

Construction Forestry Maritime Mining and Energy Union

Construction and General Division

New South Wales Divisional Branch

Federally Registered Trade Union

Financial Statements

For the year ended 31 March 2018

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Financial Statements

For the year ended 31 March 2018

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Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Operating Report

31 March 2018

The Committee of Management present their report on Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch for the financial year ended 31 March 2018.

Information on Committee of Management

The names of each person who has been on the Committee of Management during the year are:

Name	Position	Period of Appointment
Mr D Greenfield	Secretary	2/3/18 to 31/3/18
	Assistant Secretary	1/4/17 to 1/3/18
Mr B Parker	Secretary	1/4/17 to 2/3/18
Ms R Mallia	President	1/4/17 to 31/3/18
Mr R Kera	Assistant Secretary	1/4/17 to 31/3/18
Mr M Greenfield	Assistant Secretary	2/3/18 to 31/3/18
Mr L Abarca	COM Member	1/4/17 to 31/3/18
Mr L Allen	COM Member	1/4/17 to 31/3/18
Mr S Andrew	COM Member	1/4/17 to 31/3/18
Mr J Barrios	COM Member	1/4/17 to 31/3/18
Mr M Battistini	COM Member	1/4/17 to 16/2/18
Mr J Burns	COM Member	1/4/17 to 31/3/18
Mr S Buterin	COM Member	1/4/17 to 31/3/18
Mr H Byrnes	COM Member	1/4/17 to 31/3/18
Mr M Cambourn	COM Member	1/4/17 to 31/3/18
Mr G Cameron	COM Member	1/4/17 to 31/3/18
Mr B Cartwright	COM Member	1/4/17 to 31/3/18
Mr C Chapman	COM Member	1/4/17 to 31/3/18
Mr S Costigan	COM Member	1/4/17 to 31/3/18
Mr J Faulkner	COM Member	1/4/17 to 16/2/18
Mr P Genovese	COM Member	1/4/17 to 31/3/18
Mr D Hackett	COM Member	1/4/17 to 31/3/18
Mr M Hammoud	COM Member	1/4/17 to 31/3/18
Mr M Jones	COM Member	1/4/17 to 31/3/18
Mr P Kenniff	COM Member	1/4/17 to 31/3/18
Mr M Lynch	COM Member	1/4/17 to 31/3/18
Mr Denis McNamara	COM Member	1/4/17 to 31/3/18
Mr P Midson	COM Member	1/4/17 to 31/3/18
Mr G Preston	COM Member	1/4/17 to 31/3/18
Mr D Reeves	COM Member	1/4/17 to 31/3/18
Mr L Valesini	COM Member	1/4/17 to 31/3/18
Mr W Whitney	COM Member	1/4/17 to 31/3/18
Mr R Ianni	COM Member	16/2/18 to 31/3/18
Mr David McNamara	COM Member	16/2/18 to 31/3/18

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Operating Report

31 March 2018

Principal activities

The principal activities of Construction Forestry Maritime Mining & Energy Union Construction and General Division New South Wales Divisional Branch during the financial year were:

- Implementation of Divisional Executive Decisions.
- Maintenance of Union Rules, Registrations and Affiliations.
- The negotiation of enterprise bargaining agreements and project agreements to improve wage rates and conditions of employment for members.
- The election and training of workplace Union delegates to strengthen workers' rights.
- The systematic checking of sites by Union organisers to maintain and improve workplace safety.
- The recruitment of members to the Union to increase Union strength.
- The training of Union officials and staff to better equip the Union to effectively represent and organise workers.
- The audit of employers to ensure compliance with agreement, award and statutory obligations.
- Assistance to workers and sub contract companies unpaid when contractors go bust.
- Representation and assistance to injured workers to assist them in respect of workers compensation and return to work.
- Representation and assistance to members unfairly sacked and victimised.
- The variation of awards to enhance the rights and entitlements of workers.
- Involvement in the broader trade union movement to strengthen trade union unity and influence.
- Media and other communications to our members and the broader community on issues affecting the rank and file to improve worker and community understanding of the role and relevance of the CFMEU and trade unionism.
- International Trade Union Unity.
- Campaigns against unjust and repressive labour laws introduced by the Federal Liberal Government.

No significant changes in the nature of the Union's activities occurred during the financial year.

Operating results and review of operations for the year

Operating results

The deficit of the Union for the year ended 31 March 2018 amounted to \$966,034 (three-month financial period 31 March 2017: surplus of \$266,292).

Review of operations

A review of the operations and the results of the Union is performed fortnightly in the meetings of the Executive Officers and monthly by the Committee of Management. Additionally, such matters are considered monthly at a regular meeting of the General Officers' of the Union. The Committee of Management believe that they have furthered the interests of their members throughout the financial period through the conducting of the Union's principal activities.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Operating Report

31 March 2018

Significant changes in state of affairs

Change of year end

During the prior period, a resolution was passed by the Divisional Executive to vary the financial reporting period-end of the Union from 31 December, to become 31 March. This was approved by the Fair Work Commission and was resolved to be put in place from the three-month period ending 31 March 2017, with the first full year-end being the 12 months to 31 March 2018.

Separation of entities for financial reporting purposes

Following extensive consultation with the Union's legal advisers and the Fair Work Commission, the Committee of Management have considered the continued application of the previously applied legal principles, in relation to the separation of the State-registered and Federally-registered legal entities for financial reporting purposes. On 12 May 2017, the Committee of Management of both entities passed a resolution to formally allocate every balance and transaction to either the State-registered or the Federally-registered Union entities, with no elements of the financial report to be mirrored in both organisations. This became effective from 1 April 2017, for the year ended 31 March 2018. The Federally-registered Union did not acquire any assets or assume any liabilities as a result of this. It is noted that an agreement is in place for the Federally-registered Union to provide financial support, as required, to the State-registered Union for it to continue as a going concern. This agreement is also reciprocated by the State-registered Union.

Change of name

This financial report is for the CFMEU Construction & General Division New South Wales Divisional Branch ("the Union") which has an ABN of 37 317 397 120, and which operates as a Division of the Construction, Forestry, Mining and Energy Union ("the CFMEU"). On 27 March 2018, as a result of an amalgamation, the CFMEU changed its name to Construction, Forestry, Maritime, Mining and Energy Union, which is identified on a revised certificate of registration under the Fair Work (Registered Organisations) Act. As a result, the Union is now referred to as the Construction Forestry Maritime Mining and Energy Union Construction & General Division New South Wales Divisional Branch.

Events after the reporting date

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

Right of members to resign

All members of the Union have the right to resign in accordance with Rule 11 of the Union Rules [and section 174 of the Fair Work (Registered Organisations) Act 2009].

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Operating Report

31 March 2018

Superannuation Trustees

Ms Rita Mallia is a director of United Super Pty Limited which acts as Trustee of CBus.

No other officer or employee of the Union acts:

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

Number of members

There were 21,669 members of the Union as at 31 March 2018 (31 March 2017: 19,901).

Number of employees

As at 31 March 2018 the Union had 47 full-time equivalent employees (31 March 2017: 50).

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



Darren Greenfield
Secretary

20 July 2018

Sydney

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Committee of Management Statement

For the year ended 31 March 2018

On 20 July 2018 the Committee of Management of the Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 March 2018:

The Committee of Management declares 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 reporting unit for the 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 year 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 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) 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 manner consistent with each of the reporting units of the organisation; and
 - v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act it has been provided to the member or Commissioner; and
 - vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) where the reporting unit has derived revenue from undertaking recover of wages activity:
 - i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and
 - ii) the committee of management instructed the auditor to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the year in respect of such activity; and
 - iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and

**Construction Forestry Maritime Mining and Energy Union Construction and General
Division New South Wales Divisional Branch**

Committee of Management Statement

For the year ended 31 March 2018

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

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



Darren Greenfield
Secretary

20 July 2018
Sydney

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2018

		12 months to 31 March 2018	3 months to 31 March 2017
	Note	\$	\$
Revenue	3	12,757,134	2,723,543
Other income	3	1,695,479	130,482
Income from equity accounted investments	17	4,383	-
Employee benefits expense	4	(7,136,914)	(1,468,142)
Fines and penalties	4	(1,573,550)	(11,209)
Forgiveness of related party receivable	4	(1,041,037)	-
Capitation fees	4	(1,004,702)	(196,941)
Legal costs	4	(940,864)	(282,741)
Property expenses		(825,609)	(39,915)
Levies	4	(378,340)	(69,585)
Bad debts expense	4	(337,405)	-
Motor vehicle expenses		(306,123)	(55,738)
Contributions to C&G National Office	4	(237,788)	-
Depreciation and amortisation expense	8(a)	(197,592)	(55,348)
Insurance expenses		(177,232)	(37,085)
Distribution and printing expenses		(152,696)	(20,168)
Advertising and promotion expenses		(147,899)	(97,256)
Travel and accommodation costs		(133,224)	(42,688)
Affiliation fees	4	(27,639)	(47,960)
Other expenses		(804,416)	(162,957)
Result for the period		(966,034)	266,292
Other comprehensive income:			
Changes in fair value of available-for-sale financial assets		2,898	88
Total comprehensive income for the period		(963,136)	266,380

The accompanying notes form part of these financial statements.

**Construction Forestry Maritime Mining and Energy Union Construction and General
Division New South Wales Divisional Branch**

Balance Sheet

As at 31 March 2018

	Note	31 March 2018 \$	31 March 2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	3,685,866	1,193,277
Trade and other receivables	6	533,559	701,512
Other financial assets	7	625,381	292,783
TOTAL CURRENT ASSETS		4,844,806	2,187,572
NON-CURRENT ASSETS			
Trade and other receivables	6	-	1,268,945
Investment in associates	17	13,456	9,073
Investment in joint venture	18	-	100
Property, plant and equipment	8	387,681	526,503
TOTAL NON-CURRENT ASSETS		401,137	1,804,621
TOTAL ASSETS		5,245,943	3,992,193
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	4,323,945	1,983,392
Employee benefits	11	2,594,806	2,715,969
Other liabilities	10	27,497	38,719
TOTAL CURRENT LIABILITIES		6,946,248	4,738,080
NON-CURRENT LIABILITIES			
Employee benefits	11	44,837	36,119
TOTAL LIABILITIES		6,991,085	4,774,199
NET ASSET DEFICIENCY	1(l)	(1,745,142)	(782,006)
EQUITY			
Reserves	12(a)	8,226	5,328
Retained earnings		(1,753,368)	(787,334)
TOTAL EQUITY	1(l)	(1,745,142)	(782,006)

The accompanying notes form part of these financial statements.

**Construction Forestry Maritime Mining and Energy Union Construction and General
Division New South Wales Divisional Branch**

Statement of Changes in Equity

For the year ended 31 March 2018

	Retained Earnings	Financial Assets Reserve	Total
	\$	\$	\$
Balance at 1 April 2017	(787,334)	5,328	(782,006)
Result for the year	(966,034)	-	(966,034)
Other comprehensive income	-	2,898	2,898
Balance at 31 March 2018	(1,753,368)	8,226	(1,745,142)
Balance at 1 January 2017	(1,053,626)	5,240	(1,048,386)
Result for the period	266,292	-	266,292
Other comprehensive income	-	88	88
Balance at 31 March 2017	(787,334)	5,328	(782,006)

The accompanying notes form part of these financial statements.

**Construction Forestry Maritime Mining and Energy Union Construction and General
Division New South Wales Divisional Branch**

Statement of Cash Flows

For the year ended 31 March 2018

	12 months to 31 March 2018	3 months to 31 March 2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and contributions	16,237,236	3,050,009
Payments to suppliers and employees	(13,374,556)	(2,254,990)
Interest received	10,652	1,365
Net cash provided by operating activities	22(a) <u>2,873,332</u>	<u>796,384</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for plant and equipment	(58,770)	-
Proceeds from sale of plant and equipment	7,727	-
Net payments for held to maturity investments	(329,700)	(2,422)
Net cash used by investing activities	<u>(380,743)</u>	<u>(2,422)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash provided by financing activities	-	-
Net increase in cash and cash equivalents held	2,492,589	793,962
Cash and cash equivalents at beginning of period	1,193,277	399,315
Cash and cash equivalents at end of financial period	5 <u>3,685,866</u>	<u>1,193,277</u>

The accompanying notes form part of these financial statements.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

The financial report covers the Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch ("the Union") as an individual accounting reporting unit. The Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch is a not-for-profit Union, which is an organisation of employees registered under the *Fair Work (Registered Organisations) Act 2009* ("the RO Act"). In accordance with the RO Act, the Union is a separate accounting reporting unit with perpetual succession, and accordingly, by virtue of this method of incorporation, the Union is not subject to the *Corporations Act 2001*.

In the prior period, a resolution was passed by the Divisional Executive to vary the financial reporting period-end of the Union from 31 December, to become 31 March. This was approved by the Fair Work Commission and was resolved to be put in place from the three-month period ending 31 March 2017, with the first full year-end to be the 12 months to 31 March 2018.

1 Summary of Significant Accounting Policies

(a) Basis of preparation

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

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. Historical cost is generally based on the fair values of the consideration given in exchange for assets. The financial statements are presented in Australian Dollars.

Separation of the State-registered and Federally-registered legal entities

These financial statements have been prepared for the Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch.

As noted in previous financial reports, the assets and liabilities of this entity ("the Federally registered Union") and that of the Construction Forestry Mining and Energy Union (New South Wales Branch) Construction and General Division ("the State registered Union") were mirrored as the Federally registered Union had dual registration as being the counterpart federal body of a Division of a State registered Union as being a Branch of a Federally registered Union. The Divisional Branch of the Federally registered Union and the State Construction and General Division of the State registered Union have the same members, the same Committee of Management members and the same Officials. Legal advice had been obtained that confirms that they are in fact constituent parts of separate legal entities, however transactions and balances relating to certain specified assets vested specifically with the State registered Union with all others being mirrored. Under the principles established by the two leading authorities in this area, namely *Moore v. Doyle (1969) 15 FLR 59 (Full Federal Court)* and *McJannet; ex parte Minister for Employment (etc.) Queensland and Another (Full High Court reported at (1997) 189 CLR 654)* the Federally registered Union prepares and lodges a separate financial report to that of the State registered Union.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

1 Summary of Significant Accounting Policies

(a) Basis of preparation

As of 1 April 2017, the respective Committee of Managements of the Federally registered Union and the State registered Union passed a resolution, in conjunction with the advice of their legal counsel and with the approval of the Fair Work Commission, to definitively allocate all financial statement elements previously mirrored, into either the Federally registered Union or the State registered Union, but not both.

The Federally registered Union did not acquire any assets or assume any liabilities as a result of this process.

(b) Comparative figures

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

When the Union applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a balance sheet as at the beginning of the earliest comparative period will be presented.

(c) Principles of consolidation

Joint Arrangements

AASB 11 *Joint Arrangements* defines a joint arrangement as an arrangement of which two or more parties have joint control and classifies these arrangements as either joint ventures or joint operations.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch has determined that it has only joint ventures.

Joint ventures:

Joint ventures are those joint arrangements which provide the venturer with right to the net assets of the arrangements. Interests in joint ventures are accounted for using the equity method in accordance with AASB 128 *Associates and Joint Ventures*. Under this method, the investment is initially recognised as cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss and other comprehensive income of the investee after the date of acquisition.

If the venturer's share of losses of a joint venture equals or exceeds its interest in the joint venture, the venturer discontinues recognising its share of further losses.

The venturer's share in the joint ventures gains or losses arising from transactions between a venturer and its joint venture are eliminated.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

1 Summary of Significant Accounting Policies

(c) Principles of consolidation

Adjustments are made to the joint ventures accounting policies where they are different from those of the venturer for the purpose of the consolidated financial statements.

Associates

Interests in associates, where the investor has significant influence over the investee, are accounted for using the equity method in accordance with AASB 128 *Associates and Joint Ventures*. Under this method, the investment is initially recognised as cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss and other comprehensive income of the investee after the date of acquisition.

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost, where applicable, any accumulated depreciation and impairment of losses.

Under cost model, 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

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Union, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

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

Fixed asset class	Depreciation rate
Furniture, Fixtures and Fittings	9 - 20%
Motor Vehicles	20%

At the end of each reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

1 Summary of Significant Accounting Policies

(e) Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that Union becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- available-for-sale financial assets; and
- held-to-maturity investments.

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The Union's trade and most other receivables fall into this category of financial instruments.

Discounting is omitted where the effect of discounting is considered immaterial.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

1 Summary of Significant Accounting Policies

(e) Financial instruments

In some circumstances, the Union renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the Union does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Union's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets or which have been designated in this category.

All available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

Losses recognised in prior period consolidated statement of profit or loss and other comprehensive income statements resulting from the impairment of debt securities are reversed through the statement of profit or loss and other comprehensive income, if the subsequent increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

1 Summary of Significant Accounting Policies

(e) Financial instruments

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The Union's financial liabilities include trade and other payables, which are measured at amortised cost using the effective interest rate method.

Impairment of financial assets

At the end of the reporting period the Union assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the 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 financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

1 Summary of Significant Accounting Policies

(g) Employee benefits

(i) Defined contribution schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(ii) Short-term obligations

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

(iii) Other long-term employee benefit obligations

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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

(h) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

(i) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Union and specific criteria relating to the type of revenue as noted below, has been satisfied.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

1 Summary of Significant Accounting Policies

(i) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Membership subscriptions

Revenue in relation to membership subscriptions is recognised on an accruals basis over the period of the membership.

Rendering of services

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Other income

Other income is recognised on an accruals basis when the Union is entitled to it.

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

(j) Funds held in trust

From time to time the Union will collect voluntary contributions from members, employers and other sources for furtherance of particular purposes, such as an appeal for the benefit of a member or the members as a group. For accounting purposes, these transactions are not treated as revenue as the Union is only operating as a facilitator to co-ordinate and collect funds for such appeals. Accordingly, all unspent/untransferred monies have been credited to the "Funds held in trust" account, as referred to in note 10.

(k) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

1 Summary of Significant Accounting Policies

(k) Goods and services tax (GST)

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(l) Going concern

This financial report has been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

As at 31 March 2018:

- There was a net asset deficiency of \$1,745,142 (31 March 2017: \$782,006); and
- There was a net deficiency in current assets of \$2,101,442 (31 March 2017: \$2,550,508)

The distinction between the State and Federal registrations requires the preparation of separate financial reports. Refer to Note 1(a) for further information.

Accordingly, the Federally registered Union's ability to continue as a going concern is reliant on the financial support of the State registered Union, whom has the financial capacity and legal intention to provide the appropriate level of support to allow the Union to pay its debts as and when they become due and payable.

This agreed financial support is to continue indefinitely. This will be an interest free arrangement with repayments, if any, to be made as required. This agreement is also reciprocated by the State registered Union.

As at 31 March 2018, the Federally registered Union has not received any financial support from the State registered Union.

As at 31 March 2018, with the financial report of the State registered Union (having positive net assets and a surplus of current assets over current liabilities) being prepared on a going concern basis, the Committee of Management believe that the Union (having the same members, the same Committee of Management members and the same Officials as the State registered Union) will continue as a going concern.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

1 Summary of Significant Accounting Policies

(m) Adoption of new and revised accounting standards

During the current period, there have been no new or revised accounting standards that have become mandatory, which have had a material impact (in the current year or retrospectively) upon the measurement of assets, liabilities, equity, income or expenses, nor upon the disclosures required in this financial report.

(n) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Union has decided not to early adopt these Standards. The following table summarises those future requirements, and their impact on the Union where the standard is relevant:

(i) AASB 9 Financial Instruments

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities and introduces new rules for hedge accounting and a new impairment model. The standard is mandatory for financial years commencing on or after 1 January 2018.

Following the changes approved by the AASB in December 2014, the AASB made further changes to the classification and measurement rules and also introduced a new impairment model. These latest amendments now complete the new financial instruments standard.

While the Union has yet to undertake a detailed assessment, it is expected that there will be no impact on the Union's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Union does not have any such liabilities.

(ii) AASB 15 Revenue from contracts with customers

The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts. The standard is mandatory for not-for-profit entities for financial years commencing on or after 1 January 2019.

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

1 Summary of Significant Accounting Policies

(n) New Accounting Standards and Interpretations

(ii) AASB 15 Revenue from contracts with customers

The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application (eg 1 January 2019), ie without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application.

At this stage, the Union is not able to estimate the impact of the new rules on the Union's financial statements. The Union will make more detailed assessments of the impact over the next twelve months.

(iii) AASB 16 Leases

The standard will affect primarily the accounting for the Union's operating leases. However, the Union has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Union's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under AASB 16.

The standard is mandatory for annual reporting periods beginning on or after 1 January 2019. At this stage, the Union does not intend to adopt the standard before its effective date.

(o) 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).

(p) Related party disclosures

Related party disclosures in this financial report are presented on an accruals basis. Whilst the financial records of the Union have been kept, as far as practicable, in a manner consistent with each of the 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 differences 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.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

1 Summary of Significant Accounting Policies

(p) Related party disclosures

From time-to-time, the National Office of the Construction & General Division of the CFMEU ("the 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 22. Additionally, any amounts outstanding as at balance date between related parties have been disclosed at note 21.

2 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Union assesses impairment at the end of each reporting period by evaluating conditions specific to the Union that may be indicative of impairment triggers.

Key estimates - 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.

Key estimates - 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.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

3 Revenue and other income

	12 months to 31 March 2018 \$	3 months to 31 March 2017 \$
Revenue from continuing operations		
- Membership subscriptions	11,436,567	2,536,386
- Fighting Levy - Compulsory	253,150	35,900
- Defend the Union National Campaign Levy - Compulsory	278,340	71,800
- Safety dinner	114,067	-
- Fighting fund receipts	40,154	16,546
- Attendance fees	56,384	14,657
- Promotion and advertising reimbursements	184,763	35,981
- EBA services	243,709	12,273
- Grants	150,000	-
- Donations	-	-
- Capitation fees	-	-
- Financial support received from another reporting unit	-	-
	12,757,134	2,723,543
Other revenue		
- Interest received	10,652	1,365
- Rent received	300,673	-
- Other income	184,211	36,458
- Direct advertising	257,500	-
- Shared service agreement and distributions	926,775	91,568
- Distribution from joint venture	6,986	-
- Gain on disposal of assets	8,682	1,091
	1,695,479	130,482

Refer to note 1(p) to further commentary in relation to the consistency of transactions and balances between reporting units.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

4 Result for the period

The result for the period includes the following specific expenses

	12 months to 31 March 2018	3 months to 31 March 2017
Note	\$	\$
Employee benefits expense comprises:		
<i>Office holders:</i>		
- Wages and salaries	633,338	124,755
- Superannuation	130,441	29,779
- Leave and other entitlements	143,704	(77,402)
- Separation and redundancies	21,907	4,545
- Other employee expenses (Including payroll tax and fringe benefit taxes)	61,673	10,544
	<u>991,063</u>	<u>92,221</u>
<i>Employees other than office holders:</i>		
- Wages and salaries	4,135,254	1,214,112
- Superannuation	808,364	121,123
- Leave and other entitlements	748,923	(77,443)
- Separation and redundancies	110,159	40,307
- Other employee expenses (Including payroll tax and fringe benefit taxes)	343,151	77,822
	<u>6,145,851</u>	<u>1,375,921</u>
Total employee benefits expense	<u><u>7,136,914</u></u>	<u><u>1,468,142</u></u>
Other expenses:		
Capitation fees paid to CFMEU C&G National Office	21 1,004,702	196,941

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

4 Result for the period

The result for the period includes the following specific expenses

	12 months to 31 March 2018	3 months to 31 March 2017
Note	\$	\$
Affiliation fees		
Australian Labor Party	-	16,846
Building Workers International	18,955	17,486
CRUMA	100	100
Newcastle Trades Hall	-	867
Sydney Alliance	5,391	-
Unions NSW - Labor Council of NSW	-	12,661
Unions NSW - May Day	500	-
Workers Educational Association	68	-
Workers Health Centre	2,625	-
	27,639	47,960
Bad and doubtful debts expense	382,504	-
Forgiveness of related party receivable from State-registered Union	1,041,037	-
Compulsory Levy - Defend the Union National Campaign Levy - paid to CFMEU National Office	21 100,000	-
Compulsory Levy - Defend the Union National Campaign Levy - paid to CFMEU C&G National Office	21 278,340	69,585
Total compulsory levies	378,340	69,585
Fees/allowances - meeting and conferences	-	2,256
Conference and meeting expenses	14,069	3,056
Donations - less than \$1,000	-	-
Donations - greater than \$1,000	-	-
Grants - less than \$1,000	-	-
Grants - greater than \$1,000	-	-
Penalties - via RO Act or RO Regulations	1,573,550	11,209
Consideration to employers for payroll deductions	-	-
Legal fees contribution paid to CFMEU C&G National office	79,531	-
ABCC Campaign Contribution paid to CFMEU C&G National	101,232	-
Penalty contribution paid to CFMEU C&G National office	57,025	-

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

4 Result for the period

The result for the period includes the following specific expenses

	12 months to 31 March 2018	3 months to 31 March 2017
Note	\$	\$
Legal costs - litigation	917,565	282,674
Legal costs - other legal matters	23,299	67
	<u>940,864</u>	<u>282,741</u>

Refer to note 1(p) to further commentary in relation to the consistency of transactions and balances between reporting units.

5 Cash and cash equivalents

	31 March 2018	31 March 2017
Note	\$	\$
Cash at bank	3,679,851	1,184,277
Cash on hand	6,015	9,000
	<u>3,685,866</u>	<u>1,193,277</u>

6 Trade and other receivables

	31 March 2018	31 March 2017
	\$	\$
CURRENT		
Trade receivables	296,154	378,401
Less: Provision for impairment	6(b) (100,596)	-
Prepayments	74,003	248,200
Related party receivable - State Registered Union	63,048	-
Other receivables	200,950	74,911
	<u>533,559</u>	<u>701,512</u>

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

6 Trade and other receivables

		31 March 2018	31 March 2017
	Note	\$	\$
NON-CURRENT			
Related party receivable - State-registered Union	21	-	1,041,037
Loan - Comet Training Trust		362,544	1,403,581
Provision for impairment of loan	6(b)	(362,544)	(134,636)
		<u>-</u>	<u>2,309,982</u>

The Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch had previously advanced funds to an associate, the Comet Training Trust. The funds advanced have no set repayment date, with the timing of cash flows uncertain and dependent on the profitability of the associate. Each balance date an assessment of the recoverable amount is performed, with any excess over the carrying value provided for and charged to the statement of comprehensive income, thus ensuring that the carrying value does not exceed its recoverable amount. For the year ended 31 March 2018 an increase in the provision of \$227,908 was required (three-month period ended 31 March 2017: no movement).

During the year the Union resolved to forgive the related party receivable owed by the State registered Union totalling \$1,041,037.

(a) Receivables from other reporting units

		31 March 2018	31 March 2017
	Note	\$	\$
Prepayment of levies to CFMEU National Office	21	-	100,000
Receivable from State-registered Union	21	63,048	1,041,037
Less provision for doubtful debts			
CFMEU National Office		-	-
State registered Union		-	-
		<u>-</u>	<u>-</u>
Receivables from other reporting units (net)		<u>63,048</u>	<u>1,141,037</u>

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

6 Trade and other receivables

(b) Provision for doubtful debts

Movement in provision for impairment of receivables is as follows:

	12 months to 31 March 2018	3 months to 31 March 2017
	\$	\$
Balance at beginning of the period	134,636	134,636
Additional impairment loss recognised	328,504	-
Balance at end of the period	463,140	134,636

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

	Gross amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31-60	61-90	> 90	
			\$	\$	\$	\$	
31 March 2018							
Trade and term receivables	296,154	26,492	3,156	-	-	247,439	19,067
Other receivables	263,998	74,104	-	-	-	-	189,894
Total	560,152	100,596	3,156	-	-	247,439	208,961
31 March 2017							
Trade and term receivables	378,401	-	-	26,447	-	16,393	335,561
Other receivables	74,911	-	-	-	-	-	74,911
Total	453,312	-	-	26,447	-	16,393	410,472

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

6 Trade and other receivables

Refer to note 1(p) to further commentary in relation to the consistency of transactions and balances between reporting units.

7 Other financial assets

	31 March 2018	31 March 2017
Note	\$	\$
Available-for-sale financial assets	(a) 11,834	8,936
Held-to-maturity financial assets	(b) 613,547	283,847
	<u>625,381</u>	<u>292,783</u>

(a) Available-for-sale financial assets comprise:

	31 March 2018	31 March 2017
	\$	\$
Listed investments		
Shares in other corporations - fair value	<u>11,834</u>	<u>8,936</u>

(b) Held-to-maturity investments comprise:

	31 March 2018	31 March 2017
	\$	\$
Fixed interest term deposits	<u>613,547</u>	<u>283,847</u>

**Construction Forestry Maritime Mining and Energy Union Construction and General
Division New South Wales Divisional Branch**

Notes to the Financial Statements

For the year ended 31 March 2018

8 Property, plant and equipment

	31 March 2018	31 March 2017
Note	\$	\$
Furniture, fixture and fittings		
At cost	1,534,891	1,524,984
Accumulated depreciation	(1,388,822)	(1,382,239)
Total furniture, fixture and fittings	146,069	142,745
	(a)	
Motor vehicles		
At cost	920,919	1,033,080
Accumulated depreciation	(679,307)	(649,322)
Total motor vehicles	241,612	383,758
	(a)	
Total property, plant and equipment	387,681	526,503

**Construction Forestry Maritime Mining and Energy Union Construction and General
Division New South Wales Divisional Branch**

Notes to the Financial Statements

For the year ended 31 March 2018

8 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Furniture, Fixtures & Fittings	Motor Vehicles	Total
	\$	\$	\$
Year ended 31 March 2018			
Balance at the beginning of year	142,745	383,758	526,503
Additions	58,770	-	58,770
Depreciation expense	(55,446)	(142,146)	(197,592)
Balance at the end of the year	146,069	241,612	387,681
Period ended 31 March 2017			
Balance at the beginning of period	159,288	422,563	581,851
Depreciation expense	(16,543)	(38,805)	(55,348)
Balance at the end of the period	142,745	383,758	526,503

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

9 Trade and other payables

	Note	31 March 2018 \$	31 March 2017 \$
Trade payables		-	69,867
Deposits		16,333	-
Sundry payables and accrued expenses		481,194	364,134
Fines payable		1,573,550	-
Payable to CFMEU C&G National Office		154,706	147,307
Legal costs payable - Litigation		489,147	252,820
Legal costs payable - Other		215	-
Consideration to employers for payroll deductions		-	-
Unearned income		1,608,800	1,149,264
		4,323,945	1,983,392
(a) Payables to other reporting entities:			
CFMEU C&G National Office	21	154,706	147,307
Unions NSW		1,100	-
Australian Manufacturing Workers' Union		120	-

Refer to note 1(p) to further commentary in relation to the consistency of transactions and balances between reporting units.

10 Other liabilities

		31 March 2018 \$	31 March 2017 \$
Fund held in trust		16,237	27,511
Unexpended grants carried forward		11,260	11,208
		27,497	38,719

**Construction Forestry Maritime Mining and Energy Union Construction and General
Division New South Wales Divisional Branch**

Notes to the Financial Statements

For the year ended 31 March 2018

11 Employee benefits

	31 March 2018	31 March 2017
	\$	\$
CURRENT		
Annual leave	1,037,021	1,061,943
Long service leave	1,389,226	1,544,014
Separation and redundancies	-	-
Other	168,559	110,012
	<u>2,594,806</u>	<u>2,715,969</u>
NON-CURRENT		
Annual leave	-	-
Long service leave	44,837	36,119
Separation and redundancies	-	-
Other	-	-
	<u>44,837</u>	<u>36,119</u>

(a) Total employee benefits attributable to:

	31 March 2018	31 March 2017
	\$	\$
Office Holders:		
Annual leave - current	111,031	128,504
Long service leave - current	165,947	239,455
Separations and redundancies	-	-
Other	20,539	-
	<u>297,517</u>	<u>367,959</u>

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

11 Employee benefits

(a) Total employee benefits attributable to:

	31 March 2018	31 March 2017
	\$	\$
Employees other than office holders:		
Annual leave - current	925,990	933,435
Long service leave - current	1,223,279	1,304,559
Long service leave - non-current	44,837	36,119
Separation and redundancies	-	-
Other - current	148,020	110,016
	<u>2,342,126</u>	<u>2,384,129</u>
Total employee benefits	<u>2,639,643</u>	<u>2,752,088</u>

12 Reserves

(a) Financial asset reserve

Change in the fair value of available for sale investments are recognised in other comprehensive income - financial asset reserve. Amounts are reclassified to profit or loss on disposal of the investment or when an impairment arises.

(b) Other specific disclosures - Funds

There are no funds operated, or required to be operated, by the Union.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

13 Capital and leasing commitments

Operating lease commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

	31 March 2018	31 March 2017
	\$	\$
Payable - minimum lease payments:		
- no later than 1 year	<u>433,333</u>	<u>21,736</u>

Operating leases have been taken out for properties. Lease payments are adjusted on an annual basis to reflect market rentals.

14 Financial risk management

The main risks Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of foreign currency risk and equity price risk.

The Union's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	31 March 2018	31 March 2017
		\$	\$
Financial Assets			
Cash and cash equivalents	5	3,685,866	1,193,277
Trade receivables	6	195,558	378,401
Other receivables	6	263,998	74,911
Held-to-maturity investments	7	613,547	283,847
Loans receivable	6	-	2,309,982
Available-for-sale financial assets - at fair value:			
- listed shares in other corporations	7	11,834	8,936
Total financial assets		<u>4,770,803</u>	<u>4,249,354</u>

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

14 Financial risk management

	Note	31 March 2018 \$	31 March 2017 \$
Financial Liabilities			
Trade and other payables	9	<u>2,731,382</u>	<u>861,639</u>

The table below reflect an undiscounted contractual maturity analysis for financial liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the balance sheet due to the effect of discounting.

Financial liability maturity analysis - Non-derivative

	Within 1 year		Total	
	31 March 2018 \$	31 March 2017 \$	31 March 2018 \$	31 March 2017 \$
Financial liabilities due for payment				
Trade and other payables	<u>2,731,382</u>	<u>861,639</u>	<u>2,731,382</u>	<u>861,639</u>

(i) Other price risk

The Union are exposed to equity securities price risk. This arises from listed and unlisted investments held by the Union and classified as available-for-sale on the balance sheet.

Equity instruments are held for strategic rather than trading purposes and the Union does not actively trade these investments.

The Union is not exposed to commodity price risk.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

14 Financial risk management

At reporting date, if the Australian Stock Exchange index had increased / decreased by 10.00% with all other variables held constant and all of the Union's equity instruments moved according to the historical correlation with the index, the impact on profit and equity is shown in the table below:

	31 March 2018		31 March 2017	
	+10.00%	-10.00%	+10.00%	-10.00%
ASX Index				
Impact on profit	-	-	-	-
Impact on equity	118	(118)	89	(89)

There is no profit impact, except for investments held at fair value through profit or loss. Equity would increase / decrease as a result of fair value movements through the investment reserve.

Credit risk

Credit risk refers to the 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 credit 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.

Trade receivables consist of a large number of customers, spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit 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.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

14 Financial risk management

Credit risk

Net income and expense from Financial Assets

	12 months to 31 March 2018	3 months to 31 March 2017
	\$	\$
Held-to-maturity		
Interest revenue	10,652	1,365
Available for sale		
Gain recognised in equity	2,898	88

15 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch during the year are as follows:

	12 months to 31 March 2018	3 months to 31 March 2017
	\$	\$
Salary (including annual leave taken)	797,140	134,466
Annual leave accrued	53,411	12,381
	850,551	146,847
Other long-term benefits	(73,508)	(28,809)
Post-employment benefits	130,441	32,701
Termination benefits	21,906	4,545
	929,390	155,284

The Remuneration Report contained in the Operating Report contains details of the remuneration paid or payable to each member of Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch's key management personnel for the year ended 31 March 2018.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

16 Auditor's remuneration

	12 months to 31 March 2018	3 months to 31 March 2017
	\$	\$
Remuneration of the auditor of the Union, Daley & Co Chartered Accountants, for:		
- auditing or reviewing the financial statements	31,000	62,050

17 Interests in Associates

Aggregate information for associates that are not individually material

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch has interests in one associate, being UPlus, which is not considered individually material. The table below summarises the financial information.

	31 March 2018	31 March 2017
	\$	\$
Carrying amount of investments in associates that are not individually material	13,456	9,073
Share of those associates:		
Profit or loss from continuing operations	4,383	-

18 Interests in Joint Ventures

The Union has joint control over the Comet Training Trust. The carrying value of this investment at 31 March 2018 is \$Nil (31 March 2017: \$100).

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

19 Fair Value Measurement

The Union measures the following assets and liabilities at fair value on a recurring basis:

- Financial assets
 - Listed Shares

Fair value hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the union:

	Level 1	Level 2	Level 3	Total
31 March 2018	\$	\$	\$	\$
Recurring fair value measurements				
Financial assets				
Listed Shares	11,834	-	-	11,834
	Level 1	Level 2	Level 3	Total
31 March 2017	\$	\$	\$	\$
Recurring fair value measurements				
Financial assets				
Listed Shares	8,936	-	-	8,936

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

20 Contingent liabilities

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch had the following contingent liabilities at the end of the reporting period:

There are seven (7) matters before the federal courts in which the ABCC is claiming the Union and/or its officials contravened the Fair Work Act 2009 as a result of alleged incidents on construction sites. It is uncertain to what extent these claims against the Union by the ABCC will be upheld and what court orders may be made against or in favour of the Union. The fines and ultimate outcomes of these claims (individually and collectively) cannot be measured reliably.

The Union has agreed to indemnify a former employed official for legal costs to defend a criminal charge of alleged assault arising out of incidents in which the official exercised his lawful right to enter a construction site as a union official. The charge raises important questions of fact and law for the Union concerning the right of an official to use reasonable force to gain access to a construction site when obstructed by an employer. It cannot at this stage be measured reliably what legal costs will ultimately be incurred to defend this matter and it is inappropriate for the Union to make further comment whilst this matter is before the Court.

The information usually required by AASB 137 Provision, Contingent Liabilities and Contingent Assets has not been disclosed on the grounds that it can be expected to prejudice seriously the outcome of the cases.

The Union also has a guarantee of \$325,000 at 31 March 2018 (2017: \$nil). This guarantee is in respect of guarantees to third parties arising out of normal business.

21 Related party transactions

Related Parties

(a) Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity is considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 15: Key Management Personnel Remuneration.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

21 Related party transactions

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

(i) Income

	12 months to 31 March 2018	3 months to 31 March 2017
	\$	\$
Distribution and service fees from UPlus	933,761	91,568
CFMEU C&G National - Travel	12,683	-
CFMEU C&G National - Sundry	37,419	9,430
CFMEU C&G ACT - Sundry	1,888	-
CFMEU C&G Western Australia - Fundraiser	-	2,500
CFMEU Forestry and Furnishing Products Division - Rent	24,307	-
Textile, Clothing and Footwear Union - Rent	11,250	-
Grant received from entity controlled by State registered Union	150,000	-
Comet Training Trust - Rent	12,042	-
Comet Training Trust - Director fees	10,000	-

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

21 Related party transactions

(ii) Capitation and other fees

	12 months to 31 March 2018	3 months to 31 March 2017
	\$	\$
CFMEU C&G Queensland & Northern Territory - Sundry	-	19,850
CFMEU C&G Victorian & Tasmanian Branch - Sundry	-	3,096
CFMEU C&G National Office - Legal costs contribution - litigation	79,531	-
CFMEU C&G National Office - Penalties contribution	57,025	-
CFMEU C&G National Office - ABCC Campaign contribution	101,232	-
CFMEU C&G National Office - Capitation Fees	1,004,702	196,941
CFMEU C&G National Office - Campaign Levies	278,340	69,585
CFMEU C&G National Office - Rent	74,017	78,395
State registered Union - Rent	325,000	-
State registered Union - Forgiveness of related party payable	1,041,037	-

(iii) Trade and other receivables

	31 March 2018	31 March 2017
	\$	\$
Prepayment of levies to CFMEU National Office	-	100,000
Receivable from Comet Training Trust (net of impairment provision)	-	74,104
Receivable from State registered Union	63,048	1,041,037

Loans to other related parties:

Loan to Comet Training Trust (net of impairment provision)	-	227,908
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No trade or other receivables from other reporting units are deemed to be impaired, and therefore no provision for impairment has been raised at balance date (31 March 2017: Nil)

(iv) Trade and other payables:

CFMEU C&G National Office	154,706	147,307
Payable to UPlus Pty Limited	5,000	5,000
Unions NSW	1,100	-
Australian Manufacturing Workers' Union	120	-

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

21 Related party transactions

Refer to note 1(p) to further commentary in relation to the consistency of transactions and balances between reporting units.

22 Cash flow information

(a) Reconciliation of result for the period to cashflows from operating activities

	12 months to 31 March 2018	3 months to 31 March 2017
	\$	\$
Result for the period	(966,034)	266,292
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	197,592	55,348
- gain/(loss) on disposal of plant and equipment	(8,682)	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	1,574,142	531,541
- (increase)/decrease in other assets	(174,196)	131,806
- increase/(decrease) in trade payables and other operating liabilities	2,362,955	(33,758)
- increase/(decrease) in provisions	(112,445)	(154,845)
Cashflow from operations	<u>2,873,332</u>	<u>796,384</u>

(b) Cash flow information - cash inflows/(outflows) from other reporting units

CFMEU C&G ACT Branch	2,077	-
CFMEU Forestry and Furnishing Products Division	27,638	-
CFMEU C&G Victorian Branch	-	(4,079)
CFMEU M&E Queensland Branch	-	(19,850)
CFMEU C&G Western Australia Branch	-	2,500
State registered Union	(208,523)	-
CFMEU C&G National Office	(1,754,856)	(252,755)
Textile Clothing & Footwear Union	12,375	-

Refer to note 1(p) to further commentary in relation to the consistency of transactions and balances between reporting units.

Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Notes to the Financial Statements

For the year ended 31 March 2018

23 Events after the end of the Reporting Period

No matters or circumstances have arisen 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.

24 Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of the members is drawn to the provisions of Sub-sections (1) to (3) of Section 272, which reads as follows:-

Information to be provided to members or the Commissioner:

1. A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
2. The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
3. A reporting unit must comply with an application made under subsection (1).

25 Additional disclosures required under the Fair Work (Registered Organisations) Act 2009

As required under the reporting guidelines provided for under section 255 of the Fair Work Act (Registered Organisations) Act 2009, it is confirmed that:

1. The Federally-registered union's ability to continue as a going concern is reliant on the financial support of the State-registered Union, whom has the financial capacity and legal intention to provide the appropriate level of support to allow the Union to pay its debts as and when they become due and payable. Refer note 1(l) for further disclosure regarding the matters of going concern support relating to this Union.
2. The Union has agreed to provide financial support to the State registered Union. This agreement is to provide the appropriate level of support to allow this entity to pay its debts on and when they become due and payable to ensure its ability as a going concern;
3. The Union has not acquired an asset or liability as a result of amalgamation, restructure or alternative reporting unit determination or revocation;
4. The financial affairs of the Union are not administered by a third party;
5. Other specific disclosures - funds: Other than have been disclosed at note 1(j) there are no other funds operated, or required to be operated, by the Union.

**Construction Forestry Maritime Mining and Energy Union Construction and General
Division New South Wales Divisional Branch**

Recovery of Wages Activity

For the year ended 31 March 2018

	12 months to 31 March 2018	3 months to 31 March 2017
	\$	\$
Receipts		
Amounts recovered from employers in respect of wages	303,080	8,469
Interest received on recovered money	-	-
	<u>303,080</u>	<u>8,469</u>
Payments		
Deductions of amounts due in respect of membership for:		
- 12 months or less	(18,499)	(450)
- Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
- The reporting unit - Fighting Fund	(4,025)	-
- Other entities:		
- ACIRT	(5,400)	-
- CBUS	(18,750)	-
- Australian Super	(3,000)	-
Payments to workers in respect of recovered monies	(252,039)	(8,019)
	<u>(301,713)</u>	<u>(8,469)</u>
Cash assets in respect of recovered money at the end of the year	<u>1,367</u>	-
Number of workers to which receipts recovered from employers relate	3,551	5
Aggregate payables to workers attributable to recovered monies but not yet distributed:		
- Payable balance	1,367	-
- Number of workers to which undistributed wage recoveries relate	14	-
Fund or account operated for recovery of wages		
Cash at bank	1,367	-

The accompanying notes form part of these financial statements.

Independent Audit Report to the members of Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch (the Reporting Unit), which comprises the balance sheet as at 31 March 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 March 2018, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Construction Forestry Maritime Mining and Energy Union Construction and General Division New South Wales Divisional Branch as at 31 March 2017, and its financial performance and its cash flows 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 Reporting Unit 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 Reporting Unit 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.

Information Other than the Financial Report and Auditor's Report Thereon

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

Wollongong

98 Kembla Street
Wollongong
NSW 2500
Ph: (02) 4229 6477
Fax: (02) 4229 5720

Bowral

Suite 12, The Grand Arcade
295 Bong Bong Street
Bowral NSW 2576
Ph: (02) 4862 1082
Fax: (02) 4862 2326

Sydney

Suite 2, Level 10
56 Clarence Street
Sydney NSW 2000
Ph: (02) 8236 8177
Fax: (02) 8236 8120

Correspondence

PO Box 333
Wollongong NSW 2520
daley@daley.com.au
www.daley.com.au
ABN 43 152 844 291



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Our opinion on the financial report does not cover the other information and accordingly 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.

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Reporting Unit 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 Committee of Management 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 Reporting Unit'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 Reporting Unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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.

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 approved auditor, a member of Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

Report on the Recovery of Wages Activity financial report

Opinion on the recovery of wages activity financial report

The scope of our work extended to the recovery of wages activity and we have audited the recovery of wages activity financial report for the year ended 31 March 2018.

In our opinion, the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the General Manager, including:

- (a) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- (b) any donations or other contributions deducted from recovered money.

Responsibilities

The Committee of Management is responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with the reporting guidelines of the General Manager. Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards.


Daley & Co
Chartered Accountants


Stephen Milgate
Partner

Wollongong
20 July 2018

Registration number (as registered by the RO Commissioner under the RO Act): AA 2017/127.

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