Continued)		
Office Holders:		
Annual leave	-	69,078
Long service leave	-	435,825
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	504,903
Employees other than office holders:		
Annual leave	232,789	683,906
Long service leave	608,553	1,074,749
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	841,342	1,758,655
Total employee provisions	841,342	2,263,558
Note 6C: Revenue in Advance		
Revenue in advance comprises of:		
Current		
Apprentice scheme funding	1,833,194	2,179,027
Membership dues in advance	-	3,239,102
Other revenue in advance	180,672	221,750
	2,013,866	5,639,879
Non-current		
Apprentice scheme funding	-	-
Total revenue in advance	2,013,866	5,639,879

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 7 CASH FLOW	31 March 2021 $	31 March 2020 $
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	1,386,186	9,179,882
Statement of financial position	1,386,186	9,179,882
Difference	-	-
Reconciliation of surplus/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	1,202,921	(785,725)
Adjustments for non-cash items		
Depreciation expense – Note 4F	342,842	355,747
Depreciation – Apprentice scheme	53,537	60,329
(Gain)/Loss on disposal of assets	(221,803)	(36,410)
(Gain)/Loss in fair value of financial assets	(535,414)	428,756
Changes in assets/liabilities		
(Increase)/decrease in net receivables	72,176	(119,659)
(Increase)/decrease in prepayments	157,303	(145,944)
Increase/(decrease) in trade and other payables	4,763,430	(507,057)
Increase/(decrease) in employee provisions	(1,422,216)	(42,190)
Increase/(decrease) in revenue in advance	(3,626,013)	658,065
Transfer of Compulsory Levy Defence Fund to CFMEUQ	(7,746,690)	-
Net cash from (used by) operating activities	(6,959,927)	(134,088)
Note 7B: Cash flow information		
Cash inflows		
CFMEUQ	368,469	-
CFMEU National Office	-	-
CFMEU C&G National Office	40,307	40,720
CFMEU C&G ACT	-	5,715
CFMEU VIC	-	-
CFMEU M&E QLD	-	40,555
Total cash inflows	408,776	86,990

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 7 CASH FLOW (CONTINUED)	31 March 2021	31 March 2020
	$	$

Note 7B: Cash flow information (Continued)

Cash outflows

CFMEUQ	10,434,568	1,000,738
CFMEU C&G National Office	7,403	1,971,721
CFMMEU National Office	16,438	-
CFMEU C&G ACT	-	100,000
CFMEU M&E QLD	-	387
Total cash outflows	10,458,409	3,072,846

Note 7C: Credit standby arrangements and loan facilities

CBA Mastercard Facility		
Used facility	11,301	22,073
Unused facility	48,699	37,927
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 2021 (31 March 2020: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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 2021 $	31 March 2020 $
Income received includes the following:		
NT membership income transferred from CFMEUQ	163,918	-
NT defence fund transferred from CFMEUQ	14,205	-
NT campaign levy transferred from CFMEUQ	4,206	-
EBA Processing fees transferred from CFMEUQ	282,600	-
Airfares reimbursement from CFMEU C&G National office	610	21,344
Expense reimbursement from CFMEU C&G National office	-	770
Transfer leave entitlements from CFMEU C&G National office	-	14,904
Affiliation fees reimbursement from CFMEU M&E QLD	-	35,668
Expense reimbursement from CFMEU M&E QLD	-	1,200
Merchandise sales to CFMEU C&G ACT	-	5,195
Expenses paid includes the following:		
Rent paid to CFMEUQ	359,083	721,224
Leave entitlements transferred to CFMEUQ	1,317,767	151,211
Defence fund levy transferred to CFMEUQ	7,747,690	-
Membership income in advance transferred to CFMEUQ	3,212,180	-
Promotional charges transferred to CFMEUQ	-	26,826
Compliance recoveries transferred to CFMEUQ	-	26,752
Capitation fees to CFMEU C&G National Office	-	738,547
Campaign levy to CFMEU C&G National Office	-	134,860
Wages reimbursement to CFMEU C&G National Office	-	102,425
Campaign contribution to CFMEU C&G National Office	-	366,234
Dentsu X cost contribution to CFMEU C&G National Office	-	173,177
Bossman Media cost contribution to CFMEU C&G National Office	-	160,435
Legal cost contribution to CFMEU C&G National Office	-	55,000
Donation – contribution to CFMEU C&G National Office for Bushfire Appeal	-	17,440
Donation – contribution to CFMEU C&G ACT for security cost	-	100,000
Accommodation costs reimbursement to CFMEU M&E QLD	-	352
Workcover reimbursement to CFMMEU National Office	15,015	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 8 RELATED PARTY DISCLOSURES (CONTINUED)

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

Holders of office and related reporting units (continued)

	31 March 2021 $	31 March 2020 $
Amounts owed by includes the following:		
CFMEU C&G National Office	-	39,635
CFMEUQ	142,755	-
Amounts owed to includes the following:		
CFMEU C&G National Office	-	7,403
CFMEUQ	5,041,855	-
Loan receivable from CFMEUQ:	1,500,000	1,500,000

Terms and conditions of transactions with related parties

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 prevail 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 2021, the union has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2020: $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/received from 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.

NOTE 8 RELATED PARTY DISCLOSURES (CONTINUED)

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

Terms and conditions of transactions with related parties (continued)

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 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 (Branch Secretary)
- Royce Kupsch (Branch President)
- Jade Ingham (Assistant Branch Secretary)
- Kane Lowth (Assistant Branch Secretary)

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

	31 March 2021 $	31 March 2020 $
Short-term employee benefits		
Salary (including annual leave taken)	-	581,911
Annual leave	-	(16,117)
Performance bonus	-	-
Other employee benefits	-	5,304
Total short-term employee benefits	-	571,098
Post-employment benefits:		
Superannuation	-	61,740
Redundancy fund	-	19,166
Total post-employment benefits	-	80,906
Other long-term benefits:		
Long-service leave	-	43,123
Total other long-term benefits	-	43,123
Termination benefits	-	-
Total	-	695,127

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 9 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

(a) Operating lease commitments

The Union does not have any operating lease commitments.

(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 2021 (2020: Nil).

(d) Capital expenditure commitments

There are no capital expenditure commitments at 31 March 2021 (2020: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

NOTE 10 REMUNERATION OF AUDITORS

	31 March 2021 $	31 March 2020 $
Value of the services provided		
Financial statement audit services	14,563	23,405
Other services – included in apprentice scheme expense	12,000	4,000
Total remuneration of auditors	26,563	27,405

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	1,386,186	9,179,882
Trade and other receivables	1,709,849	1,782,025
Financial assets	6,094,155	5,279,954
	9,190,190	16,241,861
Financial Liabilities		
Trade and other payables	5,287,279	523,849
	5,287,279	523,849

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 2021 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 2021

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Expected loss rate	0%	0%	0%	0%	0%
Gross Carrying amount	209,849	-	-	1,500,000	1,709,849
Loss allowing provision	-	-	-	-	-

Ageing of financial assets that were past due but not impaired for 2020

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Expected loss rate	82.5%	0%	0%	0%	42.7%
Gross Carrying amount	1,611,946	-	-	1,500,000	3,111,946
Loss allowing provision	1,329,921	-	-	-	1,329,921

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 2021 (31 March 2020: 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
2021		$	$	$	$	$
Trade and other payables	5,287,279	-	-	-	-	5,287,279
	5,287,279	-	-	-	-	5,287,279
2020						
Trade and other payables	523,849	-	-	-	-	523,849
	523,849	-	-	-	-	523,849

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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.

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 in an arm's length transaction.

Fair value may be based on information that is estimated or subject to judgement, 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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:

		31 March 2021		31 March 2020	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	1,386,186	1,386,186	9,179,882	9,179,882
Trade and other receivables	(i)	1,709,849	1,709,849	1,782,025	1,782,025
Financial assets	(i)	6,094,155	6,094,155	5,279,954	5,279,954
Total financial assets		9,190,190	9,190,190	16,241,861	16,241,861

		31 March 2021		31 March 2020	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial liabilities					
Trade and other payables	(i)	5,287,279	5,287,279	523,849	523,849
Total financial liabilities		5,287,279	5,287,279	523,849	523,849

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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 2021 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	Kane Lowth Assistant Divisional Branch Secretary	Total
	$	$	$	$	$
Salary and allowance	-	-	-	-	-
Movement in annual and long service leave provisions	-	-	-	-	-
Superannuation	-	-	-	-	-
Redundancy	-	-	-	-	-
Other employee benefits	-	-	-	-	-
	-	-	-	-	-

From 1 April 2020, the officers are remunerated by the Construction Forestry Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division (CFMEUQ) and therefore are recorded in the financial statements of the CFMEUQ for the year ended 31 March 2021.

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.

(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	$7,116
Royce Kuspch	Division Branch President	$Nil
Jade Ingham	Assistant Divisional Branch Secretary	$10,102
Kane Lowth	Assistant Divisional Branch Secretary	$1,663

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 2021.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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.

NOTE 18 OFFICER DECLARATION STATEMENT

An officer declaration statement has not been prepared given that all relevant disclosures required under this declaration, have been incorporated into this financial report, including 'NIL' disclosures.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION
CONSTRUCTION AND GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

Opinion

We have audited the accompanying financial report of Construction, Forestry, Maritime, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch which comprises the Statement of Financial Position as at 31 March 2021, 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 general purpose financial report of the Construction, Forestry, Maritime, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch, is presented fairly in accordance with the following:

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 (including Independence Standards) (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 Brisbane Pty Ltd. is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

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

[redacted]

CAMERON BRADLEY
PARTNER

DATED THIS 29TH DAY OF JUNE 2021
BRISBANE
REGISTRATION NUMBER: AA2021/14

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

DESIGNATED OFFICERS CERTIFICATE

FOR THE YEAR ENDED 31 MARCH 2021

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 2021 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 1 July 2021; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 16 August 2021 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

[redacted]

Michael John Ravbar

Divisional Branch Secretary

16 August 2021

Brisbane

Financial Reports

CFMEU

1 April 2021 to 31 March 2022

Liability limited by a scheme approved under Professional Standards Legislation

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 2022

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

COMMITTEE OF MANAGEMENT OPERATING REPORT

FOR THE YEAR ENDED 31 MARCH 2022

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 2022.

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.

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 $61,384 (31 March 2021: $1,202,921 surplus)

Significant Changes in Financial Affairs

Longstanding administrative arrangements have existed between the Construction, Forestry, Maritime, Mining & Energy Union Construction and General Division Queensland Northern Territory Divisional Branch (**QNTDB**) and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**CFMEUQ**) to improve the effectiveness of dual registration and, as far as practicable, to reduce unnecessary costs associated with dual registration.

The administrative arrangements established the QNTDB as the 'operating entity' in that, for consideration provided by the CFMEUQ (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), the QNTDB would provide the resources necessary to service the Dual Members and members of the CFMEUQ.

Following negotiations between the QNTDB and the CFMEUQ, it was determined by the Divisional Branch Executive to agree to alter these arrangements, including the arrangements for the collection of entrance fees or subscriptions. An agreement was entered into between the QNTDB and the CFMEUQ to reflect these new arrangements and has been in operation for the entirety of the financial year since 31 March 2021 (**Service Agreement**).

Significant Changes in Financial Affairs (continued)

As a result of the alteration to these arrangements by the Service Agreement, a number of items were transferred from the QNTDB to the CFMEUQ including: accrued employee entitlements; ongoing employee expenses; financial administration costs; agents fees; the defence fund and legal fees.

The CFMEUQ, for consideration provided by the QNTDB (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), provides the resources necessary to service the Dual Members, members of the QNTDB and members of the Manufacturing Division. This has materially impacted the level and type of revenues and expenses recorded in the QNTDB in current and future periods.

Events subsequent to reporting date

There were no events that occurred after 31 March 2022, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

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 - Chair of BUSSQ
Jacqui Collie	– Member of the Union - Director of BUSSQ
Michael Ravbar	– Secretary and Member of the Union - Director of BUSSQ
Emma Eaves	– Member of the Union - Former 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 14,602 (2021: 14,096).

COMMITTEE OF MANAGEMENT OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was 9 (2021: 9).

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
Keith Murphy	Whole period
Peter Close	Whole period
Mark Read	Whole period
Steve Amies	Whole period
Kane Lowth	Whole period

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 2022 and 31 March 2021.

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 2022 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:

[redacted]

Michael John Ravbar
Divisional Branch Secretary

24 May 2022

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 2022

On 24 May 2022, 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 2022.

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

(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: [redacted]

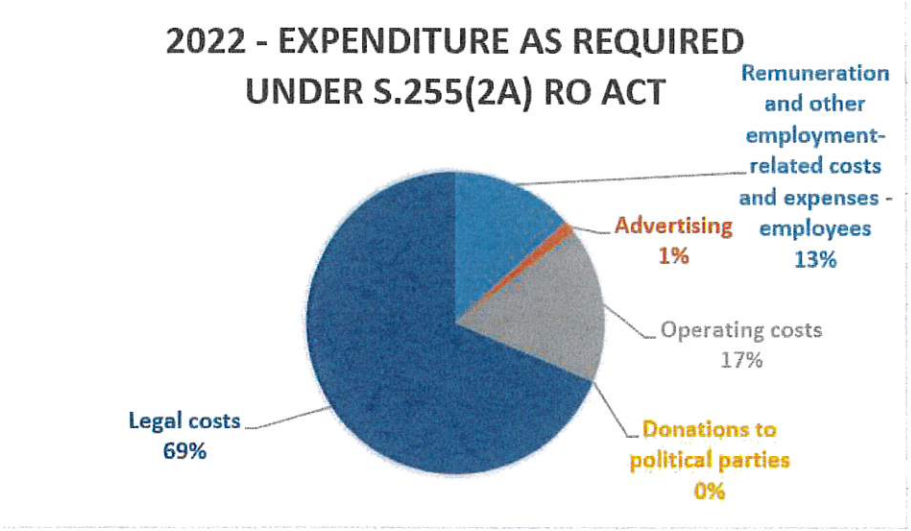
Date: 24 May 2022

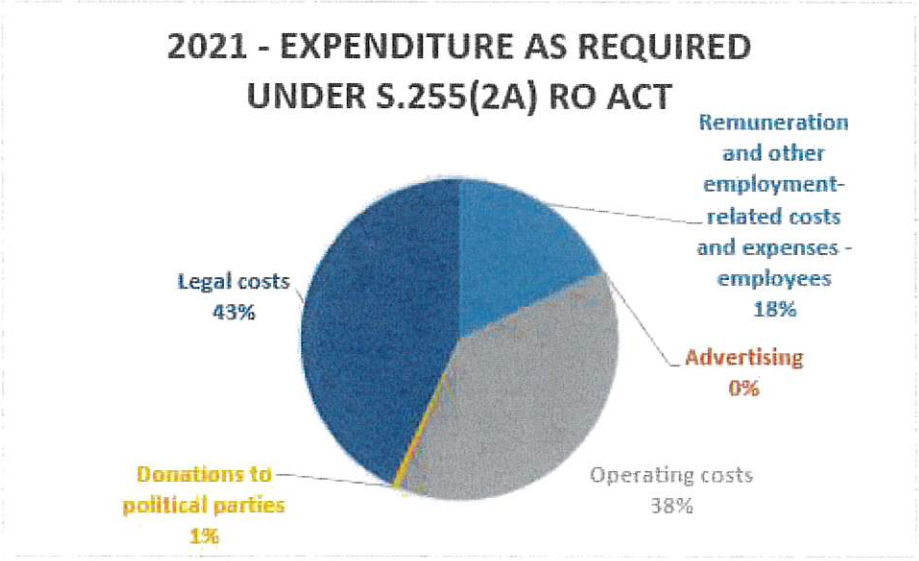
CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

REPORT REQUIRED UNDER SUBSECTION 255(2A)

FOR THE YEAR ENDED 31 MARCH 2022

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 March 2021 and 31 March 2022.





Name of Designated Officer:	**Michael John Ravbar**
Title of Designated Officer:	Divisional Branch Secretary
Signature:	.....
Date:	24 May 2022

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

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	31 March 2022 $	31 March 2021 $
Revenue from contracts with customers			
Membership subscription		153,939	163,918
Capitation fees		-	-
Levies	3A	17,040	18,231
Voluntary collections – ADSS donations		-	-
Interest	3B	306	15,231
Other revenue	3E	2,386,275	2,345,645
Total revenue from contracts with customers		2,557,560	2,543,025
Income for furthering objectives			
Grants and/or donations	3C	4,916,169	5,046,560
Total income for furthering objectives		4,916,169	5,046,560
Other income			
Net gains from sale of assets	3D	86,017	221,803
Change in fair value of financial assets		289,933	534,414
Total other income		375,950	756,217
Total income		7,849,679	8,345,802
Expenses			
Employee expenses	4A	442,272	385,407
Capitation fees	4B	-	-
Affiliation fees	4C	900	1,798
Administration expenses	4D	8,371	334,444
Voluntary collections		-	-
Grants or donations	4E	-	13,804
Depreciation and amortisation	4F	396,090	342,842
Finance costs	4G	29,977	58,386
Legal costs	4H	2,285,364	924,899
Audit fees	4I	13,200	14,563
Apprentice Schemes		3,835,519	3,949,916
Other expenses	4J	776,602	1,116,822
Total expenses		7,788,295	7,142,881
Surplus (deficit) for the year		61,384	1,202,921
Other comprehensive income		-	-
Total comprehensive income for the year		61,384	1,202,921

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

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	31 March 2022 $	31 March 2021 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	3,884,199	1,386,186
Trade and other receivables	5B	989,751	209,849
Other current assets	5C	-	-
Financial assets	5D	-	6,094,155
Total current assets		4,873,950	7,690,190
Non-Current Assets			
Trade and other receivables	5B	1,500,000	1,500,000
Property, plant and equipment	5E	1,413,723	1,656,965
Total non-current assets		2,913,723	3,156,965
Total assets		7,787,673	10,847,155
LIABILITIES			
Current Liabilities			
Trade and other payables	6A	1,913,120	5,287,279
Employee provisions	6B	701,562	603,740
Revenue in Advance	6C	2,226,488	2,013,866
Total current liabilities		4,841,170	7,904,885
Non-Current Liabilities			
Employee provisions	6B	180,451	237,602
Total non-current liabilities		180,451	237,602
Total liabilities		5,021,621	8,142,487
Net assets		2,766,052	2,704,668
EQUITY			
Retained earnings		2,766,052	2,704,668
Total equity		2,766,052	2,704,668

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

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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 2022

		Retained Earnings		Financial Asset Revaluation Reserve	Total
		General Fund	Compulsory Levy Defence Fund		
	Notes	$	$	$	$
Balance as at 1 April 2020		**1,303,234**	**7,946,203**	**-**	**9,249,437**
Surplus (deficit) for the year		1,188,716	14,205	-	1,202,921
Transfer of Defence Fund to CFMEUQ	**1.24**	-	(7,747,690)	-	(7,747,690)
Other comprehensive income for the year		-	-	-	-
Closing balance as at 31 March 2021		**2,491,950**	**212,718**	**-**	**2,704,668**
Surplus (deficit) for the year		48,254	13,130	-	61,384
Other comprehensive income for the year		-	-	-	-
Closing balance as at 31 March 2022		**2,540,204**	**225,848**	**-**	**2,766,052**

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

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	31 March 2022 $	31 March 2021 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	7B	750,749	408,776
Receipts from members and other customers		188,077	174,014
Grant receipts		5,630,128	5,170,800
Interest		3,360	97,845
Other		1,588,352	2,030,957
Cash used			
Employees and suppliers		(5,078,898)	(4,325,524)
Short term lease payments		-	-
Finance cost		(29,977)	(58,386)
Payment to other reporting units	7B	(414,503)	(10,458,409)
Net cash from (used by) operating activities	7A	2,637,288	(6,959,927)
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of property, plant and equipment		235,183	749,605
Cash used			
Purchase of plant and equipment		(374,458)	(1,303,587)
Purchase of financial assets		-	(279,787)
Net cash from (used by) investing activities		(139,275)	(833,769)
FINANCING ACTIVITIES			
Net cash received from/(paid to) CFMEUQ	7B	-	-
Net increase (decrease) in cash held		2,498,013	(7,793,696)
Cash & cash equivalents at the beginning of the reporting period.		1,386,186	9,179,882
Cash & cash equivalents at the end of the reporting period	5A	3,884,199	1,386,186

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

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

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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 except for the requirements applicable to not-for-profit entity. 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

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 and judgements

Impairment of property, plant and equipment
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.

Provisions
As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.3 Significant accounting judgements and estimates (continued)

Key estimates and judgements (continued)

Receivables
The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

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.

Impact of COVID19
As a result of the evolving nature of the COVID-19 outbreak and the evolving government policies of restrictive measures put in place to contain it, as at the date of these financial statements, the Union is not in a position to reasonably estimate the financial effects of the COVID-19 outbreak on the future financial performance and financial position of the Union.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

The accounting policies adopted are consistent with those of the previous financial year.

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

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 2021-1 – Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

(applicable for annual reporting periods beginning on or after 1 January 2022)

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period.

The Committee of Management anticipate that the adoption of AASB 2021-1 will not have a significant impact on the Union's financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue

The Union enters into various arrangements where it receives consideration from another party. These arrangement include consideration in the form of membership subscriptions, levies, sponsorships and interest.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Union has a contract with a customer, the Union recognises revenue when or as it transfers control of goods or service to the customer. The Union accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or service to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Union.

If there is only one distinct membership service promised in the arrangement, the Union recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Union's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Union allocates the transaction price to each performance obligation based on the relative standalone selling price of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Union charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good or as the service transfers to the customer (for example, member services or training course), the Union recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Union has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Union at their standalone selling price, the Union accounts for those sales as a separate contract with a customer.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue (continued)

Capitation fees

Where the Union's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Union recognises the capitation fees promised under that arrangement when or as it transfers service to the member.

In circumstances where the criteria for a contract with a customer are not met, the Union will recognise capitation fees as income upon receipt.

Levies

Levies paid by a member in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Union transfers the relevant services to the member. In circumstances where the criteria for a contract with a customer are not met, the Union will recognise levies as income upon receipt.

Income of the Union as a Not-for-Profit Entity

Consideration is received by the Union to enable the entity to further its objectives. The Union recognises each of these amounts of consideration as income when the consideration is received (which is when the Union obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- The Union's recognition of the cash contribution does not give rise to any related liabilities.

The Union receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- donations and voluntary contributions from members (including whip arounds); and
- government grants – (Cash Flow Boost).

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

Interest income

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.6 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.7 Leases

The Union assesses whether a contract is or contains a lease, at inception of a contract. The Union recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Union recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Reporting Entity uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments, less any lease incentives.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

1.8 Borrowing costs

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

1.9 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.

1.10 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)

1.11 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions of the instrument.

1.12 Financial assets

Contract assets and receivables

A contract asset is recognised when the Union's right to consideration in exchange for goods or services that have transferred to the customer when that right is conditional on the Union's future performance or some other condition. A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (**OCI**), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Union's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Union initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (**SPPI**) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Union's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Union commits to purchase or sell the asset.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial assets (Continued)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories as:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income

Financial assets at amortised cost

The Union measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (**EIR**) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Union's financial assets at amortised cost includes trade receivables, receivables from other reporting units and term deposits.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Union has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
    a) the Union has transferred substantially all the risks and rewards of the asset, or
    b) the Union has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Union has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Union continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial assets (Continued)

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

(i) Trade receivables

For trade receivables that do not have a significant financing component, the Union applies a simplified approach in calculating expected credit losses (**ECLs**) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Union does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Union has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Union recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Union expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Union considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Union may also consider a financial asset to be in default when internal or external information indicates that the Union is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial Liabilities

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Union's financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.14 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Union transfer the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Union performs under the contract (i.e. transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Union's refund liabilities arise from customers' right of return. The liabilities is measured at the amount the Union's ultimately expects it will have to return to the customer. The Union updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.15 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.

1.16 Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment of losses. Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

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 2022	31 March 2021
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.

1.17 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)

1.18 Income Tax and GST

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.

1.19 Fair value measurement

The Union measures financial instruments, such as, financial assets 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)

1.19 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.

1.20 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.

1.21 Acquisition of Assets and Liabilities

The Union did not acquire any asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

1.22 Recovery of Wages

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

1.23 Compulsory Campaign Levy

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 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.24 Retained Earnings – Compulsory Levy Defence Fund

The Defence Fund is maintained to provide the additional resources needed to defend members of the QNTDB and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**CFMEUQ**) against continuing attacks from employers and Federal Government agencies.

In 2004, the (then) Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland determined to create the Defence Fund and resolved that members were required to make payment of the Levy.

On 1 July 2013, the CFMEUQ transferred those monies held in the Fund to the QNTDB. On, and from, 1 July 2013, the QNTDB began collecting the Levy from members of both the QNTDB and the CFMEUQ.

During the 31 March 2021 financial year, the QNTDB transferred $7,747,690 comprising the Defence Fund to the CFMEUQ.

At the time of the transfer, the Defence Fund comprised:

- the monies paid by the members resident in the Northern Territory;
- the monies transferred by the CFMEUQ in 2013; and
- the monies collected by the QNTDB since 1 July 2013.

The monies paid by the members resident in the Northern Territory were not transferred to the CFMEUQ and have remained in the retained earnings of QNTDB as detailed in the statement of changes in equity.

The members resident in the Northern Territory continue to make contibutions in accordance with the compulsory Defence Fund levy which is retained by the QNTDB. The surplus in compulsory Defence Fund levy collected from Northern Territory members during the year was $13,130.

Funds collected by the compulsory Defence Fund levy 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 retained earnings as detailed in the statement of changes in equity.

1.25 Service Agreement

Longstanding administrative arrangements have existed between the Construction, Forestry, Maritime, Mining & Energy Union Construction and General Division Queensland Northern Territory Divisional Branch (**QNTDB**) and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**CFMEUQ**) to improve the effectiveness of dual registration and, as far as practicable, to reduce unnecessary costs associated with dual registration.

The administrative arrangements established the QNTDB as the 'operating entity' in that, for consideration provided by the CFMEUQ (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), the QNTDB would provide the resources necessary to service the Dual Members and members of the CFMEUQ.

1.25 Service Agreement (continued)

Following negotiations between the QNTDB and the CFMEUQ, it was determined by the Divisional Branch Executive to agree to alter these arrangements, including the arrangements for the collection of entrance fees or subscriptions. An agreement was entered into between the QNTDB and the CFMEUQ to reflect these new arrangements and has been in operation for the entirety of the financial year ended 31 March 2022 and 31 March 2021 (**Service Agreement**).

As a result of the alteration to these arrangements by the Service Agreement, a number of items were transferred from the QNTDB to the CFMEUQ including: accrued employee entitlements; ongoing employee expenses; financial administration costs; agents fees; the defence fund and legal fees.

The CFMEUQ, for consideration provided by the QNTDB (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), provides the resources necessary to service the Dual Members, members of the QNTDB and members of the Manufacturing Division.

This has materially impacted the level and type of revenues and expenses recorded in the QNTDB in current and future periods.

1.26 Current versus non-current classification

The Union presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within 12 months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period; or
- There is no unconditional rights to defer the settlement of the liability for at least 12 months after the reporting period.

The terms of the liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

The Union classified all other liabilities as non-current.

NOTE 2 EVENTS AFTER REPORTING DATE

There were no events that occurred after 31 March 2022, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 3 INCOME	31 March 2022 $	31 March 2021 $
Disaggregation of revenue from contracts with customers		

A disaggregation of the Union's revenue by type of arrangements is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.

Type of customer		
Members	170,979	182,149
Other reporting units	-	-
Government	-	100,000
Other parties	2,386,581	2,260,876
Total revenue from contracts with customers	2,557,560	2,543,025

Disaggregation of income for furthering activities

A disaggregation of the Union's income by type of arrangement is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of income by funding source:

Income funding sources		
Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	4,916,169	5,046,560
Total income for furthering activities	4,916,169	5,046,560

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 3 INCOME	31 March 2022 $	31 March 2021 $
Note 3A: Levies		
Compulsory levy – Defence Fund (Note 1.24)	13,130	14,205
Compulsory levy – Campaign (Note 1.23)	3,910	4,026
Voluntary levy – Tool Scheme	-	-
Total levies	17,040	18,231
Note 3B: Interest		
Interest	306	15,231
Total Interest	306	15,231
Note 3C: Grants or donations		
Grants Apprentice Scheme	4,682,421	4,668,458
Grants Other	233,748	378,102
Donations	-	-
Total grants or donations	4,916,169	5,046,560
Note 3D: Net gains from sale of assets		
Gain on sale of property, plant and equipment	86,017	221,803
Total net gain from sale of assets	86,017	221,803
Note 3E: Other Revenue		
Administration recoveries	701,851	576,767
Compliance recoveries	250,894	251,013
Income from financial asset	252,527	250,242
Promotional charges	110,000	110,000
Sponsorship income	96,354	191,717
Training income	329,075	293,830
Directors/Meeting fees	257,388	272,552
Enterprise agreements	381,600	282,600
Sundry income and reimbursements	6,586	116,924
Total other revenue	2,386,275	2,345,645

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 4 EXPENSES

	31 March 2022 $	31 March 2021 $
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
*Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	-	-
Employees other than office holders:		
Wages and salaries	358,942	495,226
Superannuation	60,659	74,382
Leave and other entitlements	1,056	(210,172)
*Separation and redundancies	17,473	20,995
Other employee expenses	4,142	4,976
Subtotal employee expenses employees other than office holders	442,272	385,407
Total employee expenses	442,272	385,407

*Separation and redundancies include contributions to the redundancy fund.

Note 4B: Capitation fees

CFMEU C&G National Office	-	-
Total Capitation fees	-	-

From 1 April 2021, capitation fees is paid by CFMEUQ

Note 4C: Affiliation fees

Australian Labor Party Northern Territory Branch	900	918
Other	-	880
Total Affiliation fees	900	1,798

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 4 EXPENSES (CONTINUED)	31 March 2022 $	31 March 2021 $
Note 4D: Administration expenses		
Consideration to employers for payroll deductions of membership subscriptions	-	-
Compulsory levy – Campaign (Note 1.23)	-	-
Voluntary levy – Tool Scheme	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	8,371	334,444
Total administration expenses	8,371	334,444
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	-	1,904
Total paid that exceeded $1,000	-	11,900
Total grants or donations	-	13,804
Note 4F: Depreciation and amortisation		
Depreciation:		
Property, plant and equipment	55,926	72,415
Motor vehicles	340,164	270,427
Total depreciation	396,090	342,842
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	396,090	342,842
Note 4G: Finance costs		
Bank fees and charges	29,977	58,386
Total finance costs	29,977	58,386
Note 4H: Legal costs		
Litigation	8,965	68,457
Other legal matters	-	-
Penalties & Settlements (Litigation costs)	2,276,399	856,442
Total legal costs	2,285,364	924,899

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 4 EXPENSES (CONTINUED)	31 March 2022 $	31 March 2021 $
Note 4I: Audit fees		
External audit expense	13,200	14,563
Other services	-	-
Total audit fees	13,200	14,563
Note 4J: Other expenses		
Penalties – via RO Act or the *Fair Work Act 2009*	-	-
Administration expenditure	7,512	72,678
Advertising & marketing	43,715	318
Campaign expenses	-	43,150
Communications	327	10,745
Computer expenses	3,928	19,802
Fringe benefit tax	136,272	207,559
Impairment counselling & delivery costs	34,465	38,520
Insurance	1,572	950
Labour day expenses	159	-
Motor vehicles expenses	43,130	70,417
Organising expenses	50,179	143,646
Payroll tax	28,651	34,992
Postage	3,322	9,649
Printing and stationery	2,904	39,320
Rental expenses	376,821	363,424
Sponsorship expenses	11,800	-
Subscriptions	56	9,042
Training	8,547	27,827
Workers compensation	23,242	24,783
Total other expenses	776,602	1,116,822

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 5 ASSETS	31 March 2022 $	31 March 2021 $
Note 5A: Cash and Cash Equivalents		
Cash at bank	3,883,699	1,385,686
Cash on hand	-	-
Debit card	500	500
Term deposits	-	-
Total cash and cash equivalents	3,884,199	1,386,186
Note 5B: Trade and Other Receivables		
Current		
Interest receivable	1,535	4,589
Other receivables	77,178	62,505
Receivables from other reporting units		
CFMEUQ	911,038	142,755
Total current trade and other receivables	989,751	209,849
Less provision for doubtful debts	-	-
Total provision for doubtful debts	-	-
Total current trade and other receivables (net)	989,751	209,849
Non-current		
Receivables from other reporting units		
CFMEUQ	1,500,000	1,500,000
Total non-current trade and other receivables	1,500,000	1,500,000
Total trade and other receivables	2,489,751	1,709,849

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

Note 5C: Other Current Assets		
Prepayments	-	-
Total other current assets	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 5 ASSETS (CONTINUED)	31 March 2022 $	31 March 2021 $
Note 5D: Financial Assets		
Financial asset at cost	5,000,000	5,000,000
Additions	1,020,458	764,819
Growth/(reduction) in investment - unrealised	619,269	329,336
Financial asset transferred to CFMEUQ	(6,639,727)	-
Total financial assets	-	6,094,155
Note 5E: Property, Plant and Equipment		
Property, Plant and Equipment comprises of:		
Motor vehicles	1,286,560	1,473,876
Plant and equipment	127,163	183,089
Total property plant and equipment	1,413,723	1,656,965
Motor vehicles:		
At cost	2,019,729	1,966,771
Less accumulated depreciation	(733,169)	(492,895)
Total motor vehicles	1,286,560	1,473,876
Plant and Equipment:		
At cost	377,454	396,022
Less accumulated depreciation	(250,291)	(212,933)
Total plant and equipment	127,163	183,089

	Motor Vehicles	Plant & Equipment	Total
	$	$	$
Balance at beginning of the year	1,473,876	183,089	1,656,965
Additions	374,458	-	374,458
Disposals	(149,166)	-	(149,166)
Depreciation expense – Note 4F	(340,164)	(55,926)	(396,090)
Depreciation allocated to Apprentice Scheme	(72,444)	-	(72,444)
Carrying amount at end of the year	1,286,560	127,163	1,413,723

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 6 LIABILITIES	31 March 2022	31 March 2021
	$	$
Note 6A: Trade and Other Payables		
Trade payables and accruals	138,239	155,244
Payables to other reporting units		
- CFMEUQ	-	5,041,855
Consideration to employers for payroll deductions of membership subscriptions	-	-
Legal costs		
Litigation	-	50,000
Settlements (Penalties from Litigation)	1,750,000	-
Other legal matters	-	-
GST payable	24,881	40,180
Voluntary collections - ADSS	-	-
Total trade and other payables	1,913,120	5,287,279
Note 6B: Employee Provisions		
Employee provisions comprises of:		
Current		
Provision for annual leave	276,578	232,789
Provision for long service leave	424,984	370,951
	701,562	603,740
Non-current		
Provision for long service leave	180,451	237,602
Total employee provisions	882,013	841,342

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	841,342	2,263,558
Additional provisions raised during the year	171,132	26,346
Provisions transferred to CFMEUQ	-	(1,317,767)
Amounts used	(130,461)	(130,795)
Balance at the end of the year	882,013	841,342

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 6 LIABILITIES (CONTINUED)	31 March 2022	31 March 2021
	$	$
Note 6B: Employee Provisions (Continued)		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	276,578	232,789
Long service leave	605,435	608,553
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	882,013	841,342
Total employee provisions	882,013	841,342
Note 6C: Revenue in Advance		
Revenue in advance comprises of:		
Current		
Apprentice scheme funding	2,035,323	1,833,194
Other revenue in advance	191,165	180,672
	2,226,488	2,013,866
Non-current	-	-
Total revenue in advance	2,226,488	2,013,866

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 7 CASH FLOW

	31 March 2022 $	31 March 2021 $
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	3,884,199	1,386,186
Statement of financial position	3,884,199	1,386,186
Difference	-	-
Reconciliation of surplus/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	61,384	1,202,921
Adjustments for non-cash items		
Depreciation expense – Note 4F	396,090	342,842
Depreciation – Apprentice scheme	72,444	53,537
(Gain)/Loss on disposal of assets	(86,017)	(221,803)
(Gain)/Loss in fair value of financial assets	(289,933)	(535,414)
Income on financial assets	(255,639)	-
Transfer of Compulsory Levy Defence Fund to CFMEUQ	-	(7,746,690)
Transfer of financial assets to CFMEUQ	6,639,727	-
Changes in assets/liabilities		
(Increase)/decrease in net receivables	(779,902)	72,176
(Increase)/decrease in prepayments	-	157,303
Increase/(decrease) in trade and other payables	(3,374,159)	4,763,430
Increase/(decrease) in employee provisions	40,671	(1,422,216)
Increase/(decrease) in revenue in advance	212,622	(3,626,013)
Net cash from (used by) operating activities	2,637,288	(6,959,927)
Note 7B: Cash flow information		
Cash inflows		
CFMEUQ	703,174	368,469
CFMEU C&G National Office	-	40,307
CFMEU M&E QLD	39,154	-
CFMEU M&E Division	8,421	-
Total cash inflows	750,749	408,776

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 7 CASH FLOW (CONTINUED)	31 March 2022	31 March 2021
	$	$
Note 7B: Cash flow information (Continued)		
Cash outflows		
CFMEUQ	414,503	10,434,568
CFMEU C&G National Office	-	7,403
CFMMEU National Office	-	16,438
Total cash outflows	414,503	10,458,409
Note 7C: Credit standby arrangements and loan facilities		
CBA Mastercard Facility		
Used facility	-	11,301
Unused facility	60,000	48,699
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 2022 (31 March 2021: Nil).

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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 2022 $	31 March 2021 $
Income received includes the following:		
NT membership income transferred from CFMEUQ	153,939	163,918
NT defence fund transferred from CFMEUQ	13,130	14,205
NT campaign levy transferred from CFMEUQ	3,910	4,206
EBA Processing fees transferred from CFMEUQ	381,600	282,600
Airfares reimbursement from CFMEU C&G National office	-	610
Workcover reimbursement from CFMEU M&E QLD	35,594	-
Workcover reimbursement from CFMEU M&E Division	7,656	-
Expenses paid includes the following:		
Rent paid to CFMEUQ	376,821	359,083
Leave entitlements transferred to CFMEUQ	-	1,317,767
Defence fund levy transferred to CFMEUQ	-	7,747,690
Membership income in advance transferred to CFMEUQ	-	3,212,180
Financial assets transferred to CFMEUQ	6,639,727	-
Workcover reimbursement to CFMMEU National Office	-	15,015
Amounts owed by includes the following:		
CFMEUQ	911,038	142,755
Amounts owed to includes the following:		
CFMEUQ	-	5,041,855
Loan receivable from CFMEUQ:	1,500,000	1,500,000

NOTE 8 RELATED PARTY DISCLOSURES (CONTINUED)

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

Terms and conditions of transactions with related parties

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 prevail 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 2022, the union has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2021: $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/received from 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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 (Branch Secretary)
- Royce Kupsch (Branch President)
- Jade Ingham (Assistant Branch Secretary)
- Kane Lowth (Assistant Branch Secretary)

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

	31 March 2022 $	31 March 2021 $
Short-term employee benefits		
Salary (including annual leave taken)	-	-
Annual leave	-	-
Performance bonus	-	-
Other employee benefits	-	-
Total short-term employee benefits	-	-
Post-employment benefits:		
Superannuation	-	-
Redundancy fund	-	-
Total post-employment benefits	-	-
Other long-term benefits:		
Long-service leave	-	-
Total other long-term benefits	-	-
Termination benefits	-	-
Total	-	-

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 9 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

(a) Operating lease commitments

The Union does not have any operating lease commitments.

(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 2022 (2021: Nil).

(d) Capital expenditure commitments

There are no capital expenditure commitments at 31 March 2022 (2021: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

NOTE 10 REMUNERATION OF AUDITORS

	31 March 2022 $	31 March 2021 $
Value of the services provided		
Financial statement audit services	13,200	14,563
Other services – included in apprentice scheme expense	10,000	12,000
Total remuneration of auditors	23,200	26,563

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	3,884,199	1,386,186
Trade and other receivables	2,489,751	1,709,849
Financial assets	-	6,094,155
	6,373,950	9,190,190
Financial Liabilities		
Trade and other payables	1,913,120	5,287,279
	1,913,120	5,287,279

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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 2022 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 2022

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Expected loss rate	0%	0%	0%	0%	0%
Gross Carrying amount	989,751	-	-	1,500,000	2,489,751
Loss allowing provision	-	-	-	-	-

Ageing of financial assets that were past due but not impaired for 2021

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Expected loss rate	0%	0%	0%	0%	0%
Gross Carrying amount	209,849	-	-	1,500,000	1,709,849
Loss allowing provision	-	-	-	-	-

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 2022 (31 March 2021: 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
2022		$	$	$	$	$
Trade and other payables	1,913,120	-	-	-	-	1,913,120
	1,913,120	-	-	-	-	1,913,120
2021						
Trade and other payables	5,287,279	-	-	-	-	5,287,279
	5,287,279	-	-	-	-	5,287,279

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.

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 in an arm's length transaction.

Fair value may be based on information that is estimated or subject to judgement, 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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:

		31 March 2022		31 March 2021	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	3,884,199	3,884,199	1,386,186	1,386,186
Trade and other receivables	(i)	2,489,751	2,489,751	1,709,849	1,709,849
Financial assets	(i)	-	-	6,094,155	6,094,155
Total financial assets		6,373,950	6,373,950	9,190,190	9,190,190

		31 March 2022		31 March 2021	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial liabilities					
Trade and other payables	(i)	1,913,120	1,913,120	5,287,279	5,287,279
Total financial liabilities		1,913,120	1,913,120	5,287,279	5,287,279

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 2022 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	Kane Lowth Assistant Divisional Branch Secretary	Total
	$	$	$	$	$
Salary and allowance	-	-	-	-	-
Movement in annual and long service leave provisions	-	-	-	-	-
Superannuation	-	-	-	-	-
Redundancy	-	-	-	-	-
Other employee benefits	-	-	-	-	-
	-	-	-	-	-

From 1 April 2020, the officers are remunerated by the Construction Forestry Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division (CFMEUQ) and therefore are recorded in the financial statements of the CFMEUQ for the year ended 31 March 2022.

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.

(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	$9,784
Royce Kuspch	Division Branch President	$322
Jade Ingham	Assistant Divisional Branch Secretary	$8,290
Kane Lowth	Assistant Divisional Branch Secretary	$Nil

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 2022.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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.

NOTE 18 OFFICER DECLARATION STATEMENT

An officer declaration statement has not been prepared given that all relevant disclosures required under this declaration, have been incorporated into this financial report, including 'NIL' disclosures.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION

CONSTRUCTION AND GENERAL DIVISION

QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

Opinion

We have audited the accompanying financial report of Construction, Forestry, Maritime, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch which comprises the Statement of Financial Position as at 31 March 2022, 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 accompanying financial report presents fairly, in all material aspects, the financial position of the Construction, Forestry, Maritime, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch as at 31 March 2022, and its financial performance and its cash flow for the year ended on that date in accordance with:

a) The Australian Accounting Standards; and
b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of *the Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Union is appropriate.

Basis for Opinion

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

Liability limited by a scheme approved under Professional Standards Legislation.
PKF Brisbane Pty Ltd. is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

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.

Committee of Management's Responsibilities for the Financial Report

The Committee of Management and Secretary of the Union are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management and Secretary of the Union determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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 related to going concern and using the going concern basis of accounting unless the committee of management either intend to liquidate the Union or to cease operations, or have 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 objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the reporting unit's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.

- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the reporting unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the reporting unit to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the reporting unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Union audit. We remain solely responsible for our audit opinion.

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

I declare that I am an auditor registered under the RO Act.

Report on Other Regulatory Requirements

a) In accordance with the requirements of section 257(7) of the RO Act, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act. We have nothing to report with regards to reporting requirements under section 257(7) of the RO Act.

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 BRISBANE AUDIT

[redacted]

CAMERON BRADLEY
PARTNER
DATED THIS 24TH DAY OF MAY 2022
BRISBANE
REGISTRATION NUMBER: AA2021/14

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

DESIGNATED OFFICERS CERTIFICATE

FOR THE YEAR ENDED 31 MARCH 2022

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 2022 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 27 May 2022; and

- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 21 June 2022 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

[redacted]

Michael John Ravbar

Divisional Branch Secretary

21 June 2022

Brisbane

Financial Reports

CFMEU

1 April 2022 to 31 March 2023

Liability limited by a scheme approved under Professional Standards Legislation

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 2023

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

COMMITTEE OF MANAGEMENT OPERATING REPORT

FOR THE YEAR ENDED 31 MARCH 2023

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 2023.

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.

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 $1,087,445 (31 March 2022: $61,384 surplus)

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

There were no events that occurred after 31 March 2023, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

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.

COMMITTEE OF MANAGEMENT OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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:

Jacqui Collie	– Member of the Union - Director of BUSSQ
Michael Ravbar	– Secretary and Member of the Union - Director of BUSSQ
Emma Eaves	– 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 15,937 (2022: 14,602).

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was 10 (2022: 9).

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
Keith Murphy	Whole period
Peter Close	Whole period
Mark Read	Whole period
Steve Amies	Whole period
Kane Lowth	Whole period

COMMITTEE OF MANAGEMENT OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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 2023 and 31 March 2022.

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 2023 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:

[redacted]

Michael John Ravbar
Divisional Branch Secretary

30 May 2023

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 2023

On 30 May 2023, 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 2023.

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

(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 General Manager duly made under section 272 of the RO Act, that information has been provided to the member or General Manager; 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: [redacted]

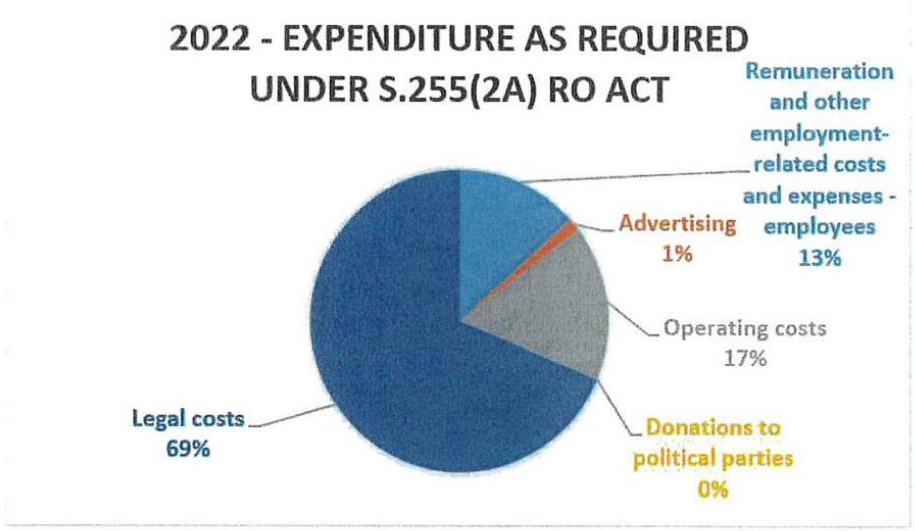
Date: 30 May 2023

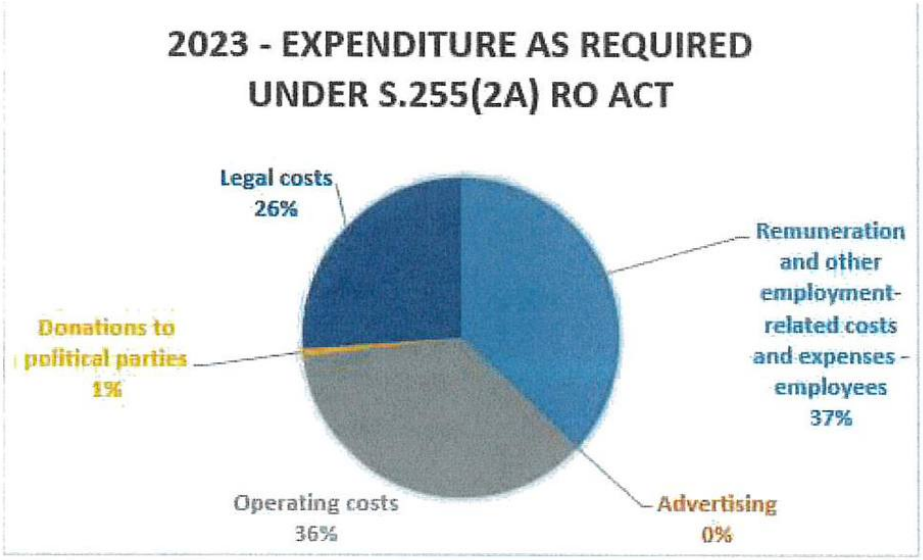
CONSTRUCTION, FORESTRY, MARITIME, MINING & ENERGY UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

REPORT REQUIRED UNDER SUBSECTION 255(2A)

FOR THE YEAR ENDED 31 MARCH 2023

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 March 2022 and 31 March 2023.





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

Title of Designated Officer: Divisional Branch Secretary

Signature: [redacted]

Date: 30 May 2023

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

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31 March 2023 $	31 March 2022 $
Revenue from contracts with customers			
Membership subscription		141,425	153,939
Capitation fees		-	-
Levies	3A	14,713	17,040
Interest	3B	12,915	306
Other revenue	3E	2,318,720	2,386,275
Total revenue from contracts with customers		2,487,773	2,557,560
Income for furthering objectives			
Grants and/or donations	3C	4,466,615	4,916,169
Total income for furthering objectives		4,466,615	4,916,169
Other Income			
Net gains from sale of assets	3D	131,653	86,017
Change in fair value of financial assets		-	289,933
Total other income		131,653	375,950
Total income		7,086,041	7,849,679
Expenses			
Employee expenses	4A	600,723	442,272
Capitation fees	4B	-	-
Affiliation fees	4C	1,657	900
Administration expenses	4D	1,785	8,371
Grants or donations	4E	10,293	-
Depreciation and amortisation	4F	419,292	396,090
Finance costs	4G	8,843	29,977
Legal costs	4H	424,611	2,285,364
Audit fees	4I	13,800	13,200
Apprentice Schemes		3,568,248	3,835,519
Change in fair value of financial assets		62,146	-
Other expenses	4J	887,198	776,602
Total expenses		5,998,596	7,788,295
Surplus (deficit) for the year		1,087,445	61,384
Other comprehensive income		-	-
Total comprehensive income for the year		1,087,445	61,384

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

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Notes	31 March 2023 $	31 March 2022 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	1,045,857	3,884,199
Trade and other receivables	5B	71,462	989,751
Other current assets	5C	-	-
Financial assets	5D	5,885,478	-
Total current assets		7,002,797	4,873,950
Non-Current Assets			
Trade and other receivables	5B	-	1,500,000
Property, plant and equipment	5E	1,701,553	1,413,723
Total non-current assets		1,701,553	2,913,723
Total assets		8,704,350	7,787,673
LIABILITIES			
Current Liabilities			
Trade and other payables	6A	777,135	1,913,120
Employee provisions	6B	763,297	701,562
Revenue in Advance	6C	3,085,354	2,226,488
Total current liabilities		4,625,786	4,841,170
Non-Current Liabilities			
Employee provisions	6B	225,067	180,451
Total non-current liabilities		225,067	180,451
Total liabilities		4,850,853	5,021,621
Net assets		3,853,497	2,766,052
EQUITY			
Retained earnings		3,853,497	2,766,052
Total equity		3,853,497	2,766,052

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 2023

		Retained Earnings		Financial Asset Revaluation Reserve	Total
		General Fund	Compulsory Levy Defence Fund		
	Notes	$	$	$	$
Balance as at 1 April 2021		**2,491,950**	**212,718**	**-**	**2,704,668**
Surplus (deficit) for the year		48,254	13,130	-	61,384
Other comprehensive income for the year		-	-	-	-
Closing balance as at 31 March 2022		**2,540,204**	**225,848**	**-**	**2,766,052**
Surplus (deficit) for the year		1,076,096	11,349	-	1,087,445
Other comprehensive income for the year		-	-	-	-
Closing balance as at 31 March 2023		**3,616,300**	**237,197**	**-**	**3,853,497**

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

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31 March 2023 $	31 March 2022 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	7B	980,922	750,749
Receipts from members and other customers		171,752	188,077
Grant receipts		5,856,453	5,630,128
Interest		6,934	3,360
Other		1,653,701	1,588,352
Cash used			
Employees and suppliers		(6,895,374)	(5,078,898)
Short term lease payments		-	-
Finance cost		(8,843)	(29,977)
Payment to other reporting units	7B	(3,931,073)	(414,503)
Net cash from (used by) operating activities	7A	(2,165,528)	2,637,288
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of property, plant and equipment		486,719	235,183
Cash used			
Purchase of plant and equipment		(1,159,533)	(374,458)
Purchase of financial assets		-	-
Net cash from (used by) investing activities		(672,814)	(139,275)
FINANCING ACTIVITIES			
Net cash received from/(paid to) CFMEUQ	7B	-	-
Net increase (decrease) in cash held		(2,838,342)	2,498,013
Cash & cash equivalents at the beginning of the reporting period.		3,884,199	1,386,186
Cash & cash equivalents at the end of the reporting period	5A	1,045,857	3,884,199

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

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

INDEX TO THE NOTES OF THE FINANCIAL STATEMENTS

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Note 5	Assets
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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 except for the requirements applicable to not-for-profit entity. 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

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 and judgements

Impairment of property, plant and equipment
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.

Provisions
As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.3 Significant accounting judgements and estimates (continued)

Key estimates and judgements (continued)

Receivables
The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

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.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

The accounting policies adopted are consistent with those of the previous financial year.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue

The Union enters into various arrangements where it receives consideration from another party. These arrangement include consideration in the form of membership subscriptions, levies, sponsorships and interest.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Union has a contract with a customer, the Union recognises revenue when or as it transfers control of goods or service to the customer. The Union accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or service to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Union.

If there is only one distinct membership service promised in the arrangement, the Union recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Union's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Union allocates the transaction price to each performance obligation based on the relative standalone selling price of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Union charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good or as the service transfers to the customer (for example, member services or training course), the Union recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Union has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Union at their standalone selling price, the Union accounts for those sales as a separate contract with a customer.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue (continued)

Capitation fees

Where the Union's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Union recognises the capitation fees promised under that arrangement when or as it transfers service to the member.

In circumstances where the criteria for a contract with a customer are not met, the Union will recognise capitation fees as income upon receipt.

Levies

Levies paid by a member in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Union transfers the relevant services to the member. In circumstances where the criteria for a contract with a customer are not met, the Union will recognise levies as income upon receipt.

Income of the Union as a Not-for-Profit Entity

Consideration is received by the Union to enable the entity to further its objectives. The Union recognises each of these amounts of consideration as income when the consideration is received (which is when the Union obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- The Union's recognition of the cash contribution does not give rise to any related liabilities.

The Union receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- donations and voluntary contributions from members (including whip arounds); and
- government grants – (Cash Flow Boost).

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

Interest income

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.6 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.7 Leases

The Union assesses whether a contract is or contains a lease, at inception of a contract. The Union recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Union recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Reporting Entity uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments, less any lease incentives.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

1.8 Borrowing costs

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

1.9 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.

1.10 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)

1.11 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions of the instrument.

1.12 Financial assets

Contract assets and receivables

A contract asset is recognised when the Union's right to consideration in exchange for goods or services that have transferred to the customer when that right is conditional on the Union's future performance or some other condition. A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (**OCI**), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Union's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Union initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (**SPPI**) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Union's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Union commits to purchase or sell the asset.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial assets (Continued)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories as:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income

Financial assets at amortised cost

The Union measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (**EIR**) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Union's financial assets at amortised cost includes trade receivables, receivables from other reporting units and term deposits.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Union has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
    a) the Union has transferred substantially all the risks and rewards of the asset, or
    b) the Union has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Union has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Union continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial assets (Continued)

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

(i) Trade receivables

For trade receivables that do not have a significant financing component, the Union applies a simplified approach in calculating expected credit losses (**ECLs**) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Union does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Union has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Union recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Union expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Union considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Union may also consider a financial asset to be in default when internal or external information indicates that the Union is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial Liabilities

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Union's financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.14 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Union transfer the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Union performs under the contract (i.e. transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Union's refund liabilities arise from customers' right of return. The liabilities is measured at the amount the Union's ultimately expects it will have to return to the customer. The Union updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.15 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.

1.16 Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment of losses. Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

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 2023	31 March 2022
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.

1.17 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)

1.18 Income Tax and GST

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.

1.19 Fair value measurement

The Union measures financial instruments, such as, financial assets 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)

1.19 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.

1.20 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.

1.21 Acquisition of Assets and Liabilities

The Union did not acquire any asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

1.22 Recovery of Wages

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

1.23 Compulsory Campaign Levy

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 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.24 Retained Earnings – Compulsory Levy Defence Fund

The Defence Fund is maintained to provide the additional resources needed to defend members of the QNTDB and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**CFMEUQ**) against continuing attacks from employers and Federal Government agencies.

The members resident in the Northern Territory continue to make contibutions in accordance with the compulsory Defence Fund levy which is retained by the QNTDB. The surplus in compulsory Defence Fund levy collected from Northern Territory members during the year was $11,349.

Funds collected by the compulsory Defence Fund levy 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 retained earnings as detailed in the statement of changes in equity.

1.25 Service Agreement

Longstanding administrative arrangements have existed between the Construction, Forestry, Maritime, Mining & Energy Union Construction and General Division Queensland Northern Territory Divisional Branch (**QNTDB**) and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**CFMEUQ**) to improve the effectiveness of dual registration and, as far as practicable, to reduce unnecessary costs associated with dual registration.

The administrative arrangements established the QNTDB as the 'operating entity' in that, for consideration provided by the CFMEUQ (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), the QNTDB would provide the resources necessary to service the Dual Members and members of the CFMEUQ.

Following negotiations between the QNTDB and the CFMEUQ, it was determined by the Divisional Branch Executive to agree to alter these arrangements, including the arrangements for the collection of entrance fees or subscriptions. An agreement was entered into between the QNTDB and the CFMEUQ to reflect these new arrangements and has been in operation for the entirety of the financial year ended 31 March 2022 and 31 March 2023 (**Service Agreement**).

As a result of the alteration to these arrangements by the Service Agreement, a number of items were transferred from the QNTDB to the CFMEUQ including: accrued employee entitlements; ongoing employee expenses; financial administration costs; agents fees; the defence fund and legal fees.

The CFMEUQ, for consideration provided by the QNTDB (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), provides the resources necessary to service the Dual Members, members of the QNTDB and members of the Manufacturing Division.

1.26 Current versus non-current classification

The Union presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within 12 months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period; or
- There is no unconditional rights to defer the settlement of the liability for at least 12 months after the reporting period.

The terms of the liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

The Union classified all other liabilities as non-current.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 2 EVENTS AFTER REPORTING DATE

There were no events that occurred after 31 March 2023, 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 2023 $	31 March 2022 $
Disaggregation of revenue from contracts with customers		
A disaggregation of the Union's revenue by type of arrangements is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.		
Type of customer		
Members	156,138	170,979
Other reporting units	-	-
Government	-	-
Other parties	2,331,635	2,386,581
Total revenue from contracts with customers	2,487,773	2,557,560
Disaggregation of income for furthering activities		
A disaggregation of the Union's income by type of arrangement is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of income by funding source:		
Income funding sources		
Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	4,466,615	4,916,169
Total income for furthering activities	4,466,615	4,916,169

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 3 INCOME	31 March 2023 $	31 March 2022 $
Note 3A: Levies		
Compulsory levy – Defence Fund (Note 1.24)	11,349	13,130
Compulsory levy – Campaign (Note 1.23)	3,364	3,910
Voluntary levy – Tool Scheme	-	-
Total levies	14,713	17,040
Note 3B: Interest		
Interest	12,915	306
Total Interest	12,915	306
Note 3C: Grants or donations		
Grants Apprentice Scheme	4,246,715	4,682,421
Grants Other	219,900	233,748
Donations	-	-
Total grants or donations	4,466,615	4,916,169
Note 3D: Net gains from sale of assets		
Gain on sale of property, plant and equipment	131,653	86,017
Total net gain from sale of assets	131,653	86,017
Note 3E: Other Revenue		
Administration recoveries	703,051	701,851
Compliance recoveries	257,858	250,894
Income from financial asset	1,741	252,527
Promotional charges	112,716	110,000
Sponsorship income	97,733	96,354
Training income	707,302	329,075
Directors/Meeting fees	253,551	257,388
Enterprise agreements	180,000	381,600
Sundry income and reimbursements	4,768	6,586
Total other revenue	2,318,720	2,386,275

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 4 EXPENSES

	31 March 2023 $	31 March 2022 $
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
*Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	-	-
Employees other than office holders:		
Wages and salaries	437,588	358,942
Superannuation	72,972	60,659
Leave and other entitlements	67,257	1,056
*Separation and redundancies	18,517	17,473
Other employee expenses	4,389	4,142
Subtotal employee expenses employees other than office holders	600,723	442,272
Total employee expenses	600,723	442,272

*Separation and redundancies include contributions to the redundancy fund.

Note 4B: Capitation fees		
CFMEU C&G National Office	-	-
Total Capitation fees	-	-

Capitation fees is paid by CFMEUQ

Note 4C: Affiliation fees		
Australian Labor Party Northern Territory Branch	777	900
Other	880	-
Total Affiliation fees	1,657	900

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 4 EXPENSES (CONTINUED)	31 March 2023 $	31 March 2022 $
Note 4D: Administration expenses		
Consideration to employers for payroll deductions of membership subscriptions	-	-
Compulsory levy – Campaign (Note 1.23)	-	-
Voluntary levy – Tool Scheme	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	1,785	8,371
Total administration expenses	1,785	8,371
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	293	-
Total paid that exceeded $1,000	10,000	-
Total grants or donations	10,293	-
Note 4F: Depreciation and amortisation		
Depreciation:		
Property, plant and equipment	29,207	55,926
Motor vehicles	390,085	340,164
Total depreciation	419,292	396,090
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	419,292	396,090
Note 4G: Finance costs		
Bank fees and charges	8,843	29,977
Total finance costs	8,843	29,977
Note 4H: Legal costs		
Litigation	5,219	8,965
Other legal matters	-	-
Penalties & Settlements (Litigation costs)	419,392	2,276,399
Total legal costs	424,611	2,285,364

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 4 EXPENSES (CONTINUED)	31 March 2023 $	31 March 2022 $
Note 4I: Audit fees		
External audit expense	13,800	13,200
Other services	-	-
Total audit fees	13,800	13,200
Note 4J: Other expenses		
Penalties – via RO Act or the *Fair Work Act 2009*	-	-
Administration expenditure	9,939	7,512
Advertising & marketing	1,009	43,715
Communications	245	327
Computer expenses	1,164	3,928
Fringe benefit tax	242,061	136,272
Impairment counselling & delivery costs	31,958	34,465
Insurance	-	1,572
Labour day expenses	442	159
Motor vehicles expenses	71,349	43,130
Organising expenses	61,312	50,179
Payroll tax	29,985	28,651
Postage	2,940	3,322
Printing and stationery	145	2,904
Rental expenses	391,884	376,821
Sponsorship expenses	2,100	11,800
Subscriptions	195	56
Training	11,900	8,547
Workers compensation	28,570	23,242
Total other expenses	887,198	776,602

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 5 ASSETS	31 March 2023 $	31 March 2022 $
Note 5A: Cash and Cash Equivalents		
Cash at bank	1,045,357	3,883,699
Cash on hand	-	-
Debit card	500	500
Term deposits	-	-
Total cash and cash equivalents	1,045,857	3,884,199
Note 5B: Trade and Other Receivables		
Current		
Trade receivable	35,000	-
Interest receivable	7,516	1,535
Other receivables	2,219	77,178
Receivables from other reporting units		
CFMEUQ	26,727	911,038
Total current trade and other receivables	71,462	989,751
Less provision for doubtful debts	-	-
Total provision for doubtful debts	-	-
Total current trade and other receivables (net)	71,462	989,751
Non-current		
Receivables from other reporting units		
CFMEUQ	-	1,500,000
Total non-current trade and other receivables	-	1,500,000
Total trade and other receivables	71,462	2,489,751

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

Note 5C: Other Current Assets

Prepayments	-	-
Total other current assets	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 5 ASSETS (CONTINUED)	31 March 2023 $	31 March 2022 $
Note 5D: Financial Assets		
Financial asset at cost	-	5,000,000
Financial asset transferred from CFMEUQ	5,947,624	-
Additions	-	1,020,458
Growth/(reduction) in investment - unrealised	(62,146)	619,269
Financial asset transferred to CFMEUQ	-	(6,639,727)
Total financial assets	5,885,478	-
Note 5E: Property, Plant and Equipment		
Property, Plant and Equipment comprises of:		
Motor vehicles	1,603,597	1,286,560
Plant and equipment	97,956	127,163
Total property plant and equipment	1,701,553	1,413,723
Motor vehicles:		
At cost	2,480,700	2,019,729
Less accumulated depreciation	(877,103)	(733,169)
Total motor vehicles	1,603,597	1,286,560
Plant and Equipment:		
At cost	256,757	377,454
Less accumulated depreciation	(158,801)	(250,291)
Total plant and equipment	97,956	127,163

	Motor Vehicles	Plant & Equipment	Total
	$	$	$
Balance at beginning of the year	1,286,560	127,163	1,413,723
Additions	1,159,533	-	1,159,533
Disposals	(390,066)	-	(390,066)
Depreciation expense – Note 4F	(390,085)	(29,207)	(419,292)
Depreciation allocated to Apprentice Scheme	(62,345)	-	(62,345)
Carrying amount at end of the year	1,603,597	97,956	1,701,553

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 6 LIABILITIES

	31 March 2023	31 March 2022
	$	$
Note 6A: Trade and Other Payables		
Trade payables and accruals	320,205	138,239
Payables to other reporting units		
- CFMEUQ	434,962	-
Consideration to employers for payroll deductions of membership subscriptions	-	-
Legal costs		
Litigation	-	-
Settlements (Penalties from Litigation)	-	1,750,000
Other legal matters	-	-
GST payable	21,968	24,881
Voluntary collections - ADSS	-	-
Total trade and other payables	777,135	1,913,120
Note 6B: Employee Provisions		
Employee provisions comprises of:		
Current		
Provision for annual leave	296,458	276,578
Provision for long service leave	466,839	424,984
	763,297	701,562
Non-current		
Provision for long service leave	225,067	180,451
Total employee provisions	988,364	882,013

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	882,013	841,342
Additional provisions raised during the year	283,868	171,132
Amounts used	(177,517)	(130,461)
Balance at the end of the year	988,364	882,013

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 6 LIABILITIES (CONTINUED)	31 March 2023	31 March 2022
	$	$
Note 6B: Employee Provisions (Continued)		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	296,458	276,578
Long service leave	691,906	605,435
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	988,364	882,013
Total employee provisions	988,364	882,013
Note 6C: Revenue in Advance		
Revenue in advance comprises of:		
Current		
Apprentice scheme funding	2,892,756	2,035,323
Other revenue in advance	192,598	191,165
	3,085,354	2,226,488
Non-current	-	-
Total revenue in advance	3,085,354	2,226,488

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 7 CASH FLOW	31 March 2023 $	31 March 2022 $
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	1,045,857	3,884,199
Statement of financial position	1,045,857	3,884,199
Difference	-	-
Reconciliation of surplus/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	1,087,445	61,384
Adjustments for non-cash items		
Depreciation expense – Note 4F	419,292	396,090
Depreciation – Apprentice scheme	62,345	72,444
(Gain)/Loss on disposal of assets	(131,653)	(86,017)
(Gain)/Loss in fair value of financial assets	62,146	(289,933)
Income on financial assets	-	(255,639)
Transfer of financial assets to CFMEUQ	(5,947,624)	6,639,727
Settlement of Loan to CFMEUQ	1,500,000	-
Changes in assets/liabilities		
(Increase)/decrease in net receivables	953,289	(779,902)
(Increase)/decrease in prepayments	-	-
Increase/(decrease) in trade and other payables	(1,135,985)	(3,374,159)
Increase/(decrease) in employee provisions	106,351	40,671
Increase/(decrease) in revenue in advance	858,866	212,622
Net cash from (used by) operating activities	(2,165,528)	2,637,288
Note 7B: Cash flow information		
Cash inflows		
CFMEUQ	890,444	703,174
CFMEU M&E QLD	60,914	39,154
CFMEU M&E Division	12,969	8,421
Maritime Union of Australia	16,595	-
Total cash inflows	980,922	750,749

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 7 CASH FLOW (CONTINUED)

	31 March 2023	31 March 2022
	$	$

Note 7B: Cash flow information (Continued)

Cash outflows

CFMEUQ	3,931,073	414,503
Total cash outflows	3,931,073	414,503

Note 7C: Credit standby arrangements and loan facilities

CBA Mastercard Facility		
Used facility	-	-
Unused facility	60,000	60,000
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 2023 (31 March 2022: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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 2023 $	31 March 2022 $
Income received includes the following:		
NT membership income transferred from CFMEUQ	141,425	153,939
NT defence fund transferred from CFMEUQ	11,349	13,130
NT campaign levy transferred from CFMEUQ	3,364	3,910
EBA Processing fees transferred from CFMEUQ	180,000	381,600
Workcover reimbursement from CFMEU M&E QLD	55,376	35,594
Workcover reimbursement from CFMEU M&E Division	11,790	7,656
Workcover reimbursement from Maritime Union of Australia	15,086	-
Expenses paid includes the following:		
Rent paid to CFMEUQ	391,884	376,821
Financial assets transferred to CFMEUQ	-	6,639,727
Amounts owed by includes the following:		
CFMEUQ	26,727	911,038
Amounts owed to includes the following:		
CFMEUQ	434,962	-
Loan receivable from CFMEUQ:	-	1,500,000
Financial assets transferred from CFMEUQ	5,947,624	-

NOTE 8 RELATED PARTY DISCLOSURES (CONTINUED)

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

Terms and conditions of transactions with related parties

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 prevail 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 2023, the union has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2022: $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/received from 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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 (Branch Secretary)
- Royce Kupsch (Branch President) – Honorary from 16/12/2022
- Jade Ingham (Assistant Branch Secretary)
- Kane Lowth (Assistant Branch Secretary)

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

	31 March 2023 $	31 March 2022 $
Short-term employee benefits		
Salary (including annual leave taken)	-	-
Annual leave	-	-
Performance bonus	-	-
Other employee benefits	-	-
Total short-term employee benefits	-	-
Post-employment benefits:		
Superannuation	-	-
Redundancy fund	-	-
Total post-employment benefits	-	-
Other long-term benefits:		
Long-service leave	-	-
Total other long-term benefits	-	-
Termination benefits	-	-
Total	-	-

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 9 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

(a) Operating lease commitments

The Union does not have any operating lease commitments.

(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 2023 (2022: Nil).

(d) Capital expenditure commitments

There are no capital expenditure commitments at 31 March 2023 (2022: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

NOTE 10 REMUNERATION OF AUDITORS

	31 March 2023 $	31 March 2022 $
Value of the services provided		
Financial statement audit services	13,800	13,200
Other services – included in apprentice scheme expense	8,400	10,000
Total remuneration of auditors	22,200	23,200

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	1,045,857	3,884,199
Trade and other receivables	71,462	2,489,751
Financial assets	5,885,478	-
	7,002,797	6,373,950
Financial Liabilities		
Trade and other payables	777,135	1,913,120
	777,135	1,913,120

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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 2023 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 2023

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Expected loss rate	0%	0%	0%	0%	0%
Gross Carrying amount	71,462	-	-	-	71,462
Loss allowing provision	-	-	-	-	-

Ageing of financial assets that were past due but not impaired for 2022

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Expected loss rate	0%	0%	0%	0%	0%
Gross Carrying amount	989,751	-	-	1,500,000	2,489,751
Loss allowing provision	-	-	-	-	-

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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 2023 (31 March 2022: 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
2023		**$**	**$**	**$**	**$**	**$**
Trade and other payables	777,135	-	-	-	-	777,135
	777,135	-	-	-	-	777,135
2022						
Trade and other payables	1,913,120	-	-	-	-	1,913,120
	1,913,120	-	-	-	-	1,913,120

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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.

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 price risk, due to the fact that any expected change in price risk would have no significant impact on profit and loss or equity.

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 in an arm's length transaction.

Fair value may be based on information that is estimated or subject to judgement, 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. Fair values for share investments are obtained from quoted (unadjusted) market price in the active market.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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:

		31 March 2023		31 March 2022	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	1,045,857	1,045,857	3,884,199	3,884,199
Trade and other receivables	(i)	71,462	71,462	2,489,751	2,489,751
Financial assets	(i)	5,885,478	5,885,478	-	-
Total financial assets		7,002,797	7,002,797	6,373,950	6,373,950

		31 March 2023		31 March 2022	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial liabilities					
Trade and other payables	(i)	777,135	777,135	1,913,120	1,913,120
Total financial liabilities		777,135	777,135	1,913,120	1,913,120

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 2023 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	Kane Lowth Assistant Divisional Branch Secretary	Total
	$	$	$	$	$
Salary and allowance	-	-	-	-	-
Movement in annual and long service leave provisions	-	-	-	-	-
Superannuation	-	-	-	-	-
Redundancy	-	-	-	-	-
Other employee benefits	-	-	-	-	-
	-	-	-	-	-

The officers are remunerated by the Construction Forestry Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division (CFMEUQ) and therefore are recorded in the financial statements of the CFMEUQ for the year ended 31 March 2023.

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.

(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	$13,640
Royce Kuspch	Division Branch President	$222
Jade Ingham	Assistant Divisional Branch Secretary	$8,508
Kane Lowth	Assistant Divisional Branch Secretary	$2,701

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 2023.

Royce Kupsch resigned on 16 December 2022 and is on honorary role since then.

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 General Manager:

(1) A member of a reporting unit, or the General Manager, 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.

NOTE 18 OFFICER DECLARATION STATEMENT

An officer declaration statement has not been prepared given that all relevant disclosures required under this declaration, have been incorporated into this financial report, including 'NIL' disclosures.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION

CONSTRUCTION AND GENERAL DIVISION

QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

Opinion

We have audited the accompanying financial report of Construction, Forestry, Maritime, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch which comprises the Statement of Financial Position as at 31 March 2023, 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 accompanying financial report presents fairly, in all material aspects, the financial position of the Construction, Forestry, Maritime, Mining and Energy Union, Construction and General Division, Queensland Northern Territory Divisional Branch as at 31 March 2023, and its financial performance and its cash flow for the year ended on that date in accordance with:

a) The Australian Accounting Standards; and
b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of *the Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Union is appropriate.

Basis for Opinion

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

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PKF Brisbane Pty Ltd. is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

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.

Committee of Management's Responsibilities for the Financial Report

The Committee of Management and Secretary of the Union are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management and Secretary of the Union determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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 related to going concern and using the going concern basis of accounting unless the committee of management either intend to liquidate the Union or to cease operations, or have 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 objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the reporting unit's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee of management.

- Conclude on the appropriateness of the committee of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related

to events or conditions that may cast significant doubt on the reporting unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the reporting unit to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the reporting unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Union audit. We remain solely responsible for our audit opinion.

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

I declare that I am an auditor registered under the RO Act.

Report on Other Regulatory Requirements

a) In accordance with the requirements of section 257(7) of the RO Act, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act. We have nothing to report with regards to reporting requirements under section 257(7) of the RO Act.

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

[redacted]

CAMERON BRADLEY
PARTNER
DATED THIS 30 MAY 2023
BRISBANE
REGISTRATION NUMBER: AA2021/14

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

DESIGNATED OFFICERS CERTIFICATE

FOR THE YEAR ENDED 31 MARCH 2023

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 2023 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 2 June 2023; and

- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 19 June 2023 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

[redacted]

Michael John Ravbar

Divisional Branch Secretary

19 June 2023

Brisbane

Financial Reports

CFMEU

1 April 2023 to 31 March 2024

Liability limited by a scheme approved under Professional Standards Legislation

CFMEU

QLD/NT

CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

ABN 24 502 631 846

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

COMMITTEE OF MANAGEMENT OPERATING REPORT

FOR THE YEAR ENDED 31 MARCH 2024

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 and Maritime Employees Union Construction & General Division Queensland Northern Territory Divisional Branch ("Union"), for the year ended 31 March 2024.

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.

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 $2,887,443 (31 March 2023: $1,087,445 surplus)

Significant Changes in Financial Affairs

On 1 December 2023, the Mining and Energy Division of the Construction, Forestry, Maritime, Mining and Energy Union (CFMMEU) formally de-amalgamated from the Union.

On 1 December 2023, as a result of the de-amalgamation, the Construction, Forestry, Maritime, Mining and Energy Union (CFMMEU) changed its name to the Construction, Forestry and Maritime Employees Union, which is identified on a revised certificate of registration under the Fair Work (Registered Organisations) Act 2009. As a result, the Union is now referred to as the Construction, Forestry and Maritime Employees Union, Construction and General Division, Queensland Northern Territory Divisional Branch.

Other than the above, there was no significant change in the financial affairs of the Union during the year.

Events subsequent to reporting date

There were no events that occurred after 31 March 2024, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

COMMITTEE OF MANAGEMENT OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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:

Jacqui Collie	– Member of the Union - Director of BUSSQ
Michael Ravbar	– Secretary and Member of the Union - Director of BUSSQ
Emma Eaves	– 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 18,834 (2023: 15,937).

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was 12 (2023: 10).

CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

COMMITTEE OF MANAGEMENT OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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
Keith Murphy	Whole period
Peter Close	Whole period
Mark Read	Whole period
Steve Amies	Whole period
Kane Lowth	Whole period

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 2024 and 31 March 2023.

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 2024 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:

[redacted]

Michael John Ravbar
Divisional Branch Secretary

28 May 2024

Brisbane

CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

On 28 May 2024, the Committee of Management of the Construction, Forestry and Maritime Employees 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 2024.

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

(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 General Manager duly made under section 272 of the RO Act, that information has been provided to the member or General Manager; 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: [redacted]

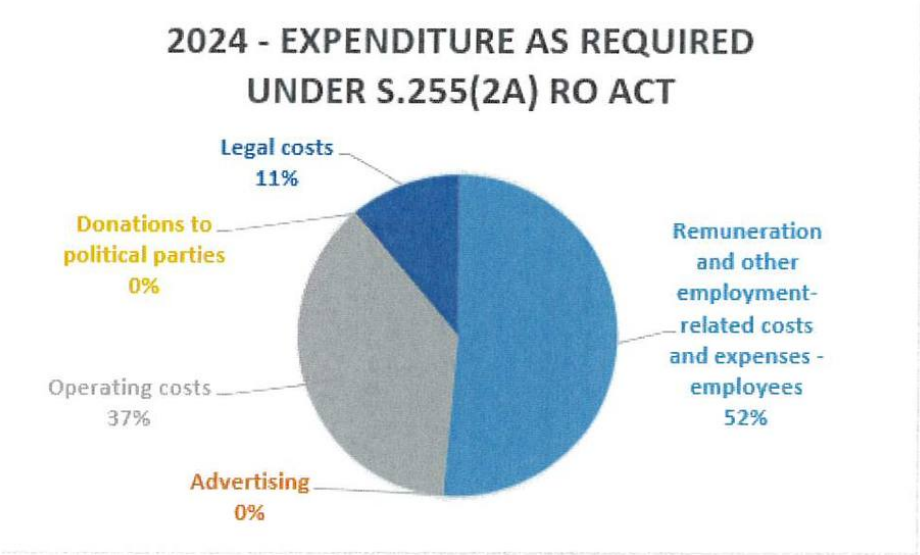
Date: 28 May 2024

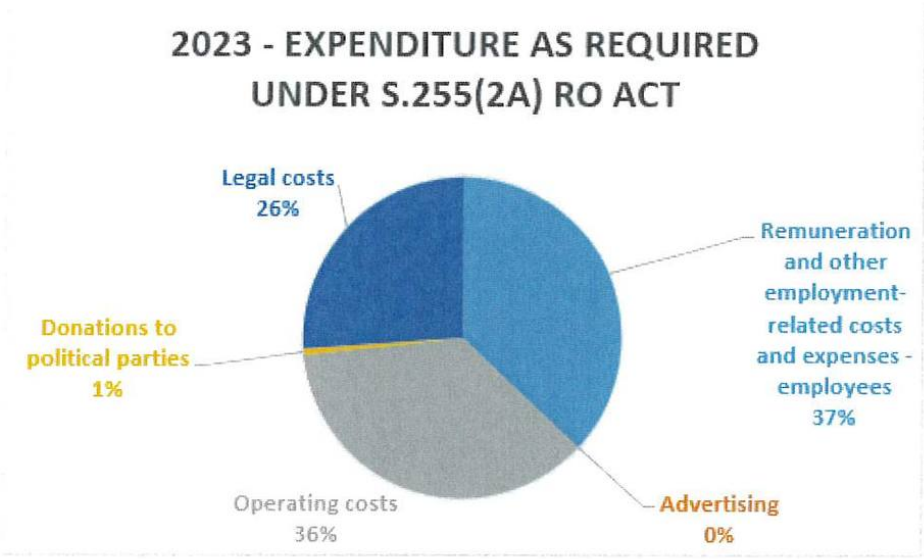
CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

REPORT REQUIRED UNDER SUBSECTION 255(2A)

FOR THE YEAR ENDED 31 MARCH 2024

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 March 2023 and 31 March 2024.





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

Title of Designated Officer: Divisional Branch Secretary

Signature: [redacted]

Date: 28 May 2024

CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	31 March 2024 $	31 March 2023 $
Revenue from contracts with customers			
Membership subscription		140,094	141,425
Capitation fees		-	-
Levies	3A	13,826	14,713
Interest	3B	40,697	12,915
Other revenue	3E	3,666,480	2,318,720
Total revenue from contracts with customers		3,861,097	2,487,773
Income for furthering objectives			
Grants and/or donations	3C	5,786,573	4,466,615
Total income for furthering objectives		5,786,573	4,466,615
Other Income			
Net gains from sale of assets	3D	75,130	131,653
Change in fair value of financial assets		79,984	-
Total other income		155,114	131,653
Total income		9,802,784	7,086,041
Expenses			
Employee expenses	4A	852,956	600,723
Capitation fees	4B	-	-
Affiliation fees	4C	705	1,657
Administration expenses	4D	9,035	1,785
Grants or donations	4E	1,000	10,293
Depreciation and amortisation	4F	447,495	419,292
Finance costs	4G	11,875	8,843
Legal costs	4H	185,622	424,611
Audit fees	4I	14,350	13,800
Apprentice Schemes		4,408,440	3,568,248
Change in fair value of financial assets		-	62,146
Other expenses	4J	983,863	887,198
Total expenses		6,915,341	5,998,596
Surplus (deficit) for the year		2,887,443	1,087,445
Other comprehensive income		-	-
Total comprehensive income for the year		2,887,443	1,087,445

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

CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Notes	31 March 2024 $	31 March 2023 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	3,222,290	1,045,857
Trade and other receivables	5B	980,122	71,462
Other current assets	5C	-	-
Financial assets	5D	-	5,885,478
Total current assets		4,202,412	7,002,797
Non-Current Assets			
Trade and other receivables	5B	-	-
Loan receivable – CFMEUQ	8	5,500,000	-
Property, plant and equipment	5E	2,413,652	1,701,553
Total non-current assets		7,913,652	1,701,553
Total assets		12,116,064	8,704,350
LIABILITIES			
Current Liabilities			
Trade and other payables	6A	460,691	777,135
Employee provisions	6B	875,010	763,297
Revenue in Advance	6C	3,799,483	3,085,354
Total current liabilities		5,135,184	4,625,786
Non-Current Liabilities			
Employee provisions	6B	239,940	225,067
Total non-current liabilities		239,940	225,067
Total liabilities		5,375,124	4,850,853
Net assets		6,740,940	3,853,497
EQUITY			
Retained earnings		6,740,940	3,853,497
Total equity		6,740,940	3,853,497

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

CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2024

		Retained Earnings		Financial Asset Revaluation Reserve	Total
		General Fund	Compulsory Levy Defence Fund		
	Notes	$	$	$	$
Balance as at 1 April 2022		**2,540,204**	**225,848**	**-**	**2,766,052**
Surplus (deficit) for the year		1,076,096	11,349	-	1,087,445
Other comprehensive income for the year		-	-	-	-
Closing balance as at 31 March 2023		**3,616,300**	**237,197**	**-**	**3,853,497**
Surplus (deficit) for the year		2,876,780	10,663	-	2,887,443
Other comprehensive income for the year		-	-	-	-
Closing balance as at 31 March 2024		**6,493,080**	**247,860**	**-**	**6,740,940**

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

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CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	31 March 2024 $	31 March 2023 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	7B	1,241,745	980,922
Receipts from members and other customers		169,312	171,752
Grant receipts		7,144,221	5,856,453
Interest		47,676	6,934
Other		2,615,732	1,653,701
Cash used			
Employees and suppliers		(7,145,280)	(6,895,374)
Finance cost		(11,875)	(8,843)
Payment to other reporting units	7B	(1,165,445)	(3,931,073)
Net cash from (used by) operating activities	7A	2,896,086	(2,165,528)
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of property, plant and equipment		292,727	486,719
Proceeds from sale of financial assets		5,980,000	-
Cash used			
Purchase of plant and equipment		(1,477,842)	(1,159,533)
Purchase of financial assets		(14,538)	-
Net cash from (used by) investing activities		4,780,347	(672,814)
FINANCING ACTIVITIES			
Net cash received from/(paid to) CFMEUQ	7B	(5,500,000)	-
Net increase (decrease) in cash held		2,176,433	(2,838,342)
Cash & cash equivalents at the beginning of the reporting period.		1,045,857	3,884,199
Cash & cash equivalents at the end of the reporting period	5A	3,222,290	1,045,857

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

CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

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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 except for the requirements applicable to not-for-profit entity. For the purpose of preparing the general purpose financial statements, the Construction, Forestry, and Maritime Employees 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

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 and judgements

Impairment of property, plant and equipment
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.

Provisions
As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.3 Significant accounting judgements and estimates (continued)

Key estimates and judgements (continued)

Receivables
The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

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.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

The accounting policies adopted are consistent with those of the previous financial year.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue

The Union enters into various arrangements where it receives consideration from another party. These arrangement include consideration in the form of membership subscriptions, levies, sponsorships and interest.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Union has a contract with a customer, the Union recognises revenue when or as it transfers control of goods or service to the customer. The Union accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or service to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Union.

If there is only one distinct membership service promised in the arrangement, the Union recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Union's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Union allocates the transaction price to each performance obligation based on the relative standalone selling price of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Union charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good or as the service transfers to the customer (for example, member services or training course), the Union recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Union has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Union at their standalone selling price, the Union accounts for those sales as a separate contract with a customer.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue (continued)

Capitation fees

Where the Union's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Union recognises the capitation fees promised under that arrangement when or as it transfers service to the member.

In circumstances where the criteria for a contract with a customer are not met, the Union will recognise capitation fees as income upon receipt.

Levies

Levies paid by a member in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Union transfers the relevant services to the member. In circumstances where the criteria for a contract with a customer are not met, the Union will recognise levies as income upon receipt.

Income of the Union as a Not-for-Profit Entity

Consideration is received by the Union to enable the entity to further its objectives. The Union recognises each of these amounts of consideration as income when the consideration is received (which is when the Union obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- The Union's recognition of the cash contribution does not give rise to any related liabilities.

The Union receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- donations and voluntary contributions from members (including whip arounds); and
- government grants – (Cash Flow Boost).

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

Interest income

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.6 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.7 Leases

The Union assesses whether a contract is or contains a lease, at inception of a contract. The Union recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Union recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Reporting Entity uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments, less any lease incentives.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

1.8 Borrowing costs

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

1.9 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.

1.10 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)

1.11 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions of the instrument.

1.12 Financial assets

Contract assets and receivables

A contract asset is recognised when the Union's right to consideration in exchange for goods or services that have transferred to the customer when that right is conditional on the Union's future performance or some other condition. A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (**OCI**), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Union's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Union initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (**SPPI**) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Union's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Union commits to purchase or sell the asset.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial assets (Continued)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories as:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income

Financial assets at amortised cost

The Union measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (**EIR**) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Union's financial assets at amortised cost includes trade receivables, receivables from other reporting units and term deposits.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Union has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  a) the Union has transferred substantially all the risks and rewards of the asset, or
  b) the Union has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Union has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Union continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial assets (Continued)

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

(i) Trade receivables

For trade receivables that do not have a significant financing component, the Union applies a simplified approach in calculating expected credit losses (**ECLs**) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Union does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Union has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Union recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Union expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Union considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Union may also consider a financial asset to be in default when internal or external information indicates that the Union is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial Liabilities

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Union's financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.14 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Union transfer the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Union performs under the contract (i.e. transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Union's refund liabilities arise from customers' right of return. The liabilities is measured at the amount the Union's ultimately expects it will have to return to the customer. The Union updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.15 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.

1.16 Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment of losses. Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

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 2024	31 March 2023
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.

1.17 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)

1.18 Income Tax and GST

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.

1.19 Fair value measurement

The Union measures financial instruments, such as, financial assets 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)

1.19 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.

1.20 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.

1.21 Acquisition of Assets and Liabilities

The Union did not acquire any asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

1.22 Recovery of Wages

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

1.23 Compulsory Campaign Levy

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 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.24 Retained Earnings – Compulsory Levy Defence Fund

The Defence Fund is maintained to provide the additional resources needed to defend members of the QNTDB and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**CFMEUQ**) against continuing attacks from employers and Federal Government agencies.

The members resident in the Northern Territory continue to make contibutions in accordance with the compulsory Defence Fund levy which is retained by the QNTDB. The surplus in compulsory Defence Fund levy collected from Northern Territory members during the year was $10,663.

Funds collected by the compulsory Defence Fund levy 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 retained earnings as detailed in the statement of changes in equity.

1.25 Service Agreement

Longstanding administrative arrangements have existed between the Construction, Forestry and Maritime Employees Union Construction and General Division Queensland Northern Territory Divisional Branch (**QNTDB**) and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**CFMEUQ**) to improve the effectiveness of dual registration and, as far as practicable, to reduce unnecessary costs associated with dual registration.

The administrative arrangements established the QNTDB as the 'operating entity' in that, for consideration provided by the CFMEUQ (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), the QNTDB would provide the resources necessary to service the Dual Members and members of the CFMEUQ.

Following negotiations between the QNTDB and the CFMEUQ, it was determined by the Divisional Branch Executive to agree to alter these arrangements, including the arrangements for the collection of entrance fees or subscriptions. An agreement was entered into between the QNTDB and the CFMEUQ to reflect these new arrangements and has been in operation for the entirety of the financial year ended 31 March 2023 and 31 March 2024 (**Service Agreement**).

As a result of the alteration to these arrangements by the Service Agreement, a number of items were transferred from the QNTDB to the CFMEUQ including: accrued employee entitlements; ongoing employee expenses; financial administration costs; agents fees; the defence fund and legal fees.

The CFMEUQ, for consideration provided by the QNTDB (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), provides the resources necessary to service the Dual Members, members of the QNTDB and members of the Manufacturing Division.

1.26 Current versus non-current classification

The Union presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within 12 months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period; or
- There is no unconditional rights to defer the settlement of the liability for at least 12 months after the reporting period.

The terms of the liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

The Union classified all other liabilities as non-current.

NOTE 2 EVENTS AFTER REPORTING DATE

There were no events that occurred after 31 March 2024, 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 2024 $	31 March 2023 $
Disaggregation of revenue from contracts with customers		
A disaggregation of the Union's revenue by type of arrangements is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.		
Type of customer		
Members	153,921	156,138
Other reporting units	-	-
Government	-	-
Other parties	3,707,176	2,331,635
Total revenue from contracts with customers	3,861,097	2,487,773

Disaggregation of income for furthering activities

A disaggregation of the Union's income by type of arrangement is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of income by funding source:

Income funding sources		
Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	5,786,573	4,466,615
Total income for furthering activities	5,786,573	4,466,615

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 3 INCOME	31 March 2024 $	31 March 2023 $
Note 3A: Levies		
Compulsory levy – Defence Fund (Note 1.24)	10,663	11,349
Compulsory levy – Campaign (Note 1.23)	3,163	3,364
Voluntary levy – Tool Scheme	-	-
Total levies	13,826	14,713
Note 3B: Interest		
Interest	40,697	12,915
Total Interest	40,697	12,915
Note 3C: Grants or donations		
Grants Apprentice Scheme	5,559,973	4,246,715
Grants Other	226,600	219,900
Donations	-	-
Total grants or donations	5,786,573	4,466,615
Note 3D: Net gains from sale of assets		
Gain on sale of property, plant and equipment	75,130	131,653
Total net gain from sale of assets	75,130	131,653
Note 3E: Other Revenue		
Administration recoveries	972,201	703,051
Compliance recoveries	262,021	257,858
Income from financial asset	11,156	1,741
Promotional charges	112,716	112,716
Sponsorship income	98,671	97,733
Training income	1,230,888	707,302
Directors/Meeting fees	247,127	253,551
Enterprise agreements	731,700	180,000
Sundry income and reimbursements	-	4,768
Total other revenue	3,666,480	2,318,720

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 4 EXPENSES	31 March 2024 $	31 March 2023 $
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
*Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	-	-
Employees other than office holders:		
Wages and salaries	644,705	437,588
Superannuation	104,343	72,972
Leave and other entitlements	70,986	67,257
*Separation and redundancies	26,710	18,517
Other employee expenses	6,212	4,389
Subtotal employee expenses employees other than office holders	852,956	600,723
Total employee expenses	852,956	600,723

*Separation and redundancies include contributions to the redundancy fund.

Note 4B: Capitation fees

CFMEU C&G National Office	-	-
Total Capitation fees	-	-

Capitation fees is paid by CFMEUQ

Note 4C: Affiliation fees

Australian Labor Party Northern Territory Branch	705	777
Other	-	880
Total Affiliation fees	705	1,657

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 4 EXPENSES (CONTINUED)	31 March 2024 $	31 March 2023 $
Note 4D: Administration expenses		
Consideration to employers for payroll deductions of membership subscriptions	-	-
Compulsory levy – Campaign (Note 1.23)	-	-
Voluntary levy – Tool Scheme	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	9,035	1,785
Total administration expenses	9,035	1,785
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	1,000	293
Total paid that exceeded $1,000	-	10,000
Total grants or donations	1,000	10,293
Note 4F: Depreciation and amortisation		
Depreciation:		
Property, plant and equipment	25,625	29,207
Motor vehicles	421,870	390,085
Total depreciation	447,495	419,292
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	447,495	419,292
Note 4G: Finance costs		
Bank fees and charges	11,875	8,843
Total finance costs	11,875	8,843
Note 4H: Legal costs		
Litigation	90,860	5,219
Other legal matters	-	-
Penalties & Settlements (Litigation costs)	94,762	419,392
Total legal costs	185,622	424,611

NOTE 4 EXPENSES (CONTINUED)	31 March 2024 $	31 March 2023 $
Note 4I: Audit fees		
External audit expense	14,350	13,800
Other services	-	-
Total audit fees	14,350	13,800
Note 4J: Other expenses		
Penalties – via RO Act or the *Fair Work Act 2009*	-	-
Administration expenditure	10,899	9,939
Advertising & marketing	-	1,009
Communications	327	245
Computer expenses	5,182	1,164
Fringe benefit tax	218,828	242,061
Impairment counselling & delivery costs	109,164	31,958
Labour day expenses	1,363	442
Motor vehicles expenses	63,495	71,349
Organising expenses	54,803	61,312
Payroll tax	46,977	29,985
Postage	6,297	2,940
Printing and stationery	890	145
Rental expenses	413,552	391,884
Sponsorship expenses	-	2,100
Subscriptions	-	195
Training	14,584	11,900
Workers compensation	37,502	28,570
Total other expenses	983,863	887,198

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 5 ASSETS	31 March 2024 $	31 March 2023 $
Note 5A: Cash and Cash Equivalents		
Cash at bank	3,221,790	1,045,357
Cash on hand	-	-
Debit card	500	500
Term deposits	-	-
Total cash and cash equivalents	3,222,290	1,045,857
Note 5B: Trade and Other Receivables		
Current		
Trade receivable	-	35,000
Legal cost – Litigation receivable	750,000	-
Interest receivable	537	7,516
Other receivables	1,225	2,219
Receivables from other reporting units		
CFMEUQ	228,360	26,727
Total current trade and other receivables	980,122	71,462
Less provision for doubtful debts	-	-
Total provision for doubtful debts	-	-
Total current trade and other receivables (net)	980,122	71,462
Non-current		
Receivables from other reporting units	-	-
Total non-current trade and other receivables	-	-
Total trade and other receivables	980,122	71,462

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

Note 5C: Other Current Assets

Prepayments	-	-
Total other current assets	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 5 ASSETS (CONTINUED)	31 March 2024 $	31 March 2023 $
Note 5D: Financial Assets		
Financial asset at cost	5,885,478	-
Financial asset transferred from CFMEUQ	-	5,947,624
Additions	14,538	-
Growth/(reduction) in investment - unrealised	79,984	(62,146)
Financial asset liquidated to cash	(5,980,000)	-
Total financial assets	-	5,885,478
Note 5E: Property, Plant and Equipment		
Property, Plant and Equipment comprises of:		
Motor vehicles	2,341,321	1,603,597
Plant and equipment	72,331	97,956
Total property plant and equipment	2,413,652	1,701,553
Motor vehicles:		
At cost	3,509,599	2,480,700
Less accumulated depreciation	(1,168,278)	(877,103)
Total motor vehicles	2,341,321	1,603,597
Plant and Equipment:		
At cost	226,036	256,757
Less accumulated depreciation	(153,705)	(158,801)
Total plant and equipment	72,331	97,956

	Motor Vehicles	Plant & Equipment	Total
	$	$	$
Balance at beginning of the year	1,603,597	97,956	1,701,553
Additions	1,477,842	-	1,477,842
Disposals	(217,597)	-	(217,597)
Depreciation expense – Note 4F	(421,870)	(25,625)	(447,495)
Depreciation allocated to Apprentice Scheme	(100,651)	-	(100,651)
Carrying amount at end of the year	2,341,321	72,331	2,413,652

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 6 LIABILITIES	31 March 2024	31 March 2023
	$	$
Note 6A: Trade and Other Payables		
Trade payables and accruals	485,525	320,205
Payables to other reporting units		
- CFMEUQ	-	434,962
Consideration to employers for payroll deductions of membership subscriptions	-	-
Legal costs		
Litigation	-	-
Settlements (Penalties from Litigation)	-	-
Other legal matters	-	-
GST payable	(24,834)	21,968
Voluntary collections - ADSS	-	-
Total trade and other payables	460,691	777,135
Note 6B: Employee Provisions		
Employee provisions comprises of:		
Current		
Provision for annual leave	330,577	296,458
Provision for long service leave	544,433	466,839
	875,010	763,297
Non-current		
Provision for long service leave	239,940	225,067
Total employee provisions	1,114,950	988,364

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	988,364	882,013
Additional provisions raised during the year	323,041	283,868
Amounts used	(196,455)	(177,517)
Balance at the end of the year	1,114,950	988,364

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 6 LIABILITIES (CONTINUED)	31 March 2024	31 March 2023
	$	$
Note 6B: Employee Provisions (Continued)		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	330,577	296,458
Long service leave	784,373	691,906
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	1,114,950	988,364
Total employee provisions	1,114,950	988,364

Note 6C: Revenue in Advance

Revenue in advance comprises of:

Current		
Apprentice scheme funding	3,600,929	2,892,756
Other revenue in advance	198,554	192,598
	3,799,483	3,085,354
Non-current	-	-
Total revenue in advance	3,799,483	3,085,354

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

NOTE 7 CASH FLOW	31 March 2024 $	31 March 2023 $
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	3,222,290	1,045,857
Statement of financial position	3,222,290	1,045,857
Difference	-	-
Reconciliation of surplus/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	2,887,443	1,087,445
Adjustments for non-cash items		
Depreciation expense – Note 4F	447,495	419,292
Depreciation – Apprentice scheme	100,651	62,345
(Gain)/Loss on disposal of assets	(75,130)	(131,653)
(Gain)/Loss in fair value of financial assets	(79,984)	62,146
Transfer of financial assets to CFMEUQ	-	(5,947,624)
Settlement of Loan to CFMEUQ	-	1,500,000
Changes in assets/liabilities		
(Increase)/decrease in net receivables	(908,660)	953,289
(Increase)/decrease in prepayments	-	-
Increase/(decrease) in trade and other payables	(316,444)	(1,135,985)
Increase/(decrease) in employee provisions	126,586	106,351
Increase/(decrease) in revenue in advance	714,129	858,866
Net cash from (used by) operating activities	2,896,086	(2,165,528)
Note 7B: Cash flow information		
Cash inflows		
CFMEUQ	1,112,064	890,444
CFMEU C&G National Office	3,475	-
Mining & Energy QLD	78,088	60,914
Mining & Energy Division	19,194	12,969
Maritime Union of Australia	28,924	16,595
Total cash inflows	1,241,745	980,922

NOTE 7 CASH FLOW (CONTINUED)	31 March 2024	31 March 2023
	$	$
Note 7B: Cash flow information (Continued)		
Cash outflows		
CFMEUQ	6,565,499	3,931,073
CFMEU C&G Vic-Tas Branch	99,946	-
Total cash outflows	6,665,445	3,931,073
Note 7C: Credit standby arrangements and loan facilities		
CBA Mastercard Facility		
Used facility	-	-
Unused facility	60,000	60,000
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 2024 (31 March 2023: 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 2024 $	31 March 2023 $
Income received includes the following:		
NT membership income transferred from CFMEUQ	140,094	141,425
NT defence fund transferred from CFMEUQ	10,663	11,349
NT campaign levy transferred from CFMEUQ	3,163	3,364
EBA Processing fees transferred from CFMEUQ	731,700	180,000
Workcover reimbursement from Mining & Energy QLD	70,990	55,376
Workcover reimbursement from Mining & Energy Division	17,449	11,790
Workcover reimbursement from Maritime Union of Australia	26,294	15,086
Workcover reimbursement from CFMEU C&G National Office	3,159	-
Expenses paid includes the following:		
Rent paid to CFMEUQ	413,552	391,884
Legal cost reimbursement to CFMEU C&G VIC-TAS branch	90,860	-
Amounts owed by includes the following:		
CFMEUQ	228,360	26,727
Amounts owed to includes the following:		
CFMEUQ	-	434,962
Loan receivable from CFMEUQ:	5,500,000	-
Financial assets transferred from CFMEUQ	-	5,947,624

NOTE 8 RELATED PARTY DISCLOSURES (CONTINUED)

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

Terms and conditions of transactions with related parties

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 prevail 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 2024, the union has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2023: $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/received from 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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 (Branch Secretary)
- Royce Kupsch (Branch President) – Honorary from 16/12/2022
- Jade Ingham (Assistant Branch Secretary)
- Kane Lowth (Assistant Branch Secretary)

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

	31 March 2024 $	31 March 2023 $
Short-term employee benefits		
Salary (including annual leave taken)	-	-
Annual leave	-	-
Performance bonus	-	-
Other employee benefits	-	-
Total short-term employee benefits	-	-
Post-employment benefits:		
Superannuation	-	-
Redundancy fund	-	-
Total post-employment benefits	-	-
Other long-term benefits:		
Long-service leave	-	-
Total other long-term benefits	-	-
Termination benefits	-	-
Total	-	-

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

The Union does not have any operating lease commitments.

(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 2024 (2023: Nil).

(d) Capital expenditure commitments

There are no capital expenditure commitments at 31 March 2024 (2023: Nil).

NOTE 10 REMUNERATION OF AUDITORS

	31 March 2024 $	31 March 2023 $
Value of the services provided		
Financial statement audit services	14,350	13,800
Other services – included in apprentice scheme expense	8,800	8,400
Total remuneration of auditors	23,150	22,200

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	3,222,290	1,045,857
Trade and other receivables	980,122	71,462
Financial assets	-	5,885,478
Loan receivable – CFMEUQ	5,500,000	-
	9,702,412	7,002,797
Financial Liabilities		
Trade and other payables	460,691	777,135
	460,691	777,135

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 2024 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 2024

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Expected loss rate	0%	0%	0%	0%	0%
Gross Carrying amount	980,122	-	-	-	980,122
Loss allowing provision	-	-	-	-	-

Ageing of financial assets that were past due but not impaired for 2023

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Expected loss rate	0%	0%	0%	0%	0%
Gross Carrying amount	71,462	-	-	-	71,462
Loss allowing provision	-	-	-	-	-

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 2024 (31 March 2023: 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
2024		$	$	$	$	$
Trade and other payables	460,691	-	-	-	-	460,691
	460,691	-	-	-	-	460,691
2023						
Trade and other payables	777,135	-	-	-	-	777,135
	777,135	-	-	-	-	777,135

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.

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 price risk, due to the fact that any expected change in price risk would have no significant impact on profit and loss or equity.

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 in an arm's length transaction.

Fair value may be based on information that is estimated or subject to judgement, 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. Fair values for share investments are obtained from quoted (unadjusted) market price in the active market.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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:

		31 March 2024		31 March 2023	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	3,222,290	3,222,290	1,045,857	1,045,857
Trade and other receivables	(i)	980,122	980,122	71,462	71,462
Financial assets		-	-	5,885,478	5,885,478
Loan receivable - CFMEUQ		5,500,000	5,500,000	-	-
Total financial assets		9,702,412	9,702,412	7,002,797	7,002,797

		31 March 2024		31 March 2023	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial liabilities					
Trade and other payables	(i)	460,691	460,691	777,135	777,135
Total financial liabilities		460,691	460,691	777,135	777,135

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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 2024 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	Kane Lowth Assistant Divisional Branch Secretary	Total
	$	$	$	$	$
Salary and allowance	-	-	-	-	-
Movement in annual and long service leave provisions	-	-	-	-	-
Superannuation	-	-	-	-	-
Redundancy	-	-	-	-	-
Other employee benefits	-	-	-	-	-
	-	-	-	-	-

The officers are remunerated by the Construction Forestry Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division (CFMEUQ) and therefore are recorded in the financial statements of the CFMEUQ for the year ended 31 March 2024.

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.

(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	$16,481
Royce Kuspch	Division Branch President	$NIL
Jade Ingham	Assistant Divisional Branch Secretary	$7,394
Kane Lowth	Assistant Divisional Branch Secretary	$2,911

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 2024. Royce Kupsch resigned on 16 December 2022 as a Union employee. From 19 December 2022, he continues to be Divisional Branch President role as a honorary position.

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 General Manager:

(1) A member of a reporting unit, or the General Manager, 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.

NOTE 18 OFFICER DECLARATION STATEMENT

An officer declaration statement has not been prepared given that all relevant disclosures required under this declaration, have been incorporated into this financial report, including 'NIL' disclosures.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION, CONSTRUCTION AND GENERAL DIVISION, QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH EXECUTIVE

Report on the Financial Report

Opinion

We have audited the accompanying financial report Construction, Forestry and Maritime Employees Union, Construction and General Division, Queensland Northern Territory Divisional Branch which comprises the statement of financial position as at 31 March 2024, the 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 accompanying financial report presents fairly, in all material aspects, the financial position of the Construction, Forestry and Maritime Employees Union, Construction and General Division, Queensland Northern Territory Divisional Branch as at 31 March 2024, and its financial performance and its cash flow for the year ended on that date in accordance with:

a) The Australian Accounting Standards; and

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

Basis for Opinion

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

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

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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.

Independence

We are independent of the Company in accordance with the auditor independence requirements and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Committee of Management's Responsibilities for the Financial Report

The Committee of Management and Secretary of the Union are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management and Secretary of the Union determine is necessary to enable the preparation of the financial report that gives a true and fair view and 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 related to going concern and using the going concern basis of accounting unless the committee of management either intend to liquidate the Union or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, 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.aspx. This description forms part of our auditor's report.

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

I declare that I am an auditor registered under the RO Act.

0609

Report on Other Regulatory Requirements

a) In accordance with the requirements of section 257(7) of the RO Act, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act. We have nothing to report with regards to reporting requirements under section 257(7) of the RO Act.

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

[redacted]

SHAUN LINDEMANN
PARTNER

28 MAY 2024
BRISBANE

CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

DESIGNATED OFFICERS CERTIFICATE

FOR THE YEAR ENDED 31 MARCH 2024

I, Michael John Ravbar, being the Divisional Branch Secretary of the Construction, Forestry and Maritime Employees 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 and Maritime Employees Union Construction & General Division Queensland Northern Territory Divisional Branch for the period ended 31 March 2024 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 2024; and

- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 25 June 2024 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

[redacted]

Michael John Ravbar

Divisional Branch Secretary

25 June 2024

Brisbane

Financial Reports

CFMEU

1 April 2024 to 31 March 2025

Liability limited by a scheme approved under Professional Standards Legislation

CFMEU
QLD/NT

CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

ABN 24 502 631 846

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

0613

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CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

ADMINISTRATOR'S OPERATING REPORT

FOR THE YEAR ENDED 31 MARCH 2025

Operating Report

In accordance with section 254 of the *Fair Work (Registered Organisations) Act 2009* the Administration presents its Operating Report on the Construction, Forestry and Maritime Employees Union Construction & General Division Queensland Northern Territory Divisional Branch ("Union"), for the year ended 31 March 2025.

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.

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 $2,690,793 (31 March 2024: $2,887,443 surplus)

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

Pursuant to a direction from the Administrator of the Union, it was resolved that from 1 April 2025, all membership subscriptions will be collected by the Construction, Forestry and Maritime Employees Union Construction and General Division Queensland Northern Territory Division Branch ('QNTDB') and not the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division ('CFMEUQ'). In addition to this, all supplier payments except property expenses will also become the responsibility of the QNTDB, which is expected to materially impact the level and type of revenue and expenses recorded in both entities, in future periods.

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.

ADMINISTRATOR'S OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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:

Hemal Patel	– Member of the Union - Director of BUSSQ
Paul Dunbar	– Member of the Union - Director of BUSSQ
Emma Eaves	– 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 19,686 (2024: 18,834).

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was 12 (2024: 12).

Members of the Committee of Management

The name of each person who has been a member of the Committee of Management up until the Union was placed into administration, and the period for which he or she held such a position is as follows:

Name	Period of appointment
Michael Ravbar	1/4/2024 – 22/8/2024
Royce Kupsch	1/4/2024 – 22/8/2024
Steve Gaske	1/4/2024 – 22/8/2024
Dallas Ezzy	1/4/2024 – 22/8/2024
Ian McKewin	1/4/2024 – 22/8/2024
Jade Ingham	1/4/2024 – 22/8/2024
Keith Murphy	1/4/2024 – 22/8/2024
Peter Close	1/4/2024 – 22/8/2024
Mark Read	1/4/2024 – 22/8/2024
Steve Amies	1/4/2024 – 22/8/2024
Kane Lowth	1/4/2024 – 22/8/2024

ADMINISTRATOR'S OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

On 23 August 2024, the Union was put into administration by the Federal Government under the *Fair Work (Registered Organisations (CFMEU Construction and General Division Administration) Determination 2024.* As a result, the Committee of Management for the Union no longer exists from that date. The appointed Administrator has the power to approve these financial statements and has delegated this authority to the Executive Officer of the Union.

Members of the Administration

The name of each person who has been a member of the Administration 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
Travis O'Brien	2/9/2024 – 3/2/2025
Jared Abbott	3/3/2025 – current

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 2025 and 31 March 2024.

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 2025 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 Administrator and is signed for and on behalf of the Administrator by:

[redacted]

.....

Mark Irving
Administrator

29 July 2025

Melbourne

CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

ADMINISTRATOR'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

On 29 July 2025, the Administrator of the Construction, Forestry and Maritime Employees 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 2025.

The Administrator 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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);

(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, up until the commencement of the administration 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 General Manager duly made under section 272 of the RO Act, that information has been provided to the member or General Manager; 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 Administrator.

Name of Designated Officer: **Mark Irving**

Title of Designated Officer: Administrator

Signature: .....

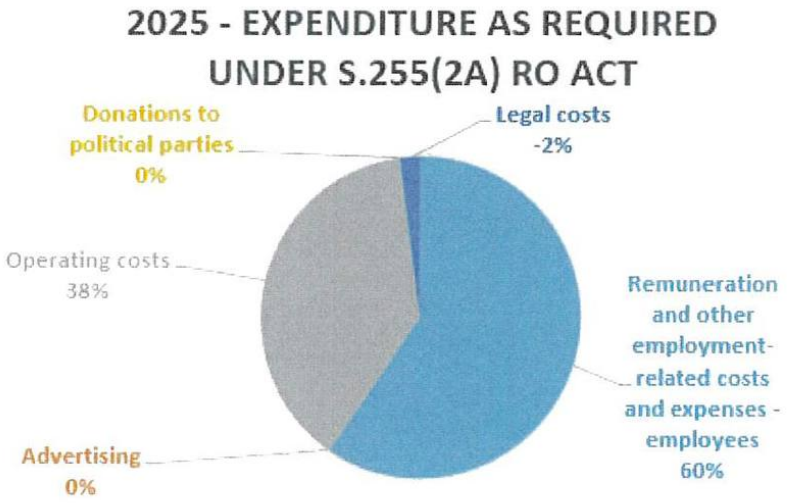
Date: 29 July 2025

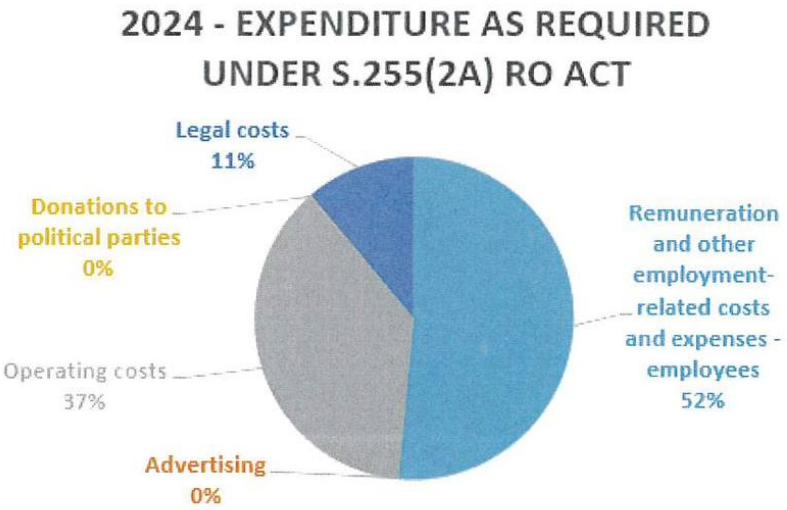
CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

REPORT REQUIRED UNDER SUBSECTION 255(2A)

FOR THE YEAR ENDED 31 MARCH 2025

The Administrator presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 March 2025 and 31 March 2024.





Name of Designated Officer: **Mark Irving**

Title of Designated Officer: Administrator

Signature: [redacted].....

Date: 29 July 2025

CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	31 March 2025 $	31 March 2024 $
Revenue from contracts with customers			
Membership subscription		126,748	140,094
Capitation fees		-	-
Levies	3A	12,778	13,826
Interest	3B	20,783	40,697
Other revenue	3E	3,520,647	3,666,480
Total revenue from contracts with customers		3,680,956	3,861,097
Income for furthering objectives			
Grants and/or donations	3C	7,114,747	5,786,573
Total income for furthering objectives		7,114,747	5,786,573
Other Income			
Net gains from sale of assets	3D	-	75,130
Change in fair value of financial assets		-	79,984
Total other income		-	155,114
Total income		10,795,703	9,802,784
Expenses			
Employee expenses	4A	970,871	852,956
Capitation fees	4B	227,373	-
Affillation fees	4C	-	705
Administration expenses	4D	4,291	9,035
Grants or donations	4E	-	1,000
Depreciation and amortisation	4F	572,004	447,495
Finance costs	4G	7,536	11,875
Legal costs	4H	(33,876)	185,622
Audit fees	4I	14,450	14,350
Apprentice Schemes		5,272,689	4,408,440
Net loss from sale of assets		15,792	-
Other expenses	4J	1,053,780	983,863
Total expenses		8,104,910	6,915,341
Surplus (deficit) for the year		2,690,793	2,887,443
Other comprehensive income		-	-
Total comprehensive income for the year		2,690,793	2,887,443

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

CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	31 March 2025 $	31 March 2024 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	1,810,923	3,222,290
Trade and other receivables	5B	424,627	980,122
Other current assets	5C	-	-
Financial assets	5D	-	-
Total current assets		2,235,550	4,202,412
Non-Current Assets			
Trade and other receivables	5B	-	-
Loan receivable – CFMEUQ	8	9,950,000	5,500,000
Property, plant and equipment	5E	2,215,456	2,413,652
Total non-current assets		12,165,456	7,913,652
Total assets		14,401,006	12,116,064
LIABILITIES			
Current Liabilities			
Trade and other payables	6A	304,119	460,691
Employee provisions	6B	767,420	875,010
Revenue in Advance	6C	3,632,740	3,799,483
Total current liabilities		4,704,279	5,135,184
Non-Current Liabilities			
Employee provisions	6B	264,994	239,940
Total non-current liabilities		264,994	239,940
Total liabilities		4,969,273	5,375,124
Net assets		9,431,733	6,740,940
EQUITY			
Retained earnings		9,431,733	6,740,940
Total equity		9,431,733	6,740,940

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

CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

		Retained Earnings		Financial Asset Revaluation Reserve	Total
		General Fund	Compulsory Levy Defence Fund		
	Notes	$	$	$	$
Balance as at 1 April 2023		**3,616,300**	**237,197**	**-**	**3,853,497**
Surplus (deficit) for the year		2,876,780	10,663	-	2,887,443
Other comprehensive income for the year		-	-	-	-
Closing balance as at 31 March 2024		**6,493,080**	**247,860**	**-**	**6,740,940**
Surplus (deficit) for the year		2,680,949	9,844	-	2,690,793
Other comprehensive income for the year		-	-	-	-
Closing balance as at 31 March 2025		**9,174,029**	**257,704**	**-**	**9,431,733**

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

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CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	31 March 2025 $	31 March 2024 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units		1,650,883	1,241,745
Receipts from members and other customers		153,478	169,312
Grant receipts		7,635,284	7,144,221
Interest		27,781	47,676
Other		2,007,896	2,615,732
Cash used			
Employees and suppliers		(6,075,232)	(7,145,280)
Finance cost		(7,536)	(11,875)
Payment to other reporting units	7B	(1,853,238)	(1,165,445)
Net cash from (used by) operating activities	7A	3,539,316	2,896,086
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of property, plant and equipment		881,082	292,727
Proceeds from sale of financial assets		-	5,980,000
Cash used			
Purchase of plant and equipment		(1,381,765)	(1,477,842)
Purchase of financial assets		-	(14,538)
Net cash from (used by) investing activities		(500,683)	4,780,347
FINANCING ACTIVITIES			
Net cash received from/(paid to) CFMEUQ	7B	(4,450,000)	(5,500,000)
Net cash from (used by) financing activities		(4,450,000)	(5,500,000)
Net increase (decrease) in cash held		(1,411,367)	2,176,433
Cash & cash equivalents at the beginning of the reporting period.		3,222,290	1,045,857
Cash & cash equivalents at the end of the reporting period	7A	1,810,923	3,222,290

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

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CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

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NOTE 1 MATERIAL ACCOUNTING POLICY INFORMATION

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 except for the requirements applicable to not-for-profit entity. For the purpose of preparing the general purpose financial statements, the Construction, Forestry, and Maritime Employees 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.

Material accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

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 and judgements

Impairment of property, plant and equipment
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.

Provisions
As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

NOTE 1 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

1.3 Significant accounting judgements and estimates (continued)

Key estimates and judgements (continued)

Receivables
The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

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.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

The Union has adopted all standards which became effective for the first time during the year, and the adoption of these standards has not caused any material adjustments to the reported financial position or performance.

Future Australian Accounting Standards Requirements

Certain new accounting standards have been published that are not mandatory for 31 March 2025 reporting periods and have not been early adopted by the Union. These standards are not expected to have a material impact on the Union in the current or future reporting periods and on foreseeable future transactions.

NOTE 1 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

1.5 Revenue

The Union enters into various arrangements where it receives consideration from another party. These arrangement include consideration in the form of membership subscriptions, levies, sponsorships and interest.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Union has a contract with a customer, the Union recognises revenue when or as it transfers control of goods or service to the customer. The Union accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or service to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Union.

If there is only one distinct membership service promised in the arrangement, the Union recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Union's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Union allocates the transaction price to each performance obligation based on the relative standalone selling price of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Union charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good or as the service transfers to the customer (for example, member services or training course), the Union recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Union has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Union at their standalone selling price, the Union accounts for those sales as a separate contract with a customer.

NOTE 1 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

1.5 Revenue (continued)

Capitation fees

Where the Union's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Union recognises the capitation fees promised under that arrangement when or as it transfers service to the member.

In circumstances where the criteria for a contract with a customer are not met, the Union will recognise capitation fees as income upon receipt.

Levies

Levies paid by a member in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Union transfers the relevant services to the member. In circumstances where the criteria for a contract with a customer are not met, the Union will recognise levies as income upon receipt.

Income of the Union as a Not-for-Profit Entity

Consideration is received by the Union to enable the entity to further its objectives. The Union recognises each of these amounts of consideration as income when the consideration is received (which is when the Union obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- The Union's recognition of the cash contribution does not give rise to any related liabilities.

The Union receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- donations and voluntary contributions from members (including whip arounds); and
- government grants – (Cash Flow Boost).

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

Interest income

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

NOTE 1 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

1.6 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.

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.

NOTE 1 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

1.7 Leases

The Union assesses whether a contract is or contains a lease, at inception of a contract. The Union recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Union recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Reporting Entity uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments, less any lease incentives.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

1.8 Borrowing costs

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

1.9 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.

1.10 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 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

1.11 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions of the instrument.

1.12 Financial assets

Contract assets and receivables

A contract asset is recognised when the Union's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Union's future performance or some other condition. A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Initial recognition and measurement

The Union's financial assets include trade receivables and loans to related parties.

The Union's financial assets are classified as financial assets subsequently measured at amortised cost because both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are 'solely payments of principal and interest' on the principal amount outstanding.

The classification of financial assets is performed at an instrument level at initial recognition of the financial asset.

The Union initially measures a financial asset at its fair value plus transaction costs. However, contract assets and trade receivables that do not contain a significant financing component are measured at the transaction price as determined in accordance with the revenue policy.

Subsequent measurement

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the asset have expired. For receivables and contract assets, the Union directly reduces the gross carrying amount of a receivable or contract asset when it has no reasonable expectations of recovering the receivable or contract asset in its entirety or a portion thereof.

NOTE 1 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

1.12 Financial assets (Continued)

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

(i) Trade receivables and contract assets

For trade receivables that do not have a significant financing component, the Union applies a simplified approach in calculating ECLs. Therefore, the [reporting unit] does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Union has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Debt instruments other than trade receivables

The Union recognises an allowance for ECLs for all contract assets, receivables and any other financial assets measured at amortisation cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the reporting unit expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTE 1 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

1.13 Financial Liabilities

The Union's financial liabilities include trade and other payables, interest-bearing loans and borrowings. The Union's financial liabilities are classified as financial liabilities subsequently measured at amortised cost.

These financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.14 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Union transfer the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Union performs under the contract (i.e. transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Union's refund liabilities arise from customers' right of return. The liabilities is measured at the amount the Union's ultimately expects it will have to return to the customer. The Union updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

NOTE 1 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

1.15 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.

1.16 Property, Plant and Equipment

Purchases of property, 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. 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 2025	31 March 2024
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 or loss.

1.17 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 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

1.18 Income Tax and GST

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.

1.19 Fair value measurement

The Union measures financial instruments, such as, financial assets 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 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

1.19 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.

1.20 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 recorded a net current asset deficiency as at 31 March 2025 of $2,468,729 (31 March 2024: deficiency of $932,772). This is as a result of additional funds transferred to CFMEUQ for the acquisition of further investment properties during the year, which is in line with the strategic objectives of the Union. The Union retains a strong net asset position as consistent with the prior year. The Union has provided financial support to the CFMEUQ.

1.21 Acquisition of Assets and Liabilities that do not constitute a Business Combination

The Union did not acquire any asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act.

1.22 Recovery of Wages

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

NOTE 1 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

1.23 Compulsory Campaign Levy

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.

1.24 Retained Earnings – Compulsory Levy Defence Fund

The Defence Fund is maintained to provide the additional resources needed to defend members of the QNTDB and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**CFMEUQ**) against continuing attacks from employers and Federal Government agencies.

The members resident in the Northern Territory continue to make contributions in accordance with the compulsory Defence Fund levy which is retained by the QNTDB. The surplus in compulsory Defence Fund levy collected from Northern Territory members during the year was $9,844.

Funds collected by the compulsory Defence Fund levy 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 retained earnings as detailed in the statement of changes in equity.

1.25 Service Agreement

Longstanding administrative arrangements have existed between the Construction, Forestry and Maritime Employees Union Construction and General Division Queensland Northern Territory Divisional Branch (**QNTDB**) and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**CFMEUQ**) to improve the effectiveness of dual registration and, as far as practicable, to reduce unnecessary costs associated with dual registration.

The administrative arrangements established the QNTDB as the 'operating entity' in that, for consideration provided by the CFMEUQ (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), the QNTDB would provide the resources necessary to service the Dual Members and members of the CFMEUQ.

Following negotiations between the QNTDB and the CFMEUQ, it was determined by the Divisional Branch Executive to agree to alter these arrangements, including the arrangements for the collection of entrance fees or subscriptions. An agreement was entered into between the QNTDB and the CFMEUQ to reflect these new arrangements and has been in operation for the entirety of the financial year ended 31 March 2025 and 31 March 2024 (**Service Agreement**).

As a result of the alteration to these arrangements by the Service Agreement, a number of items were transferred from the QNTDB to the CFMEUQ including: accrued employee entitlements; ongoing employee expenses; financial administration costs; agents fees; the defence fund and legal fees.

The CFMEUQ, for consideration provided by the QNTDB (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), provides the resources necessary to service the Dual Members, members of the QNTDB and members of the Manufacturing Division.

NOTE 1 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

1.25 Service Agreement (continued)

It was resolved that from 1 April 2025 administrative arrangements between the entities would change. Under the agreement, administration arrangements, including the collection of subscription fees from members, labour and staffing costs would become the responsibility of QNTDB, which is expected to materially impact the level and type of revenues and expenses recorded in both entities, in future periods.

1.26 Current versus non-current classification

In accordance with AASB 101, the Union presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within 12 months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period; or
- There is no unconditional rights to defer the settlement of the liability for at least 12 months after the reporting period.

The terms of the liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

The Union classified all other liabilities as non-current.

NOTE 2 EVENTS AFTER REPORTING DATE

Pursuant to a direction from the Administrator of the Union, it was resolved that from 1 April 2025, all membership subscriptions will be collected by the Construction, Forestry and Maritime Employees Union Construction and General Division Queensland Northern Territory Division Branch ('QNTDB') and not the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division ('CFMEUQ'). In addition to this, all supplier payments except property expenses will also become the responsibility of the QNTDB, which is expected to materially impact the level and type of revenue and expenses recorded in both entities, in future periods.

Other than the above, there were no events that occurred after 31 March 2025, 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 2025 $	31 March 2024 $
Disaggregation of revenue from contracts with customers		
A disaggregation of the Union's revenue by type of arrangements is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.		
Type of customer		
Members	139,526	153,921
Other reporting units	-	-
Government	-	-
Other parties	3,541,431	3,707,176
Total revenue from contracts with customers	3,680,957	3,861,097
Disaggregation of income for furthering activities		
A disaggregation of the Union's income by type of arrangement is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of income by funding source:		
Income funding sources		
Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	7,114,747	5,786,573
Total income for furthering activities	7,114,747	5,786,573

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 3 INCOME	31 March 2025 $	31 March 2024 $
Note 3A: Levies		
Compulsory levy – Defence Fund (Note 1.24)	9,844	10,663
Compulsory levy – Campaign (Note 1.23)	2,934	3,163
Voluntary levy – Tool Scheme	-	-
Total levies	12,778	13,826
Note 3B: Interest		
Interest	20,783	40,697
Total Interest	20,783	40,697
Note 3C: Grants or donations		
Grants Apprentice Scheme	6,879,770	5,559,973
Grants Other	234,977	226,600
Donations	-	-
Total grants or donations	7,114,747	5,786,573
Note 3D: Net gains from sale of assets		
Gain on sale of property, plant and equipment	-	75,130
Total net gain from sale of assets	-	75,130
Note 3E: Other Revenue		
Administration recoveries	986,364	972,201
Compliance recoveries	269,948	262,021
Income from financial asset	-	11,156
Promotional charges	121,358	112,716
Sponsorship income	102,861	98,671
Training income	1,388,741	1,230,888
Directors/Meeting fees	261,444	247,127
Enterprise agreements	389,796	731,700
Sundry income and reimbursements	135	-
Total other revenue	3,520,647	3,666,480

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 4 EXPENSES

	31 March 2025 $	31 March 2024 $
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
*Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	-	-
Employees other than office holders:		
Wages and salaries	771,802	644,705
Superannuation	129,187	104,343
Leave and other entitlements	28,041	70,986
*Separation and redundancies	34,701	26,710
Other employee expenses	7,140	6,212
Subtotal employee expenses employees other than office holders	970,871	852,956
Total employee expenses	970,871	852,956

*Separation and redundancies include contributions to the redundancy fund.

Note 4B: Capitation fees

CFMEU Manufacturing Division	227,373	-
Total Capitation fees	227,373	-

Capitation fees is paid by CFMEUQ

Note 4C: Affiliation fees

Australian Labor Party Northern Territory Branch	-	705
Other	-	-
Total Affiliation fees	-	705

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 4 EXPENSES (CONTINUED)	31 March 2025 $	31 March 2024 $
Note 4D: Administration expenses		
Consideration to employers for payroll deductions of membership subscriptions	-	-
Compulsory levy – Campaign (Note 1.23)	-	-
Voluntary levy – Tool Scheme	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	4,291	9,035
Total administration expenses	4,291	9,035
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	-	1,000
Total paid that exceeded $1,000	-	-
Total grants or donations	-	1,000
Note 4F: Depreciation and amortisation		
Depreciation:		
Property, plant and equipment	23,709	25,625
Motor vehicles	548,295	421,870
Total depreciation	572,004	447,495
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	572,004	447,495
Note 4G: Finance costs		
Bank fees and charges	7,536	11,875
Total finance costs	7,536	11,875
Note 4H: Legal costs		
Litigation	-	90,860
Penalties & Settlements (Litigation costs)*	(33,876)	94,762
Total legal costs	(33,876)	185,622

*A successful court case has resulted in a reversal of $159,000 regarding penalties for the year ended 31 March 2025.

NOTE 4 EXPENSES (CONTINUED)	31 March 2025 $	31 March 2024 $
Note 4I: Audit fees		
External audit expense	14,450	14,350
Other services	-	-
Total audit fees	14,450	14,350
Note 4J: Other expenses		
Penalties – via RO Act or the *Fair Work Act 2009*	-	-
Administration expenditure	3,735	10,899
Advertising & marketing	-	-
Communications	327	327
Computer expenses	4,638	5,182
Fringe benefit tax	293,902	218,828
Impairment counselling & delivery costs	90,102	109,164
Labour day expenses	418	1,363
Motor vehicles expenses	73,572	63,495
Organising expenses	31,728	54,803
Payroll tax	57,494	46,977
Postage	1,742	6,297
Printing and stationery	173	890
Rental expenses	438,365	413,552
Sponsorship expenses	-	-
Subscriptions	-	-
Training	8,000	14,584
Workers compensation	49,584	37,502
Total other expenses	1,053,780	983,863

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 5 ASSETS	31 March 2025 $	31 March 2024 $
Note 5A: Cash and Cash Equivalents		
Cash at bank	1,810,403	3,221,790
Cash on hand	-	-
Debit card	520	500
Term deposits	-	-
Total cash and cash equivalents	1,810,923	3,222,290
Note 5B: Trade and Other Receivables		
Current		
Trade receivable	-	-
Legal cost – Litigation receivable	-	750,000
Interest receivable	558	537
Other receivables	2,909	1,225
Receivables from other reporting units		
CFMEUQ	421,160	228,360
Total current trade and other receivables	424,627	980,122
Less provision for doubtful debts	-	-
Total provision for doubtful debts	-	-
Total current trade and other receivables (net)	424,627	980,122
Non-current		
Receivables from other reporting units	-	-
Total non-current trade and other receivables	-	-
Total trade and other receivables	424,627	980,122

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

Note 5C: Other Current Assets		
Prepayments	-	-
Total other current assets	-	-

NOTE 5 ASSETS (CONTINUED)	31 March 2025 $	31 March 2024 $
Note 5D: Financial Assets		
Financial asset at cost	-	5,885,478
Financial asset transferred from CFMEUQ	-	-
Additions	-	14,538
Growth/(reduction) in investment - unrealised	-	79,984
Financial asset liquidated to cash	-	(5,980,000)
Total financial assets	-	-
Note 5E: Property, Plant and Equipment		
Property, Plant and Equipment comprises of:		
Motor vehicles	2,166,834	2,341,321
Plant and equipment	48,622	72,331
Total property plant and equipment	2,215,456	2,413,652
Motor vehicles:		
At cost	3,214,297	3,509,599
Less accumulated depreciation	(1,047,463)	(1,168,278)
Total motor vehicles	2,166,834	2,341,321
Plant and Equipment:		
At cost	226,036	226,036
Less accumulated depreciation	(177,414)	(153,705)
Total plant and equipment	48,622	72,331

	Motor Vehicles	Plant & Equipment	Total
	$	$	$
Balance at beginning of the year	2,341,321	72,331	2,413,652
Additions	1,381,765	-	1,381,765
Disposals	(896,874)	-	(896,874)
Depreciation expense – Note 4F	(548,295)	(23,709)	(572,004)
Depreciation allocated to Apprentice Scheme	(111,083)	-	(111,083)
Carrying amount at end of the year	2,166,834	48,622	2,215,456

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 6 LIABILITIES	31 March 2025	31 March 2024
	$	$
Note 6A: Trade and Other Payables		
Trade payables and accruals	262,603	485,525
Payables to other reporting units		
- CFMEUQ	-	-
Consideration to employers for payroll deductions of membership subscriptions	-	-
Legal costs		
Litigation	-	-
Settlements (Penalties from Litigation)	-	-
Other legal matters	-	-
GST payable	41,516	(24,834)
Voluntary collections - ADSS	-	-
Total trade and other payables	304,119	460,691
Note 6B: Employee Provisions		
Employee provisions comprises of:		
Current		
Provision for annual leave	341,948	330,577
Provision for long service leave	425,472	544,433
	767,420	875,010
Non-current		
Provision for long service leave	264,994	239,940
Total employee provisions	1,032,414	1,114,950

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	1,114,950	988,364
Additional provisions raised during the year	157,036	323,041
Amounts used	(239,572)	(196,455)
Balance at the end of the year	1,032,414	1,114,950

NOTE 6 LIABILITIES (CONTINUED)	31 March 2025	31 March 2024
	$	$
Note 6B: Employee Provisions (Continued)		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	341,948	330,577
Long service leave	690,466	784,373
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	1,032,414	1,114,950
Total employee provisions	1,032,414	1,114,950

Note 6C: Revenue in Advance

Revenue in advance comprises of:

Current		
Apprentice scheme funding	3,427,167	3,600,929
Other revenue in advance	205,573	198,554
	3,632,740	3,799,483
Non-current	-	-
Total revenue in advance	3,632,740	3,799,483

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 7 CASH FLOW	31 March 2025 $	31 March 2024 $
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	1,810,923	3,222,290
Statement of financial position	1,810,923	3,222,290
Difference	-	-
Reconciliation of surplus/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	2,690,793	2,887,443
Adjustments for non-cash items		
Depreciation expense – Note 4F	572,004	447,495
Depreciation – Apprentice scheme	111,083	100,651
(Gain)/Loss on disposal of assets	15,792	(75,130)
(Gain)/Loss in fair value of financial assets	-	(79,984)
Changes in assets/liabilities		
(Increase)/decrease in net receivables	555,495	(908,660)
(Increase)/decrease in prepayments	-	-
Increase/(decrease) in trade and other payables	(156,572)	(316,444)
Increase/(decrease) in employee provisions	(82,536)	126,586
Increase/(decrease) in revenue in advance	(166,743)	714,129
Net cash from (used by) operating activities	3,539,316	2,896,086
Note 7B: Cash flow information		
Cash inflows		
CFMEUQ	1,619,827	1,112,064
CFMEU C&G National Office	4,588	3,475
Mining & Energy QLD	-	78,088
Mining & Energy Division	-	19,194
Maritime Union of Australia	26,468	28,924
Total cash inflows	1,650,883	1,241,745

NOTE 7 CASH FLOW (CONTINUED)	31 March 2025	31 March 2024
	$	$

Note 7B: Cash flow Information (Continued)

Cash outflows

CFMEUQ	6,049,828	6,565,499
CFMEU C&G Vic-Tas Branch	-	99,946
CFMEU Manufacturing Division	250,110	-
Maritime Union of Australia NT Branch	3,300	-
Total cash outflows	6,303,238	6,665,445

Note 7C: Credit standby arrangements and loan facilities

CBA Mastercard Facility		
Used facility	-	-
Unused facility	60,000	60,000
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 2025 (31 March 2024: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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 Administration 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 2025 $	31 March 2024 $
Income received includes the following:		
NT membership income transferred from CFMEUQ	126,748	140,094
NT defence fund transferred from CFMEUQ	9,844	10,663
NT campaign levy transferred from CFMEUQ	2,933	3,163
EBA Processing fees transferred from CFMEUQ	389,796	731,700
Workcover reimbursement from Mining & Energy QLD	-	70,990
Workcover reimbursement from Mining & Energy Division	-	17,449
Workcover reimbursement from Maritime Union of Australia	24,062	26,294
Workcover reimbursement from CFMEU C&G National Office	4,171	3,159
Expenses paid includes the following:		
Rent paid to CFMEUQ	438,365	413,552
Purchase of vehicle from CFMEUQ	106,933	-
Legal cost reimbursement to CFMEU C&G VIC-TAS branch	-	90,860
Meeting costs paid to Maritime Union of Australia NT Branch	3,000	-
Capitation fees paid to CFMEU Manufacturing Division	227,373	-
Amounts owed by includes the following:		
CFMEUQ	421,161	228,360
Amounts owed to includes the following:		
CFMEUQ	-	-
Loan receivable from CFMEUQ:	9,950,000	5,500,000

NOTE 8 RELATED PARTY DISCLOSURES (CONTINUED)

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

Terms and conditions of transactions with related parties

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 prevail 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 2025, the union has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2024: $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/received from 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 (Former State Secretary – removed on 22/8/2024)
- Royce Kupsch (Former Honorary State President – removed on 22/8/2024
- Jade Ingham (Former Assistant State Secretary – removed on 22/8/2024)
- Kane Lowth (Former Assistant State Secretary – removed on 22/8/2024)
- Travis O'Brien (Executive Officer – commenced 02/09/24 and resigned 03/02/2025)
- Jared Luke Abbott (Executive Officer – commenced 03/03/2025)

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

	31 March 2025 $	31 March 2024 $
Short-term employee benefits		
Salary (including annual leave taken)	-	-
Annual leave	-	-
Performance bonus	-	-
Other employee benefits	-	-
Total short-term employee benefits	-	-
Post-employment benefits:		
Superannuation	-	-
Redundancy fund	-	-
Total post-employment benefits	-	-
Other long-term benefits:		
Long-service leave	-	-
Total other long-term benefits	-	-
Termination benefits	-	-
Total	-	-

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

The Union does not have any operating lease commitments.

(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 2025 (2024: Nil).

(d) Capital expenditure commitments

There are no capital expenditure commitments at 31 March 2025 (2024: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

NOTE 10 REMUNERATION OF AUDITORS

	31 March 2025 $	31 March 2024 $
Value of the services provided		
Financial statement audit services	14,450	14,350
Other services – included in apprentice scheme expense	12,000	8,800
Total remuneration of auditors	26,450	23,150

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

NOTE 11 FINANCIAL INSTRUMENTS

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

The Administration'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 Administration'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	1,810,923	3,222,290
Trade and other receivables	424,627	980,122
Financial assets	-	-
Loan receivable – CFMEUQ	9,950,000	5,500,000
	12,185,550	9,702,412
Financial Liabilities		
Trade and other payables	304,119	460,691
	304,119	460,691

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 2025 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 2025

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Expected loss rate	0%	0%	0%	0%	0%
Gross Carrying amount	424,627	-	-	-	424,627
Loss allowing provision	-	-	-	-	-

Ageing of financial assets that were past due but not impaired for 2024

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Expected loss rate	0%	0%	0%	0%	0%
Gross Carrying amount	980,122	-	-	-	980,122
Loss allowing provision	-	-	-	-	-

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 2025 (31 March 2024: 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
2025		$	$	$	$	$
Trade and other payables	304,119	-	-	-	-	304,119
	304,119	-	-	-	-	304,119
2024						
Trade and other payables	460,691	-	-	-	-	460,691
	460,691	-	-	-	-	460,691

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.

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 price risk, due to the fact that any expected change in price risk would have no significant impact on profit and loss or equity.

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 in an arm's length transaction.

Fair value may be based on information that is estimated or subject to judgement, 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. Fair values for share investments are obtained from quoted (unadjusted) market price in the active market.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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:

		31 March 2025		31 March 2024	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	1,810,923	1,810,923	3,222,290	3,222,290
Trade and other receivables	(i)	424,627	424,627	980,122	980,122
Financial assets		-	-	-	-
Loan receivable - CFMEUQ		9,950,000	9,950,000	5,500,000	5,500,000
Total financial assets		12,185,550	12,185,550	9,702,412	9,702,412

		31 March 2025		31 March 2024	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial liabilities					
Trade and other payables	(i)	304,119	304,119	460,691	460,691
Total financial liabilities		304,119	304,119	460,691	460,691

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.

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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 2025 financial year.

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

	Michael Ravbar State Branch Secretary (former)	Jade Ingham Assistant State Branch Secretary (former)	Kane Lowth Assistant State Branch Secretary (former)	Travis O'Brien Executive Officer (former)	Jared Abbott Executive Officer	Total
	$	$	$	$	$	$
Salary and allowance	-	-	-	-	-	-
Movement in annual and long service leave provisions	-	-	-	-	-	-
Superannuation	-	-	-	-	-	-
Redundancy	-	-	-	-	-	-
Other employee benefits	-	-	-	-	-	-
	-	-	-	-	-	-

The officers are remunerated by the Construction Forestry Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division (CFMEUQ) and therefore are recorded in the financial statements of the CFMEUQ for the year ended 31 March 2025. 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.

(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	State Branch Secretary (former)	$10,605
Jade Ingham	Assistant State Branch Secretary (former)	$4,256
Kane Lowth	Assistant State Branch Secretary (former)	$1,514

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 2025.

NOTE 14 ADMINISTRATION OF FINANCIAL AFFAIRS BY A THIRD PARTY

On 23 August 2024, the Union was put into administration by the Federal Government under the *Fair Work (Registered Organisations (CFMEU Construction and General Division Administration) Determination 2024.* The appointed Administrator has delegated this authority to the Executive Officer of the Union.

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 General Manager:

(1) A member of a reporting unit, or the General Manager, 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.

NOTE 18 OFFICER DECLARATION STATEMENT

An officer declaration statement has not been prepared given that all relevant disclosures required under this declaration, have been incorporated into this financial report, including 'NIL' disclosures.

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

Opinion

We have audited the accompanying financial report of Construction, Forestry and Maritime Employees Union, Construction and General Division, Queensland Northern Territory Divisional Branch which comprises the statement of financial position as at 31 March 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information, the subsection 255(2A) report and the Administrator's 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 accompanying financial report presents fairly, in all material aspects, the financial position of the Construction, Forestry and Maritime Employees Union, Construction and General Division, Queensland Northern Territory Divisional Branch as at 31 March 2025, and its financial performance and its cash flow for the year ended on that date in accordance with:

a) The Australian Accounting Standards; and

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

Basis for Opinion

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

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

Other Information

The Administration are responsible for the other information. The other information obtained at the date of this auditor's report is in the Administration 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.

PKF Brisbane Pty Ltd is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separately owned legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s). Liability limited by a scheme approved under Professional Standards Legislation.

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.

Independence

We are independent of the Company in accordance with the auditor independence requirements and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Administrators' Responsibilities for the Financial Report

The Administrator of the Union is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Administrator of the Union determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Administrator is responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Administrator 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 for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, 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.aspx. This description forms part of our auditor's report.

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

I declare that I am an auditor registered under the RO Act.

Report on Other Regulatory Requirements

a) In accordance with the requirements of section 257(7) of the RO Act, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act. We have nothing to report with regards to reporting requirements under section 257(7) of the RO Act.

b) The scope of our audit did extend to recovery of wages activity, however as noted in the Administration Statement, no such activity was undertaken during the reporting period.

c) In our opinion, the Administrators 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

[redacted]

SHAUN LINDEMANN
PARTNER

29 JULY 2025
BRISBANE

CONSTRUCTION, FORESTRY AND MARITIME EMPLOYEES UNION
CONSTRUCTION & GENERAL DIVISION
QUEENSLAND NORTHERN TERRITORY DIVISIONAL BRANCH

DESIGNATED OFFICERS CERTIFICATE

FOR THE YEAR ENDED 31 MARCH 2025

I, Mark Irving, being the Administrator of the Construction, Forestry and Maritime Employees 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 and Maritime Employees Union Construction & General Division Queensland Northern Territory Divisional Branch for the period ended 31 March 2025 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 1 August 2025; and

- that the full report was presented to a meeting of the Administrator of the reporting unit on 16 September 2025 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

[redacted]

.....

Mark Irving

Administrator

16 September 2025

Melbourne

ANNEXURE E2

Financial Reports
CFMEUQ

Liability limited by a scheme approved under Professional Standards Legislation

Financial Reports

CFMEUQ

1 January 2015 to 31 December 2015

Liability limited by a scheme approved under Professional Standards Legislation

CFMEU
QLD/NT

THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

Financial Statements

For the year ended 31 December 2015

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The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland
State Construction & General Division

Balance Sheet as at 31 December 2015

	Note	2015 $	2014 $
Current assets			
Cash and cash equivalents	7	2,738,788	6,256,658
Financial assets	9	1,487,390	-
Receivables	8	84,796	84,716
Prepayments		2,805	21,023
Total current assets		4,313,779	6,362,397
Non-current assets			
Financial assets	9	1,561,610	3,056,654
Property, Plant and Equipment	10	6,323,597	9,388,695
Investment property	11	1,965,864	2,500,864
Total non-current assets		9,851,071	14,946,213
Total assets		14,164,850	21,308,610
Current liabilities			
Trade and other payables	12	412,123	715,414
Revenue in Advance	13	14,714	19,123
Total current liabilities		426,837	734,537
Non-current liabilities			
Creditor - CFMEU C&G QNTDB		3,202,137	10,286,239
Total non-current liabilities		3,202,137	10,286,239
Total liabilities		3,628,974	11,020,776
Net assets		10,535,876	10,287,834
Equity			
Asset revaluation reserve		270,712	1,225,850
Financial Assets revaluation reserve		47,956	25,850
Retained earnings		10,217,208	9,036,134
Total equity		10,535,876	10,287,834

The accompanying notes form part of these financial statements.

The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland
State Construction & General Division

Income Statement for the year ended 31 December 2015

	Note	2015 $	2014 $
REVENUE			
Interest		226,704	212,270
Dividends		511	464
Rent received		768,565	756,000
Sundry income and reimbursement		11,479	22,868
Gain on disposal of property, plant & equipment		59,432	-
Total revenue		1,066,691	991,602
EXPENDITURE			
Auditors remuneration - Audit services		13,125	14,500
Depreciation of property, plant & equipment	3	404,808	481,483
Loss on disposal of property, plant & equipment		-	32,463
Loss on sale of investment		-	28,500
Legal fees	4	4,669	1,399
Property Costs	5	305,737	291,782
Other	6	112,416	117,405
Total expenses		840,755	967,532
Surplus before income tax		225,936	24,070
Income tax expense	2	-	-
Surplus for the year		225,936	24,070
Other comprehensive income:			
Revaluation increment - Financial Assets		22,106	23,600
Transfer of Net assets on amalgamation	2	-	4,225,126
Total comprehensive surplus attributable to Union		248,042	4,272,796

The accompanying notes form part of these financial statements.

The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland
State Construction & General Division

Statement of Changes in Equity for the year ended 31 December 2015

	Retained earnings $	Asset revaluation reserve $	Financial assets reserve $
Balance at 1 January 2014	4,786,938	201,708	-
Surplus attributable to the Union	24,070		
Transfer Nett assets on amalgamation	4,225,126	1,024,142	2,250
Revaluation Increment - Financial Assets			23,600
Balance at 31 December 2014	9,036,134	1,225,850	25,850
Surplus attributable to the Union	225,936		
Revaluation Increment - Financial Assets			22,106
Revaluation increment - Property written back on sale	955,138	(955,138)	
Balance at 31 December 2015	10,217,208	270,712	47,956

The accompanying notes form part of these financial statements.

The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland
State Construction & General Division

Cash Flow Statement for the year ended 31 December 2015

	Note	2015 $	2014 $
Cash flows from operating activities			
Receipts from members		-	-
Receipts from other reporting units		-	-
Interest received		238,000	187,396
Dividends received		511	464
Rent received		764,156	194,866
Wage claim receipts		456,292	851,547
Other sundry receipts		(3,725)	77,875
Payments to other reporting units		-	-
Payments to other suppliers and employees		(417,694)	(536,913)
Wage claim payments		(759,279)	(668,510)
Net cash provided by/(used in) operating activities	**14**	278,261	106,725
Cash flow from investing activities			
Purchase of fixed assets		(20,303)	(62,641)
Proceeds from sale of fixed assets		2,801,248	383,576
Purchase of investment property		-	(760,864)
Proceeds from sale of investment property		456,370	308,769
Purchase of investments		-	-
Proceeds from investments		33,249	71,502
Net cash (used) by investing activities		3,270,564	(59,658)
Cash flow from financing activities			
Cash received for/(paid to) CFMEU C&G QNTDB		(7,066,695)	1,469,329
Net cash (used) by investing activities		(7,066,695)	1,469,329
Net increase (decrease) in cash held		(3,517,870)	1,516,396
Cash transferred on amalgamation	**2**	-	1,603,248
Cash at the beginning of the year		6,256,658	3,137,014
Cash at the end of the year	**7**	2,738,788	6,256,658

The accompanying notes form part of these financial statements.

Note 1: Information to be provided to members

In accordance with the requirements of the *Industrial Relations Act 1999 (Qld)*, the attention of members is drawn to the provisions of section 556, which reads as follows:

(1) A member of an organisation may apply to the organisation for information that it must, under a regulation, give its members.

(2) An application may be made by the registrar for a member.

(3) The organisation must give the member or, if the registrar applied for a member, the registrar, the information applied for in the way prescribed under a regulation.

(4) If the information is given to the registrar, the registrar must give the information to the member for whom the registrar made the application.

Note 2: Summary of significant accounting policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial report requirements of the *Industrial Relations Act 1999 (Qld)*. The Committee of Management has determined that the Union is not a reporting entity.

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

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

Accounting Policies

(a) Income tax

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

(b) Revenue

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

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

Note 2: Summary of significant accounting policies (contd)

(c) Property, plant and equipment

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

Property

Land and buildings are shown at their fair value less subsequent depreciation for buildings. Property held for investment purposes is not depreciated.

Revaluations - land and buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Plant and equipment

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

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

Depreciation

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

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

Fixed asset	***Rate***
Buildings	4%
Motor vehicles	25%
Plant & equipment	10-20%

(d) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at their cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Note 2: Summary of significant accounting policies (contd)

(e) Financial Instruments

Initial recognition and measurement

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

Classification and subsequent measurement:

Financial Assets at fair value

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or is so designated by management and within the requirements of *AASB139: Recognition and Measurement of Financial Instruments*. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Held to maturity investments

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

Loans and receivables

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

Held to maturity investments

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

Available for sale financial assets

Available for sale financial assets include any financial assets not included in the above categories. Available for sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

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

Fair value

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

Impairment

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

Note 2: Summary of significant accounting policies (contd)

(f) Impairment of Assets

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

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

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

(g) Cash and Cash Equivalents

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

(h) Trade Payables

Trade payables and other payables represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid. These amounts are usually settled in 30 days. The carrying amount of the creditors and payables is deemed to reflect fair value.

(i) Goods and services tax (GST)

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

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

Note 2: Summary of significant accounting policies (contd)

(j) Comparative Figures

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

As a result of the amalgamation of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland and the Australian Building Construction Employees and Builders Labourers' Federation (Queensland) Union of Employees, significant net assets were transferred to the Union as at 1 May 2014.

(k) Key accounting estimates and judgements

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

Key estimates - Impairment

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

	2015 $	2014 $
Note 3: Depreciation of property, plant & equipment		
Building depreciation	210,142	205,346
Motor vehicles depreciation	64,857	146,285
Plant and equipment depreciation	129,809	129,852
	404,808	481,483
Note 4: Legal fees		
Litigation	-	-
Other	4,669	1,399
	4,669	1,399
Note 5: Property costs		
Body Corporate & Management fees	61,317	55,910
Cleaning	46,200	44,673
Electricity	73,261	79,029
Insurance	18,365	17,634
Maintenance & Repairs	40,349	43,987
Rates	56,705	50,185
Security	9,540	364
	305,737	291,782

	2015 $	2014 $
Note 6: Other operating costs		
Administration expenditure	48,121	44,286
Amalgamation expenses	-	787
Rent paid	64,295	72,332
	112,416	117,405
Note 7: Cash and cash equivalents		
Main account	42,803	134,290
CBA Bank	208,495	4,117
Business Internet Saver account	1,944,954	5,170,196
Bank - recovery of wages account	375,880	678,674
Term deposits maturing in less than 3 months	166,656	269,381
	2,738,788	6,256,658
Note 8: Receivables		
Interest receivable	26,766	38,062
Other receivables	58,030	46,654
	84,796	84,716
Less: Provision for impairment of receivables	-	-
	84,796	84,716

	2015 $	2014 $
Note 9: Financial assets		
Current		
Held to maturity investments:		
Notes	1,487,390	-
Total non-current financial assets	1,487,390	-
Non-current		
Available for sale investments:		
Shares at market value	13,447	15,569
Union House partnership at fair value	-	29,760
Held to maturity investments:		
Bonds	535,918	535,500
Notes	1,012,245	2,475,825
Total non-current financial assets	1,561,610	3,056,654
Total financial assets	3,049,000	3,056,654

Net Fair Values

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

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

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

Note 10: Property, Plant and Equipment		
Land and buildings		
Land at independent valuation 2012	2,260,000	2,260,000
Land at independent valuation 2013	-	616,667
Building at independent valuation 2012	3,740,000	3,740,000
Building at independent valuation 2013	-	1,716,666
Building at independent valuation 2014	220,000	220,000
Building at cost	131,796	131,796
Less: accumulated depreciation	(423,116)	(327,922)
	5,928,680	8,357,207

	2015 $	2014 $
Note 10: Property, Plant and Equipment (contd)		
Motor vehicles - at cost	249,530	943,044
Less: accumulated depreciation	(154,955)	(439,172)
	94,575	503,872
Plant and equipment - at cost	793,547	1,104,249
Less: accumulated depreciation	(493,205)	(576,633)
	300,342	527,616
	6,323,597	9,388,695

Movements in carrying amounts	Land and Buildings $	Motor vehicles $	Plant and equipment $	Total $
Balance at beginning of year	8,357,207	503,872	527,616	9,388,695
Additions	-	-	20,303	20,303
Disposals (WDV)	(1,263,247)	(327,033)	(117,768)	(1,708,048)
Depreciation expense - Note 3	(210,142)	(64,857)	(129,809)	(404,808)
Depreciation - Apprentice Scheme	-	-	-	-
Write back on revaluation on sale	(955,138)	-	-	(955,138)
Carrying amount at end of year	5,928,680	111,982	300,342	6,341,004

* Depreciation in relation to apprentice scheme vehicles is on-charged to the CFMEU C&G QNTDB.

	2015 $	2014 $
Note 11: Investment property		
Balance at beginning of year	2,500,864	3,189,667
Transfers in on amalgamation	-	1,051,701
Transfer to property plant & equipment	-	(2,129,667)
Disposals	(535,000)	(371,701)
Additions Investment Property	-	760,864
Revaluation increments	-	-
Carrying amount at end of year	1,965,864	2,500,864

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

	2015 $	2014 $
Note 12: Trade and other payables		
Trade payables and accruals	36,950	37,254
Payable to other reporting units:	-	-
Wages collected on behalf of members	375,173	678,160
	412,123	715,414
Wages collected on behalf of members		
Opening balance at start of year	678,160	495,123
Amounts recovered from employers	456,292	851,547
Payments to or on behalf of Workers	(759,279)	(668,510)
	375,173	678,160
Note 13: Revenue in Advance		
Current		
Other revenue in advance	14,714	19,123
	14,714	19,123
Note 14: Cash flow information		
(a) Reconciliation of cash flow from operations with surplus after income tax		
Surplus from ordinary activities after income tax	225,936	24,070
Non-cash flows in ordinary activities		
Depreciation expense - Note 3	404,808	481,483
Depreciation - Apprentice Scheme	-	-
(Gain)/Loss on sale of assets	(59,432)	32,463
(Gain)/Loss on sale of investments	-	28,500
Rent charged to QNTDB	-	(562,230)
Share Union House Partnership	(3,489)	(20,588)
Changes in assets and liabilities		
(Increase) decrease in receivables	(80)	43,641
(Increase) decrease in prepayments	18,218	(14,211)
Increase (decrease) in payables	(303,291)	92,501
Increase (decrease) in revenue in advance	(4,409)	1,096
	278,261	106,725

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

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

Note 15: Contingent liabilities
There are continually numerous ongoing unsettled legal actions against the Union regarding industrial relations matters.

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

No provision is made for any settlement costs or penalties for ongoing matters as the Union intends to defend the claims.

Note 16: Events after the Reporting Period
The Union is not aware of any significant events since the end of the reporting period.

Note 17: Financial Support received from another reporting unit
The Union is not reliant on the agreed financial support of another reporting unit to continue as a going concern.

Note 18: Financial Support given to another reporting unit
The Union has not agreed to provide financial support to another reporting unit.

Note 19: Acquisition of assets/liabilities from a business combination
The Union has not acquired an asset or liability as part of a business combination.

Note 20: Acquisition of assets/liabilities from an amalgamation/restructure
On 1 May 2014 (prior year), the Construction, Forestry, Mining & Energy, Industrial Union of Employees,Queensland (CFMEU) was amalgamated with the Australian Building Construction Employees and Builders Labourers' Federation (Queensland) Union of Employees (BLF).

As a consequence of the amalgamation, from 1 May 2014 the BLF was deregistered and all assets and liabilities were transferred to the CFMEU.

Assets and liabilities of an operational nature were transferred to the Federally registered reporting unit the Construction, Forestry, Mining & Energy, Union, Construction & General Division, Queensland Northern Territory Divisional Branch (QNTDB).

The detailed financial effect of the amalgamation was presented in the prior year financial statements.

Note 21: Payments to former related parties
Payments to former related parties where the liability for the payment was incurred during the period in which a related party relationship existed are detailed as follows:

Name of Former Party	Details of Payment	Amount $
Nil	Nil	-

Note 22: Union details
The principal place of business of the Union is:

Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland - State Construction & General Division
16 Campbell Street
Bowen Hills Qld 4006

The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division
Accounting Officer's Certificate for the year ended 31 December 2015

(Industrial Relations Act 1999 (Qld))

I, Michael John Ravbar, being the officer responsible for keeping the accounting records of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland - State Construction & General Division, certify that as at 31 December 2015 the number of members of the organisation was as follows:

number of financial members	13,945
number of non-financial members	3,114

and, in my opinion:

(i) the financial statements show a true and fair view of the financial affairs of the organisation as at the end of the financial year;

(ii) a record has been kept of all monies paid by, or collected from, members of the organisation, and all monies so paid or collected have been credited to the bank account or accounts to which those monies are to be credited, in accordance with the rules of the organisation;

(iii) before any expenditure was incurred by the organisation, approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation;

(iv) no payment was made from any fund or special account for a purpose other than the purpose for which the fund or account was established. Any payments made were approved under the rules of the organisation.

(v) any loans or other financial benefits given to employees or officers of the organisation were allowed under the organisation's rules; and

(vi) the register of members of the organisation was maintained in accordance with the Act.

Signed at Brisbane,

Dated this ...7... day of June 2016.

.....

Michael John Ravbar
State Secretary

The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division

Management Committee Certificate for the year ended 31 December 2015

(Industrial Relations Act 1999 (Qld))

We, Royce Kupsch and Keith Murphy being two members of the Committee of Management of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland - State Construction & General Division do state on behalf of the Committee and in accordance with a resolution passed by the Committee that:

(i) in our opinion, the financial statements show a true and fair view of the financial affairs of the organisation as at the end of the financial year to which the statements relate;

(ii) in our opinion, the organisation was solvent during the whole of the year and at the date of this statement the organisation is able to pay its debts as and when they become due and payable;

(iii) in our opinion, during the financial period to which the statements relate, meetings of the Committee of Management were held in accordance with the rules of the organisation;

(iv) to the knowledge of any member of the Committee, there have been, during the financial period to which the statements relate, no instances where records or rules of the organisation or other documents (not being documents containing information made available to a member of the organisation under section 556 of the Act), or copies of those records, rules or other documents, have not been given to members of the organisation in accordance with the Act, the Regulations made under the Act, or the rules of the organisation;

(v) the audit report and financial statements of the organisation for the financial year immediately before the year to which these financial statements relate have been:

(a) presented to a presentation meeting of the organisation in accordance with section 565 of the Act; and

(b) given to the members of the organisation in accordance with section 566 of the Act.

Signed at Brisbane,

Dated this ..7.. day of June 2016.

[redacted]

Royce Kupsch

.....[redacted]

Keith Murphy

PKF

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland, which comprises the balance sheet as at 31 December 2015, the income statement, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

The audit report has been prepared based on the requirements of section 560 of the *Industrial Relations Act 1999 (Qld)*.

Committee of Management's Responsibility for the Annual Financial Disclosure Statement

The Committee of Management of the Union are responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 2 to the financial statements are consistent with the financial reporting requirements of the Industrial Relations Act 1999 (Qld) and the Union's rules are appropriate to meet the needs of the members. The Committee's responsibility also includes such internal control as the Committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to 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 company's preparation of the financial report that gives a true and fair view 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 company'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.

PKF Hacketts Audit
ABN 33 873 151 348

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Opinion

In our opinion:

(a) The organization kept satisfactory accounting records for the financial year, including records of:

  i. the sources and nature of the organisation's income, including income from members, and

  ii. the nature and reasons for the organisation's expenditure; and

(b) the accounts for the year were properly drawn to give a true and fair view of the organisation's:

  i. financial affairs at the end of the year, and

  ii. income and expenditure, and any surplus or deficit, for the year; and

(c) the accounts for the year were prepared in accordance with the Industrial Relations Act 1999 (Qld); and

(d) the financial disclosure statement and the mid-year financial disclosure statement for the year were prepared under this Act; and

(e) the organisation has the policies it is required to have under section 553A(1); and

(f) the organisation's spending for political purposes, if any, have not contravened the requirements of section 553F; and

(g) deficiencies, failures or shortcomings (an accounting deficiency) for a matter mentioned in paragraphs (a) to (f) are listed below:

- not applicable

(h) all the information and explanations that we required from the organisation's officers or employees were given.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the financial reporting requirements of the Construction, Forestry, Mining and Energy, Industrial Union of Employees, Queensland under the *Industrial Relations Act 1999*. As a result, the financial report may not be suitable for any other purpose.

PKF Hacketts

PKF Hacketts Audit

[redacted]

Shaun Lindemann
Partner

Brisbane

Date: 7 June 2016

The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland
State Construction & General Division
Annual Disclosure Statement for the year ended 31 December 2015

S557Q - Remuneration and Benefits for Highest paid Officers 2015			
Officer	*Remuneration paid to Officer in the year*	*Any cash benefit, including the value of the benefit, given to the officer by the union, other than as remuneration in the year*	*Any amount paid to the officer in the officer's capacity as a Board member officer in the year, other than an amount paid to the officer for the costs of travel or accomodation for the officers to attend a board meeting*
Michael Ravbar	Nil	Nil	
Jade Ingham	Nil	Nil	

S557R - Financial Registers	
Web Address	www.qld.cfmeu.asn.au

S557S - Spending for Political Purposes 2015			
Name of the Spending	*Amount of the Spending*	*Political object to which the spending relates*	*Date of each expenditure ballot*
Not applicable			

S557T - Political Party Affiliation Fees 2015	
	Nil

S557V - Officers Financial management Training		
Official	*Role*	*Training Date*
David Hanna	State Divisional President	25/11/2013
Kane Pearson	State Divisional Assistant Secretary	25/11/2013
Royce Kupsch	State Divisional Senior Vice President	25/11/2013
Darren Williams	State Divisional Vice President	25/11/2013
Stephen Anderse	State Divisional Council Member	25/11/2013
Michael Koning	State Divisional Council Member	25/11/2013
Kevin Heenan	State Divisional Council Member	25/11/2013
Dallas Ezzy	State Divisional Council Member	25/11/2013
James Fissenden	State Divisional Council Member	25/11/2013
Anthony Floro	State Divisional Council Member	25/11/2013
Dean Kupsch	State Divisional Council Member	25/11/2013
Pat Maher	State Divisional Council Member	25/11/2013
Bradley Daniel	State Divisional Vice President	2/12/2013
Cherie Shaw	Finance Officer	2/12/2013
Ian McKewin	State Divisional Executive Member	2/12/2013
Jade Ingham	State Divisional Assistant Secretary	2/12/2013
Keith Murphy	State Divisional Assistant Secretary	2/12/2013
Leanne Butkus	Office Manager	2/12/2013
Michael Ravbar	State Secretary	2/12/2013
Paula Masters	Systems & Governance Officer	2/12/2013
Peter Close	State Divisional Executive Member	2/12/2013
Steven Gaske	State Divisional Vice President	2/12/2013

S557U - Financial Policies		
Policy	*Date Adopted*	*Last Reviewed*
Complaints about Financial Matters	Aug-13	September 2015
Contracting Activities	Aug-13	September 2015
Credit Card Usage	pre July 2013	September 2015
Decision making and Reporting of Financial Matters	pre July 2013	September 2015
Entertainment and Hospitality	Aug-13	September 2015
Expenditure of Union Funds	Aug-13	September 2015
Gifts	pre July 2013	September 2015
Material Personal Interests	Aug-13	September 2015
Travel and Accommodation	Aug-13	September 2015

The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division

Secretary's Certificate

(Industrial Relations Act 1999 (Qld) - Section 570)

I certify that the attached Financial Disclosure Statement, including the Audit Report, for the year ended 31 December 2015 are those that were presented to a management committee meeting of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland - State Construction & General Division held on .....7.....June.....2016

Signed at Brisbane,

Dated this.....29th.....day of .....July..... 2016.

[redacted]

Michael John Ravbar
State Secretary

Financial Reports

CFMEUQ

1 January 2016 to 31 December 2016

Liability limited by a scheme approved under Professional Standards Legislation

CFMEU
QLD/NT

THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

Financial Statements

For the year ended 31 December 2016

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The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland
State Construction & General Division

Balance Sheet as at 31 December 2016

	Note	2016 $	2015 $
Current assets			
Cash and cash equivalents	7	6,161,276	2,738,788
Financial assets	9	1,003,425	-
Receivables	8	14,970	84,796
Prepayments		18,151	2,805
Total current assets		7,197,822	2,826,389
Non-current assets			
Financial assets	9	13,787	3,049,000
Property, Plant and Equipment	10	6,157,318	6,323,597
Investment property	11	1,965,864	1,965,864
Total non-current assets		8,136,969	11,338,461
Total assets		15,334,791	14,164,850
Current liabilities			
Trade and other payables	12	1,540,380	412,123
Revenue in Advance	13	15,302	14,714
Total current liabilities		1,555,682	426,837
Non-current liabilities			
Loan - CFMEU C&G QNTDB		2,952,137	3,202,137
Total non-current liabilities		2,952,137	3,202,137
Total liabilities		4,507,819	3,628,974
Net assets		10,826,972	10,535,876
Equity			
Asset revaluation reserve		270,712	270,712
Financial Assets revaluation reserve		10,492	47,956
Retained earnings		10,545,768	10,217,208
Total equity		10,826,972	10,535,876

The accompanying notes form part of these financial statements.

The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland
State Construction & General Division
Income Statement for the year ended 31 December 2016

	Note	2016 $	2015 $
REVENUE			
Interest		162,788	226,704
Dividends		568	511
Rent received		755,688	768,565
Sundry income and reimbursement		1,136	11,479
Gain on disposal of property, plant & equipment		4,310	59,432
Gain on disposal of investment		40,675	-
Total revenue		965,165	1,066,691
EXPENDITURE			
Auditors remuneration - Audit services		13,500	13,125
Depreciation of property, plant & equipment	3	267,277	404,808
Legal fees	4	-	4,669
Property Costs	5	302,849	305,737
Other	6	52,979	112,416
Total expenses		636,605	840,755
Surplus before income tax		328,560	225,936
Income tax expense	2	-	-
Surplus for the year		328,560	225,936
Other comprehensive income:			
Revaluation increment/(decrement) - Financial Assets		(37,464)	22,106
Total comprehensive surplus attributable to Union		291,096	248,042

The accompanying notes form part of these financial statements.

The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland
State Construction & General Division

Statement of Changes in Equity for the year ended 31 December 2016

	Retained earnings $	Asset revaluation reserve $	Financial assets reserve $
Balance at 1 January 2015	9,036,134	1,225,850	25,850
Surplus attributable to the Union	225,936	-	-
Revaluation Increment - Financial Assets	-	-	22,106
Revaluation increment - Property written back on sale	955,138	(955,138)	-
Balance at 31 December 2015	10,217,208	270,712	47,956
Surplus attributable to the Union	328,560	-	-
Revaluation (Decrement) - Financial Assets	-	-	(37,464)
Revaluation increment - Property written back on sale	-	-	-
Balance at 31 December 2016	10,545,768	270,712	10,492

The accompanying notes form part of these financial statements.

The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland
State Construction & General Division

Cash Flow Statement for the year ended 31 December 2016

	Note	2016 $	2015 $
Cash flows from operating activities			
Receipts from members		-	-
Receipts from other reporting units			
CFMEU QNTDB		668,724	-
Interest received		176,296	238,000
Dividends received		568	511
Rent received		148,345	764,156
Wage claim receipts		1,101,783	456,292
Other sundry receipts		63,199	(3,725)
Payments to other reporting units		-	-
Payments to other suppliers and employees		(442,676)	(417,694)
Wage claim payments		(753,232)	(759,279)
Net cash provided by/(used in) operating activities	**14**	963,007	278,261
Cash flow from investing activities			
Purchase of fixed assets		(135,906)	(20,303)
Proceeds from sale of fixed assets		29,999	2,801,248
Proceeds from sale of investment property		-	456,370
Proceeds from investments		2,034,999	33,249
Net cash (used) by investing activities		1,929,092	3,270,564
Cash flow from financing activities			
Cash received for/(paid to) CFMEU C&G QNTDB		530,389	(7,066,695)
Net cash (used) by investing activities		530,389	(7,066,695)
Net increase (decrease) in cash held		3,422,488	(3,517,870)
Cash at the beginning of the year		2,738,788	6,256,658
Cash at the end of the year	7	6,161,276	2,738,788

The accompanying notes form part of these financial statements.

Note 1: Information to be provided to members

In accordance with the requirements of the *Industrial Relations Act 1999 (Qld)*, the attention of members is drawn to the provisions of section 556, which reads as follows:

(1) A member of an organisation may apply to the organisation for information that it must, under a regulation, give its members.

(2) An application may be made by the registrar for a member.

(3) The organisation must give the member or, if the registrar applied for a member, the registrar, the information applied for in the way prescribed under a regulation.

(4) If the information is given to the registrar, the registrar must give the information to the member for whom the registrar made the application.

Note 2: Summary of significant accounting policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial report requirements of the *Industrial Relations Act 1999 (Qld)*. The Committee of Management has determined that the Union is not a reporting entity.

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

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

Accounting Policies

(a) Income tax

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

(b) Revenue

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

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

Note 2: Summary of significant accounting policies (contd)

(c) Property, plant and equipment

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

Property

Land and buildings are shown at their fair value less subsequent depreciation for buildings. Property held for investment purposes is not depreciated.

Revaluations - land and buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Plant and equipment

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

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

Depreciation

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

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

Fixed asset	***Rate***
Buildings	4%
Motor vehicles	25%
Plant & equipment	10-20%

(d) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at their cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Note 2: Summary of significant accounting policies (contd)

(e) Financial Instruments

Initial recognition and measurement

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

Classification and subsequent measurement:

Financial Assets at fair value

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or is so designated by management and within the requirements of *AASB139: Recognition and Measurement of Financial Instruments*. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Held to maturity investments

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

Loans and receivables

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

Held to maturity investments

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

Available for sale financial assets

Available for sale financial assets include any financial assets not included in the above categories. Available for sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

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

Fair value

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

Impairment

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

Note 2: Summary of significant accounting policies (contd)

(f) Impairment of Assets

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

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

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

(g) Cash and Cash Equivalents

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

(h) Trade Payables

Trade payables and other payables represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid. These amounts are usually settled in 30 days. The carrying amount of the creditors and payables is deemed to reflect fair value.

(i) Goods and services tax (GST)

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

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

Note 2: Summary of significant accounting policies (contd)

(j) Comparative Figures

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

(k) Key accounting estimates and judgements

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

Key estimates - Impairment

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

	2016 $	2015 $
Note 3: Depreciation of property, plant & equipment		
Building depreciation	164,212	210,142
Motor vehicles depreciation	13,486	64,857
Plant and equipment depreciation	89,579	129,809
	267,277	404,808
Note 4: Legal fees		
Litigation	-	-
Other	-	4,669
	-	4,669
Note 5: Property costs		
Body Corporate & Management fees	50,577	61,317
Cleaning	44,612	46,200
Electricity	66,234	73,261
Insurance	17,500	18,365
Maintenance & Repairs	35,145	40,349
Rates	51,710	56,705
Security	37,071	9,540
	302,849	305,737

	2016 $	2015 $
Note 6: Other operating costs		
Administration expenditure	52,979	48,121
Amalgamation expenses	-	-
Rent paid	-	64,295
	52,979	112,416
Note 7: Cash and cash equivalents		
Main account	98,052	42,803
CBA Bank	-	208,495
Business Internet Saver account	5,168,798	1,944,954
Bank - recovery of wages account	723,819	375,880
Term deposits maturing in less than 3 months	170,607	166,656
	6,161,276	2,738,788
Note 8: Receivables		
Interest receivable	13,258	26,766
Other receivables	1,712	58,030
	14,970	84,796
Less: Provision for impairment of receivables	-	-
	14,970	84,796

	2016 $	2015 $
Note 9: Financial assets		
Current		
Held to maturity investments:		
Notes	1,003,425	-
Total non-current financial assets	1,003,425	-
Non-current		
Available for sale investments:		
Shares at market value	13,787	13,447
Union House partnership at fair value	-	-
Held to maturity investments:		
Bonds	-	535,918
Notes	-	2,499,635
Total non-current financial assets	13,787	3,049,000
Total financial assets	1,017,212	3,049,000

Net Fair Values

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

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

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

Note 10: Property, Plant and Equipment		
Land and buildings		
Land at independent valuation 2012	2,260,000	2,260,000
Building at independent valuation 2012	3,740,000	3,740,000
Building at independent valuation 2014	220,000	220,000
Building at cost	249,234	131,796
Less: accumulated depreciation	(587,328)	(423,116)
	5,881,906	5,928,680

	2016 $	2015 $
Note 10: Property, Plant and Equipment (contd)		
Motor vehicles - at cost	179,033	249,530
Less: accumulated depreciation	(130,369)	(154,955)
	48,664	94,575
Plant and equipment - at cost	691,194	793,547
Less: accumulated depreciation	(464,446)	(493,205)
	226,748	300,342
	6,157,318	6,323,597

Movements in carrying amounts	**Land and Buildings** $	**Motor vehicles** $	**Plant and equipment** $	**Total** $
Balance at beginning of year	5,928,680	94,575	300,342	6,323,597
Additions	117,438	-	18,468	135,906
Disposals (WDV)	-	(23,206)	(2,483)	(25,689)
Depreciation expense - Note 3	(164,212)	(13,486)	(89,579)	(267,277)
Depreciation - Apprentice Scheme	-	(9,219)	-	(9,219)
Write back on revaluation on sale	-	-	-	-
Carrying amount at end of year	5,881,906	48,664	226,748	6,157,318

* Depreciation in relation to apprentice scheme vehicles is on-charged to the CFMEU C&G QNTDB.

	2016 $	2015 $
Note 11: Investment property		
Balance at beginning of year	1,965,864	2,500,864
Transfer to property plant & equipment	-	-
Disposals	-	(535,000)
Additions Investment Property	-	-
Revaluation increments	-	-
Carrying amount at end of year	1,965,864	1,965,864

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

	2016 $	2015 $
Note 12: Trade and other payables		
Trade payables and accruals	45,486	36,950
Payable to other reporting units:	771,170	-
Wages collected on behalf of members	723,724	375,173
	1,540,380	412,123
Wages collected on behalf of members		
Opening balance at start of year	375,173	678,160
Amounts recovered from employers	1,101,783	456,292
Payments to or on behalf of Workers	(753,232)	(759,279)
	723,724	375,173
Note 13: Revenue in Advance		
Current		
Other revenue in advance	15,302	14,714
	15,302	14,714
Note 14: Cash flow information		
(a) Reconciliation of cash flow from operations with surplus after income tax		
Surplus from ordinary activities after income tax	328,560	225,936
Non-cash flows in ordinary activities		
Depreciation expense - Note 3	267,277	404,808
(Gain)/Loss on sale of assets	(4,310)	(59,432)
(Gain)/Loss on sale of investments	(40,675)	-
Share Union House Partnership	-	(3,489)
Changes in assets and liabilities		
(Increase) decrease in receivables	69,826	(80)
(Increase) decrease in prepayments	(15,346)	18,218
Increase (decrease) in payables	357,087	(303,291)
Increase (decrease) in revenue in advance	588	(4,409)
	963,007	278,261

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

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

Note 15: Contingent liabilities
There are continually numerous ongoing unsettled legal actions against the Union regarding industrial relations matters.

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

No provision is made for any settlement costs or penalties for ongoing matters as the Union intends to defend the claims.

Note 16: Events after the Reporting Period
Subsequent to the end of the reporting period, the Union purchased a commercial property at 43/12 Charlton Court, Woolner to be used as the Union's office in Darwin. The purchase price of the property was $360,000.

Note 17: Financial Support received from another reporting unit
The Union is not reliant on the agreed financial support of another reporting unit to continue as a going concern.

Note 18: Financial Support given to another reporting unit
The Union has not agreed to provide financial support to another reporting unit.

Note 19: Acquisition of assets/liabilities from a business combination
The Union has not acquired an asset or liability as part of a business combination.

Note 20: Payments to former related parties
Payments to former related parties where the liability for the payment was incurred during the period in which a related party relationship existed are detailed as follows:

Name of Former Party	Details of Payment	Amount $
Nil	Nil	-

Note 21: Union details
The principal place of business of the Union is:
Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland - State Construction & General Division
16 Campbell Street
Bowen Hills Qld 4006

The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division
Accounting Officer's Certificate for the year ended 31 December 2016

(Industrial Relations Act 1999 (Qld))

I, Michael John Ravbar, being the officer responsible for keeping the accounting records of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland - State Construction & General Division, certify that as at 31 December 2016 the number of members of the organisation was as follows:

number of financial members	14,355
number of non-financial members	3,531

and, in my opinion:

(i) the financial statements show a true and fair view of the financial affairs of the organisation as at the end of the financial year;

(ii) a record has been kept of all monies paid by, or collected from, members of the organisation, and all monies so paid or collected have been credited to the bank account or accounts to which those monies are to be credited, in accordance with the rules of the organisation;

(iii) before any expenditure was incurred by the organisation, approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation;

(iv) no payment was made from any fund or special account for a purpose other than the purpose for which the fund or account was established. Any payments made were approved under the rules of the organisation.

(v) any loans or other financial benefits given to employees or officers of the organisation were allowed under the organisation's rules; and

(vi) the register of members of the organisation was maintained in accordance with the Act.

Signed at Brisbane,

Dated this 17 day of May 2017.

[redacted]

Michael John Ravbar
State Secretary

The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division

Management Committee Certificate for the year ended 31 December 2016

(Industrial Relations Act 1999 (Qld))

We, Royce Kupsch and Keith Murphy being two members of the Committee of Management of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland - State Construction & General Division do state on behalf of the Committee and in accordance with a resolution passed by the Committee that:

(i) in our opinion, the financial statements show a true and fair view of the financial affairs of the organisation as at the end of the financial year to which the statements relate;

(ii) in our opinion, the organisation was solvent during the whole of the year and at the date of this statement the organisation is able to pay its debts as and when they become due and payable;

(iii) in our opinion, during the financial period to which the statements relate, meetings of the Committee of Management were held in accordance with the rules of the organisation;

(iv) to the knowledge of any member of the Committee, there have been, during the financial period to which the statements relate, no instances where records or rules of the organisation or other documents (not being documents containing information made available to a member of the organisation under section 556 of the Act), or copies of those records, rules or other documents, have not been given to members of the organisation in accordance with the Act, the Regulations made under the Act, or the rules of the organisation;

(v) the audit report and financial statements of the organisation for the financial year immediately before the year to which these financial statements relate have been:

(a) presented to a presentation meeting of the organisation in accordance with section 565 of the Act; and

(b) given to the members of the organisation in accordance with section 566 of the Act.

Signed at Brisbane,

Dated this ..17..... day of May 2017.

[redacted]

Royce Kupsch

[redacted]

Keith Murphy

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland, which comprises the balance sheet as at 31 December 2016, the income statement, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

The audit report has been prepared based on the requirements of section 560 of the *Industrial Relations Act 1999 (Qld)*.

In our opinion:

(a) The organisation kept satisfactory accounting records for the financial year, including records of:
    i. the sources and nature of the organisation's income, including income from members, and
    ii. the nature and reasons for the organisation's expenditure; and
(b) the accounts for the year were properly drawn to give a true and fair view of the organisation's:
    i. financial affairs at the end of the year, and
    ii. income and expenditure, and any surplus or deficit, for the year; and
(c) the accounts for the year were prepared in accordance with the Industrial Relations Act 1999 (Qld); and
(d) the financial disclosure statement and the mid-year financial disclosure statement for the year were prepared under this Act; and
(e) the organisation has the policies it is required to have under section 553A(1); and
(f) the organisation's spending for political purposes, if any, have not contravened the requirements of section 553F; and
(g) deficiencies, failures or shortcomings (an accounting deficiency) for a matter mentioned in paragraphs (a) to (f) are listed below:
    - not applicable
(h) all the information and explanations that we required from the organisation's officers or employees were given.

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.

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Emphasis of Matter

Without modifying our opinion, we draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the financial reporting requirements of the Construction, Forestry, Mining and Energy, Industrial Union of Employees, Queensland under the *Industrial Relations Act 1999*. As a result, the financial report may not be suitable for any other purpose.

Committee of Management's Responsibility for the Annual Financial Disclosure Statement

The Committee of Management of the Union are responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 2 to the financial statements are consistent with the financial reporting requirements of the Industrial Relations Act 1999 (Qld) and the Union's rules are appropriate to meet the needs of the members. The Committee's responsibility also includes such internal control as the Committee determines is necessary to enable the preparation and fair presentation of a 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 for the Audit of the Financial Report

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

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.aspx. This description forms part of our auditor's report.

PKF Hacketts

PKF Hacketts Audit

[redacted]

Shaun Lindemann
Partner

Brisbane
Date: 17 May 2017

The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland
State Construction & General Division
Annual Disclosure Statement for the year ended 31 December 2016

S557Q - Remuneration and Benefits for Highest paid Officers 2016			
Officer	*Remuneration paid to Officer in the year*	*Any cash benefit, including the value of the benefit, given to the officer by the union, other than as remuneration in the year*	*Any amount paid to the officer in the officer's capacity as a Board member officer in the year, other than an amount paid to the officer for the costs of travel or accomodation for the officers to attend a board meeting*
Michael Ravbar	Nil	Nil	
Jade Ingham	Nil	Nil	

S557R - Financial Registers	
Web Address	www.qld.cfmeu.asn.au

S557S - Spending for Political Purposes 2016			
Name of the Spending	*Amount of the Spending*	*Political object to which the spending relates*	*Date of each expenditure ballot*
Not applicable			

S557T - Political Party Affiliation Fees 2016	
	Nil

S557V - Officers Financial management Training		
Official	***Role***	***Training Date***
Royce Kupsch	State Divisional Senior Vice President	25/11/2013
Darren Williams	State Divisional Vice President	25/11/2013
Stephen Andersen	State Divisional Council Member	25/11/2013
Kevin Heenan	State Divisional Council Member	25/11/2013
Dallas Ezzy	State Divisional Council Member	25/11/2013
James Fissenden	State Divisional Council Member	25/11/2013
Dean Kupsch	State Divisional Council Member	25/11/2013
Pat Maher	State Divisional Council Member	25/11/2013
Bradley Daniel	State Divisional Vice President	2/12/2013
Ian McKewin	State Divisional Executive Member	2/12/2013
Jade Ingham	State Divisional Assistant Secretary	2/12/2013
Keith Murphy	State Divisional Assistant Secretary	2/12/2013
Leanne Butkus	Office Manager	2/12/2013
Michael Ravbar	State Secretary	2/12/2013
Paula Masters	Systems & Governance Officer	2/12/2013
Peter Close	State Divisional Executive Member	2/12/2013
Steven Gaske	State Divisional Vice President	2/12/2013

S557U - Financial Policies		
Policy	***Date Adopted***	***Last Reviewed***
Complaints about Financial Matters	Aug-13	September 2015
Contracting Activities	Aug-13	September 2015
Credit Card Usage	pre July 2013	September 2015
Decision making and Reporting of Financial Matters	pre July 2013	September 2015
Entertainment and Hospitality	Aug-13	September 2015
Expenditure of Union Funds	Aug-13	September 2015
Gifts	pre July 2013	September 2015
Material Personal Interests	Aug-13	September 2015
Travel and Accommodation	Aug-13	September 2015

The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division
Secretary's Certificate

(Industrial Relations Act 1999 (Qld) - Section 570)

I certify that the attached Financial Disclosure Statement, including the Audit Report, for the year ended 31 December 2016 are those that were presented to a management committee meeting of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland - State Construction & General Division held on .....17...May.....2017....

Signed at Brisbane,

Dated this.....16th.....day of .....June..... 2017.

[redacted]

Michael John Ravbar
State Secretary

Financial Reports

CFMEUQ

1 January 2017 to 31 March 2017

Liability limited by a scheme approved under Professional Standards Legislation

CFMEU

THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

ABN 12 898 529 251

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2017

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THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

COMMITTEE OF MANAGEMENT'S OPERATING REPORT

FOR THE PERIOD ENDED 31 MARCH 2017

Operating Report

In accordance with section 764 of the *Industrial Relations Act 2016* ("Act") the Committee of Management ("the Committee") presents its Operating Report on The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ("the Union"), for the period ended 31 March 2017.

Principal Activities

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

- Implementation of the decisions of the State Executive and State Management Committee.
- 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.

Significant Changes in Financial Affairs

The Union has changed its financial period from 31 December to 31 March from 2017. As a result, these financial statements represents financial period from 1 January 2017 to 31 March 2017.

Members Right to Resign

A member may resign from the Union by written notice addressed and delivered to the Secretary of the Union in which membership is held.

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.764 (2) (d) of the *Industrial Relations Act 2016*, 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

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 18,779 (December 2016: 17,886).

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial period was nil (December 2016: nil).

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	Whole period
Keith Murphy	Whole period
Peter Close	Whole period
Jack Cummins	Whole period
Bob Williams	Whole period

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 2017 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 the table below:

Remuneration is defined as follows:

- Includes pay, wages, salary, fees, allowances, leave, benefits or other entitlements (employer superannuation); but
- Does not include a non-cash benefit; and
- Does not include the reimbursement or payment of reasonable expenses for the cost incurred in the course of the officer carrying out the officers' duties.

	Name of Officer	Actual amount of relevant remuneration	Value of or form of non-cash benefits	Amount paid to Officer in the Officer's capacity as a Board Member
1	Michael Ravbar	Nil	Nil	Nil
2	Jade Ingham	Nil	Nil	Nil
3	Andrew Sutherland	Nil	Nil	Nil
4	Royce Kupsch	Nil	Nil	Nil

The above remuneration register of the Union has been disclosed as described under s. 764 (2) (e) of the *Industrial Relations Act 2016.*

THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2017

Disclosure Statements – Loans, Grants and Donations

A copy of the loans, grants and donations register of the Union have been disclosed as described under s. 764 (2) (f) of the *Industrial Relations Act 2016.*

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:

[redacted]

Michael John Ravbar
State Secretary

31 July 2017

Brisbane

THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE PERIOD ENDED 31 MARCH 2017

On 31 July 2017, the State Executive on behalf of the Committee of Management of the Union passed the following resolution to the General Purpose Financial statements (GPFR) of the reporting unit for the financial period ended 31 March 2017.

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 Registrar;

(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 period 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 period to which the GPFR relates and since the end of that period:

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 organization including the rules of the Union concerned; and

iii. the financial records of the Union have been kept and maintained in accordance with the 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 Registrar duly made under section 787 of the Act, that information has been provided to the member or Registrar; and

vi. there have been no orders for inspection of financial records made by the Queensland Industrial Relations Commission under section 788 of the Act during the year.

(f) the organization has complied with the requirements under section 741 of the Act, Financial Management Training, and in so doing confirm the following:

Officer's Name: Michael John Ravbar
Role in the organization: State Secretary
Date the officer most recently completed the training: 26 May 2017
Training package: Union Governance
Provider: Australian Council of Trade Unions

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: State Secretary

Signature: [redacted]

Date: 31 July 2017

THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 MARCH 2017

	Notes	1 January 2017 to 31 March 2017	31 December 2016
		$	$
Revenue			
Membership subscription		-	-
Capitation fees		-	-
Levies		-	-
Interest	3A	19,249	162,788
Rental revenue	3B	192,095	755,688
Other revenue	3E	312	1,704
Total revenue		211,656	920,180
Other Income			
Grants and/or donations	3C	-	-
Net gains from sale of assets	3D	14,571	44,985
Total other income		14,571	44,985
Total income		226,227	965,165
Expenses			
Employee expenses	4A	-	-
Capitation/ Sustentation fees		-	-
Affiliation fees		-	-
Administration expenses	4B	142	1,099
Grants or donations	4C	-	-
Depreciation and amortisation	4D	64,018	267,277
Finance costs	4E	9,023	51,880
Legal costs	4F	368	-
Audit fees	4G	5,000	13,500
Property costs	4H	79,151	302,849
Other expenses		-	-
Total expenses		157,702	636,605
Surplus (deficit) for the year		68,525	328,560
Other comprehensive income			
Revaluation increment/(decrement) – Financial Assets		16,896	(37,464)
Total comprehensive income for the year		85,421	291,096

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

THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2017

	Notes	31 March 2017 $	31 December 2016 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	6,182,268	6,161,276
Trade and other receivables	5B	72,744	14,970
Other current assets	5C	17,395	18,151
Other investments	5D	1,019,415	1,003,425
Total current assets		7,291,822	7,197,822
Non-Current Assets			
Other investments	5D	14,692	13,787
Property, plant and equipment	6A	6,484,575	6,157,318
Investment property	6B	1,965,864	1,965,864
Total non-current assets		8,465,131	8,136,969
Total assets		15,756,953	15,334,791
LIABILITIES			
Current Liabilities			
Trade and other payables	7A	1,892,423	1,555,682
Employee provisions	8A	-	-
Total current liabilities		1,892,423	1,555,682
Non-Current Liabilities			
Employee provisions	8B	-	-
Loan – CFMEU C&G QNTDB		2,952,137	2,952,137
Total non-current liabilities		2,952,137	2,952,137
Total liabilities		4,844,560	4,507,819
Net assets		10,912,393	10,826,972
EQUITY			
Asset revaluation reserve		270,712	270,712
Financial assets revaluation reserve		27,388	10,492
Retained earnings		10,614,293	10,545,768
Total equity		10,912,393	10,826,972

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

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THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF CHANGES IN EQUITY

AS AT 31 MARCH 2017

	Asset revaluation reserves	Financial asset revaluation reserves	Retained earnings	Total equity
	$	$	$	$
Balance as at 1 January 2016	270,712	47,956	10,217,208	10,535,876
Surplus (deficit) for the year	-	-	328,560	328,560
Other comprehensive income for the year	-	(37,464)	-	(37,464)
Closing balance as at 31 December 2016	**270,712**	**10,492**	**10,545,768**	**10,826,972**
Surplus (deficit) for the period	-	-	68,525	68,525
Other comprehensive income for the year	-	16,896	-	16,896
Closing balance as at 31 March 2017	**270,712**	**27,388**	**10,614,293**	**10,912,393**

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

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THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 MARCH 2017

	Notes	1 January 2017 to 31 March 2017 $	31 December 2016 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	9B	170,459	668,724
Receipts from members and other customers		-	-
Rent received		13,385	148,345
Interest		10,574	176,296
Dividend received		312	568
Wage claim receipts		21,000	1,101,783
Other		-	63,199
Cash used			
Employees and suppliers		(131,622)	(390,796)
Wage claim payments		(23,456)	(753,232)
Finance cost		(9,023)	(51,880)
Payment to other reporting units	9B	-	-
Net cash from (used by) operating activities	9A	51,629	963,007
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of investment property		-	2,034,999
Proceeds from sale of property, plant and equipment		-	29,999
Cash used			
Purchase of plant and equipment		(407,233)	(135,906)
Net cash from (used by) investing activities		(407,233)	1,929,092
FINANCING ACTIVITIES			
Net cash received for/(paid to) CFMEU C&G QNTDB	9B	376,596	530,389
Net increase (decrease) in cash held		20,922	3,422,488
Cash & cash equivalents at the beginning of the reporting period		6,161,276	2,738,788
Cash & cash equivalents at the end of the reporting period	5	6,182,268	6,161,276

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

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THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

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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 *Industrial Relations Act 2016*. Compliance with Australia 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, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ('the 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.

For completeness, the Union has included all notes to the financial statements, even where such activities are not undertaken by them.

1.2 Comparative amounts

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

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

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

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 9: Financial Instruments and associates Amending Standards
(applicable to annual reporting periods beginning on or after 1 January 2018)

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

Key changes that may affect the Union on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

Although the Committee of Management anticipate that the adoption of AASB 9 may have an impact on the Union's financial instruments, it is impractical at this stage to provide a reasonable estimate of such impact.

AASB 15: Revenue from Contracts with Customers
(applicable for annual reporting periods beginning on or after 1 January 2018)

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.4 New Australian Accounting Standards (Continued)

AASB 15: Revenue from Contracts with Customers (Continued)

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 enhance disclosures regarding revenue.

The Committee of Management anticipate that the adoption of AASB 15 will not have a significant impact on the Union's financial statements.

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 measures 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 note to exercise an option to terminate the lease.

Although the Committee of Management anticipate that the adoption of AASB 16 may have an impact on the Union's financial statements, it is impractical at this stage to provide a reasonable estimate of such impact.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue

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

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 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.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

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/Sustentation 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 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

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 consolidated statement of financial position.

1.12 Financial instruments

Initial recognition and measurement
Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Union manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Union's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Union right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial assets (Continued)

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Union's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial assets (Continued)

Impairment of financial assets

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

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

The Union derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.14 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Union manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Union's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Union derecognises financial liabilities when, and only when, the Union's obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.15 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.

1.16 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 2017	31 December 2016
Buildings	4%	4%
Plant and equipment	25%	25%
Motor Vehicles	10-20%	10-20%

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.

1.17 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.17 Impairment (continued)

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.

1.18 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.

1.19 Fair value measurement

The Union measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 13.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.19 Fair value measurement (Continued)

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.

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.

1.20 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.

1.21 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 14 of Chapter 12 of the Act in which 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 Registrar under section 755 of the Act of an alternative reporting structure for the organisation; or
(d) a revocation by the Registrar under section 759 of the Act of a certificate issued to an organization under section 755.

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

NOTE 2 EVENTS AFTER REPORTING DATE

There were no events that occurred after 31 March 2017, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the union.

	1 January 2017 to 31 March 2017 $	31 December 2016 $
NOTE 3 INCOME		
Note 3A: Interest		
Interest	19,249	162,788
Total interest	19,249	162,788
Note 3B: Rental revenue		
Rent – Townsville Bayswater Road	3,640	14,560
Rent – Darwin	3,300	6,930
Rent – Manor Apartments	13,684	61,412
Rent - Cambell Street	171,471	672,786
Total rental income	192,095	755,688
Note 3C: Grants or donations		
Grants	-	-
Donations	-	-
Total grants or donations	-	-
Note 3D: Net gains from sale of assets		
Gain on sale of property, plant and equipment	14,571	4,310
Gain on sale of investments	-	40,675
Total net gain from sale of assets	14,571	44,985
Note 3E: Other Revenue		
Dividend income	312	568
Sundry income	-	1,136
Financial support from another reporting unit	-	-
Total other revenue	312	1,704

	1 January 2017 to 31 March 2017 $	31 December 2016 $
NOTE 4 EXPENSES		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	-	-
Employees other than office holders:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses employees other than office holders	-	-
Total employee expenses	-	-
Note 4B: Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Penalties – via IR Act or IR Regulations	-	-
Other	142	1,099
Total administration expenses	142	1,099
Note 4C: 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	-	-
Total paid that exceeded $1,000	-	-
Total grants or donations	-	-

NOTE 4 EXPENSES (CONTINUED)	1 January 2017 to 31 March 2017 $	31 December 2016 $
Note 4D: Depreciation and amortisation		
Depreciation:		
Buildings	41,519	164,212
Property, plant and equipment	20,482	89,579
Motor vehicles	2,017	13,486
Total depreciation	64,018	267,277
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	64,018	267,277
Note 4E: Finance costs		
Bank fees and charges	9,023	51,880
Total finance costs	9,023	51,880
Note 4F: Legal costs		
Litigation	-	-
Other legal matters	368	-
Total legal costs	368	-
Note 4G: Audit fees		
External audit expense	5,000	13,500
Other services	-	-
Total audit fees	5,000	13,500
Note 4H: Property costs		
Body corporate and management fees	13,234	50,577
Cleaning	12,947	44,612
Electricity	15,170	66,234
Insurance	3,681	17,500
Repairs and maintenance	17,302	35,145
Rates and Water	15,010	51,710
Security	1,807	37,071
Sundry expenses	-	-
Total property costs	79,151	302,849

NOTE 5 CURRENT ASSETS	1 January 2017 to 31 March 2017 $	31 December 2016 $
Note 5A: Cash and Cash Equivalents		
Cash at bank	6,009,683	5,990,670
Cash on hand	-	-
Term deposits	172,585	170,607
Total cash and cash equivalents	6,182,268	6,161,276
Note 5B: Trade and Other Receivables		
Interest receivable	21,933	13,258
Other receivables	2,312	1,712
GST receivable	18,954	-
Receivables from other reporting units		
CFMEU C&G QNTDB	29,545	-
Total trade and other receivables	72,744	14,970
Less provision for doubtful debts	-	-
Total provision for doubtful debts	-	-
Total trade and other receivables (net)	72,744	14,970
Note 5C: Other Current Assets		
Prepayments	17,395	18,151
Total other current assets	17,395	18,151
Note 5D: Other Investments		
Current		
Held to Maturity investments- Floating Rate Notes	1,019,415	1,003,425
Non-current		
Available for sale investments – Shares at market value	14,692	13,787
Total other investments	1,034,107	1,017,212

Net Fair Values

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

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

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

	1 January 2017 to 31 March 2017	31 December 2016
	$	$

NOTE 6 NON-CURRENT ASSETS

Note 6A: Property, plant and equipment

Property, Plant and Equipment comprises of:

Land and buildings	6,245,614	5,881,906
Motor vehicles	30,689	48,664
Plant and equipment	208,272	226,748
Total property plant and equipment	6,484,575	6,157,318
Land and buildings:		
Land at independent valuation 2012	2,260,000	2,260,000
Building at independent valuation 2012	3,740,000	3,740,000
Building at independent valuation 2014	220,000	220,000
Building at cost	654,461	249,234
Less accumulated depreciation	(628,847)	(587,328)
Total land and buildings	6,245,614	5,881,906
Motor vehicles:		
At cost	131,711	179,033
Less accumulated depreciation	(101,022)	(130,369)
Total land and buildings	30,689	48,664
Plant and Equipment:		
At cost	693,200	691,194
Less accumulated depreciation	(484,928)	(464,446)
Total land and buildings	208,272	226,748

	Land and Buildings	Motor Vehicles	Plant & Equipment	Total
	$	$	$	$
Balance at beginning of the period	5,881,906	48,664	226,748	6,157,318
Additions	405,227	-	2,006	407,233
Disposals	-	(15,958)	-	(15,958)
Depreciation	(41,519)	(2,017)	(20,482)	(64,018)
Carrying amount at end of period	6,245,614	30,689	208,272	6,484,575

NOTE 6 NON-CURRENT ASSETS (CONTINUED)

	1 January 2017 to 31 March 2017 $	31 December 2016 $
Note 6B: Investment property		
Investment property	1,965,864	1,965,864
Total Investment property	1,965,864	1,965,864

NOTE 7 TRADE AND OTHER PAYABLES

Note 7A: Trade and other payables - Current

Trade creditors	7,238	17,490
Payables to other reporting units		
- CFMEU C&G QNTDB	1,147,766	771,170
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	-	-
Other legal matters	-	-
Income received in advance	7,651	15,302
GST payable	-	22,409
Other payables and accruals	8,500	5,587
Wages collected on behalf of members	721,268	723,724
Total current trade and other payables	1,892,423	1,555,682

Wages collected on behalf of members:

Opening balance at beginning of the period	723,724	375,173
Amounts recovered from employers	21,000	1,101,783
Payments to or on behalf of Workers	(23,456)	(753,232)
	721,268	723,724

	1 January 2017 to 31 March 2017 $	31 December 2016 $
NOTE 8 PROVISIONS		
Note 8A: Employee Provisions - Current		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	-	-
Total current employee provisions	-	-
Note 8B: Employee Provisions – Non-current		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	-	-
Total non-current employee provisions	-	-
Current	-	-
Non-Current	-	-
Total employee provisions	-	-

	1 January 2017 to 31 March 2017 $	31 December 2016 $
NOTE 9 CASH FLOW		
Note 9A: Cash Flow Reconciliation		
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	6,182,268	6,161,276
Balance sheet	6,182,268	6,161,276
Difference	-	-
Reconciliation of profit/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the period	85,421	328,560
Adjustments for non-cash items		
Depreciation/amortisation	64,018	267,277
(Gain)/Loss on disposal of assets	(14,571)	(4,310)
(Gain)/Loss on disposal of investments	-	(40,675)
Changes in assets/liabilities		
(Increase)/decrease in net receivables	(57,774)	69,826
(Increase)/decrease in prepayments	756	(15,346)
Increase/(decrease) in trade and other payables	(26,221)	357,675
Increase/(decrease) in employee provisions	-	-
Net cash from (used by) operating activities	51,629	963,007
Note 9B: Cash flow information		
Cash inflows		
CFMEU C&G QNTDB	547,055	1,199,113
Total cash inflows	547,055	1,199,113
Cash outflows		
CFMEU C&G QNTDB	-	-
Total cash outflows	-	-

Note 10C: Credit standby arrangements and loan facilities

The Union did not have any credit facilities during the period ended 31 March 2017 (31 December 2016: Nil).

NOTE 9 CASH FLOW (CONTINUED)

Note 9D: Non-cash transactions

There have been no non-cash financing or investing activities during the period ended 31 March 2017 (31 December 2016: Nil).

NOTE 10 RELATED PARTY DISCLOSURES

Note 10A: 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.

	1 January 2017 to 31 March 2017 $	31 December 2016 $
Revenue received includes the following:		
Rent received from CFMEU C&G QNTDB	154,963	607,931
Expenses paid includes the following:		
CFMEU C&G QNTDB	-	-
Amounts owed by includes the following:		
CFMEU C&G QNTDB	29,545	-
Amounts owed to includes the following:		
CFMEU C&G QNTDB	1,147,766	771,170
Loans from CFMEU C&G QNTDB:	2,952,137	2,952,137

Terms and conditions of transactions with related parties

Related party transactions occur between the Union and the Construction, Forestry, Mining and Energy Union Construction and General Division Queensland Northern Territory Divisional Branch (CFMEU C&G QNTDB).

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 period 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.

The loan received from CEMEU C&G QNTDB does not incur interest and is expected to be repaid within 5 years.

NOTE 10 RELATED PARTY DISCLOSURES (CONTINUED)

Note 10B: 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)

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

	1 January 2017 to 31 March 2017 $	31 December 2016 $
Short-term employee benefits		
Salary (including annual leave taken)	-	-
Annual leave accrued	-	-
Non-cash benefits	-	-
Total short-term employee benefits	-	-
Post-employment benefits:		
Superannuation	-	-
Total post-employment benefits	-	-
Other long-term benefits:		
Long-service leave	-	-
Total other long-term benefits	-	-
Termination benefits	-	-
Total	-	-

No other transactions occurred during the period 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 11 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

The Committee of Management is not aware of any contingent assets or liabilities that are likely to have a material effect on the results of the Union.

	1 January 2017 to 31 March 2017 $	31 December 2016 $
NOTE 12 REMUNERATION OF AUDITORS		
Value of the services provided		
Financial statement audit services	5,000	13,500
Other services	-	-
Total remuneration of auditors	5,000	13,500

Other services include the audit of the political membership return.

NOTE 13 FINANCIAL INSTRUMENTS

Financial Risk Management Policy

The State Executive monitors the Union's financial risk management policies and exposure and approves financial transactions entered into. It also reviews the effectiveness of internal controls relating to the counterparty credit risk, liquidity risk, market risk and interest rate risk. The State Executive meets on a monthly basis to review the financial exposure of the Union.

Note 13A: Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss of the Union. The Union does not have any material credit risk exposures as its major source of revenue is the receipt of rental income.

The maximum exposures to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of provisions) as presented in the statement of financial position.

The Union has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. 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 following table details the Union's trade and other receivables exposed to credit risk. Amounts are considered 'past due' when the debt has not been settled, within the terms and conditions agreed between the Union and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Union.

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13A: Credit Risk (Continued)

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 2017

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Trade and other receivables	72,744	-	-	-	72,744
Total	72,744	-	-	-	72,744

Ageing of financial assets that were past due but not impaired for 2016

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Trade and other receivables	14,970	-	-	-	14,970
Total	14,970	-	-	-	14,970

The Union has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties.

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved policy. Such policy requires that surplus funds are only invested with counterparties with a strong reputation and backed by the Commonwealth Government's bank guarantee. At 31 March 2017, all funds were held by financial institutions backed by the Commonwealth Government's bank guarantee.

Collateral held as security

The Union does not hold collateral with respect to its receivables at 31 March 2017 (31 December 2016: Nil).

Note 13B: 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.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13B: Liquidity Risk (Continued)

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
	$	$	$	$	$	$	$	$
Financial liabilities due for payment								
Trade and other payables	1,892,423	1,555,682	-	-	-	-	1,892,423	1,555,682
Loan – CFMEU C&G QNTB	-	-	2,952,137	2,952,137	-	-	2,952,137	2,952,137
Total expected outflows	1,892,423	1,555,682	2,952,137	2,952,137	-	-	4,844,560	4,507,819
Financial assets – cash flow receivable								
Cash and cash equivalents	6,182,268	6,161,276	-	-	-	-	6,182,268	6,161,276
Trade and other receivables	72,744	14,970	-	-	-	-	72,744	14,970
Total anticipated inflows	6,255,012	6,176,246	-	-	-	-	6,255,012	6,176,246
Net (outflow) / inflow on financial instruments	4,362,589	4,620,564	(2,952,137)	(2,952,137)	-	-	1,410,452	1,668,427

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13C: 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.

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 14 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 14 FAIR VALUE MEASUREMENT (CONTINUED)

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

		31 March 2017		31 December 2016	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	6,182,268	6,182,268	6,161,276	6,161,276
Accounts receivable and other debtors	(i)	72,744	72,744	14,970	14,970
Total financial assets		6,255,012	6,255,012	6,176,246	6,176,246
Financial liabilities					
Accounts payable and other payables	(i)	1,892,423	1,892,423	1,555,682	1,555,682
Loan – CFMEU C&G QNTB		2,952,137	2,952,137	2,952,137	2,952,137
Total financial liabilities		4,844,560	4,844,560	4,507,819	4,507,819

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 139.

NOTE 14 FAIR VALUE MEASUREMENT (CONTINUED)

Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categories fair value measurement into one of the three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset of liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market date. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

31 March 2017	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets	**$**	**$**	**$**	**$**
Investment property	-	1,965,864	-	1,965,864
Held to Maturity – Floating Rate Notes	1,019,415	-	-	1,019,415
Available for sale investments	14,692	-	-	14,692
Land and buildings	-	6,245,614	-	6,245,614
31 December 2016				
Assets				
Investment property	-	1,965,864	-	1,965,864
Held to Maturity – Floating Rate Notes	1,019,415	-	-	1,019,415
Available for sale investments	13,787	-	-	13,787
Land and buildings	-	5,881,906	-	5,881,906

NOTE 15 SECTION 787 INDUSTRIAL RELATIONS ACT 2016

In accordance with the requirements of the *Industrial Relations Act 2016*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 787, which reads as follows:

Information to be provided to members or registrar:

(1) A member of a reporting unit, or the registrar, may apply to the reporting unit for stated information, prescribed by regulation, about the reporting unit to be made available to the person making the application.

(2) The application must be in writing and state the period, which must be at least 14 days after the application is made, within which the information must be made available and state the way in which the information must be made available.

(3) The reporting unit's organization must ensure the reporting unit complies with the application.

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 & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

Opinion

We have audited the accompanying financial report of Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division which comprises the Statement of Financial Position as at 31 March 2017, Statement of Comprehensive Income, Statement of Changes in Equity, and the Statement of Cash Flows for the period ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the Committee of Management Statement.

The audit report has been prepared based on the requirements of section 768 of the *Industrial Relations Act 2016 (Qld)*.

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

(a) presents fairly in all material respects, the Union's financial position as at 31 March 2017 and of its performance and cash flows for the period then ended; and
(b) complies with Tier 1 reporting requirements under Australian Accounting Standards, the *Industrial Relations Act 2016 (Qld)* and the *Reporting Guidelines for the purposes of section 765*.

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.

Committee of Management's Responsibility 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 *Industrial Relations Act 2016 (Qld)* 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.

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Auditor's Responsibility

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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.aspx. This description forms part of our auditor's report.

Report on Other Regulatory Requirements

a) 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.

b) I am an approved auditor as defined by s766. of the *Industrial Relations Act 2016 (Qld)* being a member of the Institute of Chartered Accountants in Australia & New Zealand who holds a current Public Practice Certificate.

PKF Hacketts

PKF Hacketts Audit

[redacted]

Shaun Lindemann
Partner

Brisbane, 31 July 2017

THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

DESIGNATED OFFICERS CERTIFICATE

FOR THE PERIOD ENDED 31 MARCH 2017

I, Michael John Ravbar, being the State Secretary of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division certify:

- that the documents lodged herewith are copies of the full report for the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division for the period 1 January 2017 to 31 March 2017.
- that the documents lodged are copies of the documents given to the members and presented to a meeting under section 782 of *Industrial Relations Act 2016*.

Michael John Ravbar

State Secretary

29 August 2017

Sample statement of loans, grants and donations exceeding $1,000 for financial period ending 31/03/2017

Organisation details

Name of organisation including division or branch

The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division

Postal Address

16 Campbell Street

Bowen Hills, QLD Postcode: 4006

Details of officer completing the statement

Name

Michael John Ravbar

Name of office held in organisation

State Secretary

(An officer of the organisation should complete the statement)

Postal Address

16 Campbell Street

Bowen Hills, QLD Postcode: 4006

Telephone number (BH)	Facsimile number	Email
(07) 3231 4600	(07) 3231 4699	

I certify that the information contained in this statement and its attachments is true and complete.

Signature [redacted]

Date 31/07/2017

LOANS, GRANTS AND DONATIONS EXCEEDING $1,000 MADE BY ORGANISATION

(if insufficient space, please attach separate sheet)

LOANS

Name of Recipient of Loan	Address	Amount	Purpose for which loan required	Security given in relation to loan	Arrangements for repayment of loan
Nil					

Note: where a loan is made to relieve a member or dependant of a member from severe financial hardship, the name and address and particulars of arrangements for repayment need not be stated.

GRANTS

Name of Recipient of Grant	Address	Amount	Purpose of Grant
Nil			

Note: where a grant is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated

DONATIONS

Name of Recipient of Donation	Address	Amount	Purpose of Donation
Nil			

Note: where a donation is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated.

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THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

ABN 12 898 529 251

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2017

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THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

COMMITTEE OF MANAGEMENT'S OPERATING REPORT

FOR THE PERIOD ENDED 31 MARCH 2017

Operating Report

In accordance with section 764 of the *Industrial Relations Act 2016* ("Act") the Committee of Management ("the Committee") presents its Operating Report on The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ("the Union"), for the period ended 31 March 2017.

Principal Activities

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

- Implementation of the decisions of the State Executive and State Management Committee.
- 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.

Significant Changes in Financial Affairs

The Union has changed its financial period from 31 December to 31 March from 2017. As a result, these financial statements represents financial period from 1 January 2017 to 31 March 2017.

Members Right to Resign

A member may resign from the Union by written notice addressed and delivered to the Secretary of the Union in which membership is held.

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.764 (2) (d) of the *Industrial Relations Act 2016*, 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

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 18,779 (December 2016: 17,886).

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial period was nil (December 2016: nil).

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	Whole period
Keith Murphy	Whole period
Peter Close	Whole period
Jack Cummins	Whole period
Bob Williams	Whole period

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 2017 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 the table below:

Remuneration is defined as follows:

- Includes pay, wages, salary, fees, allowances, leave, benefits or other entitlements (employer superannuation); but
- Does not include a non-cash benefit; and
- Does not include the reimbursement or payment of reasonable expenses for the cost incurred in the course of the officer carrying out the officers' duties.

	Name of Officer	Actual amount of relevant remuneration	Value of or form of non-cash benefits	Amount paid to Officer in the Officer's capacity as a Board Member
1	Michael Ravbar	Nil	Nil	Nil
2	Jade Ingham	Nil	Nil	Nil
3	Andrew Sutherland	Nil	Nil	Nil
4	Royce Kupsch	Nil	Nil	Nil

The above remuneration register of the Union has been disclosed as described under s. 764 (2) (e) of the *Industrial Relations Act 2016.*

Disclosure Statements – Loans, Grants and Donations

A copy of the loans, grants and donations register of the Union have been disclosed as described under s. 764 (2) (f) of the *Industrial Relations Act 2016.*

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:

[redacted]

Michael John Ravbar
State Secretary

31 July 2017

Brisbane

THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE PERIOD ENDED 31 MARCH 2017

On 31 July 2017, the State Executive on behalf of the Committee of Management of the Union passed the following resolution to the General Purpose Financial statements (GPFR) of the reporting unit for the financial period ended 31 March 2017.

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 Registrar;

(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 period 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 period to which the GPFR relates and since the end of that period:

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 organization including the rules of the Union concerned; and

iii. the financial records of the Union have been kept and maintained in accordance with the 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 Registrar duly made under section 787 of the Act, that information has been provided to the member or Registrar; and

vi. there have been no orders for inspection of financial records made by the Queensland Industrial Relations Commission under section 788 of the Act during the year.

(f) the organization has complied with the requirements under section 741 of the Act, Financial Management Training, and in so doing confirm the following:

Officer's Name: Michael John Ravbar
Role in the organization: State Secretary
Date the officer most recently completed the training: 26 May 2017
Training package: Union Governance
Provider: Australian Council of Trade Unions

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: State Secretary

Signature: [redacted]

Date: 31 July 2017

THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 MARCH 2017

	Notes	1 January 2017 to 31 March 2017	31 December 2016
		$	$
Revenue			
Membership subscription		-	-
Capitation fees		-	-
Levies		-	-
Interest	3A	19,249	162,788
Rental revenue	3B	192,095	755,688
Other revenue	3E	312	1,704
Total revenue		211,656	920,180
Other Income			
Grants and/or donations	3C	-	-
Net gains from sale of assets	3D	14,571	44,985
Total other income		14,571	44,985
Total income		226,227	965,165
Expenses			
Employee expenses	4A	-	-
Capitation/ Sustentation fees		-	-
Affiliation fees		-	-
Administration expenses	4B	142	1,099
Grants or donations	4C	-	-
Depreciation and amortisation	4D	64,018	267,277
Finance costs	4E	9,023	51,880
Legal costs	4F	368	-
Audit fees	4G	5,000	13,500
Property costs	4H	79,151	302,849
Other expenses		-	-
Total expenses		157,702	636,605
Surplus (deficit) for the year		68,525	328,560
Other comprehensive income			
Revaluation increment/(decrement) – Financial Assets		16,896	(37,464)
Total comprehensive income for the year		85,421	291,096

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

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THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2017

	Notes	31 March 2017 $	31 December 2016 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	6,182,268	6,161,276
Trade and other receivables	5B	72,744	14,970
Other current assets	5C	17,395	18,151
Other investments	5D	1,019,415	1,003,425
Total current assets		7,291,822	7,197,822
Non-Current Assets			
Other investments	5D	14,692	13,787
Property, plant and equipment	6A	6,484,575	6,157,318
Investment property	6B	1,965,864	1,965,864
Total non-current assets		8,465,131	8,136,969
Total assets		15,756,953	15,334,791
LIABILITIES			
Current Liabilities			
Trade and other payables	7A	1,892,423	1,555,682
Employee provisions	8A	-	-
Total current liabilities		1,892,423	1,555,682
Non-Current Liabilities			
Employee provisions	8B	-	-
Loan – CFMEU C&G QNTDB		2,952,137	2,952,137
Total non-current liabilities		2,952,137	2,952,137
Total liabilities		4,844,560	4,507,819
Net assets		10,912,393	10,826,972
EQUITY			
Asset revaluation reserve		270,712	270,712
Financial assets revaluation reserve		27,388	10,492
Retained earnings		10,614,293	10,545,768
Total equity		10,912,393	10,826,972

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

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THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF CHANGES IN EQUITY

AS AT 31 MARCH 2017

	Asset revaluation reserves	Financial asset revaluation reserves	Retained earnings	Total equity
	$	$	$	$
Balance as at 1 January 2016	270,712	47,956	10,217,208	10,535,876
Surplus (deficit) for the year	-	-	328,560	328,560
Other comprehensive income for the year	-	(37,464)	-	(37,464)
Closing balance as at 31 December 2016	**270,712**	**10,492**	**10,545,768**	**10,826,972**
Surplus (deficit) for the period	-	-	68,525	68,525
Other comprehensive income for the year	-	16,896	-	16,896
Closing balance as at 31 March 2017	**270,712**	**27,388**	**10,614,293**	**10,912,393**

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

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THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 MARCH 2017

	Notes	1 January 2017 to 31 March 2017 $	31 December 2016 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	9B	170,459	668,724
Receipts from members and other customers		-	-
Rent received		13,385	148,345
Interest		10,574	176,296
Dividend received		312	568
Wage claim receipts		21,000	1,101,783
Other		-	63,199
Cash used			
Employees and suppliers		(131,622)	(390,796)
Wage claim payments		(23,456)	(753,232)
Finance cost		(9,023)	(51,880)
Payment to other reporting units	9B	-	-
Net cash from (used by) operating activities	9A	51,629	963,007
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of investment property		-	2,034,999
Proceeds from sale of property, plant and equipment		-	29,999
Cash used			
Purchase of plant and equipment		(407,233)	(135,906)
Net cash from (used by) investing activities		(407,233)	1,929,092
FINANCING ACTIVITIES			
Net cash received for/(paid to) CFMEU C&G QNTDB	9B	376,596	530,389
Net increase (decrease) in cash held		20,922	3,422,488
Cash & cash equivalents at the beginning of the reporting period		6,161,276	2,738,788
Cash & cash equivalents at the end of the reporting period	5	6,182,268	6,161,276

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

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THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

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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 *Industrial Relations Act 2016*. Compliance with Australia 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, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ('the 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.

For completeness, the Union has included all notes to the financial statements, even where such activities are not undertaken by them.

1.2 Comparative amounts

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

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

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

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 9: Financial Instruments and associates Amending Standards
(applicable to annual reporting periods beginning on or after 1 January 2018)

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

Key changes that may affect the Union on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be largely prospective.

Although the Committee of Management anticipate that the adoption of AASB 9 may have an impact on the Union's financial instruments, it is impractical at this stage to provide a reasonable estimate of such impact.

AASB 15: Revenue from Contracts with Customers
(applicable for annual reporting periods beginning on or after 1 January 2018)

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.4 New Australian Accounting Standards (Continued)

AASB 15: Revenue from Contracts with Customers (Continued)

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 enhance disclosures regarding revenue.

The Committee of Management anticipate that the adoption of AASB 15 will not have a significant impact on the Union's financial statements.

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 measures 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 note to exercise an option to terminate the lease.

Although the Committee of Management anticipate that the adoption of AASB 16 may have an impact on the Union's financial statements, it is impractical at this stage to provide a reasonable estimate of such impact.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue

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

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 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.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

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/Sustentation 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 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

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 consolidated statement of financial position.

1.12 Financial instruments

Initial recognition and measurement
Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Union manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Union's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Union right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial assets (Continued)

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Union's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial assets (Continued)

Impairment of financial assets

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

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

The Union derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.14 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Union manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Union's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Union derecognises financial liabilities when, and only when, the Union's obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.15 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.

1.16 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 2017	31 December 2016
Buildings	4%	4%
Plant and equipment	25%	25%
Motor Vehicles	10-20%	10-20%

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.

1.17 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.17 Impairment (continued)

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.

1.18 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.

1.19 Fair value measurement

The Union measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 13.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.19 Fair value measurement (Continued)

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.

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.

1.20 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.

1.21 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 14 of Chapter 12 of the Act in which 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 Registrar under section 755 of the Act of an alternative reporting structure for the organisation; or
(d) a revocation by the Registrar under section 759 of the Act of a certificate issued to an organization under section 755.

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

NOTE 2 EVENTS AFTER REPORTING DATE

There were no events that occurred after 31 March 2017, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the union.

	1 January 2017 to 31 March 2017 $	31 December 2016 $
NOTE 3 INCOME		
Note 3A: Interest		
Interest	19,249	162,788
Total interest	19,249	162,788
Note 3B: Rental revenue		
Rent – Townsville Bayswater Road	3,640	14,560
Rent – Darwin	3,300	6,930
Rent – Manor Apartments	13,684	61,412
Rent - Cambell Street	171,471	672,786
Total rental income	192,095	755,688
Note 3C: Grants or donations		
Grants	-	-
Donations	-	-
Total grants or donations	-	-
Note 3D: Net gains from sale of assets		
Gain on sale of property, plant and equipment	14,571	4,310
Gain on sale of investments	-	40,675
Total net gain from sale of assets	14,571	44,985
Note 3E: Other Revenue		
Dividend income	312	568
Sundry income	-	1,136
Financial support from another reporting unit	-	-
Total other revenue	312	1,704

	1 January 2017 to 31 March 2017 $	31 December 2016 $
NOTE 4 EXPENSES		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	-	-
Employees other than office holders:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses employees other than office holders	-	-
Total employee expenses	-	-
Note 4B: Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Penalties – via IR Act or IR Regulations	-	-
Other	142	1,099
Total administration expenses	142	1,099
Note 4C: 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	-	-
Total paid that exceeded $1,000	-	-
Total grants or donations	-	-

NOTE 4 EXPENSES (CONTINUED)	1 January 2017 to 31 March 2017 $	31 December 2016 $
Note 4D: Depreciation and amortisation		
Depreciation:		
Buildings	41,519	164,212
Property, plant and equipment	20,482	89,579
Motor vehicles	2,017	13,486
Total depreciation	64,018	267,277
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	64,018	267,277
Note 4E: Finance costs		
Bank fees and charges	9,023	51,880
Total finance costs	9,023	51,880
Note 4F: Legal costs		
Litigation	-	-
Other legal matters	368	-
Total legal costs	368	-
Note 4G: Audit fees		
External audit expense	5,000	13,500
Other services	-	-
Total audit fees	5,000	13,500
Note 4H: Property costs		
Body corporate and management fees	13,234	50,577
Cleaning	12,947	44,612
Electricity	15,170	66,234
Insurance	3,681	17,500
Repairs and maintenance	17,302	35,145
Rates and Water	15,010	51,710
Security	1,807	37,071
Sundry expenses	-	-
Total property costs	79,151	302,849

NOTE 5 CURRENT ASSETS	1 January 2017 to 31 March 2017 $	31 December 2016 $
Note 5A: Cash and Cash Equivalents		
Cash at bank	6,009,683	5,990,670
Cash on hand	-	-
Term deposits	172,585	170,607
Total cash and cash equivalents	6,182,268	6,161,276
Note 5B: Trade and Other Receivables		
Interest receivable	21,933	13,258
Other receivables	2,312	1,712
GST receivable	18,954	-
Receivables from other reporting units		
CFMEU C&G QNTDB	29,545	-
Total trade and other receivables	72,744	14,970
Less provision for doubtful debts	-	-
Total provision for doubtful debts	-	-
Total trade and other receivables (net)	72,744	14,970
Note 5C: Other Current Assets		
Prepayments	17,395	18,151
Total other current assets	17,395	18,151
Note 5D: Other Investments		
Current		
Held to Maturity investments- Floating Rate Notes	1,019,415	1,003,425
Non-current		
Available for sale investments – Shares at market value	14,692	13,787
Total other investments	1,034,107	1,017,212

Net Fair Values

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

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

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

	1 January 2017 to 31 March 2017	31 December 2016
	$	$

NOTE 6 NON-CURRENT ASSETS

Note 6A: Property, plant and equipment

Property, Plant and Equipment comprises of:

Land and buildings	6,245,614	5,881,906
Motor vehicles	30,689	48,664
Plant and equipment	208,272	226,748
Total property plant and equipment	6,484,575	6,157,318
Land and buildings:		
Land at independent valuation 2012	2,260,000	2,260,000
Building at independent valuation 2012	3,740,000	3,740,000
Building at independent valuation 2014	220,000	220,000
Building at cost	654,461	249,234
Less accumulated depreciation	(628,847)	(587,328)
Total land and buildings	6,245,614	5,881,906
Motor vehicles:		
At cost	131,711	179,033
Less accumulated depreciation	(101,022)	(130,369)
Total land and buildings	30,689	48,664
Plant and Equipment:		
At cost	693,200	691,194
Less accumulated depreciation	(484,928)	(464,446)
Total land and buildings	208,272	226,748

	Land and Buildings	Motor Vehicles	Plant & Equipment	Total
	$	$	$	$
Balance at beginning of the period	5,881,906	48,664	226,748	6,157,318
Additions	405,227	-	2,006	407,233
Disposals	-	(15,958)	-	(15,958)
Depreciation	(41,519)	(2,017)	(20,482)	(64,018)
Carrying amount at end of period	6,245,614	30,689	208,272	6,484,575

NOTE 6 NON-CURRENT ASSETS (CONTINUED)

	1 January 2017 to 31 March 2017 $	31 December 2016 $
Note 6B: Investment property		
Investment property	1,965,864	1,965,864
Total Investment property	1,965,864	1,965,864

NOTE 7 TRADE AND OTHER PAYABLES

Note 7A: Trade and other payables - Current

Trade creditors	7,238	17,490
Payables to other reporting units		
- CFMEU C&G QNTDB	1,147,766	771,170
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	-	-
Other legal matters	-	-
Income received in advance	7,651	15,302
GST payable	-	22,409
Other payables and accruals	8,500	5,587
Wages collected on behalf of members	721,268	723,724
Total current trade and other payables	1,892,423	1,555,682

Wages collected on behalf of members:

Opening balance at beginning of the period	723,724	375,173
Amounts recovered from employers	21,000	1,101,783
Payments to or on behalf of Workers	(23,456)	(753,232)
	721,268	723,724

	1 January 2017 to 31 March 2017 $	31 December 2016 $
NOTE 8 PROVISIONS		
Note 8A: Employee Provisions - Current		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	-	-
Total current employee provisions	-	-
Note 8B: Employee Provisions – Non-current		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	-	-
Total non-current employee provisions	-	-
Current	-	-
Non-Current	-	-
Total employee provisions	-	-

	1 January 2017 to 31 March 2017 $	31 December 2016 $
NOTE 9 CASH FLOW		
Note 9A: Cash Flow Reconciliation		
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	6,182,268	6,161,276
Balance sheet	6,182,268	6,161,276
Difference	-	-
Reconciliation of profit/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the period	85,421	328,560
Adjustments for non-cash items		
Depreciation/amortisation	64,018	267,277
(Gain)/Loss on disposal of assets	(14,571)	(4,310)
(Gain)/Loss on disposal of investments	-	(40,675)
Changes in assets/liabilities		
(Increase)/decrease in net receivables	(57,774)	69,826
(Increase)/decrease in prepayments	756	(15,346)
Increase/(decrease) in trade and other payables	(26,221)	357,675
Increase/(decrease) in employee provisions	-	-
Net cash from (used by) operating activities	51,629	963,007
Note 9B: Cash flow information		
Cash inflows		
CFMEU C&G QNTDB	547,055	1,199,113
Total cash inflows	547,055	1,199,113
Cash outflows		
CFMEU C&G QNTDB	-	-
Total cash outflows	-	-

Note 10C: Credit standby arrangements and loan facilities

The Union did not have any credit facilities during the period ended 31 March 2017 (31 December 2016: Nil).

NOTE 9 CASH FLOW (CONTINUED)

Note 9D: Non-cash transactions

There have been no non-cash financing or investing activities during the period ended 31 March 2017 (31 December 2016: Nil).

NOTE 10 RELATED PARTY DISCLOSURES

Note 10A: 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.

	1 January 2017 to 31 March 2017	31 December 2016
	$	$
Revenue received includes the following:		
Rent received from CFMEU C&G QNTDB	154,963	607,931
Expenses paid includes the following:		
CFMEU C&G QNTDB	-	-
Amounts owed by includes the following:		
CFMEU C&G QNTDB	29,545	-
Amounts owed to includes the following:		
CFMEU C&G QNTDB	1,147,766	771,170
Loans from CFMEU C&G QNTDB:	2,952,137	2,952,137

Terms and conditions of transactions with related parties

Related party transactions occur between the Union and the Construction, Forestry, Mining and Energy Union Construction and General Division Queensland Northern Territory Divisional Branch (CFMEU C&G QNTDB).

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 period 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.

The loan received from CEMEU C&G QNTDB does not incur interest and is expected to be repaid within 5 years.

NOTE 10 RELATED PARTY DISCLOSURES (CONTINUED)

Note 10B: 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)

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

	1 January 2017 to 31 March 2017 $	31 December 2016 $
Short-term employee benefits		
Salary (including annual leave taken)	-	-
Annual leave accrued	-	-
Non-cash benefits	-	-
Total short-term employee benefits	-	-
Post-employment benefits:		
Superannuation	-	-
Total post-employment benefits	-	-
Other long-term benefits:		
Long-service leave	-	-
Total other long-term benefits	-	-
Termination benefits	-	-
Total	-	-

No other transactions occurred during the period 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 11 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

The Committee of Management is not aware of any contingent assets or liabilities that are likely to have a material effect on the results of the Union.

	1 January 2017 to 31 March 2017 $	31 December 2016 $
NOTE 12 REMUNERATION OF AUDITORS		
Value of the services provided		
Financial statement audit services	5,000	13,500
Other services	-	-
Total remuneration of auditors	5,000	13,500

Other services include the audit of the political membership return.

NOTE 13 FINANCIAL INSTRUMENTS

Financial Risk Management Policy

The State Executive monitors the Union's financial risk management policies and exposure and approves financial transactions entered into. It also reviews the effectiveness of internal controls relating to the counterparty credit risk, liquidity risk, market risk and interest rate risk. The State Executive meets on a monthly basis to review the financial exposure of the Union.

Note 13A: Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss of the Union. The Union does not have any material credit risk exposures as its major source of revenue is the receipt of rental income.

The maximum exposures to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of provisions) as presented in the statement of financial position.

The Union has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. 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 following table details the Union's trade and other receivables exposed to credit risk. Amounts are considered 'past due' when the debt has not been settled, within the terms and conditions agreed between the Union and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Union.

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13A: Credit Risk (Continued)

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 2017

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Trade and other receivables	72,744	-	-	-	72,744
Total	72,744	-	-	-	72,744

Ageing of financial assets that were past due but not impaired for 2016

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Trade and other receivables	14,970	-	-	-	14,970
Total	14,970	-	-	-	14,970

The Union has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties.

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved policy. Such policy requires that surplus funds are only invested with counterparties with a strong reputation and backed by the Commonwealth Government's bank guarantee. At 31 March 2017, all funds were held by financial institutions backed by the Commonwealth Government's bank guarantee.

Collateral held as security

The Union does not hold collateral with respect to its receivables at 31 March 2017 (31 December 2016: Nil).

Note 13B: 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.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13B: Liquidity Risk (Continued)

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
	$	$	$	$	$	$	$	$
Financial liabilities due for payment								
Trade and other payables	1,892,423	1,555,682	-	-	-	-	1,892,423	1,555,682
Loan – CFMEU C&G QNTB	-	-	2,952,137	2,952,137	-	-	2,952,137	2,952,137
Total expected outflows	1,892,423	1,555,682	2,952,137	2,952,137	-	-	4,844,560	4,507,819
Financial assets – cash flow receivable								
Cash and cash equivalents	6,182,268	6,161,276	-	-	-	-	6,182,268	6,161,276
Trade and other receivables	72,744	14,970	-	-	-	-	72,744	14,970
Total anticipated inflows	6,255,012	6,176,246	-	-	-	-	6,255,012	6,176,246
Net (outflow) / inflow on financial instruments	4,362,589	4,620,564	(2,952,137)	(2,952,137)	-	-	1,410,452	1,668,427

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13C: 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.

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 14 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 14 FAIR VALUE MEASUREMENT (CONTINUED)

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

		31 March 2017		31 December 2016	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	6,182,268	6,182,268	6,161,276	6,161,276
Accounts receivable and other debtors	(i)	72,744	72,744	14,970	14,970
Total financial assets		6,255,012	6,255,012	6,176,246	6,176,246
Financial liabilities					
Accounts payable and other payables	(i)	1,892,423	1,892,423	1,555,682	1,555,682
Loan – CFMEU C&G QNTB		2,952,137	2,952,137	2,952,137	2,952,137
Total financial liabilities		4,844,560	4,844,560	4,507,819	4,507,819

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 139.

NOTE 14 FAIR VALUE MEASUREMENT (CONTINUED)

Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categories fair value measurement into one of the three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset of liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market date. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

31 March 2017	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets	**$**	**$**	**$**	**$**
Investment property	-	1,965,864	-	1,965,864
Held to Maturity – Floating Rate Notes	1,019,415	-	-	1,019,415
Available for sale investments	14,692	-	-	14,692
Land and buildings	-	6,245,614	-	6,245,614
31 December 2016				
Assets				
Investment property	-	1,965,864	-	1,965,864
Held to Maturity – Floating Rate Notes	1,019,415	-	-	1,019,415
Available for sale investments	13,787	-	-	13,787
Land and buildings	-	5,881,906	-	5,881,906

NOTE 15 SECTION 787 INDUSTRIAL RELATIONS ACT 2016

In accordance with the requirements of the *Industrial Relations Act 2016*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 787, which reads as follows:

Information to be provided to members or registrar:

(1) A member of a reporting unit, or the registrar, may apply to the reporting unit for stated information, prescribed by regulation, about the reporting unit to be made available to the person making the application.

(2) The application must be in writing and state the period, which must be at least 14 days after the application is made, within which the information must be made available and state the way in which the information must be made available.

(3) The reporting unit's organization must ensure the reporting unit complies with the application.

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 & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

Opinion

We have audited the accompanying financial report of Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division which comprises the Statement of Financial Position as at 31 March 2017, Statement of Comprehensive Income, Statement of Changes in Equity, and the Statement of Cash Flows for the period ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the Committee of Management Statement.

The audit report has been prepared based on the requirements of section 768 of the *Industrial Relations Act 2016 (Qld)*.

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

(a) presents fairly in all material respects, the Union's financial position as at 31 March 2017 and of its performance and cash flows for the period then ended; and
(b) complies with Tier 1 reporting requirements under Australian Accounting Standards, the *Industrial Relations Act 2016 (Qld)* and the *Reporting Guidelines for the purposes of section 765*.

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.

Committee of Management's Responsibility 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 *Industrial Relations Act 2016 (Qld)* 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.

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Auditor's Responsibility

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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.aspx. This description forms part of our auditor's report.

Report on Other Regulatory Requirements

a) 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.

b) I am an approved auditor as defined by s766. of the *Industrial Relations Act 2016 (Qld)* being a member of the Institute of Chartered Accountants in Australia & New Zealand who holds a current Public Practice Certificate.

PKF Hacketts

PKF Hacketts Audit

[redacted]

Shaun Lindemann
Partner

Brisbane, 31 July 2017

THE CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

DESIGNATED OFFICERS CERTIFICATE

FOR THE PERIOD ENDED 31 MARCH 2017

I, Michael John Ravbar, being the State Secretary of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division certify:

- that the documents lodged herewith are copies of the full report for the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division for the period 1 January 2017 to 31 March 2017.
- that the documents lodged are copies of the documents given to the members and presented to a meeting under section 782 of *Industrial Relations Act 2016*.

[redacted]

Michael John Ravbar

State Secretary

29 August 2017

Sample statement of loans, grants and donations exceeding $1,000 for financial period ending 31/03/2017

Organisation details

Name of organisation including division or branch

The Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division

Postal Address

16 Campbell Street

Bowen Hills, QLD Postcode: 4006

Details of officer completing the statement

Name

Michael John Ravbar

Name of office held in organisation

State Secretary

(An officer of the organisation should complete the statement)

Postal Address

16 Campbell Street

Bowen Hills, QLD Postcode: 4006

Telephone number (BH)	Facsimile number	Email
(07) 3231 4600	(07) 3231 4699	

I certify that the information contained in this statement and its attachments is true and complete.

Signature [redacted] Date 31/07/2017

LOANS, GRANTS AND DONATIONS EXCEEDING $1,000 MADE BY ORGANISATION

(if insufficient space, please attach separate sheet)

LOANS

Name of Recipient of Loan	Address	Amount	Purpose for which loan required	Security given in relation to loan	Arrangements for repayment of loan
Nil					

Note: where a loan is made to relieve a member or dependant of a member from severe financial hardship, the name and address and particulars of arrangements for repayment need not be stated.

GRANTS

Name of Recipient of Grant	Address	Amount	Purpose of Grant
Nil			

Note: where a grant is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated

DONATIONS

Name of Recipient of Donation	Address	Amount	Purpose of Donation
Nil			

Note: where a donation is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated.

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Financial Reports

CFMEUQ

1 April 2017 to 31 March 2018

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CFMEU

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

ABN 12 898 529 251

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

COMMITTEE OF MANAGEMENT OPERATING REPORT

FOR THE YEAR ENDED 31 MARCH 2018

Operating Report

In accordance with section 764 of the *Industrial Relations Act 2016* ("Act") the Committee of Management ("the Committee") presents its Operating Report on the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ("Union"), for the year ended 31 March 2018.

Principal Activities

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

- Implementation of the decisions of the State Executive and State Management Committee.
- 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.

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

Operating Results

The operating deficit for the financial year amounted to $132,548 (3 months ending 31 March 2017: $68,525 surplus)

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 of 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

A member may resign from the Union by written notice addressed and delivered to the Secretary of the Union in which membership is held.

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.764 (2) (d) of the *Industrial Relations Act 2016*, 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 17,529 (2017: 18,779).

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was nil (2017: nil).

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	Whole period
Keith Murphy	Whole period
Peter Close	Whole period
Jack Cummins	Whole period
Bob Williams	Whole period

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.

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 2018 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 the table below:

Remuneration is defined as follows:

- Includes pay, wages, salary, fees, allowances, leave, benefits or other entitlements (employer superannuation); but
- Does not include a non-cash benefit; and
- Does not include the reimbursement or payment of reasonable expenses for the cost incurred in the course of the officer carrying out the officers' duties.

	Name of Officer	Actual amount of relevant remuneration	Value of or form of non-cash benefits	Amount paid to Officer in Officer's capacity as a Board Member
1	Michael Ravbar	Nil	Nil	Nil
2	Royce Kupsch	Nil	Nil	Nil
3	Jade Ingham	Nil	Nil	Nil
4	Andrew Sutherland	Nil	Nil	Nil

The above remuneration register of the Union has been disclosed as described under s. 764 (2) (e) of the *Industrial Relations Act 2016.*

Disclosure Statements – Loans, Grants and Donations

A copy of the loans, grants and donations register of the Union have been disclosed as described under s. 764 (2) (f) of the *Industrial Relations Act 2016.*

Disclosure by the Union of Payments to Related Parties or Declared Persons

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 2018.

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:

[redacted]

Michael John Ravbar
State Secretary

30 May 2018

Brisbane

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

On 30 May 2018, the Committee of Management of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ("Union") passed the following resolution to the General Purpose Financial Report (GPFR) of the reporting unit for the year ended 31 March 2018.

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 Registrar;

(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 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 Registrar duly made under section 787 of the Act, that information has been provided to the member or Registrar; and

vi. where any order for inspection of financial records has been made by the Queensland Industrial Relations Commission under section 788 of the Act, there has been compliance.

(f) the organisation has complied with the requirements under section 741 of the Act, Financial Management Training, and in so doing confirm the following:

Officer's Name: Michael John Ravbar
Role in the organisation: State Secretary
Date the officer most recently completed the training: 26 May 2017
Training package: Union Governance
Provider: Australian Council of Trade Unions

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:	State Secretary
Signature:	[redacted]
Date:	30 May 2018

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	31 March 2018	1 January 2017 to 31 March 2017
		$	$
Revenue			
Membership subscription		-	-
Capitation fees		-	-
Levies		-	-
Interest	3A	86,013	19,249
Rental revenue	3B	824,143	192,095
Other revenue	3E	634	312
Total revenue		910,790	211,656
Other Income			
Grants and/or donations	3C	-	-
Net gains from sale of assets	3D	2,627	14,571
Total other income		2,627	14,571
Total income		913,417	226,227
Expenses			
Employee expenses	4A	-	-
Capitation fees		-	-
Affiliation fees		-	-
Administration expenses	4B	9,977	142
Grants or donations	4C	-	-
Depreciation and amortisation	4D	277,496	64,018
Finance costs	4E	36,288	9,023
Legal costs	4F	6,324	368
Audit fees	4G	9,700	5,000
Property costs	4H	378,882	79,151
Net loss from sale of assets		1,434	-
Change in fair value of investment property		325,864	-
Other expenses		-	-
Total expenses		1,045,965	157,702
Surplus (deficit) for the year		(132,548)	68,525
Other comprehensive income			
Gain/(Loss) on revaluation of land & buildings		841,904	-
Revaluation increment/(decrement) of financial assets		(21,012)	16,896
Total comprehensive income for the year		688,344	85,421

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

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018

	Notes	31 March 2018 $	31 March 2017 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	5,668,698	6,182,268
Trade and other receivables	5B	42,388	72,744
Other current assets	5C	18,605	17,395
Other investments	5D	-	1,019,415
Total current assets		5,729,691	7,291,822
Non-Current Assets			
Other investments	5D	16,375	14,692
Property, plant and equipment	6A	7,146,207	6,484,575
Investment property	6B	1,640,000	1,965,864
Total non-current assets		8,802,582	8,465,131
Total assets		14,532,273	15,756,953
LIABILITIES			
Current Liabilities			
Trade and other payables	7A	431,536	1,892,423
Employee provisions	8A	-	-
Total current liabilities		431,536	1,892,423
Non-Current Liabilities			
Employee provisions	8B	-	-
Loan – CFMEU C&G QNTDB		2,500,000	2,952,137
Total non-current liabilities		2,500,000	2,952,137
Total liabilities		2,931,536	4,844,560
Net assets		11,600,737	10,912,393
EQUITY			
Asset revaluation reserve		1,112,616	270,712
Financial assets revaluation reserve		6,376	27,388
Retained earnings		10,481,745	10,614,293
Total equity		11,600,737	10,912,393

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

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF CHANGES IN EQUITY

AS AT 31 MARCH 2018

	Asset revaluation reserves	Financial asset revaluation reserves	Retained earnings – General Fund	Total equity
	$	$	$	$
Balance as at 1 January 2017	270,712	10,492	10,545,768	10,826,972
Surplus (deficit) for the period	-	-	68,525	68,525
Other comprehensive income for the year	-	16,896	-	16,896
Closing balance as at 31 March 2017	**270,712**	**27,388**	**10,614,293**	**10,912,393**
Surplus (deficit) for the year	-	-	(132,548)	(132,548)
Other comprehensive income for the year	841,904	(21,012)	-	820,892
Closing balance as at 31 March 2018	**1,112,616**	**6,376**	**10,481,745**	**11,600,737**

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

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	31 March 2018 $	1 January 2017 to 31 March 2017 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	9B	702,292	170,459
Receipts from members and other customers		-	-
Rent received		204,641	13,385
Interest		68,596	10,574
Dividend received		634	312
Wage claim receipts		290,609	21,000
Other		-	-
Cash used			
Employees and suppliers		(470,577)	(131,622)
Wage claim payments		(603,808)	(23,456)
Finance cost		(36,288)	(9,023)
Payment to other reporting units	9B	(1,118,221)	-
Net cash from (used by) operating activities	9A	(962,122)	51,629
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of investments		999,347	-
Proceeds from sale of property, plant and equipment		1,364	-
Cash used			
Purchase of plant and equipment		(100,022)	(407,233)
Net cash from (used by) investing activities		900,689	(407,233)
FINANCING ACTIVITIES			
Net cash received for/(paid to) CFMEU C&G QNTDB	9B	(452,137)	376,596
Net increase (decrease) in cash held		(513,570)	20,922
Cash & cash equivalents at the beginning of the reporting period		6,182,268	6,161,276
Cash & cash equivalents at the end of the reporting period	5	5,668,698	6,182,268

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

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

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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 *Industrial Relations Act 2016*. 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, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ('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.

For completeness, the Union has included all notes to the financial statements, even where such activities are not undertaken by them.

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. Due to the change in balance date of the Union in the prior year, comparatives have been shown for the 3 months ended 31 March 2017.

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

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

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 anticipate that the adoption of AASB 15 will not have a significant impact on the Union's financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Although the Committee of Management anticipate that the adoption of AASB 16 may have an impact on the Union's financial statements, it is impractical at this stage to provide a reasonable estimate of such impact.

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.

Although the Committee of Management anticipate that the adoption of AASB 1058 may have an impact on the Union's financial statements, it is impractical at this stage to provide a reasonable estimate of such impact.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue

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

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.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

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 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

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 consolidated statement of financial position.

1.12 Financial instruments

Initial recognition and measurement
Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Union manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Union's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Union's right to receive the dividends is established.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial assets (Continued)

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Union's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial assets (Continued)

Impairment of financial assets

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

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

The Union derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.14 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Union manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Union's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Union derecognises financial liabilities when, and only when, the Union's obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.15 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.

1.16 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.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

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 2018	31 March 2017
Buildings	4%	4%
Plant and equipment	12.5-30%	25%
Motor Vehicles	25%	10-20%

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.16 Property, Plant and Equipment (continued)

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.

1.17 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.

1.18 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.19 Fair value measurement

The Union measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 13.

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.20 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.

1.21 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 14 of Chapter 12 of the Act in which 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 Registrar under section 755 of the Act of an alternative reporting structure for the organisation; or
(d) a revocation by the Registrar under section 759 of the Act of a certificate issued to an organization under section 755.

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

1.22 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at their cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

1.23 Retained earnings – General and Specific Fund

Other than the general fund account, the Union does not operate any other fund accounts for specific purpose.

There are no funds from compulsory levies or voluntary contributions.

No specific funds have been received that have been invested in assets.

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

The Union does not receive any specific funds and therefore does not have any fund account other than the general fund account. There has been no transfers or withdrawals from the fund account during the year.

NOTE 2 EVENTS AFTER REPORTING DATE

There were no events that occurred after 31 March 2018, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

	31 March 2018	1 January 2017 to 31 March 2017
	$	$
NOTE 3 INCOME		
Note 3A: Interest		
Interest	86,013	19,249
Total interest	86,013	19,249
Note 3B: Rental revenue		
Rent – Townsville Bayswater Road	16,540	3,640
Rent – Darwin	11,740	3,300
Rent – Woolner	13,000	-
Rent – Manor Apartments	76,641	13,684
Rent - Campbell Street	706,222	171,471
Total rental income	824,143	192,095
Note 3C: Grants or donations		
Grants	-	-
Donations	-	-
Total grants or donations	-	-
Note 3D: Net gains from sale of assets		
Gain on sale of property, plant and equipment	-	14,571
Gain on sale of investments	2,627	-
Total net gain from sale of assets	2,627	14,571
Note 3E: Other Revenue		
Dividend income	634	312
Sundry income	-	-
Financial support from another reporting unit	-	-
Total other revenue	634	312

	31 March 2018	1 January 2017 to 31 March 2017
	$	$
NOTE 4 EXPENSES		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	-	-
Employees other than office holders:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses employees other than office holders	-	-
Total employee expenses	-	-
Note 4B: Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Penalties – via IR Act or IR Regulations	-	-
Other	9,977	142
Total administration expenses	9,977	142
Note 4C: 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	-	-
Total paid that exceeded $1,000	-	-
Total grants or donations	-	-

NOTE 4 EXPENSES (CONTINUED)	31 March 2018 $	1 January 2017 to 31 March 2017 $
Note 4D: Depreciation and amortisation		
Depreciation:		
Buildings	187,540	41,519
Property, plant and equipment	82,283	20,482
Motor vehicles	7,673	2,017
Total depreciation	277,496	64,018
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	277,496	64,018
Note 4E: Finance costs		
Bank fees and charges	36,288	9,023
Total finance costs	36,288	9,023
Note 4F: Legal costs		
Litigation	-	-
Other legal matters	6,324	368
Total legal costs	6,324	368
Note 4G: Audit fees		
External audit expense	9,700	5,000
Other services	-	-
Total audit fees	9,700	5,000
Note 4H: Property costs		
Body corporate and management fees	68,364	13,234
Cleaning	36,519	12,947
Electricity	74,060	15,170
Insurance	14,922	3,681
Repairs and maintenance	109,242	17,302
Rates and Water	55,989	15,010
Security	19,786	1,807
Sundry expenses	-	-
Total property costs	378,882	79,151

NOTE 5 CURRENT ASSETS	31 March 2018 $	1 January 2017 to 31 March 2017 $
Note 5A: Cash and Cash Equivalents		
Cash at bank	1,668,698	6,009,683
Cash on hand	-	-
Term deposits	4,000,000	172,585
Total cash and cash equivalents	5,668,698	6,182,268
Note 5B: Trade and Other Receivables		
Interest receivable	39,350	21,933
Other receivables	3,038	2,312
GST receivable	-	18,954
Receivables from other reporting units		
CFMEU C&G QNTDB	-	29,545
Total trade and other receivables	42,388	72,744
Less provision for doubtful debts	-	-
Total provision for doubtful debts	-	-
Total trade and other receivables (net)	42,388	72,744
Note 5C: Other Current Assets		
Prepayments	18,605	17,395
Total other current assets	18,605	17,395
Note 5D: Other Investments		
Current		
Held to Maturity investments- Floating Rate Notes	-	1,019,415
Non-current		
Available for sale investments – Shares at market value	16,375	14,692
Total other investments	16,375	1,034,107

Net Fair Values

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

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

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

	31 March 2018	1 January 2017 to 31 March 2017
	$	$

NOTE 6 NON-CURRENT ASSETS

Note 6A: Property, plant and equipment

Property, Plant and Equipment comprises of:

Land and buildings	7,000,000	6,245,614
Motor vehicles	20,218	30,689
Plant and equipment	125,989	208,272
Total property plant and equipment	7,146,207	6,484,575
Land and buildings:		
Land at independent valuation	4,475,000	2,260,000
Building at independent valuation	2,525,000	3,960,000
Building at cost	-	654,461
Less accumulated depreciation	-	(628,847)
Total land and buildings	7,000,000	6,245,614
Motor vehicles:		
At cost	109,150	131,711
Less accumulated depreciation	(88,932)	(101,022)
Total motor vehicles	20,218	30,689
Plant and Equipment:		
At cost	661,798	693,200
Less accumulated depreciation	(535,809)	(484,928)
Total plant and equipment	125,989	208,272

	Land and Buildings	Motor Vehicles	Plant & Equipment	Total
	$	$	$	$
Balance at beginning of the year	6,245,614	30,689	208,272	6,484,575
Additions	100,022	-	-	100,022
Disposals	-	(2,798)	-	(2,798)
Depreciation	(187,540)	(7,673)	(82,283)	(277,496)
Revaluation increment/(decrement)	841,904	-	-	841,904
Carrying amount at end of year	7,000,000	20,218	125,989	7,146,207

NOTE 6 NON-CURRENT ASSETS

Note 6A: Property, plant and equipment (continued)

The revalued land and buildings consist of:

Land – 16 Campbell Street	$3,000,000
Land – 14 Campbell Street	$1,400,000
Land – 43/12 Charlton Court Woolner NT	$ 75,000
Building – 16 Campbell Street	$1,350,000
Building – 14 Campbell Street	$ 700,000
Building – 43/12 Charlton Court Woolner NT	$ 275,000
Storage Shed – 13 Commerce Street, Yatala	$ 200,000

Management determined that these constitute one class of asset under AASB 13, based on the nature, characteristics and risks of the properties.

Fair value of the properties was determined by using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for the difference in the nature, location or condition of the specific property. As at 31 March 2018 (valuation date) the properties' fair values are based on valuations performed by the following valuers:

Land and Building	Valuer	Registration Number	Valuation Company
16 Campbell Street Bowen Hills QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd
14 Campbell Street Bowen Hills QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd
43/12 Charlton Court Woolner NT	Emma Jackson	44637	Valuations NT
13 Commerce Street, Yatala QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd

The above valuers are certified and accredited independent valuers.

	31 March 2018	1 January 2017 to 31 March 2017
	$	$
Note 6B: Investment property		
Balance at the beginning of the year	1,965,864	1,965,864
Additions		-
Net gain/(loss) from fair value adjustment	(325,864)	-
Total Investment property	1,640,000	1,965,864

NOTE 6 NON-CURRENT ASSETS (CONTINUED)

Note 6B: Investment property (continued)

The revalued investment properties consist of:

17 Borrila Court Jingli NT	$ 620,000
152 Bayswater Rd Currajong QLD	$ 410,000
Unit 15 Manor Apartments QLD	$ 305,000
Unit 20 Manor Apartments QLD	$ 305,000

The valuations were performed by the following valuers:

Investment Property	Valuer	Registration Number	Valuation Company
17 Borrila Court Jingli NT	Emma Jackson	44637	Valuations NT
152 Bayswater Rd Currajong QLD	Tony O'Connor	3312	Taylor Byrne
Unit 15 Manor Apartments QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd
Unit 20 Manor Apartments QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd

The above valuers are accredited independent valuers with a recognised and relevant professional qualification and with recent experience in the location and category of the investment properties being valued.

The fair value of completed investment properties has been determined on a market value basis in accordance with International Valuation Standards (IVS), as set out by the International Valuation Standards Council (IVSC).

The highest and best use of the investment properties is not considered to be different from its current use.

The valuation method used to value the above investment properties is considered to be the Direct Comparison approach, whereby the subject property is compared to recent sales of similar properties within the surrounding vicinity.

The fair value of investment property is included within Level 2 at Note 14.

NOTE 7 TRADE AND OTHER PAYABLES

Note 7A: Trade and other payables - Current

Trade creditors	1,987	7,238
Payables to other reporting units		
- CFMEU C&G QNTDB	-	1,147,766
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	-	-
Other legal matters	-	-
Income received in advance	8,753	7,651
GST payable	6,527	-
Other payables and accruals	6,200	8,500
Wages collected on behalf of members	408,069	721,268
Total current trade and other payables	431,536	1,892,423

Wages collected on behalf of members:

Opening balance at beginning of the year	721,268	723,724
Amounts recovered from employers	290,609	21,000
Payments to or on behalf of Workers	(603,808)	(23,456)
	408,069	721,268

	31 March 2018	1 January 2017 to 31 March 2017
	$	$
NOTE 8 PROVISIONS		
Note 8A: Employee Provisions - Current		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	-	-
Total current employee provisions	-	-
Note 8B: Employee Provisions – Non-current		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	-	-
Total non-current employee provisions	-	-
Current	-	-
Non-Current	-	-
Total employee provisions	-	-

	31 March 2018	1 January 2017 to 31 March 2017
	$	$
NOTE 9 CASH FLOW		
Note 9A: 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:		
Cash flow statement	5,668,698	6,182,268
Balance sheet	5,668,698	6,182,268
Difference	-	-
Reconciliation of profit/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	(132,548)	85,421
Adjustments for non-cash items		
Depreciation/amortisation	277,496	64,018
(Gain)/Loss on disposal of assets	1,434	(14,571)
(Gain)/Loss on disposal of investments	(2,627)	-
Change in fair value of investment properties	325,864	-
Changes in assets/liabilities		
(Increase)/decrease in net receivables	11,402	(57,774)
(Increase)/decrease in prepayments	(1,210)	756
Increase/(decrease) in trade and other payables	(1,441,933)	(26,221)
Increase/(decrease) in employee provisions	-	-
Net cash from (used by) operating activities	(962,122)	51,629
Note 9B: Cash flow information		
Cash inflows		
CFMEU C&G QNTDB	702,292	547,055
Total cash inflows	702,292	547,055
Cash outflows		
CFMEU C&G QNTDB	1,570,358	-
Total cash outflows	1,570,358	-

Note 9C: Credit standby arrangements and loan facilities

The Union did not have any credit facilities during the year ended 31 March 2018 (31 March 2017: Nil).

NOTE 9 CASH FLOW (CONTINUED)

Note 9D: Non-cash transactions

There have been no non-cash financing or investing activities during the year ended 31 March 2018 (31 March 2017: Nil).

NOTE 10 RELATED PARTY DISCLOSURES

Note 10A: 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 2018	1 January 2017 to 31 March 2017
	$	$
Revenue received includes the following:		
Rent received from CFMEU C&G QNTDB	638,447	154,963
Expenses paid includes the following:		
CFMEU C&G QNTDB	-	-
Amounts owed by includes the following:		
CFMEU C&G QNTDB	-	29,545
Amounts owed to includes the following:		
CFMEU C&G QNTDB	-	1,147,766
Loans from CFMEU C&G QNTDB:	2,500,000	2,952,137

Terms and conditions of transactions with related parties

Related party transactions occur between the Union and the Construction, Forestry, Martime, Mining and Energy Union Construction and General Division Queensland Northern Territory Divisional Branch (CFMEU C&G QNTDB).

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.

The loan received from CFMEU C&G QNTDB does not incur interest and is expected to be repaid within 5 years.

NOTE 10 RELATED PARTY DISCLOSURES (CONTINUED)

Note 10B: 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)

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

	31 March 2018	1 January 2017 to 31 March 2017
	$	$
Short-term employee benefits		
Salary (including annual leave taken)	-	-
Annual leave accrued	-	-
Performance bonus	-	-
Other employee benefits	-	-
Total short-term employee benefits	-	-
Post-employment benefits:		
Superannuation	-	-
Total post-employment benefits	-	-
Other long-term benefits:		
Long-service leave	-	-
Total other long-term benefits	-	-
Termination benefits	-	-
Total	-	-

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 11 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

(a) Operating lease commitments

Leases as lessor

The Union leases out a portion of its business premises held under operating lease. The leases run for a period ranging between 3 to 5 years. The future minimum receivable payments under non-cancellable operating leases are as follows:

	31 March 2018 $	31 March 2017 $
Receivable – minimum lease commitments		
- not later than 12 months	76,284	31,522
- between 12 months and 5 years	53,517	41,058
- greater than 5 years	-	-
Minimum lease payments	129,801	72,580

(b) Contingent liabilities and commitments

The Committee of Management is not aware of any contingent assets or liabilities that are likely to have a material effect on the results of the Union.

(c) Finance lease commitments

The Union does not have any finance lease commitments.

(d) Capital expenditure commitments

There are no capital expenditure commitments at 31 March 2018 (2017: Nil).

	31 March 2018	1 January 2017 to 31 March 2017
	$	$
NOTE 12 REMUNERATION OF AUDITORS		
Value of the services provided		
Financial statement audit services	9,700	5,000
Other services	-	-
Total remuneration of auditors	9,700	5,000

No other services were provided by the auditors of the financial statements.

NOTE 13 FINANCIAL INSTRUMENTS

Financial Risk Management Policy

The Committee of Management monitors the Union's financial risk management policies and exposure and approves financial transactions entered into. It also reviews the effectiveness of internal controls relating to the counterparty credit risk, liquidity risk, market risk and interest rate risk. The Committee of Management meets on a monthly basis to review the financial exposure of the Union.

Note 13A: Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss of the Union. The Union does not have any material credit risk exposures as its major source of revenue is the receipt of rental income.

The maximum exposures to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of provisions) as presented in the statement of financial position.

The Union has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. 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 following table details the Union's trade and other receivables exposed to credit risk. Amounts are considered 'past due' when the debt has not been settled, within the terms and conditions agreed between the Union and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Union.

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13A: Credit Risk (Continued)

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 2018

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Trade and other receivables	42,388	-	-	-	42,388
Total	42,388	-	-	-	42,388

Ageing of financial assets that were past due but not impaired for 2017

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Trade and other receivables	72,744	-	-	-	72,744
Total	72,744	-	-	-	72,744

The Union has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties.

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved policy. Such policy requires that surplus funds are only invested with counterparties with a strong reputation and backed by the Commonwealth Government's bank guarantee. At 31 March 2018, all funds were held by financial institutions backed by the Commonwealth Government's bank guarantee.

Collateral held as security

The Union does not hold collateral with respect to its receivables at 31 March 2018 (31 March 2017: Nil).

Note 13B: 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.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13B: Liquidity Risk (Continued)

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	$	$	$	$	$	$	$	$
Financial liabilities due for payment								
Trade and other payables	431,536	1,892,423	-	-	-	-	431,536	1,892,423
Loan – CFMEU C&G QNTB	-	-	2,500,000	2,952,137	-	-	2,500,000	2,952,137
Total expected outflows	431,536	1,892,423	2,500,000	2,952,137	-	-	2,931,536	4,844,560
Financial assets – cash flow receivable								
Cash and cash equivalents	5,668,698	6,182,268	-	-	-	-	5,668,698	6,182,268
Trade and other receivables	42,388	72,744	-	-	-	-	42,388	72,744
Total anticipated inflows	5,711,086	6,255,012	-	-	-	-	5,711,086	6,255,012
Net (outflow) / inflow on financial instruments	5,279,550	4,362,589	(2,500,000)	(2,952,137)	-	-	2,779,550	1,410,452

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13C: 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.

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 14 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 14 FAIR VALUE MEASUREMENT (CONTINUED)

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

		31 March 2018		31 March 2017	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	5,668,698	5,668,698	6,182,268	6,182,268
Accounts receivable and other debtors	(i)	42,388	42,388	72,744	72,744
Total financial assets		5,711,086	5,711,086	6,255,012	6,255,012
Financial liabilities					
Accounts payable and other payables	(i)	431,536	431,536	1,892,423	1,892,423
Loan – CFMEU C&G QNTB		2,500,000	2,500,000	2,952,137	2,952,137
Total financial liabilities		2,931,536	2,931,536	4,844,560	4,844,560

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 139.

NOTE 14 FAIR VALUE MEASUREMENT (CONTINUED)

Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categories fair value measurement into one of the three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market date. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

31 March 2018	Level 1	Level 2	Level 3	Total
Assets	$	$	$	$
Investment property	-	1,640,000	-	1,640,000
Held to Maturity – Floating Rate Notes	-	-	-	-
Available for sale investments	16,375	-	-	16,375
Land and buildings	-	7,000,000	-	7,000,000
31 March 2017				
Assets				
Investment property	-	1,965,864	-	1,965,864
Held to Maturity – Floating Rate Notes	1,019,415	-	-	1,019,415
Available for sale investments	14,692	-	-	14,692
Land and buildings	-	6,245,614	-	6,245,614

NOTE 15 SECTION 787 INDUSTRIAL RELATIONS ACT 2016

In accordance with the requirements of the *Industrial Relations Act 2016*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 787, which reads as follows:

Information to be provided to members or registrar:

(1) A member of a reporting unit, or the registrar, may apply to the reporting unit for stated information, prescribed by regulation, about the reporting unit to be made available to the person making the application.

(2) The application must be in writing and state the period, which must be at least 14 days after the application is made, within which the information must be made available and state the way in which the information must be made available.

(3) The reporting unit's organization must ensure the reporting unit complies with the application.

NOTE 16 ADMINISTRATION OF FINANCIAL AFFAIRS BY A THIRD PARTY

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

NOTE 17 UNION DETAILS

The registered office of the Union is:

16 Campbell Street
Bowen Hills QLD 4006

NOTE 18 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 & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

Opinion

We have audited the accompanying financial report of Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division which comprises the Statement of Financial Position as at 31 March 2018, 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 and the Committee of Management Statement.

The audit report has been prepared based on the requirements of section 768 of the *Industrial Relations Act 2016 (Qld)*.

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

(a) presents fairly in all material respects, the Union's financial position as at 31 March 2018 and its performance and cash flows for the year then ended; and
(b) complies with Tier 1 reporting requirements under Australian Accounting Standards, the *Industrial Relations Act 2016 (Qld)* and the *Reporting Guidelines for the purposes of section 765.*

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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Committee of Management's Responsibility 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 *Industrial Relations Act 2016 (Qld)* 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 Responsibility

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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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.aspx. This description forms part of our auditor's report.

Report on Other Regulatory Requirements

a) 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.

b) I am an approved auditor as defined by s.595. of the *Industrial Relations Act 2016 (Qld)* being a member of the Institute of Chartered Accountants in Australia & New Zealand who holds a current Public Practice Certificate.

PKF Hacketts

PKF HACKETTS AUDIT

[redacted]

SHAUN LINDEMANN
PARTNER

BRISBANE, 30 MAY 2018

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

DESIGNATED OFFICERS CERTIFICATE

FOR THE YEAR ENDED 31 MARCH 2018

I, Michael John Ravbar, being the State Secretary of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division certify:

- that the documents lodged herewith are copies of the full report for the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division for the year ended 31 March 2018.

- that the documents lodged are copies of the documents given to the members and presented to a meeting under section 782 of *Industrial Relations Act 2016*.

Michael John Ravbar

State Secretary

25 June 2018

Sample statement of loans, grants and donations exceeding $1,000 for financial period ending 31/03/2018

Organisation details

Name of organisation including division or branch

Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division

Postal Address

16 Campbell Street

Bowen Hills, QLD Postcode: 4006

Details of officer completing the statement

Name

Michael John Ravbar

Name of office held in organisation

State Secretary

(An officer of the organisation should complete the statement)

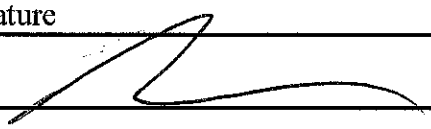
Postal Address

16 Campbell Street

Bowen Hills, QLD Postcode: 4006

Telephone number (BH)	Facsimile number	Email
(07) 3231 4600	(07) 3231 4699	

I certify that the information contained in this statement and its attachments is true and complete.

Signature	Date
	30/05/2018

LOANS, GRANTS AND DONATIONS EXCEEDING $1,000 MADE BY ORGANISATION

(if insufficient space, please attach separate sheet)

LOANS

Name of Recipient of Loan	Address	Amount	Purpose for which loan required	Security given in relation to loan	Arrangements for repayment of loan
Nil					

Note: where a loan is made to relieve a member or dependant of a member from severe financial hardship, the name and address and particulars of arrangements for repayment need not be stated.

GRANTS

Name of Recipient of Grant	Address	Amount	Purpose of Grant
Nil			

Note: where a grant is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated

DONATIONS

Name of Recipient of Donation	Address	Amount	Purpose of Donation
Nil			

Note: where a donation is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated.

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Financial Reports

CFMEUQ

1 April 2018 to 31 March 2019

Liability limited by a scheme approved under Professional Standards Legislation

CFMEU

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

ABN 12 898 529 251

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

COMMITTEE OF MANAGEMENT OPERATING REPORT

FOR THE YEAR ENDED 31 MARCH 2019

Operating Report

In accordance with section 764 of the *Industrial Relations Act 2016* ("Act") the Committee of Management ("the Committee") presents its Operating Report on the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ("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 State Executive and State Management Committee.
- 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.

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 $410,793 (31 March 2018: $132,548 deficit)

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

A member may resign from the Union by written notice addressed and delivered to the Secretary of the Union in which membership is held.

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.764 (2) (d) of the *Industrial Relations Act 2016*, 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 15,925 (2018: 17,529).

Number of Employees

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

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
Bob Williams	Whole period

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.

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 the table below:

Remuneration is defined as follows:

- Includes pay, wages, salary, fees, allowances, leave, benefits or other entitlements (employer superannuation); but
- Does not include a non-cash benefit; and
- Does not include the reimbursement or payment of reasonable expenses for the cost incurred in the course of the officer carrying out the officers' duties.

	Name of Officer	Actual amount of relevant remuneration	Value of or form of non-cash benefits	Amount paid to Officer in Officer's capacity as a Board Member
1	Michael Ravbar	Nil	Nil	Nil
2	Royce Kupsch	Nil	Nil	Nil
3	Jade Ingham	Nil	Nil	Nil
4	Andrew Sutherland	Nil	Nil	Nil

The above remuneration register of the Union has been disclosed as described under s. 764 (2) (e) of the *Industrial Relations Act 2016.*

Disclosure Statements – Loans, Grants and Donations

A copy of the loans, grants and donations register of the Union have been disclosed as described under s. 764 (2) (f) of the *Industrial Relations Act 2016.*

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
State Secretary

27 May 2019

Brisbane

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

On 27 May 2019, the Committee of Management of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ("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 Registrar;

(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 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 Registrar duly made under section 787 of the Act, that information has been provided to the member or Registrar; and

vi. where any order for inspection of financial records has been made by the Queensland Industrial Relations Commission under section 788 of the Act, there has been compliance.

(f) the organisation has complied with the requirements under section 741 of the Act, Financial Management Training, and in so doing confirm the following:

Officer's Name: Michael John Ravbar
Role in the organisation: State Secretary
Date the officer most recently completed the training: 26 May 2018
Training package: Union Governance
Provider: Australian Council of Trade Unions

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: State Secretary

Signature: [redacted]

Date: 27 May 2019

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	31 March 2019 $	31 March 2018 $
Revenue			
Membership subscription		-	-
Capitation fees		-	-
Levies		-	-
Interest	3A	89,110	86,013
Rental revenue	3B	846,609	824,143
Other revenue	3E	445	634
Total revenue		936,164	910,790
Other income			
Grants and/or donations	3C	-	-
Net gains from sale of assets	3D	-	2,627
Total other income		-	2,627
Total income		936,164	913,417
Expenses			
Employee expenses	4A	-	-
Capitation fees		-	-
Affiliation fees		-	-
Administration expenses	4B	-	9,977
Grants or donations	4C	-	-
Depreciation and amortisation	4D	167,606	277,496
Finance costs	4E	32,697	36,288
Legal costs	4F	-	6,324
Audit fees	4G	12,800	9,700
Property costs	4H	307,604	378,882
Net loss from sale of assets		-	1,434
Change in fair value of investment property		-	325,864
Change in fair value of financial assets		4,664	-
Other expenses		-	-
Total expenses		525,371	1,045,965
Surplus (deficit) for the year		410,793	(132,548)
Other comprehensive income			
Gain/(Loss) on revaluation of land & buildings		-	841,904
Revaluation increment/(decrement) of financial assets		-	(21,012)
Total comprehensive income for the year		410,793	688,344

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

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2019

	Notes	31 March 2019 $	31 March 2018 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	5,197,722	5,668,698
Trade and other receivables	5B	27,827	42,388
Other current assets	5C	-	18,605
Other investments	5D	-	-
Total current assets		5,225,549	5,729,691
Non-Current Assets			
Other investments	5D	11,711	16,375
Property, plant and equipment	6A	6,980,845	7,146,207
Investment property	6B	1,640,000	1,640,000
Total non-current assets		8,632,556	8,802,582
Total assets		13,858,105	14,532,273
LIABILITIES			
Current Liabilities			
Trade and other payables	7A	346,575	431,536
Employee provisions	8A	-	-
Total current liabilities		346,575	431,536
Non-Current Liabilities			
Employee provisions	8B	-	-
Loan – CFMEU C&G QNTDB		1,500,000	2,500,000
Total non-current liabilities		1,500,000	2,500,000
Total liabilities		1,846,575	2,931,536
Net assets		12,011,530	11,600,737
EQUITY			
Asset revaluation reserve		1,112,616	1,112,616
Financial assets revaluation reserve		-	6,376
Retained earnings		10,898,914	10,481,745
Total equity		12,011,530	11,600,737

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

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2019

	Asset revaluation reserves	Financial asset revaluation reserves	Retained earnings – General Fund	Total equity
	$	$	$	$
Balance as at 1 April 2017	270,712	27,388	10,614,293	10,912,393
Surplus (deficit) for the period	-	-	(132,548)	(132,548)
Other comprehensive income for the year	841,904	(21,012)	-	820,892
Closing balance as at 31 March 2018	**1,112,616**	**6,376**	**10,481,745**	**11,600,737**
Surplus (deficit) for the year	-	-	410,793	410,793
Other comprehensive income for the year	-	-	-	-
Transfer from financial asset revaluation reserve to retained earnings	-	(6,376)	6,376	-
Closing balance as at 31 March 2019	**1,112,616**	**-**	**10,898,914**	**12,011,530**

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

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

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	9B	794,745	702,292
Receipts from members and other customers		-	-
Rent received		136,664	204,641
Interest		103,054	68,596
Dividend received		445	634
Wage claim receipts		242,204	290,609
Other		-	-
Cash used			
Employees and suppliers		(374,670)	(470,577)
Wage claim payments		(332,277)	(603,808)
Finance cost		(32,697)	(36,288)
Payment to other reporting units	9B	(6,200)	(1,118,221)
Net cash from (used by) operating activities	9A	531,268	(962,122)
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of investments		-	999,347
Proceeds from sale of property, plant and equipment		-	1,364
Cash used			
Purchase of plant and equipment		(2,244)	(100,022)
Net cash from (used by) investing activities		(2,244)	900,689
FINANCING ACTIVITIES			
Net cash received for/(paid to) CFMEU C&G QNTDB	9B	(1,000,000)	(452,137)
Net increase (decrease) in cash held		(470,976)	(513,570)
Cash & cash equivalents at the beginning of the reporting period		5,668,698	6,182,268
Cash & cash equivalents at the end of the reporting period	5	5,197,722	5,668,698

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

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

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Note 7	Trade and other payables
Note 8	Provisions
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Note 16	Administration of financial affairs by a third party
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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 *Industrial Relations Act 2016*. 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, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ('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.

For completeness, the Union has included all notes to the financial statements, even where such activities are not undertaken by them.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.4 New Australian Accounting Standards (continued)

Adoption of New Australian Accounting Standard requirements (continued)

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 $4,664 deficit 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 $21,012 deficit 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 anticipate that the adoption of AASB 15 will not have a significant impact on the Union's financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 vary significantly from the commitments receivable disclosed in Note 11.

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 have considered the application of the new standard and at this stage do not believe the changes will materially impact how revenue is recognised.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue

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

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.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

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 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

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 consolidated statement of financial position.

1.12 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial instruments (continued)

Initial recognition and measurement (continued)

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial instruments (continued)

Classification and subsequent measurement (continued)

Financial liabilities (continued)

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial instruments (continued)

Classification and subsequent measurement (continued)

Financial Assets (continued)

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.

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).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial instruments (continued)

Derecognition (continued)

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial instruments (continued)

Impairment (continued)

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial instruments (continued)

Impairment (continued)

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)

1.13 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.

1.14 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.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

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
Buildings	4%	4%
Plant and equipment	12.5-30%	25%
Motor Vehicles	25%	10-20%

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.14 Property, Plant and Equipment (continued)

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.

1.15 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.

1.16 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.17 Fair value measurement

The Union measures financial instruments, such as, financial asset as at fair value through the profit and loss and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 13.

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.18 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.

1.19 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 14 of Chapter 12 of the Act in which 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 Registrar under section 755 of the Act of an alternative reporting structure for the organisation; or
(d) a revocation by the Registrar under section 759 of the Act of a certificate issued to an organization under section 755.

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

1.20 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at their cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

1.21 Retained earnings – General and Specific Fund

Other than the general fund account, the Union does not operate any other fund accounts for specific purpose.

There are no funds from compulsory levies or voluntary contributions.

No specific funds have been received that have been invested in assets.

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

The Union does not receive any specific funds and therefore does not have any fund account other than the general fund account. There has been no transfers or withdrawals from the fund account during the year.

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.

	31 March 2019 $	31 March 2018 $
NOTE 3 INCOME		
Note 3A: Interest		
Interest	89,110	86,013
Total interest	89,110	86,013
Note 3B: Rental revenue		
Rent – Townsville Bayswater Road	14,560	16,540
Rent – Darwin	13,000	11,740
Rent – Woolner	13,400	13,000
Rent – Manor Apartments	70,478	76,641
Rent - Campbell Street	735,171	706,222
Total rental income	846,609	824,143
Note 3C: Grants or donations		
Grants	-	-
Donations	-	-
Total grants or donations	-	-
Note 3D: Net gains from sale of assets		
Gain on sale of property, plant and equipment	-	-
Gain on sale of investments	-	2,627
Total net gain from sale of assets	-	2,627
Note 3E: Other Revenue		
Dividend income	445	634
Sundry income	-	-
Financial support from another reporting unit	-	-
Total other revenue	445	634

	31 March 2019 $	31 March 2018 $
NOTE 4 EXPENSES		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	-	-
Employees other than office holders:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses employees other than office holders	-	-
Total employee expenses	-	-
Note 4B: Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Penalties – via IR Act or IR Regulations	-	-
Other	-	9,977
Total administration expenses	-	9,977
Note 4C: 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	-	-
Total paid that exceeded $1,000	-	-
Total grants or donations	-	-

NOTE 4 EXPENSES (CONTINUED)	31 March 2019 $	31 March 2018 $
Note 4D: Depreciation and amortisation		
Depreciation:		
Buildings	101,000	187,540
Property, plant and equipment	61,551	82,283
Motor vehicles	5,055	7,673
Total depreciation	167,606	277,496
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	167,606	277,496
Note 4E: Finance costs		
Bank fees and charges	32,697	36,288
Total finance costs	32,697	36,288
Note 4F: Legal costs		
Litigation	-	-
Other legal matters	-	6,324
Total legal costs	-	6,324
Note 4G: Audit fees		
External audit expense	12,800	9,700
Other services	-	-
Total audit fees	12,800	9,700
Note 4H: Property costs		
Body corporate and management fees	60,388	68,364
Cleaning	33,814	36,519
Electricity	68,135	74,060
Insurance	18,605	14,922
Repairs and maintenance	63,711	109,242
Rates and Water	59,836	55,989
Security	3,115	19,786
Sundry expenses	-	-
Total property costs	307,604	378,882

NOTE 5 CURRENT ASSETS	31 March 2019 $	31 March 2018 $
Note 5A: Cash and Cash Equivalents		
Cash at bank	1,197,722	1,668,698
Cash on hand	-	-
Term deposits	4,000,000	4,000,000
Total cash and cash equivalents	5,197,722	5,668,698
Note 5B: Trade and Other Receivables		
Interest receivable	25,406	39,350
Other receivables	2,421	3,038
GST receivable		-
Receivables from other reporting units		
CFMEU C&G QNTDB		-
Total trade and other receivables	27,827	42,388
Less provision for doubtful debts	-	-
Total provision for doubtful debts	-	-
Total trade and other receivables (net)	27,827	42,388
Note 5C: Other Current Assets		
Prepayments	-	18,605
Total other current assets	-	18,605
Note 5D: Other Investments		
Current		
Financial investments- Floating Rate Notes	-	-
Non-current		
Financial investments – Shares at market value	11,711	16,375
Total other investments	11,711	16,375

Net Fair Values

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

ii) In determining the fair values of the unlisted financial assets, the union uses inputs that are observable either directly (as prices) or indirectly (derived from prices).

iii) Fair values of long term investment held at FV through other comprehensive income are based on quoted market prices at the end of the reporting period.

	31 March 2019 $	31 March 2018 $
NOTE 6 NON-CURRENT ASSETS (CONTINUED)		
Note 6A: Property, plant and equipment		
Property, Plant and Equipment comprises of:		
Land and buildings	6,899,000	7,000,000
Motor vehicles	15,163	20,218
Plant and equipment	66,682	125,989
Total property plant and equipment	6,980,845	7,146,207
Land and buildings:		
Land at independent valuation	4,475,000	4,475,000
Building at independent valuation	2,525,000	2,525,000
Building at cost	-	-
Less accumulated depreciation	(101,000)	-
Total land and buildings	6,899,000	7,000,000
Motor vehicles:		
At cost	109,150	109,150
Less accumulated depreciation	(93,987)	(88,932)
Total motor vehicles	15,163	20,218
Plant and Equipment:		
At cost	664,042	661,798
Less accumulated depreciation	(597,360)	(535,809)
Total plant and equipment	66,682	125,989

	Land and Buildings $	Motor Vehicles $	Plant & Equipment $	Total $
Balance at beginning of the year	7,000,000	20,218	125,989	7,146,207
Additions	-	-	2,244	2,244
Disposals	-	-	-	
Depreciation	(101,000)	(5,055)	(61,551)	(167,606)
Revaluation increment/(decrement)	-	-	-	-
Carrying amount at end of year	6,899,000	15,163	66,682	6,980,845

NOTE 6 NON-CURRENT ASSETS

Note 6A: Property, plant and equipment (continued)

The revalued land and buildings consist of:

Land – 16 Campbell Street	$3,000,000
Land – 14 Campbell Street	$1,400,000
Land – 43/12 Charlton Court Woolner NT	$ 75,000
Building – 16 Campbell Street	$1,350,000
Building – 14 Campbell Street	$ 700,000
Building – 43/12 Charlton Court Woolner NT	$ 275,000
Storage Shed – 13 Commerce Street, Yatala	$ 200,000

Management determined that these constitute one class of asset under AASB 13, based on the nature, characteristics and risks of the properties.

Fair value of the properties was determined by using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for the difference in the nature, location or condition of the specific property. The properties' fair values are based on valuations performed by the following valuers:

Land and Building	Valuer	Registration Number	Valuation Company
16 Campbell Street Bowen Hills QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd
14 Campbell Street Bowen Hills QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd
43/12 Charlton Court Woolner NT	Emma Jackson	44637	Valuations NT
13 Commerce Street, Yatala QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd

The above valuers are certified and accredited independent valuers. The properties were valued on 31 March 2018 and the same values have been adopted for 31 March 2019.

	31 March 2019 $	31 March 2018 $
Note 6B: Investment property		
Balance at the beginning of the year	1,640,000	1,965,864
Additions	-	-
Net gain/(loss) from fair value adjustment	-	(325,864)
Total Investment property	1,640,000	1,640,000

NOTE 6 NON-CURRENT ASSETS (CONTINUED)

Note 6B: Investment property (continued)

The revalued investment properties consist of:

17 Borrila Court Jingli NT	$ 620,000
152 Bayswater Rd Currajong QLD	$ 410,000
Unit 15 Manor Apartments QLD	$ 305,000
Unit 20 Manor Apartments QLD	$ 305,000

The valuations were performed by the following valuers:

Investment Property	Valuer	Registration Number	Valuation Company
17 Borrila Court Jingli NT	Emma Jackson	44637	Valuations NT
152 Bayswater Rd Currajong QLD	Tony O'Connor	3312	Taylor Byrne
Unit 15 Manor Apartments QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd
Unit 20 Manor Apartments QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd

The above valuers are accredited independent valuers with a recognised and relevant professional qualification and with recent experience in the location and category of the investment properties being valued.

The fair value of completed investment properties has been determined on a market value basis in accordance with International Valuation Standards (IVS), as set out by the International Valuation Standards Council (IVSC).

The highest and best use of the investment properties is not considered to be different from its current use.

The valuation method used to value the above investment properties is considered to be the Direct Comparison approach, whereby the subject property is compared to recent sales of similar properties within the surrounding vicinity.

The fair value of investment property is included within Level 2 at Note 14.

NOTE 7 TRADE AND OTHER PAYABLES

Note 7A: Trade and other payables - Current

	31 March 2019 $	31 March 2018 $
Trade creditors	203	1,987
Payables to other reporting units		
- CFMEU C&G QNTDB	-	-
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	-	-
Other legal matters	-	-
Income received in advance	8,275	8,753
GST payable	13,801	6,527
Other payables and accruals	6,300	6,200
Wages collected on behalf of members	317,996	408,069
Total current trade and other payables	346,575	431,536
Wages collected on behalf of members:		
Opening balance at beginning of the year	408,069	721,268
Amounts recovered from employers	242,204	290,609
Payments to or on behalf of Workers	(332,277)	(603,808)
	317,996	408,069

	31 March 2019 $	31 March 2018 $
NOTE 8 PROVISIONS		
Note 8A: Employee Provisions - Current		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	-	-
Total current employee provisions	-	-
Note 8B: Employee Provisions – Non-current		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	-	-
Total non-current employee provisions	-	-
Current	-	-
Non-Current	-	-
Total employee provisions	-	-

	31 March 2019 $	31 March 2018 $
NOTE 9 CASH FLOW		
Note 9A: 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:		
Cash flow statement	5,197,722	5,668,698
Balance sheet	5,197,722	5,668,698
Difference	-	-
Reconciliation of profit/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	410,793	(132,548)
Adjustments for non-cash items		
Depreciation/amortisation	167,606	277,496
(Gain)/Loss on disposal of assets	-	1,434
(Gain)/Loss on disposal of investments	-	(2,627)
Change in fair value of investment properties	-	325,864
Change in fair value of financial assets	4,664	-
Changes in assets/liabilities		
(Increase)/decrease in net receivables	14,560	11,402
(Increase)/decrease in prepayments	18,605	(1,210)
Increase/(decrease) in trade and other payables	(84,960)	(1,441,933)
Increase/(decrease) in employee provisions	-	-
Net cash from (used by) operating activities	531,268	(962,122)
Note 9B: Cash flow information		
Cash inflows		
CFMEU C&G QNTDB	794,745	702,292
Total cash inflows	794,745	702,292
Cash outflows		
CFMEU C&G QNTDB	1,006,200	1,570,358
Total cash outflows	1,006,200	1,570,358

Note 9C: Credit standby arrangements and loan facilities

The Union did not have any credit facilities during the year ended 31 March 2019 (31 March 2018: Nil).

NOTE 9 CASH FLOW (CONTINUED)

Note 9D: 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 10 RELATED PARTY DISCLOSURES

Note 10A: 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 $
Revenue received includes the following:		
Rent received from CFMEU C&G QNTDB	722,495	638,447
Expenses paid includes the following:		
Audit fee reimbursed to CFMEU C&G QNTDB	6,200	-
Amounts owed by includes the following:		
CFMEU C&G QNTDB	-	-
Amounts owed to includes the following:		
CFMEU C&G QNTDB	-	-
Loans from CFMEU C&G QNTDB:	1,500,000	2,500,000

Terms and conditions of transactions with related parties

Related party transactions occur between the Union and the Construction, Forestry, Martime, Mining and Energy Union Construction and General Division Queensland Northern Territory Divisional Branch (CFMEU C&G QNTDB).

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.

The loan received from CFMEU C&G QNTDB does not incur interest and is expected to be repaid within 5 years.

NOTE 10 RELATED PARTY DISCLOSURES (CONTINUED)

Note 10B: 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)	-	-
Annual leave accrued	-	-
Performance bonus	-	-
Other employee benefits	-	-
Total short-term employee benefits	-	-
Post-employment benefits:		
Superannuation	-	-
Total post-employment benefits	-	-
Other long-term benefits:		
Long-service leave	-	-
Total other long-term benefits	-	-
Termination benefits	-	-
Total	-	-

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 11 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

(a) Operating lease commitments

Leases as lessor

The Union leases out a portion of its business premises held under operating lease. The leases run for a period ranging between 3 to 5 years. 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	53,517	76,284
- between 12 months and 5 years	-	53,517
- greater than 5 years	-	-
Minimum lease payments	53,517	129,801

(b) Contingent liabilities and commitments

The Committee of Management is not aware of any contingent assets or liabilities that are likely to have a material effect on the results of the Union.

(c) Finance lease commitments

The Union does not have any finance lease commitments.

(d) Capital expenditure commitments

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

	31 March 2019 $	31 March 2018 $
NOTE 12 REMUNERATION OF AUDITORS		
Value of the services provided		
Financial statement audit services	12,800	9,700
Other services	-	-
Total remuneration of auditors	12,800	9,700

No other services were provided by the auditors of the financial statements.

NOTE 13 FINANCIAL INSTRUMENTS

Financial Risk Management Policy

The Committee of Management monitors the Union's financial risk management policies and exposure and approves financial transactions entered into. It also reviews the effectiveness of internal controls relating to the counterparty credit risk, liquidity risk, market risk and interest rate risk. The Committee of Management meets on a monthly basis to review the financial exposure of the Union.

Note 13A: Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss of the Union. The Union does not have any material credit risk exposures as its major source of revenue is the receipt of rental income.

The maximum exposures to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of provisions) as presented in the statement of financial position.

The Union has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. 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.

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13A: Credit Risk (Continued)

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	0%	0%	0%	0%	0%
Gross Carrying amount	27,827	-	-	-	27,827
Loss allowing provision	-	-	-	-	-

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	0%	0%	0%	0%	0%
Gross Carrying amount	42,388	-	-	-	42,388
Loss allowing provision	-	-	-	-	-

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.

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 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13B: 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.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	$	$	$	$	$	$	$	$
Financial liabilities due for payment								
Trade and other payables	346,575	431,536	-	-	-	-	346,575	431,536
Loan – CFMEU C&G QNTB	-	-	1,500,000	2,500,000	-	-	1,500,000	2,500,000
Total expected outflows	346,575	431,536	1,500,000	2,500,000	-	-	1,846,575	2,931,536
Financial assets – cash flow receivable								
Cash and cash equivalents	5,197,722	5,668,698	-	-	-	-	5,197,722	5,668,698
Trade and other receivables	27,827	42,388	-	-	-	-	27,827	42,388
Total anticipated inflows	5,225,549	5,711,086	-	-	-	-	5,225,549	5,711,086
Net (outflow) / inflow on financial instruments	4,878,974	5,279,550	(1,500,000)	(2,500,000)	-	-	3,378,974	2,779,550

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13C: 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.

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 14 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 14 FAIR VALUE MEASUREMENT (CONTINUED)

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

		31 March 2019		31 March 2018	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	5,197,722	5,197,722	5,668,698	5,668,698
Accounts receivable and other debtors	(i)	27,827	27,827	42,388	42,388
Other investments	(i)	11,711	11,711	16,375	16,375
Total financial assets		5,237,260	5,237,260	5,727,461	5,727,461
Financial liabilities					
Accounts payable and other payables	(i)	346,575	346,575	431,536	431,536
Loan – CFMEU C&G QNTB		1,500,000	1,500,000	2,500,000	2,500,000
Total financial liabilities		1,846,575	1,846,575	2,931,536	2,931,536

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 14 FAIR VALUE MEASUREMENT (CONTINUED)

Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categories fair value measurement into one of the three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market date. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

31 March 2019	Level 1	Level 2	Level 3	Total
Assets	$	$	$	$
Investment property	-	1,640,000	-	1,640,000
Other investments	11,711	-	-	11,711
Land and buildings	-	6,899,000	-	6,899,000
31 March 2018				
Assets				
Investment property	-	1,640,000	-	1,640,000
Other investments	16,375	-	-	16,375
Land and buildings	-	7,000,000	-	7,000,000

NOTE 15 SECTION 787 INDUSTRIAL RELATIONS ACT 2016

In accordance with the requirements of the *Industrial Relations Act 2016*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 787, which reads as follows:

Information to be provided to members or registrar:

(1) A member of a reporting unit, or the registrar, may apply to the reporting unit for stated information, prescribed by regulation, about the reporting unit to be made available to the person making the application.

(2) The application must be in writing and state the period, which must be at least 14 days after the application is made, within which the information must be made available and state the way in which the information must be made available.

(3) The reporting unit's organization must ensure the reporting unit complies with the application.

NOTE 16 ADMINISTRATION OF FINANCIAL AFFAIRS BY A THIRD PARTY

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

NOTE 17 UNION DETAILS

The registered office of the Union is:

16 Campbell Street
Bowen Hills QLD 4006

NOTE 18 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 & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

Opinion

We have audited the accompanying financial report of Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division 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 and the Committee of Management Statement.

The audit report has been prepared based on the requirements of section 768 of the *Industrial Relations Act 2016 (Qld).*

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

a) presents fairly in all material respects, the Union's financial position as at 31 March 2019 and its performance and cash flows for the year then ended; and

b) complies with Tier 1 reporting requirements under Australian Accounting Standards, the *Industrial Relations Act 2016 (Qld)* and the Reporting Guidelines for the purposes of section 765.

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.

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 *Industrial Relations Act 2016 (Qld)* 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) 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.

b) I am an approved auditor as defined by s.595. of the Industrial Relations Act 2016 (Qld) being a member of the Institute of Chartered Accountants in Australia & New Zealand who holds a current Public Practice Certificate.

PKF

PKF BRISBANE AUDIT

[redacted]

Shaun Lindemann
Partner

Dated this 27th day of May 2019
Brisbane

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

DESIGNATED OFFICERS CERTIFICATE

FOR THE YEAR ENDED 31 MARCH 2019

I, Michael John Ravbar, being the State Secretary of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division certify:

- that the documents lodged herewith are copies of the full report for the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division for the year ended 31 March 2019.
- that the documents lodged are copies of the documents given to the members and presented to a meeting under section 782 of *Industrial Relations Act 2016*.

Michael John Ravbar

State Secretary

24 June 2019

Sample statement of loans, grants and donations exceeding $1,000 for financial period ending 31/03/2019

Organisation details

Name of organisation including division or branch

Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division

Postal Address

16 Campbell Street

Bowen Hills, QLD Postcode: 4006

Details of officer completing the statement

Name

Michael John Ravbar

Name of office held in organisation

State Secretary

(An officer of the organisation should complete the statement)

Postal Address

16 Campbell Street

Bowen Hills, QLD Postcode: 4006

Telephone number (BH)	Facsimile number	Email
(07) 3231 4600	(07) 3231 4699	

I certify that the information contained in this statement and its attachments is true and complete.

Signature [redacted] Date 27/05/2019

LOANS, GRANTS AND DONATIONS EXCEEDING $1,000 MADE BY ORGANISATION

(if insufficient space, please attach separate sheet)

LOANS

Name of Recipient of Loan	Address	Amount	Purpose for which loan required	Security given in relation to loan	Arrangements for repayment of loan
Nil					

Note: where a loan is made to relieve a member or dependant of a member from severe financial hardship, the name and address and particulars of arrangements for repayment need not be stated.

GRANTS

Name of Recipient of Grant	Address	Amount	Purpose of Grant
Nil			

Note: where a grant is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated

DONATIONS

Name of Recipient of Donation	Address	Amount	Purpose of Donation
Nil			

Note: where a donation is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated.

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Financial Reports

CFMEUQ

1 April 2019 to 31 March 2020

Liability limited by a scheme approved under Professional Standards Legislation

CFMEU

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

ABN 12 898 529 251

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

COMMITTEE OF MANAGEMENT OPERATING REPORT

FOR THE YEAR ENDED 31 MARCH 2020

Operating Report

In accordance with section 764 of the *Industrial Relations Act 2016* ("Act") the Committee of Management ("the Committee") presents its Operating Report on the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ("Union"), for the year ended 31 March 2020.

Principal Activities

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

- Implementation of the decisions of the State Executive and State Management Committee.
- 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.

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 $770,193 (31 March 2019: $410,793 surplus)

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

On 20 April 2020, the entity settled an acquisition of a building located at 25 Campbell Street, Bowen Hills for $3,050,000, which will be held for investment purposes in the short-term.

Pursuant to a Service Agreement between Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division ('CFMEUQ') and Construction, Forestry, Maritime, Mining & Energy Union Construction and General Division Queensland Northern Territory Divisional Branch ('QNTDB"), it was resolved that from 1 April 2020 administrative arrangements between the entities would change. Under the agreement, administration arrangements, including the collection of subscription fees from members, labour and staffing costs would become the responsibility of CFMEUQ, which is expected to materially impact the level and type of revenues and expenses recorded in both entities, in future periods.

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

A member may resign from the Union by written notice addressed and delivered to the Secretary of the Union in which membership is held.

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.764 (2) (d) of the *Industrial Relations Act 2016*, 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 - Chair of BUSSQ
Jacqui Collie	– Member of the Union - Director of BUSSQ
Emma Eaves	– 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 14,149 (2019: 15,925).

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was 4 (2019: nil).

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
Keith Murphy	Whole period
Peter Close	Whole period
Jack Cummins	Whole period
Darren Williams (Bob)	Whole period

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.

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 2020 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 the table below:

Remuneration is defined as follows:

- Includes pay, wages, salary, fees, allowances, leave, benefits or other entitlements (employer superannuation); but
- Does not include a non-cash benefit; and
- Does not include the reimbursement or payment of reasonable expenses for the cost incurred in the course of the officer carrying out the officers' duties.

	Name of Officer	Actual amount of relevant remuneration	Value of or form of non-cash benefits	Amount paid to Officer in Officer's capacity as a Board Member
1	Michael Ravbar	Nil	Nil	Nil
2	Royce Kupsch	Nil	Nil	Nil
3	Jade Ingham	Nil	Nil	Nil
4	Darren Williams (Bob)	Nil	Nil	Nil

The above remuneration register of the Union has been disclosed as described under s. 764 (2) (e) of the *Industrial Relations Act 2016.*

Disclosure Statements – Loans, Grants and Donations

A copy of the loans, grants and donations register of the Union have been disclosed as described under s. 764 (2) (f) of the *Industrial Relations Act 2016.*

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:

[redacted]

Michael John Ravbar
State Secretary

26 May 2020

Brisbane

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

On 26 May 2020, the Committee of Management of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ("Union") passed the following resolution to the General Purpose Financial Report (GPFR) of the reporting unit for the year ended 31 March 2020.

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 Registrar;

(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 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 Registrar duly made under section 787 of the Act, that information has been provided to the member or Registrar; and

vi. where any order for inspection of financial records has been made by the Queensland Industrial Relations Commission under section 788 of the Act, there has been compliance.

(f) the organisation has complied with the requirements under section 741 of the Act, Financial Management Training, and in so doing confirm the following:

Officer's Name: Michael John Ravbar
Role in the organisation: State Secretary
Date the officer most recently completed the training: 26 May 2018
Training package: Union Governance
Provider: Australian Council of Trade Unions

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:	State Secretary
Signature:	[redacted]
Date:	26 May 2020

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	31 March 2020 $	31 March 2019 $
Revenue			
Membership subscription		-	-
Capitation fees		-	-
Levies		-	-
Interest	3A	117,494	89,110
Rental revenue	3B	880,271	846,609
Other revenue	3E	517,676	445
Total revenue		1,515,441	936,164
Other Income			
Grants and/or donations	3C	82,500	-
Net gains from sale of assets	3D	732	-
Total other income		83,232	-
Total income		1,598,673	936,164
Expenses			
Employee expenses	4A	184,660	-
Capitation fees		-	-
Affiliation fees		-	-
Administration expenses	4B	-	-
Grants or donations	4C	-	-
Depreciation and amortisation	4D	145,092	167,606
Finance costs	4E	29,009	32,697
Legal costs	4F	-	-
Audit fees	4G	13,597	12,800
Property costs	4H	440,254	307,604
Net loss from sale of assets		-	-
Change in fair value of investment property		-	-
Change in fair value of financial assets		-	4,664
Other expenses	4I	15,868	-
Total expenses		828,480	525,371
Surplus (deficit) for the year		770,193	410,793
Other comprehensive income			
Gain/(Loss) on revaluation of land & buildings		-	-
Revaluation increment/(decrement) of financial assets		-	-
Total comprehensive income for the year		770,193	410,793

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

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2020

	Notes	31 March 2020 $	31 March 2019 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	6,203,367	5,197,722
Trade and other receivables	5B	34,482	27,827
Other current assets	5C	300,000	-
Other investments	5D	-	-
Total current assets		6,537,849	5,225,549
Non-Current Assets			
Other investments	5D	-	11,711
Property, plant and equipment	6A	7,005,428	6,980,845
Investment property	6B	1,640,000	1,640,000
Total non-current assets		8,645,428	8,632,556
Total assets		15,183,277	13,858,105
LIABILITIES			
Current Liabilities			
Trade and other payables	7A	691,698	346,575
Employee provisions	8A	84,782	-
Total current liabilities		776,480	346,575
Non-Current Liabilities			
Employee provisions	8B	125,074	-
Loan – CFMEU C&G QNTDB		1,500,000	1,500,000
Total non-current liabilities		1,625,074	1,500,000
Total liabilities		2,401,554	1,846,575
Net assets		12,781,723	12,011,530
EQUITY			
Asset revaluation reserve		1,112,616	1,112,616
Financial assets revaluation reserve		-	-
Retained earnings		11,669,107	10,898,914
Total equity		12,781,723	12,011,530

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

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2020

	Asset revaluation reserves	Financial asset revaluation reserves	Retained earnings – General Fund	Total equity
	$	$	$	$
Balance as at 1 April 2018	1,112,616	6,376	10,481,745	11,600,737
Surplus (deficit) for the period	-	-	410,793	410,793
Other comprehensive income for the year	-	-	-	-
Transfer from financial asset revaluation reserve to retained earnings	-	(6,376)	6,376	-
Closing balance as at 31 March 2019	**1,112,616**	**-**	**10,898,914**	**12,011,530**
Surplus (deficit) for the year	-	-	770,193	770,193
Other comprehensive income for the year	-	-	-	-
Closing balance as at 31 March 2020	**1,112,616**	**-**	**11,669,107**	**12,781,723**

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

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	31 March 2020 $	31 March 2019 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	9B	1,030,188	794,745
Receipts from members and other customers		697,656	-
Rent received		179,179	136,664
Interest		120,668	103,054
Dividend received		-	445
Wage claim receipts		94,669	242,204
Other		-	-
Cash used			
Employees and suppliers		(514,005)	(374,670)
Wage claim payments		(116,469)	(332,277)
Finance cost		(29,009)	(32,697)
Payment to other reporting units	9B	-	(6,200)
Net cash from (used by) operating activities	9A	1,462,877	531,268
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of investments		12,443	-
Proceeds from sale of property, plant and equipment		-	-
Cash used			
Purchase of plant and equipment		(169,675)	(2,244)
Deposit for purchase of investment property		(300,000)	-
Net cash from (used by) investing activities		(457,232)	(2,244)
FINANCING ACTIVITIES			
Net cash received for/(paid to) CFMEU C&G QNTDB	9B	-	(1,000,000)
Net increase (decrease) in cash held		1,005,645	(470,976)
Cash & cash equivalents at the beginning of the reporting period		5,197,722	5,668,698
Cash & cash equivalents at the end of the reporting period	5A	6,203,367	5,197,722

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

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

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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 *Industrial Relations Act 2016*. 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, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ('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.

For completeness, the Union has included all notes to the financial statements, even where such activities are not undertaken by them.

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)

1.3 Significant accounting judgements and estimates (continued)

Key Judgements

Impact of COVID19
A global pandemic (COVID19) occurred during the period, which has resulted in broad and significant economic and social impacts. Whilst the Committee does not believe that the Union will be significantly impacted by the pandemic, they are currently unable to reliably determine the potential impact of the pandemic on future results or cashflows. Accordingly, no adjustments have been made in these financial statements relating to any potential future impacts of COVID19.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

The Union has adopted AASB 16: *Leases* during the period, applying the retrospective approach from 1 April 2019. As the Union did not have any leases as a lessee on 1 April 2019, there are no lease liability and right-of-use assets to be recognised. As a lessor, however, it is required to disaggregate each class of property, plant and equipment into assets subject to operating leases and assets not subject to operating leases. Accordingly, additional disclosures under PPE Note 6A have been made to the financial statement for the year ended 31 March 2020 as a result of the adoption of AASB16 *Leases*.

The Union has adopted AASB 15: *Revenue from Contracts with Customers* retrospectively with the cumulative effect of initially applying AASB 15 recognised at 1 April 2019. In accordance with AASB 15, the comparatives for the 2019 reporting period have not been restated. The AASB 15 replaces AASB 118 *Revenue,* AASB 111 *Construction Contracts* and several revenue-related interpretations. In accordance with the transition guidance, AASB 15 has only been applied to contracts that are incomplete as at 1 April 2019. The adoption of AASB 15 has not affected the financial statements. There have been no adjustments made to the financial statements for the year ended 31 March 2020 as a result of the adoption of AASB 15: *Revenue from Contracts with Customers*.

The Union has adopted AASB 1058: *Income for Not-for-Profit Entities* retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 April 2019. In accordance with AASB 1058, the comparatives for the 2019 reporting period have not been restated. AASB 1058 is applicable to transactions that do not arise from enforceable contracts with customers involving sufficiently specific performance obligations, as such transactions are accounted for in accordance with AASB 15. The adoption of AASB 1058 has not affected the financial statements. There have been no adjustments made to the financial statements for the year ended 31 March 2020 as a result of the adoption of AASB 1058: *Income for Not-for-Profit Entities*.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 2018-7: Amendments to Australian Accounting Standards – Definition of Material
(applicable for annual reporting periods beginning on or after 1 January 2020)

AASB 2018-7 principally amends AASB 101 and AASB 108. The amendments refine the definition of material in AASB 101. The amendments clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications. The amendment also includes some supporting requirements in AASB 101 in the definition to give it more prominence and clarifies the explanation accompanying the definition of material.

The Committee of Management anticipate that the adoption of AASB 2018-7 will not have a significant impact on the Union's financial statements.

1.5 Revenue

To determine whether to recognise revenue, the Union follows a 5 step process as prescribed by AASB 15:

- 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.

Revenue is recognised either at a point in time or over time, where (or as) the Union satisfies performance obligations by transferring the promised goods or services to its customers.

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

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.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.9 Leases

For leases as a lessor, 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.

Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

For leases as a lessee, a right-of-use and a corresponding lease liability is recognised. However, all contracts that are classified as short-term leases (i.e. lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

The lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payment are discounted at the interest rate implicit in the lease. The right-of-use assets comprise the initial measurement of the corresponding lease liability, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, the specific asset is depreciated over the useful life of the underlying asset.

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 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial instruments (continued)

Initial recognition and measurement (continued)

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing components 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial instruments (continued)

Classification and subsequent measurement (continued)

Financial liabilities (continued)

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial instruments (continued)

Classification and subsequent measurement (continued)

Financial Assets (continued)

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.

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).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial instruments (continued)

Derecognition (continued)

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial instruments (continued)

Impairment (continued)

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial instruments (continued)

Impairment (continued)

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)

1.13 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.

1.14 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.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

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 2020	31 March 2019
Buildings	4%	4%
Plant and equipment	12.5-30%	25%
Motor Vehicles	25%	10-20%

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.14 Property, Plant and Equipment (continued)

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.

1.15 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.

1.16 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.17 Fair value measurement

The Union measures financial instruments, such as, financial assets at fair value through the profit and loss and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 13.

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.18 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.

1.19 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 14 of Chapter 12 of the Act in which 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 Registrar under section 755 of the Act of an alternative reporting structure for the organisation; or
(d) a revocation by the Registrar under section 759 of the Act of a certificate issued to an organization under section 755.

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

1.20 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at their cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

1.21 Retained earnings – General and Specific Fund

Other than the general fund account, the Union does not operate any other fund accounts for specific purpose.

There are no funds from compulsory levies or voluntary contributions.

No specific funds have been received that have been invested in assets.

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

The Union does not receive any specific funds and therefore does not have any fund account other than the general fund account. There has been no transfers or withdrawals from the fund account during the year.

NOTE 2 EVENTS AFTER REPORTING DATE

On 20 April 2020, the entity settled an acquisition of a building located at 25 Campbell Street, Bowen Hills for $3,050,000, which will be held for investment purposes in the short-term.

Pursuant to a Service Agreement between Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division ('CFMEUQ') and Construction, Forestry, Maritime, Mining & Energy Union Construction and General Division Queensland Northern Territory Divisional Branch ('QNTDB'), it was resolved that from 1 April 2020 administrative arrangements between the entities would change. Under the agreement, administration arrangements, including the collection of subscription fees from members, labour and staffing costs would become the responsibility of CFMEUQ, which is expected to materially impact the level and type of revenues and expenses recorded in both entities, in future periods.

	31 March 2020 $	31 March 2019 $
NOTE 3 INCOME		
Note 3A: Interest		
Interest	117,494	89,110
Total interest	117,494	89,110
Note 3B: Rental revenue		
Rent – Townsville Bayswater Road	14,560	14,560
Rent – Darwin	13,000	13,000
Rent – Woolner	13,936	13,400
Rent – Manor Apartments	75,218	70,478
Rent - Campbell Street	763,557	735,171
Total rental income	880,271	846,609
Note 3C: Grants or donations		
Grants	82,500	-
Donations	-	-
Total grants or donations	82,500	-
Note 3D: Net gains from sale of assets		
Gain on sale of property, plant and equipment	-	-
Gain on sale of investments	732	-
Total net gain from sale of assets	732	-
Note 3E: Other Revenue		
Compliance recoveries	109,440	-
Dividend income	-	445
Directors/Meeting fees	45,353	-
Insurance recoveries	20,655	
Promotional charges	342,228	-
Financial support from another reporting unit	-	-
Total other revenue	517,676	445

	31 March 2020 $	31 March 2019 $
NOTE 4 EXPENSES		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
*Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	-	-
Employees other than office holders:		
Wages and salaries	103,679	-
Superannuation	16,574	-
Leave and other entitlements	58,645	-
*Separation and redundancies	4,680	-
Other employee expenses	1,082	-
Subtotal employee expenses employees other than office holders	184,660	-
Total employee expenses	184,660	-

*Separation and redundancies include contribution to the redundancy fund.

Note 4B: Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Penalties – via IR Act or IR Regulations	-	-
Other	-	-
Total administration expenses	-	-
Note 4C: 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	-	-
Total paid that exceeded $1,000	-	-
Total grants or donations	-	-

NOTE 4 EXPENSES (CONTINUED)	31 March 2020 $	31 March 2019 $
Note 4D: Depreciation and amortisation		
Depreciation:		
Buildings	101,000	101,000
Property, plant and equipment	40,301	61,551
Motor vehicles	3,791	5,055
Total depreciation	145,092	167,606
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	145,092	167,606
Note 4E: Finance costs		
Bank fees and charges	29,009	32,697
Total finance costs	29,009	32,697
Note 4F: Legal costs		
Litigation	-	-
Other legal matters	-	-
Total legal costs	-	-
Note 4G: Audit fees		
External audit expense	13,597	12,800
Other services	-	-
Total audit fees	13,597	12,800
Note 4H: Property costs		
Body corporate and management fees	67,553	60,388
Cleaning	37,300	33,814
Electricity	64,327	68,135
Insurance	20,196	18,605
Repairs and maintenance	145,083	63,711
Rates and Water	62,201	59,836
Security	43,594	3,115
Sundry expenses	-	-
Total property costs	440,254	307,604

NOTE 4 EXPENSES (CONTINUED)	31 March 2020 $	31 March 2019 $
Note 4I: Other Expenses		
Motor vehicle expenses	(700)	-
Payroll tax	6,000	-
Workers compensation	10,568	-
Total other expenses	15,868	-

NOTE 5 CURRENT ASSETS

Note 5A: Cash and Cash Equivalents		
Cash at bank	2,203,367	1,197,722
Cash on hand	-	-
Term deposits	4,000,000	4,000,000
Total cash and cash equivalents	6,203,367	5,197,722
Note 5B: Trade and Other Receivables		
Interest receivable	33,202	25,406
Other receivables	1,280	2,421
Receivables from other reporting units		
CFMEU C&G QNTDB	-	-
Total trade and other receivables	34,482	27,827
Less provision for doubtful debts	-	-
Total provision for doubtful debts	-	-
Total trade and other receivables (net)	34,482	27,827
Note 5C: Other Current Assets		
Deposit for investment property – 25 Campbell St Bowen Hills	300,000	-
Prepayments	-	-
Total other current assets	300,000	-

NOTE 5 CURRENT ASSETS (CONTINUED)	31 March 2020 $	31 March 2019 $
Note 5D: Other Investments		
Current		
Financial investments- Floating Rate Notes	-	-
Non-current		
Financial investments -- Shares at market value	-	11,711
Total other investments	-	11,711

Net Fair Values

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

ii) In determining the fair values of the unlisted financial assets, the union uses inputs that are observable either directly (as prices) or indirectly (derived from prices).

iii) Fair values of long term investment held at FV through other comprehensive income are based on quoted market prices at the end of the reporting period.

	31 March 2020 $	31 March 2019 $

NOTE 6 NON-CURRENT ASSETS

Note 6A: Property, plant and equipment

Property, Plant and Equipment comprises of:

Land and buildings	6,798,000	6,899,000
Motor vehicles	11,372	15,163
Plant and equipment	196,056	66,682
Total property plant and equipment	7,005,428	6,980,845
Land and buildings:		
Land at independent valuation	4,475,000	4,475,000
Building at independent valuation	2,525,000	2,525,000
Building at cost	-	-
Less accumulated depreciation	(202,000)	(101,000)
Total land and buildings	6,798,000	6,899,000
Motor vehicles:		
At cost	109,150	109,150
Less accumulated depreciation	(97,778)	(93,987)
Total motor vehicles	11,372	15,163
Plant and Equipment:		
At cost	833,717	664,042
Less accumulated depreciation	(637,661)	(597,360)
Total plant and equipment	196,056	66,682

	Land and Buildings $	Motor Vehicles $	Plant & Equipment $	Total $
Balance at beginning of the year	6,899,000	15,163	66,682	6,980,845
Additions	-	-	169,675	169,675
Disposals	-	-	-	-
Depreciation	(101,000)	(3,791)	(40,301)	(145,092)
Revaluation increment/(decrement)	-	-	-	-
Carrying amount at end of year	6,798,000	11,372	196,056	7,005,428

NOTE 6 NON-CURRENT ASSETS (CONTINUED)

Note 6A: Property, plant and equipment (continued)

AASB 16 disclosure:	Subject to operating leases	Not subject to operating leases	Total
	$	$	$
Building at independent valuation	333,481	1,716,519	2,050,000
Less accumulated depreciation	(26,679)	(137,321)	(164,000)
Total plant and equipment	306,802	1,579,198	1,886,000

The above buildings that are subject to operating leases are 14 Campbell St and 16 Campbell St buildings.

The revalued land and buildings consist of:

Land – 16 Campbell Street	$3,000,000
Land – 14 Campbell Street	$1,400,000
Land – 43/12 Charlton Court Woolner NT	$ 75,000
Building – 16 Campbell Street	$1,350,000
Building – 14 Campbell Street	$ 700,000
Building – 43/12 Charlton Court Woolner NT	$ 275,000
Storage Shed – 13 Commerce Street, Yatala	$ 200,000

Management determined that these constitute one class of asset under AASB 13, based on the nature, characteristics and risks of the properties.

Fair value of the properties was determined by using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for the difference in the nature, location or condition of the specific property. The properties' fair values are based on valuations performed by the following valuers:

Land and Building	Valuer	Registration Number	Valuation Company
16 Campbell Street Bowen Hills QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd
14 Campbell Street Bowen Hills QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd
43/12 Charlton Court Woolner NT	Emma Jackson	44637	Valuations NT
13 Commerce Street, Yatala QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd

The above valuers are certified and accredited independent valuers. The properties were valued on 31 March 2018 (every 3 years) and the same values have been adopted for 31 March 2020.

NOTE 6 NON-CURRENT ASSETS (CONTINUED)

	31 March 2020 $	31 March 2019 $
Note 6B: Investment property		
Balance at the beginning of the year	1,640,000	1,640,000
Additions	-	-
Net gain/(loss) from fair value adjustment	-	-
Total Investment property	1,640,000	1,640,000

The revalued investment properties consist of:

17 Borrila Court Jingli NT	$ 620,000
152 Bayswater Rd Currajong QLD	$ 410,000
Unit 15 Manor Apartments QLD	$ 305,000
Unit 20 Manor Apartments QLD	$ 305,000

The valuations were performed by the following valuers:

Investment Property	Valuer	Registration Number	Valuation Company
17 Borrila Court Jingli NT	Emma Jackson	44637	Valuations NT
152 Bayswater Rd Currajong QLD	Tony O'Connor	3312	Taylor Byrne
Unit 15 Manor Apartments QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd
Unit 20 Manor Apartments QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd

The above valuers are accredited independent valuers with a recognised and relevant professional qualification and with recent experience in the location and category of the investment properties being valued.

The fair value of completed investment properties has been determined on a market value basis in accordance with International Valuation Standards (IVS), as set out by the International Valuation Standards Council (IVSC).

The highest and best use of the investment properties is not considered to be different from its current use.

The valuation method used to value the above investment properties is considered to be the Direct Comparison approach, whereby the subject property is compared to recent sales of similar properties within the surrounding vicinity.

The fair value of investment property is included within Level 2 at Note 14.

NOTE 7 TRADE AND OTHER PAYABLES

Note 7A: Trade and other payables - Current

	31 March 2020 $	31 March 2019 $
Trade creditors	3,385	203
Payables to other reporting units		
- CFMEU C&G QNTDB	-	-
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	-	-
Other legal matters	-	-
Income received in advance	292,356	8,275
Income received in advance – CFMEU C&G National Office	29,450	-
GST payable	57,586	13,801
Other payables and accruals	12,725	6,300
Wages collected on behalf of members	296,196	317,996
Total current trade and other payables	691,698	346,575

Wages collected on behalf of members:

Opening balance at beginning of the year	317,996	408,069
Amounts recovered from employers	94,669	242,204
Payments to or on behalf of Workers	(116,469)	(332,277)
	296,196	317,996

	31 March 2020 $	31 March 2019 $
NOTE 8 PROVISIONS		
Note 8A: Employee Provisions - Current		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	73,630	-
Long service leave	11,152	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	84,782	-
Total current employee provisions	84,782	-
Note 8B: Employee Provisions – Non-current		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	-	-
Long service leave	125,074	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	125,074	-
Total non-current employee provisions	125,074	-
Current	84,782	-
Non-Current	125,074	-
Total employee provisions	209,856	-

	31 March 2020 $	31 March 2019 $
NOTE 9 CASH FLOW		
Note 9A: 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:		
Cash flow statement	6,203,367	5,197,722
Balance sheet	6,203,367	5,197,722
Difference	-	-
Reconciliation of profit/(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	770,193	410,793
Adjustments for non-cash items		
Depreciation/amortisation	145,092	167,606
(Gain)/Loss on disposal of assets	-	-
(Gain)/Loss on disposal of investments	(732)	-
Change in fair value of investment properties	-	-
Change in fair value of financial assets	-	4,664
Changes in assets/liabilities		
(Increase)/decrease in net receivables	(6,655)	14,560
(Increase)/decrease in prepayments	-	18,605
Increase/(decrease) in trade and other payables	345,123	(84,960)
Increase/(decrease) in employee provisions	209,856	-
Net cash from (used by) operating activities	1,462,877	531,268
Note 9B: Cash flow information		
Cash inflows		
CFMEU C&G QNTDB	1,000,738	794,745
CFMEU C&G National Office	29,450	-
Total cash inflows	1,030,188	794,745
Cash outflows		
CFMEU C&G QNTDB	-	1,006,200
Total cash outflows	-	1,006,200

Note 9C: Credit standby arrangements and loan facilities

The Union did not have any credit facilities during the year ended 31 March 2020 (31 March 2019: Nil).

NOTE 9 CASH FLOW (CONTINUED)

Note 9D: Non-cash transactions

There have been no non-cash financing or investing activities during the year ended 31 March 2020 (31 March 2019: Nil).

NOTE 10 RELATED PARTY DISCLOSURES

Note 10A: 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 2020 $	31 March 2019 $
Revenue received includes the following:		
Rent received from CFMEU C&G QNTDB	721,224	722,495
Leave entitlements transferred from CFMEU C&G QNTDB	151,211	-
Promotional charges transferred from CFMEU C&G QNTDB	26,826	-
Compliance recoveries transferred from CFMEU C&G QNTDB	26,752	-
Expenses paid includes the following:		
Audit fee reimbursed to CFMEU C&G QNTDB	-	6,200
Amounts owed by includes the following:		
CFMEU C&G QNTDB	-	-
Amounts owed to includes the following:		
CFMEU C&G QNTDB	-	-
Income received in advance from CFMEU C&G National Office	29,450	-
Loans from CFMEU C&G QNTDB:	1,500,000	1,500,000

Terms and conditions of transactions with related parties

Related party transactions occur between the Union and the Construction, Forestry, Maritime, Mining and Energy Union Construction and General Division Queensland Northern Territory Divisional Branch (CFMEU C&G QNTDB).

The sales to and purchases from related parties are made on terms equivalent to those that prevail 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. The loan received from CFMEU C&G QNTDB does not incur interest and is expected to be repaid within 5 years.

NOTE 10 RELATED PARTY DISCLOSURES (CONTINUED)

Note 10B: 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)

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

	31 March 2020 $	31 March 2019 $
Short-term employee benefits		
Salary (including annual leave taken)	-	-
Annual leave accrued	-	-
Performance bonus	-	-
Other employee benefits	-	-
Total short-term employee benefits	-	-
Post-employment benefits:		
Superannuation	-	-
Total post-employment benefits	-	-
Other long-term benefits:		
Long-service leave	-	-
Total other long-term benefits	-	-
Termination benefits	-	-
Total	-	-

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 11 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

(a) Operating lease commitments

Leases as lessor

The Union leases out a portion of its business premises held under operating lease. The leases run for a period ranging between 3 to 5 years. The future minimum receivable payments under non-cancellable operating leases are as follows:

	31 March 2020 $	31 March 2019 $
Receivable – minimum lease commitments		
- not later than 12 months	35,458	53,517
- between 12 months and 5 years	84,909	-
- greater than 5 years	-	-
Minimum lease payments	120,367	53,517

(b) Contingent liabilities and commitments

The Committee of Management is not aware of any contingent assets or liabilities that are likely to have a material effect on the results of the Union.

(c) Finance lease commitments

The Union does not have any finance lease commitments.

(d) Capital expenditure commitments

There are no capital expenditure commitments at 31 March 2020 (2019: Nil).

	31 March 2020 $	31 March 2019 $
NOTE 12 REMUNERATION OF AUDITORS		
Value of the services provided		
Financial statement audit services	13,597	12,800
Other services	-	-
Total remuneration of auditors	13,597	12,800

No other services were provided by the auditors of the financial statements.

NOTE 13 FINANCIAL INSTRUMENTS

Financial Risk Management Policy

The Committee of Management monitors the Union's financial risk management policies and exposure and approves financial transactions entered into. It also reviews the effectiveness of internal controls relating to the counterparty credit risk, liquidity risk, market risk and interest rate risk. The Committee of Management meets on a monthly basis to review the financial exposure of the Union.

Note 13A: Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss of the Union. The Union does not have any material credit risk exposures as its major source of revenue is the receipt of rental income.

The maximum exposures to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of provisions) as presented in the statement of financial position.

The Union has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. 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 2020 is determined as follows. The expected credit losses below also incorporate forward looking information.

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13A: Credit Risk (Continued)

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 2020

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	$	$	$	$	$
Expected loss rate	0%	0%	0%	0%	0%
Gross Carrying amount	34,482	-	-	-	34,482
Loss allowing provision	-	-	-	-	-

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	0%	0%	0%	0%	0%
Gross Carrying amount	27,827	-	-	-	27,827
Loss allowing provision	-	-	-	-	-

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.

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 2020 (31 March 2019: Nil).

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13B: 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.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	$	$	$	$	$	$	$	$
Financial liabilities due for payment								
Trade and other payables	691,698	346,575	-	-	-	-	691,698	346,575
Loan – CFMEU C&G QNTB	-	-	1,500,000	1,500,000	-	-	1,500,000	1,500,000
Total expected outflows	691,698	346,575	1,500,000	1,500,000	-	-	2,191,698	1,846,575
Financial assets – cash flow receivable								
Cash and cash equivalents	6,203,367	5,197,722	-	-	-	-	6,203,367	5,197,722
Trade and other receivables	34,482	27,827	-	-	-	-	34,482	27,827
Total anticipated inflows	6,237,849	5,225,549	-	-	-	-	6,237,849	5,225,549
Net (outflow) / inflow on financial instruments	5,546,151	4,878,974	(1,500,000)	(1,500,000)	-	-	4,046,151	3,378,974

NOTE 13 FINANCIAL INSTRUMENTS (CONTINUED)

Note 13C: 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.

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 14 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 judgement, 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 14 FAIR VALUE MEASUREMENT (CONTINUED)

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

		31 March 2020		31 March 2019	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		$	$	$	$
Financial assets					
Cash and cash equivalents	(i)	6,203,367	6,203,367	5,197,722	5,197,722
Accounts receivable and other debtors	(i)	34,482	34,482	27,827	27,827
Other investments	(i)	-	-	11,711	11,711
Total financial assets		6,237,849	6,237,849	5,237,260	5,237,260
Financial liabilities					
Accounts payable and other payables	(i)	691,698	691,698	346,575	346,575
Loan – CFMEU C&G QNTB		1,500,000	1,500,000	1,500,000	1,500,000
Total financial liabilities		2,191,698	2,191,698	1,846,575	1,846,575

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 14 FAIR VALUE MEASUREMENT (CONTINUED)

Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of the three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market date. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

31 March 2020	Level 1	Level 2	Level 3	Total
Assets	$	$	$	$
Investment property	-	1,640,000	-	1,640,000
Other investments	-	-	-	-
Land and buildings	-	6,798,000	-	6,798,000
31 March 2019				
Assets				
Investment property	-	1,640,000	-	1,640,000
Other investments	11,711	-	-	11,711
Land and buildings	-	6,899,000	-	6,899,000

NOTE 15 SECTION 787 INDUSTRIAL RELATIONS ACT 2016

In accordance with the requirements of the *Industrial Relations Act 2016*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 787, which reads as follows:

Information to be provided to members or registrar:

(1) A member of a reporting unit, or the registrar, may apply to the reporting unit for stated information, prescribed by regulation, about the reporting unit to be made available to the person making the application.

(2) The application must be in writing and state the period, which must be at least 14 days after the application is made, within which the information must be made available and state the way in which the information must be made available.

(3) The reporting unit's organization must ensure the reporting unit complies with the application.

NOTE 16 ADMINISTRATION OF FINANCIAL AFFAIRS BY A THIRD PARTY

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

NOTE 17 UNION DETAILS

The registered office of the Union is:

16 Campbell Street
Bowen Hills QLD 4006

NOTE 18 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 & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

Opinion

We have audited the accompanying financial report of Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division which comprises the Statement of Financial Position as at 31 March 2020, 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 and the Committee of Management Statement.

The audit report has been prepared based on the requirements of section 768 of the Industrial Relations Act 2016 (Qld).

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

a) presents fairly in all material respects, the Union's financial position as at 31 March 2020 and its performance and cash flows for the year then ended; and

b) complies with Tier 1 reporting requirements under Australian Accounting Standards, the Industrial Relations Act 2016 (Qld) and the Reporting Guidelines for the purposes of section 765.

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 am required to report that fact. We have nothing to report in this regard.

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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 Industrial Relations Act 2016 (Qld) 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) 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.

b) I am an approved auditor as defined by s.595. of the *Industrial Relations Act 2016 (Qld)* being a member of the Institute of Chartered Accountants in Australia & New Zealand who holds a current Public Practice Certificate.

PKF BRISBANE AUDIT

[redacted]

SHAUN LINDEMANN
PARTNER

DATED THIS 26TH DAY OF MAY 2020
BRISBANE

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

DESIGNATED OFFICERS CERTIFICATE

FOR THE YEAR ENDED 31 MARCH 2020

I, Michael John Ravbar, being the State Secretary of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division certify:

- that the documents lodged herewith are copies of the full report for the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division for the year ended 31 March 2020.

- that the documents lodged are copies of the documents given to the members and presented to a meeting under section 782 of *Industrial Relations Act 2016.*

Michael John Ravbar

State Secretary

23 June 2020

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Sample statement of loans, grants and donations exceeding $1,000 for financial period ending 31/03/2020

Organisation details

Name of organisation including division or branch

Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division

Postal Address

16 Campbell Street

Bowen Hills, QLD Postcode: 4006

Details of officer completing the statement

Name

Michael John Ravbar

Name of office held in organisation

State Secretary

(An officer of the organisation should complete the statement)

Postal Address

16 Campbell Street

Bowen Hills, QLD Postcode: 4006

Telephone number (BH)	Facsimile number	Email
(07) 3231 4600	(07) 3231 4699	

I certify that the information contained in this statement and its attachments is true and complete.

Signature [redacted] Date 26/05/2020

LOANS, GRANTS AND DONATIONS EXCEEDING $1,000 MADE BY ORGANISATION

(if insufficient space, please attach separate sheet)

LOANS

Name of Recipient of Loan	Address	Amount	Purpose for which loan required	Security given in relation to loan	Arrangements for repayment of loan
Nil					

Note: where a loan is made to relieve a member or dependant of a member from severe financial hardship, the name and address and particulars of arrangements for repayment need not be stated.

GRANTS

Name of Recipient of Grant	Address	Amount	Purpose of Grant
Nil			

Note: where a grant is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated

DONATIONS

Name of Recipient of Donation	Address	Amount	Purpose of Donation
Nil			

Note: where a donation is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated.

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Financial Reports

CFMEUQ

1 April 2020 to 31 March 2021

Liability limited by a scheme approved under Professional Standards Legislation

CFMEU

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

ABN 12 898 529 251

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

COMMITTEE OF MANAGEMENT OPERATING REPORT

FOR THE YEAR ENDED 31 MARCH 2021

Operating Report

In accordance with section 764 of the *Industrial Relations Act 2016* ("Act") the Committee of Management ("the Committee") presents its Operating Report on the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ("Union"), for the year ended 31 March 2021.

Principal Activities

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

- Implementation of the decisions of the State Executive and State Management Committee.
- 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.

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 $1,481,570 (31 March 2020: $770,193 surplus)

Significant Changes in Financial Affairs

Longstanding administrative arrangements have existed between the Construction, Forestry, Maritime, Mining & Energy Union Construction and General Division Queensland Northern Territory Divisional Branch (**QNTDB**) and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**CFMEUQ**) to improve the effectiveness of dual registration and, as far as practicable, to reduce unnecessary costs associated with dual registration.

The administrative arrangements established the QNTDB as the 'operating entity' in that, for consideration provided by the CFMEUQ (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), the QNTDB would provide the resources necessary to service the Dual Members and members of the CFMEUQ.

Following negotiations between the QNTDB and the CFMEUQ, it was determined by the State Divisional Executive to agree to alter these arrangements, including the arrangements for the collection of entrance fees or subscriptions. An agreement was entered into between the QNTDB and the CFMEUQ to reflect these new arrangements and has been in operation for the entirety of the financial year ended 31 March 2021 (**Service Agreement**).

As a result of the alteration to these arrangements by the Service Agreement, a number of items were transferred from the QNTDB to the CFMEUQ including: accrued employee entitlements; ongoing employee expenses; financial administration costs; agents fees; the defence fund and legal fees.

Significant Changes in Financial Affairs (continued)

The CFMEUQ, for consideration provided by the QNTDB (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), provides the resources necessary to service the Dual Members, members of the QNTDB and members of the Manufacturing Division. This has materially impacted the level and type of revenues and expenses recorded in the CFMEUQ in current and future periods.

Events subsequent to reporting date

There were no events that occurred after 31 March 2021, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

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

A member may resign from the Union by written notice addressed and delivered to the Secretary of the Union in which membership is held.

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.764 (2) (d) of the *Industrial Relations Act 2016*, 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 - Chair of BUSSQ
Jacqui Collie	– Member of the Union - Director of BUSSQ
Emma Eaves	– 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 13,885 (2020: 14,149).

Number of Employees

The number of full-time equivalent employees of the Union at the end of the financial year was 39 (2020: 4), as a result of the change in administrative arrangements outlined in Page 3.

COMMITTEE OF MANAGEMENT OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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
Keith Murphy	Whole period
Peter Close	Whole period
Jack Cummins	01/04/2020 to 02/01/2021
Darren Williams (Bob)	01/04/2020 to 02/01/2021
Mark Read	02/01/2021 to 31/03/2021
Steve Amies	02/01/2021 to 31/03/2021
Kane Lowth	02/01/2021 to 31/03/2021

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.

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 2021 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 in Note 14 of the financial statements.

Disclosure Statements – Loans, Grants and Donations

A copy of the loans, grants and donations register of the Union have been disclosed as described under s. 764 (2) (f) of the *Industrial Relations Act 2016.*

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:

[redacted]

Michael John Ravbar
State Secretary

29 June 2021

Brisbane

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

On 29 June 2021, the Committee of Management of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ("Union") passed the following resolution to the General Purpose Financial Report (GPFR) of the reporting unit for the year ended 31 March 2021.

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 Registrar;

(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 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 Registrar duly made under section 787 of the Act, that information has been provided to the member or Registrar; and

vi. where any order for inspection of financial records has been made by the Queensland Industrial Relations Commission under section 788 of the Act, there has been compliance.

(f) the organisation has complied with the requirements under section 741 of the Act, Financial Management Training, and in so doing confirm the following:

Officer's Name: Michael John Ravbar
Role in the organisation: State Secretary
Date the officer most recently completed the training: 26 May 2018
Training package: Union Governance
Provider: Australian Council of Trade Unions

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:	State Secretary
Signature:	[redacted]
Date:	29 June 2021

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	31 March 2021 $	31 March 2020 $
Revenue from contracts with customers			
Membership subscription		9,468,094	-
Capitation fees		-	-
Levies	3A	1,107,486	-
Voluntary collections – ADSS Donations		33,110	-
Interest	3B	36,986	117,494
Rental revenue	3C	689,535	880,271
Other revenue	3E	1,097,974	517,676
Total revenue		12,433,185	1,515,441
Income for furthering objectives			
Grants and/or donations	3D	342,266	82,500
Total Income for furthering objectives		342,266	82,500
Other income			
Net gains from sale of assets	3F	17,604	732
Total other income		17,604	732
Total income		12,793,055	1,598,673
Expenses			
Employee expenses	4A	6,403,750	184,660
Capitation fees	4B	742,512	-
Affiliation fees	4C	77,078	-
Administration expenses	4D	127,318	-
Voluntary collections		33,110	-
Grants or donations	4E	8,200	-
Depreciation and amortisation	4F	263,905	145,092
Finance costs	4G	35,119	29,009
Legal costs	4H	1,347,665	-
Audit fees	4I	24,916	13,597
Property costs	4J	849,788	440,254
Other expenses	4K	1,398,124	15,868
Total expenses		11,311,485	828,480
Surplus (deficit) for the year		1,481,570	770,193
Other comprehensive income			
Gain/(Loss) on revaluation of land & buildings		-	-
Total comprehensive income for the year		1,481,570	770,193

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

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	31 March 2021 $	31 March 2020 $
ASSETS			
Current Assets			
Cash and cash equivalents	5A	4,285,122	6,203,367
Trade and other receivables	5B	5,207,585	34,482
Other current assets	5C	-	300,000
Total current assets		9,492,707	6,537,849
Non-Current Assets			
Property, plant and equipment	5D	7,197,525	7,005,428
Right of use asset	9	185,636	-
Investment property	5E	13,117,254	1,640,000
Total non-current assets		20,500,415	8,645,428
Total assets		29,993,122	15,183,277
LIABILITIES			
Current Liabilities			
Trade and other payables	6A	688,178	369,892
Employee provisions	6B	1,206,817	84,782
Revenue in advance	6C	3,858,728	321,806
Lease Liability	9	88,489	-
Total current liabilities		5,842,212	776,480
Non-Current Liabilities			
Trade and other payables	6A	1,500,000	1,500,000
Employee provisions	6B	540,125	125,074
Lease liability	9	99,802	-
Total non-current liabilities		2,139,927	1,625,074
Total liabilities		7,982,139	2,401,554
Net assets		22,010,983	12,781,723
EQUITY			
Asset revaluation reserve		1,112,616	1,112,616
Retained earnings		20,898,367	11,669,107
Total equity		22,010,983	12,781,723

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

CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Asset revaluation reserves	Retained Earnings Compulsory Levy Defence Fund	Retained Earnings General Fund	Total equity
		$	$	$	$
Balance as at 1 April 2019		**1,112,616**	**-**	**10,898,914**	**12,011,530**
Surplus (deficit) for the period		-	-	770,193	770,193
Other comprehensive income for the year		-	-	-	-
Closing balance as at 31 March 2020		**1,112,616**	**-**	**11,669,107**	**12,781,723**
Surplus (deficit) for the year		-	847,126	634,444	1,481,570
Transfer of Defence Fund received from CFMEU QNTDB	**1.24**	-	7,747,690	-	7,747,690
Other comprehensive income for the year		-	-	-	-
Closing balance as at 31 March 2021		**1,112,616**	**8,594,816**	**12,303,551**	**22,010,983**

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

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	31 March 2021 $	31 March 2020 $
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	7B	10,518,696	1,030,188
Receipts from members and other customers		10,758,941	697,656
Rent received		363,483	179,179
Interest		67,688	120,668
Wage claim receipts		73,894	94,669
Cash used			
Employees and suppliers		(10,613,201)	(514,005)
Wage claim payments		(56,045)	(116,469)
Finance cost		(27,778)	(29,009)
Payment for leases	9	(99,704)	-
Payment to other reporting units	7B	(1,370,247)	-
Net cash from (used by) operating activities	7A	9,615,727	1,462,877
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of investments		-	12,443
Proceeds from sale of property, plant and equipment		21,818	-
Cash used			
Purchase of plant and equipment		(378,537)	(169,675)
Deposit for purchase of investment property		(11,177,253)	(300,000)
Net cash from (used by) investing activities		(11,533,972)	(457,232)
FINANCING ACTIVITIES			
Net cash received for/(paid to) CFMEU C&G QNTDB	7B	-	-
Net increase (decrease) in cash held		(1,918,245)	1,005,645
Cash & cash equivalents at the beginning of the reporting period		6,203,367	5,197,722
Cash & cash equivalents at the end of the reporting period	7A	4,285,122	6,203,367

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

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

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CONSTRUCTION, FORESTRY, MINING & ENERGY, INDUSTRIAL UNION OF EMPLOYEES, QUEENSLAND STATE CONSTRUCTION & GENERAL DIVISION

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 *Industrial Relations Act 2016*. 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, Mining & Energy, Industrial Union of Employees, Queensland State Construction & General Division ('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.

For completeness, the Union has included all notes to the financial statements, even where such activities are not undertaken by them.

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 and judgements

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.

Provisions
As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.3 Significant accounting judgements and estimates (continued)

Receivables
The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

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.

Impact of COVID19
As a result of the evolving nature of the COVID-19 outbreak and the rapidly evolving government policies of restrictive measures put in place to contain it, as at the date of these financial statements, the Union is not in a position to reasonably estimate the financial effects of the COVID-19 outbreak on the future financial performance and financial position of the Union.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

The accounting policies adopted are consistent with those of the previous financial year except for the following accounting standards and amendments, which have been adopted for the first time this financial year:

AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Union.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 2020-1 – Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
(applicable for annual reporting periods beginning on or after 1 January 2022)

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period.

The Committee of Management anticipate that the adoption of AASB 2020-1 will not have a significant impact on the Union's financial statements.

1.5 Revenue

The Union enters into various arrangements where it received consideration from another party. These arrangement include consideration in the form of membership subscriptions, levies, sponsorships and interest.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Union has a contract with a customer, the Union recognises revenue when or as it transfers control of goods or service to the customer. The Union accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or service to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Union.

If there is only one distinct membership service promised in the arrangement, the Union recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Union's promise to stand ready to provide assistance and support to the member as required.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue (continued)

If there is more than one distinct good or service promised in the membership subscription, the Union allocates the transaction price to each performance obligation based on the relative standalone selling price of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Union charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good or as the service transfers to the customer (for example, member services or training course), the Union recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Union has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Union at their standalone selling price, the Union accounts for those sales as a separate contract with a customer.

Capitation fees

Where the Union's arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Union recognises the capitation fees promised under that arrangement when or as it transfers service to the member.

In circumstances where the criteria for a contract with a customer are not met, the Union will recognise capitation fees as income upon receipt.

Levies

Levies paid by a member in an arrangement that meets the criteria to be a contract with a customer is recognise as revenue when or as the Union transfer the relevant services to the member. In circumstances where the criteria for a contract with a customer are not met, the Union will recognise levies as income upon receipt.

Income of the Union as a Not-for-Profit Entity

Consideration is received by the Union to enable the entity to further its objectives. The Union recognises each of these amounts of consideration as income when the consideration is received (which is when the Union obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- The Union's recognition of the cash contribution does not give rise to any related liabilities.

The Union receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- donations and voluntary contributions from members (including whip arounds); and
- government grants – (Cash Flow Boost).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.5 Revenue (continued)

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

Interest income

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

1.6 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 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.7 Leases

The Union assesses whether a contract is or contains a lease, at inception of a contract. The Union recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Union recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Union uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments, less any lease incentives.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

1.8 Borrowing costs

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

1.9 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.

1.10 Provisions

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.11 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions of the instrument.

1.12 Financial assets

Contract assets and receivables

A contract asset is recognised when the Union's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Union's future performance or some other condition. A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (**OCI**), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Union's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Union initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (**SPPI**) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Union's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Union commits to purchase or sell the asset.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial assets (Continued)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories as:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income

Financial assets at amortised cost

The Union measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (**EIR**) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Union's financial assets at amortised cost includes trade receivables, receivables from other reporting units and term deposits.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Union has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
    a) the Union has transferred substantially all the risks and rewards of the asset, or
    b) the Union has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Union has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Union continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.12 Financial assets (Continued)

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

(i) Trade receivables

For trade receivables that do not have a significant financing component, the Union applies a simplified approach in calculating expected credit losses (**ECLs**) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Union does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Union has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Union recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Union expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Union considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Union may also consider a financial asset to be in default when internal or external information indicates that the Union is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.13 Financial Liabilities

Financial liabilities are classified, at initial recognition, at amortised cost or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Union's financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.14 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Union transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Union performs under the contract (i.e. transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The Union's refund liabilities arise from customers' right of return. The liability is measured at the amount the Union's ultimately expects it will have to return to the customer. The Union updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.15 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.

1.16 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.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

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 2021	31 March 2020
Buildings	4%	4%
Plant and equipment	12.5-30%	25%
Motor Vehicles	25%	10-20%

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.16 Property, Plant and Equipment (continued)

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.

1.17 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.

1.18 Income Tax

The Union is exempt from income tax under section 50.1 of *the Income Tax Assessment Act 1997* however still has an 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.

1.19 Fair value measurement

The Union measures financial instruments, such as, financial assets at fair value through the profit and loss and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 13.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.19 Fair value measurement (continued)

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.

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.

1.20 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.21 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 14 of Chapter 12 of the Act in which 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 Registrar under section 755 of the Act of an alternative reporting structure for the organisation; or
(d) a revocation by the Registrar under section 759 of the Act of a certificate issued to an organization under section 755.

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

1.22 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at their cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

1.23 Compulsory Campaign Levy

The compulsory campaign levy was established by the Construction Forestry Maritime Mining & Energy Construction & General Division National Office (CFMEU C&G National Office) to provide resources to fight against attacks against the Union by employers, governments and media. The levy is paid to the CFMEU C&G National Office.

1.24 Retained earnings – Compulsory Levy Defence Fund

Other than the general fund account, the Union also operates a compulsory levy defence fund **(Defence Fund)**.

The Defence Fund is maintained to provide the additional resources needed to defend members of the Construction, Forestry, Maritime, Mining and Energy Union, Construction & General Division, Queensland Northern Territory Divisional Branch **(QNTDB)** and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**Union**) against continuing attacks from employers and Federal Government agencies.

In 2004, the pre-amalgamated Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland determined to create the Defence Fund and resolved that members were required to make payment of the Levy. On 1 July 2013, the Union transferred those monies held in the Defence Fund to the QNTDB. On, and from, 1 July 2013, the QNTDB began collecting the Levy from members of both the QNTDB and the Union.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.24 Retained earnings – Compulsory Levy Defence Fund (continued)

During the year, the QNTDB transferred $7,747,690 comprising of the Defence Fund to the Union.

At the time of the transfer, the Defence Fund comprised:

- the monies paid by the members resident in the Northern Territory;
- the monies transferred by the Union in 2013; and
- the monies collected by the QNTDB since 1 July 2013.

The monies paid by the members resident in the Northern Territory were not transferred to the Union and have remained in the retained earnings of QNDTB as detailed in the statement of changes in equity.

From the monies comprising the Defence Fund, the Union purchased investment properties for value of $6,649,562. Remaining funds are held in cash and short term investments.

All funds required by the rules of the Union are included in the retained earnings as detailed in the Statement of changes in equity.

The surplus in compulsory levy defence fund collected from members during the year, and retained in the Defence Fund is $847,126.

1.25 Service Agreement

Longstanding administrative arrangements have existed between the Construction, Forestry, Maritime, Mining & Energy Union Construction and General Division Queensland Northern Territory Divisional Branch (**QNTDB**) and the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland State Construction and General Division (**CFMEUQ**) to improve the effectiveness of dual registration and, as far as practicable, to reduce unnecessary costs associated with dual registration.

The administrative arrangements established the QNTDB as the 'operating entity' in that, for consideration provided by the CFMEUQ (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), the QNTDB would provide the resources necessary to service the Dual Members and members of the CFMEUQ.

Following negotiations between the QNTDB and the CFMEUQ, it was determined by the State Divisional Executive to agree to alter these arrangements, including the arrangements for the collection of entrance fees or subscriptions. An agreement was entered into between the QNTDB and the CFMEUQ to reflect these new arrangements and has been in operation for the entirety of the financial year ended 31 March 2021 (**Service Agreement**).

As a result of the alteration to these arrangements by the Service Agreement, a number of items were transferred from the QNTDB to the CFMEUQ including: accrued employee entitlements; ongoing employee expenses; financial administration costs; agents fees; the defence fund and legal fees.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.25 Service Agreement (continued)

The CFMEUQ, for consideration provided by the QNTDB (namely the agreement to not collect entrance fees or subscriptions from members of both the CFMEUQ and the QNTDB (**Dual Members**)), provides the resources necessary to service the Dual Members, members of the QNTDB and members of the Manufacturing Division. This has materially impacted the level and type of revenues and expenses recorded in the CFMEUQ in current and future periods.

NOTE 2 EVENTS AFTER REPORTING DATE

There were no events that occurred after 31 March 2021, 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 2021 $	31 March 2020 $
Disaggregation of revenue from contracts with customers		
A disaggregation of the Union's revenue by type of arrangements is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.		
Type of customer		
Members	10,575,580	-
Other reporting units	359,083	721,224
Government	100,000	-
Other parties	1,398,522	794,217
Total revenue from contracts with customers	12,433,185	1,515,441
Disaggregation of income for furthering activities		
A disaggregation of the Union's income by type of arrangement is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of income by funding source:		
Income funding sources		
Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	342,266	82,500
Total income for furthering activities	342,266	82,500

NOTE 3 INCOME

	31 March 2021 $	31 March 2020 $
Note 3A: Levies		
Compulsory levy – Defence Fund (Note 1.24)	847,126	-
Compulsory levy – Campaign (Note 1.23)	232,322	-
Voluntary levy – Tool Scheme	28,038	-
Total levies	1,107,486	-
Note 3B: Interest		
Interest	36,986	117,494
Total interest	36,986	117,494
Note 3C: Rental revenue		
Rent – Townsville Bayswater Road	14,900	14,560
Rent – Darwin	13,400	13,000
Rent – Flinders St Townsville	24,796	-
Rent – Woolner	14,445	13,936
Rent – Manor Apartments	29,616	75,218
Rent - Campbell Street	546,058	763,557
Rent – Edgar Street	46,320	-
Total rental income	689,535	880,271
Note 3D: Grants or donations		
Grants	342,266	82,500
Donations	-	-
Total grants or donations	342,266	82,500
Note 3E: Other Revenue		
Advertising & Marketing	44,753	-
Compliance recoveries	145,920	109,440
Directors/Meeting fees	108,846	45,353
Insurance recoveries	7,376	20,655
Promotional charges	573,584	342,228
Reimbursement of staff cost	80,158	-
Sponsorship income	30,000	-
Sundry income	107,337	-
Financial support from another reporting unit	-	-
Total other revenue	1,097,974	517,676

NOTE 3 INCOME

	31 March 2021 $	31 March 2020 $
Note 3F: Net gains from sale of assets		
Gain on sale of property, plant and equipment	17,604	-
Gain on sale of investments	-	732
Total net gain from sale of assets	17,604	732

NOTE 4 EXPENSES

Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	622,012	-
Superannuation	64,536	-
Leave and other entitlements	260,065	-
*Separation and redundancies	21,777	-
Other employee expenses	5,162	-
Subtotal employee expenses holders of office	973,552	-
Employees other than office holders:		
Wages and salaries	4,378,965	103,679
Superannuation	654,112	16,574
Leave and other entitlements	175,652	58,645
*Separation and redundancies	171,867	4,680
Other employee expenses	49,602	1,082
Subtotal employee expenses employees other than office holders	5,430,198	184,660
Total employee expenses	6,403,750	184,660

*Separation and redundancies include contribution to the redundancy fund.

Note 4B: Capitation fees		
CFMEU C&G National Office	742,512	-
Total capitation fees	742,512	-
Note 4C: Affiliation fees		
Australian Labor Party Queensland Branch	62,717	-
Building and Wood Workers' International	14,361	
Total affiliation fees	77,078	-

NOTE 4 EXPENSES (CONTINUED)

	31 March 2021 $	31 March 2020 $
Note 4D: Administration expenses		
Consideration to employers for payroll deductions of membership subscriptions	-	-
Compulsory levy – Campaign (Note 1.23)	108,590	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	18,728	-
Penalties – via IR Act or IR Regulations	-	-
Total administration expenses	127,318	-
Note 4E: Grants or donations		
Grants:		
Total paid that were $1,000 or less	200	-
Total paid that exceeded $1,000	8,000	-
Donations:		
Total paid that were $1,000 or less	-	-
Total paid that exceeded $1,000	-	-
Total grants or donations	8,200	-
Note 4F: Depreciation and amortisation		
Depreciation:		
Buildings	108,053	101,000
Property, plant and equipment	71,329	40,301
Motor vehicles	2,843	3,791
Right of use asset (Note 9)	81,680	-
Total depreciation	263,905	145,092
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	263,905	145,092
Note 4G: Finance costs		
Bank fees and charges	27,778	29,009
Interest expense – Lease liability (Note 9)	7,341	-
Total finance costs	35,119	29,009

NOTE 4 EXPENSES (CONTINUED)	31 March 2021 $	31 March 2020 $
Note 4H: Legal costs		
Litigation	1,211,108	-
Other legal matters	124,186	-
Penalties & Settlements (Litigation costs)	12,371	-
Total legal costs	1,347,665	-
Note 4I: Audit fees		
External audit expense	24,916	13,597
Other services	-	-
Total audit fees	24,916	13,597
Note 4J: Property costs		
Body corporate and management fees	41,894	67,553
Cleaning	40,649	37,300
Electricity	62,253	64,327
Insurance	41,060	20,196
Repairs and maintenance	518,329	145,083
Rates and Water	120,370	62,201
Rent expenses – Flinders St Townsville	13,338	-
Security	11,895	43,594
Sundry expenses	-	-
Total property costs	849,788	440,254
Note 4K: Other Expenses		
Administration expenses	29,745	-
Advertising & marketing	104,655	-
Campaign expenses	168,561	-
Communications	48,570	-
Computer expenses	63,234	-
Labour day expenses	15,875	-
Motor vehicle expenses	204,086	(700)
Organising expenses	120,812	-
Payroll tax	300,375	6,000
Postage	101,866	-
Printing and stationery	58,188	-
Publication expenses	70,270	-
Sponsorship expenses	68,100	-
Subscriptions	2,244	-
Training	1,228	-
Workers compensation	40,315	10,568
Total other expenses	1,398,124	15,868

NOTE 5 ASSETS

	31 March 2021 $	31 March 2020 $
Note 5A: Cash and Cash Equivalents		
Cash at bank	4,280,822	2,203,367
Cash on hand	4,300	-
Term deposits	-	4,000,000
Total cash and cash equivalents	4,285,122	6,203,367
Note 5B: Trade and Other Receivables		
Trade receivable	85,040	-
Interest receivable	2,500	33,202
Membership dues receivable	709,759	-
Other receivables	1,293	1,280
Receivables from other reporting units		
CFMEU C&G QNTDB	5,041,855	-
CFMEU M&E Division QLD Branch	41,588	-
CFMEU C&G National Office	7,604	-
Total trade and other receivables	5,889,639	34,482
Less provision for doubtful debts	(682,054)	-
Total provision for doubtful debts	**(682,054)**	**-**
Total trade and other receivables (net)	5,207,585	34,482

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

Note 5C: Other Current Assets		
Deposit for investment property – 25 Campbell St Bowen Hills	-	300,000
Prepayments	-	-
Total other current assets	-	300,000

NOTE 5 ASSETS (CONTINUED)

	31 March 2021 $	31 March 2020 $
Note 5D: Property, plant and equipment		
Property, Plant and Equipment comprises of:		
Land and buildings	7,018,608	6,798,000
Motor vehicles	4,314	11,372
Plant and equipment	174,603	196,056
Total property plant and equipment	7,197,525	7,005,428
Land and buildings:		
Land at independent valuation	4,475,000	4,475,000
Building at independent valuation	2,525,000	2,525,000
Building at cost	328,661	-
Less accumulated depreciation	(310,053)	(202,000)
Total land and buildings	7,018,608	6,798,000
Motor vehicles:		
At cost	65,564	109,150
Less accumulated depreciation	(61,250)	(97,778)
Total motor vehicles	4,314	11,372
Plant and Equipment:		
At cost	883,593	833,717
Less accumulated depreciation	(708,990)	(637,661)
Total plant and equipment	174,603	196,056

	Land and Buildings $	Motor Vehicles $	Plant & Equipment $	Total $
Balance at beginning of the year	6,798,000	11,372	196,056	7,005,428
Additions	328,661	-	49,876	378,537
Disposals	-	(4,215)	-	(4,215)
Depreciation	(108,053)	(2,843)	(71,329)	(182,225)
Revaluation increment/(decrement)	-	-	-	-
Carrying amount at end of year	7,018,608	4,314	174,603	7,197,525

NOTE 5 ASSETS (CONTINUED)

Note 5D: Property, plant and equipment (continued)

AASB 16 disclosure:	Subject to operating leases	Not subject to operating leases	Total
	$	$	$
Building at independent valuation	333,481	1,716,519	2,050,000
Building at cost	48,127	280,534	328,661
Less accumulated depreciation	(41,051)	(212,002)	(253,053)
Total plant and equipment	340,557	1,785,051	2,125,608

The above buildings that are subject to operating leases are 14 Campbell St and 16 Campbell St buildings.

The revalued land and buildings consist of:

Land – 16 Campbell Street	$3,000,000
Land – 14 Campbell Street	$1,400,000
Land – 43/12 Charlton Court Woolner NT	$ 75,000
Building – 16 Campbell Street	$1,350,000
Building – 14 Campbell Street	$ 700,000
Building – 43/12 Charlton Court Woolner NT	$ 275,000
Storage Shed – 13 Commerce Street, Yatala	$ 200,000

Management determined that these constitute one class of asset under AASB 13, based on the nature, characteristics and risks of the properties.

Fair value of the properties was determined by using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for the difference in the nature, location or condition of the specific property. The properties' fair values are based on valuations performed by the following valuers:

Land and Building	Valuer	Registration Number	Valuation Company
16 Campbell Street Bowen Hills QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd
14 Campbell Street Bowen Hills QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd
43/12 Charlton Court Woolner NT	Emma Jackson	44637	Valuations NT
13 Commerce Street, Yatala QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd

The above valuers are certified and accredited independent valuers. The properties were valued on 31 March 2018 and the same values have been adopted for 31 March 2021.

NOTE 5 ASSETS (CONTINUED)

	31 March 2021 $	31 March 2020 $
Note 5E: Investment property		
Balance at the beginning of the year	1,640,000	1,640,000
Additions	11,477,254	-
Net gain/(loss) from fair value adjustment	-	-
Total Investment property	13,117,254	1,640,000

During the year, the Union acquired the following investment properties at cost:

9 Hazelmount St Bowen Hills	$980,412
25 Campbell St Bowen Hills	$3,208,871
21 Campbell St & 30 Edgar St Bowen Hills	$3,022,876
19 Campbell St & 26 Edgar St & 11 Hazelmount St Bowen Hills	$3,626,686
Property development project – Campbell St	$638,409

The revalued investment properties consist of:

17 Borrila Court Jingli NT	$ 620,000
152 Bayswater Rd Currajong QLD	$ 410,000
Unit 15 Manor Apartments QLD	$ 305,000
Unit 20 Manor Apartments QLD	$ 305,000

The valuations were performed by the following valuers:

Investment Property	Valuer	Registration Number	Valuation Company
17 Borrila Court Jingli NT	Emma Jackson	44637	Valuations NT
152 Bayswater Rd Currajong QLD	Tony O'Connor	3312	Taylor Byrne
Unit 15 Manor Apartments QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd
Unit 20 Manor Apartments QLD	Michael Galvin	1779	G.D. Trivett & Associates Pty Ltd

The above valuers are accredited independent valuers with a recognised and relevant professional qualification and with recent experience in the location and category of the investment properties being valued.

The fair value of completed investment properties has been determined on a market value basis in accordance with International Valuation Standards (IVS), as set out by the International Valuation Standards Council (IVSC).

The highest and best use of the investment properties is not considered to be different from its current use.

The valuation method used to value the above investment properties is considered to be the Direct Comparison approach, whereby the subject property is compared to recent sales of similar properties within the surrounding vicinity.

The fair value of investment property is included within Level 2 at Note 13.

NOTE 6 LIABILITIES

	31 March 2021 $	31 March 2020 $
Note 6A: Trade and other payables		
Trade payables and accruals	27,850	16,110
Payables to other reporting units		
- CFMEU C&G QNTDB	142,755	-
- CFMEU C&G National Office	4,362	
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	10,889	-
Other legal matters	-	-
GST payable	188,277	57,586
Wages collected on behalf of members	314,045	296,196
Total current trade and other payables	688,178	369,892
Non-current		
Payable to other reporting units		
- CFMEU C&G QNTDB	1,500,000	1,500,000
Total non-current trade and other payables	1,500,000	1,500,000
Total trade and other payables	2,188,178	1,869,892
Wages collected on behalf of members:		
Opening balance at beginning of the year	296,196	317,996
Amounts recovered from employers	73,894	94,669
Payments to or on behalf of Workers	(56,045)	(116,469)
	314,045	296,196

NOTE 6 LIABILITIES (CONTINUED)	31 March 2021 $	31 March 2020 $
Note 6B: Employee Provisions		
Employees provisions comprises of:		
Current		
Provision for annual leave	674,013	73,630
Provision for long service leave	532,804	11,152
	1,206,817	84,782
Non-current		
Provision for long service leave	540,125	125,074
Total employee provisions	1,746,942	209,856

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

Balance at beginning of the year	209,856	-
Additional provisions raised during the year	680,725	65,250
Provisions transfer received from CFMEU C&G QNTDB	1,317,767	151,211
Amounts used	(461,406)	(6,605)
Balance at the end of the year	1,746,942	209,856
Office Holders:		
Annual leave	132,652	-
Long service leave	527,314	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	659,966	-
Employees other than office holders:		
Annual leave	541,361	73,630
Long service leave	545,615	136,226
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	1,086,976	209,856
Total employee provisions	1,746,942	209,856