

CFMMEU NORTHERN MINING & NSW ENERGY DISTRICT BRANCH

FUNERAL FUND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

INDEPENDENT AUDITORS REPORT TO MEMBERS OF
CFMMEU NORTHERN MINING & NSW ENERGY DISTRICT BRANCH
FUNERAL FUND

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of the CFMMEU Northern Mining & NSW Energy District Branch Funeral Fund (the Reporting Unit), which comprises the statement of financial position as at 31 December 2022, the statement of income & expenditure and statement of changes in equity for the year ended 31 December 2022, notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of CFMMEU Northern Mining & NSW Energy District Branch Funeral Fund as at 31 December 2022, and its financial performance 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).

I 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

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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.

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I 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

My 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 my 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I declare that I am an auditor registered under the RO Act.

KLM Accountants

Joshua Comyns
Partner

Charlestown
8 March 2023

Registration number (as registered by the RO Commissioner under the RO Act): AA2022/9

CFMMEU NORTHERN MINING & NSW ENERGY DISTRICT BRANCH
FUNERAL FUND

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	NOTES	2022 \$	2021 \$
CURRENT ASSETS			
Cash at bank		762,132	710,808
Investments	3	3,058,549	3,038,837
Other debtors & prepayments		72,802	155,399
		<u>3,893,483</u>	<u>3,905,044</u>
NON CURRENT ASSETS			
Property, plant & equipment	4	<u>1,696,610</u>	<u>1,553,110</u>
TOTAL ASSETS		<u><u>5,590,093</u></u>	<u><u>5,458,154</u></u>
CURRENT LIABILITIES			
Accounts payable		47,899	102,539
		<u>47,899</u>	<u>102,539</u>
TOTAL LIABILITIES		<u>47,899</u>	<u>102,539</u>
NET ASSETS		<u><u>5,542,194</u></u>	<u><u>5,355,615</u></u>
ACCUMULATED FUNDS		<u><u>5,542,194</u></u>	<u><u>5,355,615</u></u>

The attached notes form an integral part of these financial statements

This document contains confidential and privileged information. The information is intended for the use of members of the CFMMEU Northern Mining & NSW Energy District Branch only, any other recipient is requested to immediately notify us by telephone on (02) 4990 7600 and return the document. The confidentiality and privilege which attaches to this document will not be waived or lost for mistaken postage or transmission.

CFMMEU NORTHERN MINING & NSW ENERGY DISTRICT BRANCH
FUNERAL FUND

STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTES	2022 \$	2021 \$
INCOME			
Contributions received		34,966	30,434
Fair value gain		105,000	85,000
Interest received		51,498	21,381
Other income		-	-
Rent received		104,029	101,338
Subsidies received		266,243	269,923
		<u>561,736</u>	<u>508,076</u>
DEDUCT EXPENDITURE			
Administration fees		38,882	30,680
Audit & accountancy		5,000	5,000
Bank charges		-	-
Depreciation & loss on sale of fixed assets		14,284	2,920
Fair value loss		-	-
Funeral benefits paid	5	273,600	188,820
Insurance		4,767	4,106
Land tax		3,113	2,751
Management fees		4,980	4,721
Rates		10,214	10,449
Repairs & maintenance		20,317	4,470
		<u>375,157</u>	<u>253,917</u>
NET SURPLUS FOR THE YEAR		<u><u>186,579</u></u>	<u><u>254,159</u></u>

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CFMMEU NORTHERN MINING & NSW ENERGY DISTRICT BRANCH
FUNERAL FUND

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	NOTES	2022 \$	2021 \$
Net Surplus for the year		186,579	254,159
Accumulated funds 1 January 2022		5,355,615	5,101,456
ACCUMULATED FUNDS 31 DECEMBER 2022		<u>5,542,194</u>	<u>5,355,615</u>

The attached notes form an integral part of these financial statements

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CFMMEU NORTHERN MINING & NSW ENERGY DISTRICT BRANCH
FUNERAL FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. STATEMENT OF ACCOUNTING METHODS

The Financial Statements are prepared under the historical cost convention and in accordance with applicable Australian Accounting Standards. In particular:

- (a) The accounts have not been adjusted to record either changes in the general purchasing power of the dollar or in prices of specific assets.
- (b) Depreciation of fixed assets is calculated on the straight line and reducing balance basis in order to write the assets off over their useful life.
- (c) Provision for employee benefits in the form of Accrued Annual Leave, Sick Leave and Long Service Leave have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment.
- (d) No provision for income tax is necessary, as the Union (being a registered Industrial Trade Union) is exempt from tax under s.50-15 of the Income Tax Assessment Act.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR THE COMMISSIONER OF ROC

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

Information to be provided to members or Commissioner:

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

3. INVESTMENTS

	2022	2021
	\$	\$
Beyond Bank	-	2,004,512
BOQ Money Market	2,018,535	-
Unity Bank	1,040,014	1,034,325
	3,058,549	3,038,837

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FUNERAL FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	\$	\$
4. PROPERTY, PLANT & EQUIPMENT		
Investment property	<u>1,640,000</u>	<u>1,535,000</u>
Plant & equipment	69,252	57,753
Accumulated depreciation	<u>14,189</u>	<u>41,853</u>
	<u>55,063</u>	<u>15,900</u>
Furniture & fittings	19,602	19,602
Accumulated depreciation	<u>18,055</u>	<u>17,392</u>
	<u>1,547</u>	<u>2,210</u>
TOTAL PROPERTY, PLANT & EQUIPMENT	<u><u>1,696,610</u></u>	<u><u>1,553,110</u></u>
5. FUNERAL BENEFITS		
Current members	55,000	30,000
Retired members	177,000	126,000
Widows	27,600	27,600
Spouse/child of current members	<u>14,000</u>	<u>5,220</u>
	<u><u>273,600</u></u>	<u><u>188,820</u></u>