

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

		2016	2015
	Note	\$	\$
<i>Cash flows from operating activities</i>			
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
<i>Cash flow from investing activities</i>			
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
<i>Cash flow from financing activities</i>			
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.

**The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division**

Notes to the Financial Statements for the year ended 31 December 2016

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

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.

**The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division**

Notes to the Financial Statements for the year ended 31 December 2016

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:

<i>Fixed asset</i>	<i>Rate</i>
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.

**The Construction, Forestry, Mining & Energy,
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State Construction & General Division**

Notes to the Financial Statements for the year ended 31 December 2016

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.

**The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division**

Notes to the Financial Statements for the year ended 31 December 2016

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.

**The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division**

Notes to the Financial Statements for the year ended 31 December 2016

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

**The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division**

Notes to the Financial Statements for the year ended 31 December 2016

	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

**The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division**

Notes to the Financial Statements for the year ended 31 December 2016

	2016	2015
	\$	\$
Note 9: Financial assets		
<i>Current</i>		
<i>Held to maturity investments:</i>		
Notes	1,003,425	-
Total non-current financial assets	1,003,425	-
<i>Non-current</i>		
<i>Available for sale investments:</i>		
Shares at market value	13,787	13,447
Union House partnership at fair value	-	-
<i>Held to maturity investments:</i>		
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

**The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division**

Notes to the Financial Statements for the year ended 31 December 2016

	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.

**The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division**

Notes to the Financial Statements for the year ended 31 December 2016

	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
	<u>1,540,380</u>	<u>412,123</u>
<i>Wages collected on behalf of members</i>		
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)
	<u>723,724</u>	<u>375,173</u>
Note 13: Revenue in Advance		
<i>Current</i>		
Other revenue in advance	15,302	14,714
	<u>15,302</u>	<u>14,714</u>
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)
	<u>963,007</u>	<u>278,261</u>

(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.

**The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division**

Notes to the Financial Statements for the year ended 31 December 2016

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:

<u>Name of Former Party</u>	<u>Details of Payment</u>	<u>Amount \$</u>
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:

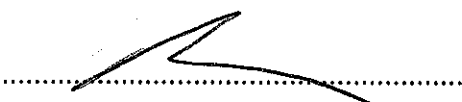
number of financial members	14,355
number of non-financial members	3,531

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 17th day of May 2017.


.....
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))

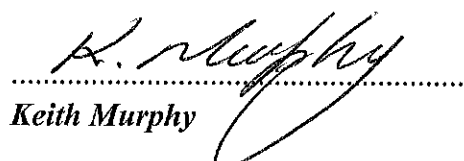
We, Royce Kupsch and Keith Murphy being two members of the Committee of Management of the Construction, Forestry, Mining & Energy, Industrial Union of Employees, Queensland - State Construction & General Division do state on behalf of the Committee and in accordance with a resolution passed by the Committee 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.


.....
Royce Kupsch


.....
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.

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.

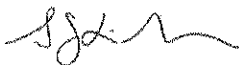
Auditor's Responsibilities for the Audit of the Financial Report

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 Audit



**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			
<i>Officer</i>	<i>Remuneration paid to Officer in the year</i>	<i>Any cash benefit, including the value of the benefit, given to the officer by the union, other than as remuneration in the year</i>	<i>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</i>
Michael Ravbar	Nil	Nil	
Jade Ingham	Nil	Nil	

S557R - Financial Registers	
Web Address	www.qld.cfmeu.asn.au

S557S - Spending for Political Purposes 2016			
<i>Name of the Spending</i>	<i>Amount of the Spending</i>	<i>Political object to which the spending relates</i>	<i>Date of each expenditure ballot</i>
Not applicable			

S557T - Political Party Affiliation Fees 2016	
	Nil

**The Construction, Forestry, Mining & Energy,
Industrial Union of Employees, Queensland
State Construction & General Division**

Annual Disclosure Statement for the year ended 31 December 2016

S557V - Officers Financial management Training		
<i>Official</i>	<i>Role</i>	<i>Training Date</i>
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		
<i>Policy</i>	<i>Date Adopted</i>	<i>Last Reviewed</i>
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

Signed at Brisbane,

Dated this.....day of 2017.

.....
Michael John Raybar
State Secretary