

CFMMEU NORTHERN MINING & NSW ENERGY DISTRICT BRANCH

ABN 80 814 987 748

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

REPORT REQUIRED UNDER SUBSECTION 255(2A)

for the year ended 31 December 2022

The Board of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 December 2022.

Categories of expenditures	2022	2021
	\$	\$
Remuneration and other employment-related costs and expenses - employees	4,436,351	3,677,516
Advertising	25,491	9,137
Operating costs	6,040,553	6,287,000
Donations to political parties	11,725	28,899
Legal costs	72,635	94,661

Signature of designated officer:



Name and title of designated officer: Shane Thompson, Secretary

Dated: 8/3/2023

**Independent Audit Report to the Members of
CFMMEU Northern Mining & NSW Energy District Branch**

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of CFMMEU Northern Mining & NSW Energy District Branch (the Reporting Unit), which comprises the statement of financial position as at 31 December 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 December 2022, notes to the financial statements, including a summary of significant accounting policies; and the Board of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

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

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 Board 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 Board of Management for the Financial Report

The Board 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 Board 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 Board 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 Board 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 Board of Management.
- Conclude on the appropriateness of the Board 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 Board 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 s.255A of the RO Act.



Joshua Comyns
Partner
KLM Accountants



Charlestown, NSW
8 March 20223

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

OPERATING REPORT

for the year ended 31 December 2022

The Board of Management presents its operating report on the Reporting Unit for the financial year ended 31 December 2022.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The principal activities of the Union during the past year fell into the following categories:

- Implementation of the decisions of the Central Executive, Central Council and Northern Mining & NSW Energy District Executive and Board of Management.
- Implementation of the Union's organising agenda, including direct assistance and strategic advice on particular industry or site organising projects, the training and developing of Officials and Delegates, and planning, resourcing and implementing campaigns with the assistance of Lodges.
- Industrial support including representation of individual member grievances, advice on legal and legislative matters, pursuing relevant changes to the rules of the Union, and campaigning for matters of importance to the membership.
- The negotiation, variation and replacement of industrial instruments (Enterprise Agreements and Federal Awards) for and in association with Lodges and members generally.
- To improve the conditions and protect the interests and rights of the members and workers
- Manage and control the occupational health and safety issues of the Northern Mining & NSW Energy District which include, but are not limited to:
 - workers compensation
 - rehabilitation
 - workplace safety and health
 - statutory inspections
 - involvement in Mining legislative review process
 - participation at Mine Safety Advisory Council

The activities listed have achieved their objectives.

The net deficit for the year after income tax was \$840,971 (2021 Surplus \$1,024,546).

There were no significant changes in the nature of the activities of the Union during the year.

Significant changes in financial affairs

There has been no significant changes in the financial affairs of the Union during the year.

Right of members to resign

All Members of the Union have the right to resign from the Union in accordance with Rule 5 of the Union Rules, (and Section 174 of Fair Work (Registered Organisations) Act 2009 ("RO Act")); namely, by providing written notice addressed and delivered to the Secretary of the relevant Lodge or the District Office.

OPERATING REPORT (continued)

Officers or members who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position

Grahame Kelly is a member of the Union and is a Trustee and Member of the Board of Directors of AUSCOAL Superannuation Pty Ltd, trustee for the Mine Superannuation Fund.

Shane Thompson is a member of the Union and was a Trustee and Alternate Member of the Board of Directors of AUSCOAL Superannuation Pty Ltd, trustee for the Mine Superannuation Fund. He resigned on 23 September 2022. He is a Member of the Board of Directors of Mine Super Services Pty Ltd, which provides administration services to Mine Superannuation Fund. He was appointed on 23 September 2022.

Number of members

There were 8,730 members of the Union as at 31 December 2022.

Number of employees

As at 31 December 2022, the Union employed 21 full time and 0.7 full time equivalent part time employees (2021 20 full time and 0.7 full time equivalent part time employees)

Names of Board of Management members and period positions held during the financial year

Shane Thompson	01.01.22 - 31.12.22
Peter Jordan	01.01.22 - 28.01.22
Robin Williams	01.01.22 - 31.12.22
Mark McGrath	01.01.22 - 16.12.22
Jeremy McWilliams	01.01.22 - 31.12.22
Michael Taggart	01.01.22 - 31.12.22
Stephen Tranter	01.01.22 - 31.12.22
Anthony Watson	01.01.22 - 31.12.22
Robin Williams	01.01.22 - 31.12.22
Scott Baird	23.03.22 - 31.12.22
Brad Bates	01.01.22 - 30.09.22
Stuart Clark	23.03.22 - 31.12.22
Peter Compton	01.01.22 - 31.12.22
Michael Dobie	01.01.22 - 31.12.22
Simon Duff	01.01.22 - 31.12.22
Chad Hanson	01.01.22 - 31.12.22
Matthew Howard	01.01.22 - 31.12.22
Scott King	01.01.22 - 31.12.22
Glenn Kollner	01.01.22 - 31.12.22
Kerry Konieczny	01.01.22 - 31.12.22
Richard Lloyd	01.01.22 - 31.12.22
Jason Porter	01.01.22 - 31.12.22
Joseph Price	01.01.22 - 31.12.22
Matthew Reid	01.01.22 - 31.12.22
Michael Schofield	01.01.22 - 31.12.22

Signature of designated officer:



Name and title of designated officer: Shane Thompson, Secretary

Dated:

8/3/2023

BOARD OF MANAGEMENT STATEMENT


for the period ended 31 December 2022

On 8 March 2023 the Board of Management of the CFMMEU Northern Mining & NSW Energy District Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2022:

The Board 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 financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the board 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 consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act 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.

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

Signature of designated officer: 

Name and title of designated officer: Shane Thompson, Secretary

Dated: 8/3/2023

STATEMENT OF COMPREHENSIVE INCOME

for the period ended 31 December 2022

	Notes	2022 \$	2021 \$
Revenue from contracts with customers			
Membership subscription	3	8,033,165	8,168,081
Capitation fees and other revenue from another reporting unit	3A	645,658	424,473
Levies	3B	-	-
Other sales of goods or services		161,060	197,320
Total revenue		8,839,883	8,789,874
Income for furthering objectives			
Grants and/or donations	3C	15,000	-
Total income for furthering objectives		15,000	-
Other Income			
Net gains from sale of assets	3D	62,004	58,517
Investment income	3E	522,195	319,785
Rental income	3F	150,123	138,184
Other income	3G	1,108,858	2,086,289
Total other income		1,843,180	2,602,775
Total income		10,698,063	11,392,649
Expenses			
Employee expenses	4A	4,436,351	3,677,516
Capitation fees and other expense to another reporting unit	4B	3,105,162	3,662,667
Affiliation fees	4C	93,136	91,982
Administration expenses	4D	2,819,471	2,481,488
Grants or donations	4E	30,788	19,250
Depreciation and amortisation	4F	213,804	188,730
Legal costs	4G	72,635	94,661
Net losses from sale of assets	4H	337,241	91,809
Other expenses	4I	370,446	-
Audit fees	13	60,000	60,000
Total expenses		11,539,034	10,368,103
Surplus (deficit) for the year		(840,971)	1,024,546
Other comprehensive income			
Items that will be subsequently reclassified to profit or loss			
Net gain/(loss) on available for sale investments		-	-
Net gain/(loss) on investment properties		-	-
Total comprehensive income for the year		(840,971)	1,024,546

The above statement should be read in conjunction with the notes.

STATEMENT OF FINANCIAL POSITION

as at 31 December 2022

	Notes	2022 \$	2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	12,908,659	14,633,164
Trade and other receivables	5B	545,569	681,313
Contract assets	5B	-	-
Other current assets	5C	154,643	145,001
Total current assets		13,608,871	15,459,478
Non-Current Assets			
Property, plant & equipment	6A	1,869,074	1,766,353
Investment property	6B	2,635,000	2,315,000
Other financial assets	6D	7,105,827	7,183,646
Total non-current assets		11,609,901	11,264,999
Total assets		25,218,772	26,724,477
LIABILITIES			
Current Liabilities			
Trade payables	7A	514,085	604,436
Other payables	7B	166,521	320,648
Employee provisions	8A	1,451,016	1,896,199
Contract liabilities	5B	-	-
Lease liabilities	6C	-	-
Total current liabilities		2,131,622	2,821,283
Non-Current Liabilities			
Employee provisions	8A	89,276	64,349
Total non-current liabilities		89,276	64,349
Total liabilities		2,220,898	2,885,632
Net assets		22,997,874	23,838,845
EQUITY			
General fund/retained earnings		15,541,260	16,500,315
Other funds	9A	7,456,614	7,338,530
Total equity		22,997,874	23,838,845

The above statement should be read in conjunction with the notes.

STATEMENT OF CHANGES IN EQUITY

for the period ended 31 December 2022

	Notes	Retained earnings \$	Reserves \$	Total equity \$
Balance as at 1 January 2021		15,790,181	-	15,790,181
Adjustment for errors		-	-	-
Adjustment for change in accounting policies		-	-	-
Adjusted Balance as at 1 January 2021		15,790,181	-	15,790,181
Surplus/(deficit)		1,024,546	-	1,024,546
Other comprehensive income		-	-	-
Transfer to/from Funeral Fund	9A	(254,159)	-	(254,159)
Transfer to/from Local Lodge Admin Fund	9A	(60,253)	-	(60,253)
Closing balance as at 31 December 2021		<u>16,500,315</u>	-	<u>16,500,315</u>
Adjustment for errors		-	-	-
Surplus/(deficit)		(840,971)	-	(840,971)
Other comprehensive income for the year		-	-	-
Transfer to/from Funeral Fund	9A	(186,580)	-	(186,580)
Transfer to/from Local Lodge Admin Fund	9A	68,496	-	68,496
Closing balance as at 31 December 2022		<u>15,541,260</u>	-	<u>15,541,260</u>

The above statement should be read in conjunction with the notes.

CASH FLOW STATEMENT

for the period ended 31 December 2022

	Notes	2022 \$	2021 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from customers		8,978,317	9,197,845
Donations and grants		16,500	-
Receipts from other reporting units/controlled entity(s)	10B	788,194	357,624
Interest		93,610	226,314
Distributions		142,905	85,408
Dividends		159,049	125,288
Other		907,450	1,386,415
Cash used			
Employees		(4,559,264)	(4,002,196)
Suppliers		(3,715,727)	(3,270,274)
Lease payments for leases of low-value assets	6C	(28,084)	(24,503)
Payment to other reporting units/controlled entity(s)	10B	(3,623,067)	(3,907,508)
Net cash from (used by) operating activities	10A	(840,117)	174,413
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		266,384	103,756
Proceeds from sale of investments		2,481,815	1,713,618
Cash used			
Purchase of plant and equipment		(664,032)	(232,355)
Purchase of investments		(2,968,555)	(2,156,260)
Net cash from (used by) investing activities		(884,388)	(571,241)
FINANCING ACTIVITIES			
Cash received			
Other		-	-
Cash used			
Other		-	-
Net cash from (used by) financing activities		-	-
Net increase (decrease) in cash held		(1,724,505)	(396,828)
Cash & cash equivalents at the beginning of the reporting period		14,633,164	15,029,992
Cash & cash equivalents at the end of the reporting period	5A	12,908,659	14,633,164

The above statement should be read in conjunction with the notes.

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Note 1 Summary of Significant Accounting Policies

1.1 Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009 (RO Act). For the purpose of preparing the general purpose financial statements, the CFMMEU Northern Mining & NSW Energy District Branch is a not-for-profit entity.

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

1.2 Going concern

CFMMEU Northern Mining & NSW Energy District Branch is not reliant on the agreed financial support of another reporting unit.

CFMMEU Northern Mining & NSW Energy District Branch has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

1.3 Comparative amounts

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

1.4 Significant Accounting Judgements and Estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Key estimates - impairment of property, plant and equipment

The CFMMEU Northern Mining & NSW Energy District Branch assesses impairment at the end of each reporting period by evaluating conditions specific to the CFMMEU Northern Mining & NSW Energy District Branch 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.

1.5 New Australian Accounting Standards

Adoption of New Australian Accounting Standards and amendments

The accounting policies adopted are consistent with those of the previous financial year except for the following standards, which have been adopted for the first time this financial year:

- AASB 2021-3 Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions

No accounting standard has been adopted earlier than the application date stated in the standard.

These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the CFMMEU Northern Mining & NSW Energy District Branch.

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on CFMMEU Northern Mining & NSW Energy District Branch include:

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

This Standard amends AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. This Standard applies to annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted. The reporting unit does not expect the adoption of this amendment to have an impact on its financial statements.

1.6 Current versus non-current classification

CFMMEU Northern Mining & NSW Energy District Branch presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

CFMMEU Northern Mining & NSW Energy District Branch classifies all other liabilities as non-current.

1.7 Revenue

The CFMMEU Northern Mining & NSW Energy District Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the CFMMEU Northern Mining & NSW Energy District Branch has a contract with a customer, the CFMMEU Northern Mining & NSW Energy District Branch recognises revenue when or as it transfers control of goods or services to the customer. The CFMMEU Northern Mining & NSW Energy District Branch accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the CFMMEU Northern Mining & NSW Energy District Branch.

If there is only one distinct membership service promised in the arrangement, the CFMMEU Northern Mining & NSW Energy District Branch recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the CFMMEU Northern Mining & NSW Energy District Branch's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the CFMMEU Northern Mining & NSW Energy District Branch allocates the transaction price to each performance obligation based on the relative standalone selling prices of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the CFMMEU Northern Mining & NSW Energy District Branch charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the CFMMEU Northern Mining & NSW Energy District Branch recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the CFMMEU Northern Mining & NSW Energy District Branch has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the CFMMEU Northern Mining & NSW Energy District Branch at their standalone selling price, the CFMMEU Northern Mining & NSW Energy District Branch accounts for those sales as a separate contract with a customer.

1.7 Revenue (continued)

Income of the CFMMEU Northern Mining & NSW Energy District Branch as a Not-for-Profit Entity

Consideration is received by the CFMMEU Northern Mining & NSW Energy District Branch to enable the entity to further its objectives. The CFMMEU Northern Mining & NSW Energy District Branch recognises each of these amounts of consideration as income when the consideration is received (which is when the CFMMEU Northern Mining & NSW Energy District Branch obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the CFMMEU Northern Mining & NSW Energy District Branch's recognition of the cash contribution does not give to any related liabilities.

During the year, the CFMMEU Northern Mining & NSW Energy District Branch received cash consideration from the following arrangements whereby that consideration will be recognised as income upon receipt:

- grants.

Volunteer services

During the year, the CFMMEU Northern Mining & NSW Energy District Branch did not recognise any volunteer services as revenue because it could not reliably measure the fair value of those services.

Gains from sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

Interest income

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental income

Leases in which the CFMMEU Northern Mining & NSW Energy District Branch as a lessor, does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Dividend income

Dividend income is recognised as revenue in the period in which it is received.

Trust distribution income

Trust distribution revenue is recognised as revenue on an accrual basis and is recorded as revenue in the year to which it relates.

1.8 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, sick leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits due within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Union in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The CFMMEU Northern Mining & NSW Energy District Branch recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

1.9 Leases

The CFMMEU Northern Mining & NSW Energy District Branch assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

CFMMEU Northern Mining & NSW Energy District Branch as a lessee

The CFMMEU Northern Mining & NSW Energy District Branch applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The CFMMEU Northern Mining & NSW Energy District Branch recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Short-term leases and leases of low-value assets

The CFMMEU Northern Mining & NSW Energy District Branch's short-term leases are those that have a lease term of 12 months or less from the commencement. It also applies the lease of low-value assets recognition exemption to leases of printers and photocopiers that are below \$20,000. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

1.10 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.11 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 12 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

1.12 Financial instruments

Financial assets and financial liabilities are recognised when the CFMMEU Northern Mining & NSW Energy District Branch becomes a party to the contractual provisions of the instrument.

1.13 Financial assets

Contract assets and receivables

A contract asset is recognised when the CFMMEU Northern Mining & NSW Energy District Branch's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the CFMMEU Northern Mining & NSW Energy District Branch's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (**OCI**), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the CFMMEU Northern Mining & NSW Energy District Branch business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the CFMMEU Northern Mining & NSW Energy District Branch initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (**SPPI**) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The CFMMEU Northern Mining & NSW Energy District Branch's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the CFMMEU Northern Mining & NSW Energy District Branch commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

1.13 Financial assets (continued)

Financial assets at fair value through profit or loss (including designated)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The CFMMEU Northern Mining & NSW Energy District Branch has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a) the CFMMEU Northern Mining & NSW Energy District Branch has transferred substantially all the risks and rewards of the asset, or
 - b) the CFMMEU Northern Mining & NSW Energy District Branch has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the CFMMEU Northern Mining & NSW Energy District Branch has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the CFMMEU Northern Mining & NSW Energy District Branch continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.13 Financial assets (continued)

Impairment

(i) Trade receivables

For trade receivables that do not have a significant financing component, the CFMMEU Northern Mining & NSW Energy District Branch applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the CFMMEU Northern Mining & NSW Energy District Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The CFMMEU Northern Mining & NSW Energy District Branch has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the CFMMEU Northern Mining & NSW Energy District Branch recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the CFMMEU Northern Mining & NSW Energy District Branch expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The CFMMEU Northern Mining & NSW Energy District Branch considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the CFMMEU Northern Mining & NSW Energy District Branch may also consider a financial asset to be in default when internal or external information indicates that the CFMMEU Northern Mining & NSW Energy District Branch is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

1.14 Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The CFMMEU Northern Mining & NSW Energy District Branch's financial liabilities include trade and other payables.

1.14 Financial Liabilities (continued)

Subsequent measurement

Financial liabilities at amortised cost

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

1.15 Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the CFMMEU Northern Mining & NSW Energy District Branch transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the CFMMEU Northern Mining & NSW Energy District Branch performs under the contract (i.e., transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The CFMMEU Northern Mining & NSW Energy District Branch's refund liabilities arise from customers' right of return. The liability is measured at the amount the CFMMEU Northern Mining & NSW Energy District Branch's ultimately expects it will have to return to the customer. The CFMMEU Northern Mining & NSW Energy District Branch updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

1.16 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.17 Land, Buildings, Plant and Equipment

Asset recognition threshold

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

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

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2022	2021
Land & buildings	40 years	40 years
Plant and equipment	3 to 13 years	3 to 13 years

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.18 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 its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

1.19 Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the CFMMEU Northern Mining & NSW Energy District Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.20 Taxation

CFMMEU Northern Mining & NSW Energy District Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.21 Fair value measurement

The CFMMEU Northern Mining & NSW Energy District Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 14A.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the CFMMEU Northern Mining & NSW Energy District Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The CFMMEU Northern Mining & NSW Energy District Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the CFMMEU Northern Mining & NSW Energy District Branch determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

1.21 Fair value measurement (continued)

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the CFMMEU Northern Mining & NSW Energy District Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Note 2 Events after the reporting period

Subsequent to year end the Mining and Energy Division has made an application to withdraw from the Construction, Forestry, Maritime, Mining and Energy Union. At the date of this report an application for a ballot of members to endorse withdrawal is to being considered after a hearing of the Fair Work Commission on 1 and 2 March 2023. If the withdrawal ballot application is approved by the Fair Work Commission, all members of the Division will be entitled to vote on whether to withdraw from the Construction, Forestry, Maritime, Mining and Energy Union. If a majority of members who vote approve the withdrawal, there will be further proceedings in the Federal Court which will set the date of registration of the new Union and will deal with the apportionment of assets and liabilities. The Board of Management do not believe that this matter will have any impact on the Union's ability to continue as a going concern.

Other than the current disclosures, there has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the CFMMEU Northern Mining & NSW Energy District Branch, the results of those operations, or the state of affairs of the CFMMEU Northern Mining & NSW Energy District Branch in subsequent financial periods.

	2022	2021
Note 3 Revenue and income	\$	\$

Disaggregation of revenue from contracts with customers

A disaggregation of the CFMMEU Northern Mining & NSW Energy District Branch's revenue by type of arrangements is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.

Type of customer		
Members	8,033,165	8,168,081
Other reporting units	645,658	424,473
Government	-	-
Other parties	161,060	197,320
Total revenue from contracts with customers	<u>8,839,883</u>	<u>8,789,874</u>

Disaggregation of income for furthering activities

A disaggregation of the CFMMEU Northern Mining & NSW Energy District Branch's income by type of arrangement is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of income by funding source:

Income funding sources		
Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	-	-
Total income for furthering activities	<u>-</u>	<u>-</u>

Note 3 Revenue and income (continued)	2022	2021
	\$	\$
Note 3A: Capitation fees and other revenue from another reporting unit		
Capitation fees		
Capitation fees	-	-
Subtotal capitation fees	-	-
Other revenue from another reporting unit:		
CFMMEU Mining & Energy Division National Office - Director fees Coal Services P/L	-	73,218
CFMMEU Mining & Energy Division National Office - Director fees Auscoal P/L	30,581	-
CFMMEU Mining & Energy Division National Office - Auscoal P/L sponsorship	1,500	-
CFMMEU Mining & Energy Division National Office - Legal Officer costs	131,846	108,953
CFMMEU Mining & Energy Division National Office - Travel & other costs	702	278
CFMMEU Mining & Energy Division National Office - Central Council wages	7,233	3,502
CFMMEU Mining & Energy Division National Office - National Convention wages	-	83,960
CFMMEU Mining & Energy Division National Office - WIMDOI Conference wages	2,452	-
CFMMEU Mining & Energy Division National Office - Electoral Funding case cont.	9,091	-
CFMMEU Mining & Energy Division National Office - UDS Tier 1 distribution	108,240	-
CFMMEU Mining & Energy Division National Office - LSL Entitlements	327,094	128,629
CFMMEU Mining & Energy Division National Office - ISHR Funding	26,919	25,933
Subtotal other revenue from another reporting unit	645,658	424,473
Total capitation fees and another revenue from other reporting unit	645,658	424,473
Note 3B: Levies		
Levies	-	-
Total levies	-	-
Note 3C: Grants and/or donations		
Grants	15,000	-
Donations	-	-
Total grants and donations	15,000	-
Note 3D: Net gains from sale of assets		
Plant and equipment	28,319	4,635
Other financial assets	33,685	53,882
Total net gains from sale of assets	62,004	58,517
Note 3E: Investment income		
Interest		
Deposits	190,613	91,988
Loans	-	-
Other financial assets	20,186	15,528
Dividend income	159,049	125,288
Trust distribution income	152,347	86,981
Total investment income	522,195	319,785
Note 3F: Rental income		
Properties	140,723	135,084
Other	9,400	3,100
Total rental income	150,123	138,184

Note 3 Revenue and income (continued)	2022	2021
	\$	\$
Note 3G: Other income		
Fair value gain on available for sale investments	-	570,867
Fair value gain on investment properties	320,000	215,000
Medical & legal fees reimbursed	202,728	267,821
Member voluntary contributions - SAF	412,937	504,719
Member voluntary contributions - NCF	-	408,568
Wage subsidy & reimbursements	20,842	31,922
Other income	152,351	87,392
Total other income	<u>1,108,858</u>	<u>2,086,289</u>
Note 4 Expenses		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	2,175,745	1,737,246
Superannuation	208,501	211,490
Leave and other entitlements	308,886	282,228
Separation and redundancies	-	-
Other employee expenses	110,165	85,219
Subtotal employee expenses holders of office	<u>2,803,297</u>	<u>2,316,183</u>
Employees other than office holders:		
Wages and salaries	1,064,586	980,079
Superannuation	185,929	181,150
Leave and other entitlements	290,094	114,985
Separation and redundancies	-	-
Other employee expenses	92,444	85,119
Subtotal employee expenses employees other than office holders	<u>1,633,053</u>	<u>1,361,333</u>
Total employee expenses	<u>4,436,351</u>	<u>3,677,516</u>
Note 4B: Capitation fees and other expense to another reporting unit		
Capitation fees		
CFMMEU Mining & Energy Division National Office (Dues)	2,641,833	2,664,236
CFMMEU Mining & Energy Division National Office (SAF)	412,937	504,719
CFMMEU Mining & Energy Division National Office (NCF)	-	408,568
Subtotal capitation fees	<u>3,054,770</u>	<u>3,577,523</u>
Other expense to another reporting unit		
CFMMEU Mining & Energy Division National Office - other expenses	50,392	85,144
Subtotal other expense to another reporting unit	<u>50,392</u>	<u>85,144</u>
Total capitation fees and other expense to another reporting unit	<u>3,105,162</u>	<u>3,662,667</u>
Note 4C: Affiliation fees		
Australian Labor Party	43,410	43,475
Newcastle Trades Hall Council	16,240	15,823
Unions NSW	33,486	32,684
Total affiliation fees/subscriptions	<u>93,136</u>	<u>91,982</u>

Note 4 Expenses (continued)	2022	2021
	\$	\$
Note 4D: Administration expenses		
Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	201,850	158,088
Conference and meeting expenses	163,370	125,797
Property expenses	89,780	68,977
Office expenses	108,138	96,801
Information communications technology	136,322	139,749
Insurance	122,822	111,648
Delegates expenses	494,769	512,628
Election expenses	12,255	31,457
Fringe benefits tax	205,277	34,171
Funeral & medical expenses	380,502	305,168
Travel expenses	115,776	61,574
Payroll tax	233,748	241,586
Other expenses	504,061	569,341
Subtotal administration expense	2,768,670	2,456,985
Operating lease rentals:		
Short term, low value and variable lease payments	28,084	24,503
Total administration expenses	2,796,754	2,481,488
Note 4E: Grants or donations		
Grants		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations		
Total paid that were \$1,000 or less	5,750	5,250
Total paid that exceeded \$1,000	25,038	14,000
Total grants or donations	30,788	19,250
Note 4F: Depreciation and amortisation		
Depreciation		
Land & buildings	47,454	47,454
Property, plant and equipment	166,350	141,276
Total depreciation	213,804	188,730
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	213,804	188,730
Note 4G: Legal costs		
Litigation	38,706	29,423
Other legal costs	33,929	65,238
Total legal costs	72,635	94,661
Note 4H: Net losses from sale of assets		
Property, plant and equipment	109,443	48,920
Other financial assets	227,798	42,889
Total net losses from asset sales	337,241	91,809

Note 4 Expenses (continued)	2022	2021
	\$	\$
Note 4I: Other expenses		
Fair value loss on available for sale investments	370,446	-
Penalties - via RO Act or the Fair Work Act 2009	-	-
Total other expenses	<u>370,446</u>	<u>-</u>

Note 5 Current Assets

Note 5A: Cash and Cash Equivalents

Cash at bank	2,148,089	2,892,307
Cash on hand	2,020	2,020
Short term deposits	10,758,550	11,738,837
Other	-	-
Total cash and cash equivalents	<u>12,908,659</u>	<u>14,633,164</u>

Note 5B: Trade and Other Receivables

Receivables from other reporting unit

CFMMEU Mining & Energy Division National office	44,882	168,899
Total receivables from other reporting unit	<u>44,882</u>	<u>168,899</u>
Less allowance for expected credit losses	-	-
Total allowance for expected credit losses	<u>-</u>	<u>-</u>
Receivable from other reporting unit (net)	<u>44,882</u>	<u>168,899</u>

Other receivables:

GST receivable from the Australian Taxation Office	-	-
Other	500,687	512,414
Total other receivables	<u>500,687</u>	<u>512,414</u>
Total trade and other receivables (net)	<u>545,569</u>	<u>681,313</u>

The movement in the allowance for expected credit losses of trade and other receivables is as follows:

At 1 July	-	-
Provision for expected credit losses	-	-
Write-off	-	-
At 31 December	<u>-</u>	<u>-</u>

The CFMMEU Northern Mining & NSW Energy District Branch has recognised the following assets and liabilities related to contracts with customers:

Receivables

Receivables - current	278,074	253,134
Receivables – non-current	-	-

Contract assets

Contract assets - current	-	-
Contract assets – non-current	-	-

Other contract liabilities

Contract liabilities - current	-	-
Contract liabilities – non-current	-	-

Note 5 Current Assets (continued)	2022	2021
	\$	\$
Note 5C: Other Current Assets		
Prepayments	153,971	144,329
Other	672	672
Total other current assets	154,643	145,001

Note 6 Non-current Assets

**Note 6A: Property, Plant & Equipment
 2022**

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
Property, Plant and Equipment carrying amount	331,163	1,898,148	1,737,460	3,966,771
accumulated depreciation	-	1,088,017	1,009,680	2,097,697
Total Property, Plant and Equipment	331,163	810,131	727,780	1,869,074

Reconciliation of the opening and closing balances of property, plant and equipment

Net book value 1 January	331,163	861,278	568,857	1,766,353
Additions:				
By purchase	-	-	664,032	664,032
Revaluations	-	-	-	-
Impairments	-	-	-	-
Depreciation expense	-	47,454	166,350	213,804
Disposals:				
Sale	-	-	347,507	347,507
Other	-	-	-	-
Net book value 31 December	331,163	813,824	719,032	1,869,074
Net book value as of 31 December represented by:				
Gross book value	331,163	1,898,148	1,737,460	3,966,771
Accumulated depreciation and impairment	-	1,088,017	1,009,680	2,097,697
Net book value 31 December	331,163	810,131	727,780	1,869,074

2021

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
Property, Plant and Equipment carrying amount	331,163	1,898,148	1,614,049	3,843,360
accumulated depreciation	-	1,040,563	1,036,444	2,077,007
Total Property, Plant and Equipment	331,163	857,585	577,605	1,766,353

Reconciliation of the opening and closing balances of property, plant and equipment

Net book value 1 January	331,163	905,039	634,569	1,870,771
Additions:				
By purchase	-	-	232,355	232,355
Revaluations	-	-	-	-
Impairments	-	-	-	-
Depreciation expense	-	43,761	150,024	188,730
Disposals:				
Sale	-	-	148,043	148,043
Other	-	-	-	-
Net book value 31 December	331,163	861,278	568,857	1,766,353
Net book value as of 31 December represented by:				
Gross book value	331,163	1,898,148	1,614,049	3,843,360
Accumulated depreciation and impairment	-	1,040,563	1,036,444	2,077,007
Net book value 31 December	331,163	857,585	577,605	1,766,353

Note 6 Non-current Assets (continued)	2022	2021
	\$	\$
Note 6B: Investment Property		
Opening balance as 1 January 2022	2,315,000	2,100,000
Additions:		
By purchase	-	-
Net gain/(loss) from fair value adjustment	320,000	215,000
Net book value 31 December 2022	<u>2,635,000</u>	<u>2,315,000</u>

Investment property consists of one commercial property and a number of residential properties that are leased to third parties. The valuations were performed by Preston Rowe Paterson, an accredited independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the investment properties being valued.

The fair value of completed investment property has been determined on a market value basis in accordance with International Valuation Standards (IVS), as set out by the International Valuation Standards Council (IVSC). In arriving at their estimates of market values, the valuers have used their market knowledge and professional judgement and not only relied on historical transactional comparables.

The highest and best use of the investment properties is not considered to be different from its current use.

Rental income earned and received from the investment properties during the year was \$150,123 (2021: \$135,084).

Direct expenses incurred in relation to the investment properties that generated rental income during the year was \$58,432 (2021: \$41,993). During the year and as at the year-end, no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal were present. The CFMMEU Northern Mining & NSW Energy District Branch does not have any contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

The fair value of investment property is determined by Preston Rowe Paterson using recognised valuation techniques. These techniques comprise both the Discounted Cash Flow (DCF) method and Income Capitalisation method.

Under the DCF method, a property's fair value is estimated using explicit assumptions regarding the benefits and liabilities of ownership over the asset's life including estimated rental income and an exit or terminal value.

This involves the projection of a series of cash flows and to this an appropriate, market-derived discount rate is applied to establish the present value of the income stream. Under the income capitalisation method, a property's fair value is estimated based on the normalised net operating income generated by the property, which is divided by the capitalisation rate (the investor's rate of return).

The fair value of investment property is included within Level 2.

	2022	2021
	\$	\$
Note 6C: Leases		
Expense relating to leases of low-value assets (included on administrative expenses)	28,084	24,503
Total amount recognised in profit or loss	<u>28,084</u>	<u>24,503</u>

Note 6 Non-current Assets (continued)	2022	2021
	\$	\$
Note 6D: Other Financial Assets		
Financial assets at fair value through profit or loss		
Quoted equity shares	4,607,847	4,710,983
Debt securities	553,847	573,904
Available for sale investments	1,944,133	1,898,759
Total other financial assets	7,105,827	7,183,646

Note 7 Current Liabilities

Note 7A: Trade payables

Trade creditors and accruals	274,198	152,977
Operating lease rentals	-	-
Subtotal trade creditors	274,198	152,977
Payables to other reporting unit[s]		
CFMMEU Mining & Energy Division National Office (Dues, SAF & NCF)	239,887	428,742
Other trade payables	-	22,717
Subtotal payables to other reporting unit[s]	239,887	451,459
Total trade payables	514,085	604,436

Settlement is usually made within 30 days.

Note 7B: Other payables

Wages and salaries	46,408	48,600
Superannuation	8,654	5,249
Legal costs - litigation	-	-
Legal costs - other legal costs	-	-
GST payable	52,434	109,916
Other	59,025	156,883
Total other payables	166,521	320,648

Total other payables are expected to be settled in:

No more than 12 months	166,521	320,648
More than 12 months	-	-
Total other payables	166,521	320,648

Note 8 Provisions

Note 8A: Employee Provisions

Office Holders:

Annual leave	185,714	320,329
Long service leave	-	-
Separations and redundancies	-	-
Other	503,741	850,868

Subtotal employee provisions—office holders

689,455	1,171,197
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Employees other than office holders:

Annual leave	182,136	171,160
Long service leave	432,449	380,360
Separations and redundancies	-	-
Other	236,252	237,831

Subtotal employee provisions—employees other than office holders

850,837	789,351
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Total employee provisions

1,540,292	1,960,548
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Note 8 Provisions (continued)	2022	2021
	\$	\$
Represented by:		
Current	1,451,016	1,896,199
Non Current	89,276	64,349
Total employee provisions	<u>1,540,292</u>	<u>1,960,548</u>

Note 9 Other Funds

Note 9A: Other funds

Other funds required by rules

Funeral Fund

Balance as at start of year	5,355,615	5,101,456
Transferred to fund	186,580	254,159
Transferred out of fund	-	-
Balance as at end of year	<u>5,542,195</u>	<u>5,355,615</u>

Local Lodge Admin Fund

Balance as at start of year	1,982,915	1,922,662
Transferred to fund	-	60,253
Transferred out of fund	68,496	-
Balance as at end of year	<u>1,914,419</u>	<u>1,982,915</u>
Total Funds	<u>7,456,614</u>	<u>7,338,530</u>

Note 10 Cash Flow

Note 10A: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:

Cash and cash equivalents as per:

Cash flow statement	12,908,659	14,633,164
Balance sheet	12,908,659	14,633,164
Difference	<u>-</u>	<u>-</u>

Reconciliation of profit/(deficit) to net cash from operating activities:

Profit/(deficit) for the year	(840,971)	1,024,546
Adjustments for non-cash items		
Depreciation/amortisation	213,804	188,730
Fair value movements in investment property	(320,000)	(215,000)
Fair value movements in financial assets	370,446	(570,867)
(Gain)/loss on disposal of assets	275,237	33,292
Changes in assets/liabilities		
(Increase)/decrease in net receivables	135,743	(193,731)
(Increase)/decrease in prepayments	(9,642)	644
Increase/(decrease) in supplier payables	(90,351)	75,871
Increase/(decrease) in other payables	(154,127)	(59,495)
Increase/(decrease) in employee provisions	(420,256)	(109,577)
Net cash from (used by) operating activities	<u>(840,117)</u>	<u>174,413</u>

Note 10 Cash Flow (continued)	2022	2021
	\$	\$
Note 10B: Cash flow information		
Cash inflows		
CFMMEU Mining & Energy Union - Mining & Energy Division	788,194	357,624
Total cash inflows	<u>788,194</u>	<u>357,624</u>
Cash outflows		
CFMMEU Mining & Energy Union - Mining & Energy Division	3,623,067	3,907,508
Total cash outflows	<u>3,623,067</u>	<u>3,907,508</u>

Note 11 Contingent Liabilities, Assets and Commitments

Note 11A: Commitments and Contingencies

Operating lease commitments—as lessee

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

Within one year	38,116	16,816
After one year but not more than five years	66,703	46,245
More than five years	-	-
	<u>104,819</u>	<u>63,061</u>

Capital commitments

At 31 December 2022 capital commitments contracted by the Union are Nil. (2021: Nil.)

Other contingent assets or liabilities (i.e. legal claims)

At 31 December 2022 other contingent assets or liabilities of the Union are Nil. (2021: Nil.)

Note 12 Related Party Disclosures

Note 12A: Related Party Transactions for the Reporting Period

Apart from the details disclosed in this note, the Union did not enter into any related party transactions since the end of the previous financial year.

Note 12B: Key Management Personnel Remuneration for the Reporting Period

Short-term employee benefits

Salary (including annual & sick leave taken)	2,966,372	2,145,049
Annual leave accrued	184,808	223,340
Performance bonus	-	-
Sick leave accrued	97,593	139,496
Total short-term employee benefits	<u>3,248,773</u>	<u>2,507,885</u>
Post-employment benefits:		
Superannuation	208,501	211,490
Total post-employment benefits	<u>208,501</u>	<u>211,490</u>
Other long-term benefits:		
Long-service leave	-	-
Total other long-term benefits	<u>-</u>	<u>-</u>
Termination benefits	<u>-</u>	<u>-</u>
Total	<u>3,457,274</u>	<u>2,719,375</u>

All long service leave entitlements in relation to Elected Officials are the responsibility of 'The CFMMEU Mining & Energy Employees' Entitlement Trust' from which all relevant long service leave entitlements and obligations are settled from. Accordingly, no provision for long service leave is disclosed.

Note 12 Related Party Disclosures (continued)	2022	2021
	\$	\$

Note 12C: Transactions with key management personnel and their close family members

Loans to/from key management personnel

No loans were provided to or from Officials during the financial year.

Other transactions with key management personnel

From time to time, Officials may purchase goods from the Union. These purchases are on the same terms and conditions as those entered into by other Union employees or customers and are trivial or domestic in nature.

Note 13 Auditors Remuneration

Value of the services provided

Financial statement audit services	27,500	27,500
Other regulatory audit services	2,500	2,500
Other services	30,000	30,000
Total remuneration of auditors	<u>60,000</u>	<u>60,000</u>

Note 14 Financial Instruments

Financial Risk Management Policies

The Board of Management's overall risk management strategy seeks to assist the Union in meeting its financial targets, while minimising potential adverse effects on financial performance. Risk Management policies are approved and reviewed by the Board of Management. These include the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finance for entity operations. The Union does not have any derivative instruments at 31 December 2022.

Specific Financial Risk Exposure and Management

The main risks the Union is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and equity price risk.

There have been no substantive changes in the types of risks the Union is exposed to, how these risks arise, or the Board of Management's objectives, policies and processes for managing or measuring the risks from the previous period.

Note 14A: Categories of Financial Instruments	2022	2021
	\$	\$

Financial Assets

Fair value through profit or loss:

Shares & units in listed entities	4,607,847	4,710,983
Shares & units in unlisted entities	1,944,133	1,898,759
Listed debt securities	553,847	573,904
Total	<u>7,105,827</u>	<u>7,183,646</u>
Loans and receivables:		
Trade & other receivables	545,569	681,313
Total	<u>545,569</u>	<u>681,313</u>
Carrying amount of financial assets	<u>7,651,396</u>	<u>7,864,959</u>

Note 14 Financial Instruments (continued)	2022	2021
	\$	\$
Financial Liabilities		
Other financial liabilities:		
Trade & other payables	680,606	925,084
Total	680,606	925,084
Carrying amount of financial liabilities	680,606	925,084

Note 14B: Net Income and Expense from Financial Assets

Loans and receivables		
Interest revenue	-	-
Impairment	-	-
Gain/loss on disposal	-	-
Total loans and receivables	-	-
Financial assets at fair value through profit and loss:		
Held for trading:		
Change in fair value	(370,446)	570,867
Interest revenue	20,186	15,528
Dividend revenue	159,049	125,288
Trust distribution	152,347	86,981
Exchange gains/(loss)	-	-
Total held for trading	(38,864)	798,664
Net gain/(loss) on financial assets at fair value through profit or loss	(38,864)	798,664
Net income/(expense) from financial assets	(38,864)	798,664

Note 14C: Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Union.

Credit risk is managed through maintaining procedures such as utilisation of systems for approval, granting and removal of credit limits, regular monitoring of exposure against such limits and monitoring of the financial stability of significant customers and counterparties ensuring, to the extent possible, that members and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the Board of Management has otherwise assessed as being financially sound.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Union has no significant concentrations of credit risk with any single counterparty or group of counterparties.

The following table illustrates the Union's gross exposure to credit risk, excluding any collateral or credit enhancements.

Note 14 Financial Instruments (continued)	2022	2021
	\$	\$
Financial assets		
Held for trading	7,105,827	7,183,646
Trade & other receivables	545,569	681,313
Total	7,651,396	7,864,959

Credit quality of financial instruments not past due or individually determined as impaired

	Not Past Due Nor Impaired 2022	Past due or impaired 2022	Not Past Due Nor Impaired 2021	Past due or impaired 2021
	\$	\$	\$	\$
Held for trading	7,105,827	-	7,183,646	-
Trade & other receivables	545,569	-	681,313	-
Total	7,651,396	-	7,864,959	-

There is no collateral held by the Union securing trade & other receivables.

Trade & other receivables that are neither past due nor impaired are considered to be of high credit quality.

Set out below is the information about the credit risk exposure on financial assets using a provision matrix:

31 December 2022	Trade and other receivables					Total
	Days past due					
	Current	<30 days	30-60 days	61-90 days	>91 days	
	\$	\$	\$	\$	\$	\$
Expected credit loss rate	1%	1%	1%	1%	1%	
Estimate total gross carrying amount at	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-
31 December 2021	Trade and other receivables					Total
	Days past due					
	Current	<30 days	30-60 days	61-90 days	>91 days	
	\$	\$	\$	\$	\$	\$
Expected credit loss rate	1%	1%	1%	1%	1%	
Estimate total gross carrying amount at	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-

The CFMMEU Northern Mining & NSW Energy District Branch's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2022 and 2021 is the carrying amounts as illustrated in Note 14C.

Note 14D: Liquidity Risk

Liquidity risk arises from the possibility that the Union might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Union manages this risk through the following

- (i) only investing surplus cash with approved deposit taking institutions; and
- (ii) proactively monitoring the recovery of unpaid subscriptions.

Note 14 Financial Instruments (continued)

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Union does not directly have any derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Contractual maturities for financial liabilities 2022

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade & other payables	-	680,606	-	-	-	680,606
Total	-	680,606	-	-	-	680,606

Contractual maturities for financial liabilities 2021

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade & other payables	-	925,084	-	-	-	925,084
Total	-	925,084	-	-	-	925,084

Note 14E: Market Risk

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Union is also exposed to earnings volatility on floating rate instruments. The financial instruments that expose the Union to interest risk are limited to cash and cash equivalents.

Sensitivity analysis

The following table illustrates sensitivities to the Union's exposures to changes in interest rates. The table indicates the impact on how profit reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities also assume that the movement in a particular variable is independent of other variables.

Sensitivity analysis of the risk that the Union is exposed to for 2022

	Risk variable	Change in risk variable %	Effect on Profit and loss \$	Equity \$
Interest rate risk	Increase	1%	-	-
Interest rate risk	Decrease	1%	-	-

Sensitivity analysis of the risk that the Union is exposed to for 2021

	Risk variable	Change in risk variable %	Effect on Profit and loss \$	Equity \$
Interest rate risk	Increase	1%	-	-
Interest rate risk	Decrease	1%	-	-

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year

Note 14 Financial Instruments (continued)

Other price risk

The Union is 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.

Sensitivity analysis

The following table illustrates sensitivities to the Union's exposures to changes in equity prices. The table indicates the impact on how profit reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities also assume that the movement in a particular variable is independent of other variables.

Sensitivity analysis of the risk that the Union is exposed to for 2022

	Risk variable	Change in risk variable %	Effect on Profit and loss \$	Equity \$
Equity price risk	Increase	5%	-	355,291
Equity price risk	Decrease	5%	-	(355,291)

Sensitivity analysis of the risk that the Union is exposed to for 2021

	Risk variable	Change in risk variable %	Effect on Profit and loss \$	Equity \$
Equity price risk	Increase	5%	-	359,182
Equity price risk	Decrease	5%	-	(359,182)

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year

Note 15 Fair Value Measurement

Note 15A: Financial Assets and Liabilities

Management of the reporting unit assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the CFMMEU Northern Mining & NSW Energy District Branch's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The performance risk as at 31 December 2022 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the CFMMEU Northern Mining & NSW Energy District Branch unit based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 31 December 2022 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

Note 15 Fair Value Measurement (continued)

The following table contains the carrying amounts and related fair values for the Union's financial assets and liabilities:

	Carrying amount 2022 \$	Fair value 2022 \$	Carrying amount 2021 \$	Fair value 2021 \$
Financial Assets				
Available for sale	7,105,827	7,105,827	7,183,646	7,183,646
Trade & other receivables	545,569	545,569	681,313	681,313
Total	7,651,396	7,651,396	7,864,959	7,864,959
Financial Liabilities				
Trade & other payables	680,606	680,606	925,084	925,084
Total	680,606	680,606	925,084	925,084

Note 15B: Financial and Non-financial Assets and Liabilities 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—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The following tables provide an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
31 December 2022				
Recurring fair value measurements				
Financial assets				
Listed and unlisted shares	7,105,827	-	-	7,105,827
Non Financial assets				
Investment property	-	2,635,000	-	2,635,000
	7,105,827	2,635,000	-	9,740,827
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
31 December 2021				
Recurring fair value measurements				
Financial assets				
Listed and unlisted shares	7,183,646	-	-	7,183,646
Non Financial assets				
Investment property	-	2,315,000	-	2,315,000
	7,183,646	2,315,000	-	9,498,646

Note 16 Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or Commissioner:

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

OFFICER DECLARATION STATEMENT

I, Shane Thompson, being the Secretary of the CFMMEU Northern Mining & NSW Energy District Branch, declare that the following activities did not occur during the reporting period ending 31 December 2022

The reporting unit did not:

- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive revenue via compulsory levies
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay compulsory levies
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer:



Dated:

8/3/2023