

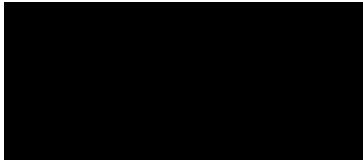
**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER**

Certificate for the year ended 31 December 2023

I Shane Thompson being the Secretary of the Mining and Energy Union Northern Mining and NSW Energy District Branch certify:

- that the documents lodged herewith are copies of the full report for the Mining and Energy Union Northern Mining and NSW Energy District Branch for the period ended 31 December 2023 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the reporting unit on 23 March 2023; and
- that the full report was presented to the last of a series of general meetings of members of the reporting unit on 10 May 2024 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer:



Name of prescribed designated officer: Shane Thompson

Title of prescribed designated officer: Secretary

Dated: 22/05/2024



**MINING AND ENERGY UNION NORTHERN MINING AND NSW ENERGY DISTRICT BRANCH**

**ABN 80 814 987 748**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

REPORT REQUIRED UNDER SUBSECTION 255(2A)  
for the year ended 31 December 2023

The Board of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 December 2023.

Categories of expenditures	2023	2022
	\$	\$
Remuneration and other employment-related costs and expenses - employees	3,957,002	4,436,351
Advertising	12,440	25,491
Operating costs	5,604,734	6,040,553
Donations to political parties	12,118	11,725
Legal costs	45,793	72,635

Signature of designated officer: 

Name and title of designated officer: Shane Thompson, Secretary

Dated:

7/3/2024

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**OPERATING REPORT**

for the year ended 31 December 2023

The Board of Management presents its operating report on the Reporting Unit for the financial year ended 31 December 2023.

**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 and NSW Energy District Branch 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 and NSW Energy District Branch 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 surplus for the year after income tax was \$ 468,658 (2022 Deficit \$ 840,971).

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

**Significant changes in financial affairs**

By way of order dated 20 November 2023, Justice Shariff of the Federal Court of Australia in the matter of *Grahame Patrick Kelly v Construction, Forestry, Maritime, Mining and Energy Union* [NSD1120/2023] made an order pursuant to s.109(1)(a) of the Fair Work (Registered Organisations) Act 2009 ("RO Act") that the withdrawal of the Mining and Energy Division from the Construction, Forestry, Maritime, Mining and Energy Union was to take effect on 1 December 2023.

On 1 December 2023, the Mining and Energy Union ("the Reporting Unit") was registered as an organisation under subsection 26(1) of the RO Act. Up to the withdrawal date of 1 December 2023, the Mining and Energy Union was a division of the then Construction, Forestry, Maritime, Mining and Energy Union ("CFMMEU") and known as the CFMMEU Mining and Energy Division.

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**OPERATING REPORT (continued)**

The Mining and Energy Union is a newly formed legal entity and a separate registered organisation under the RO Act from the CFMMEU Mining and Energy Division, which has ceased to exist. The Mining and Energy Union carries on the same business as the CFMMEU Mining and Energy Division.

Similarly, up to the withdrawal date of 1 December 2023, the Construction, Forestry, Maritime, Mining and Energy Union, Mining and Energy Division, Northern Mining & NSW Energy District Branch (the "Former Union") was a District Branch of the CFMMEU Mining and Energy Division and from that date is now known as the Mining and Energy Union Northern Mining and NSW Energy District Branch ("the Union"), being a District branch of the Mining and Energy Union.

Accordingly, there have been no changes in the rights or obligations attached to any assets, liabilities or capital of the Union, with all being transferred (or in the process of being transferred) from the formal title of the Former Union to the Union, at their carrying amounts as at 1 December 2023, and under the same accounting policies referred to in the notes to these financial statements. Similarly, all membership, workplace and District structures have also remained unchanged and have been transferred over to the Union.

Accordingly, for financial reporting purposes, the Fair Work Commission have instructed that it is appropriate that the Union report to members with one financial report as at and for the year ending 31 December 2023, as if it were the same reporting unit for the entirety of that period.

**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.

**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 is a Member of the Board of Directors of Mine Super Services Pty Ltd, which provides administration services to Mine Superannuation Fund.

**Number of members**

There were 8,715 members of the Union as at 31 December 2023.

**Number of employees**

As at 31 December 2023, the Union employed 20 full time and 0.7 full time equivalent part time employees (2022 21 full time and 0.7 full time equivalent part time employees)

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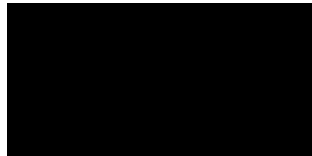
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OPERATING REPORT (continued)

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

Shane Thompson	01.01.23 - 31.12.23
Robin Williams	01.01.23 - 31.12.23
Chad Hanson	01.01.23 - 31.12.23
Matthew Howard	01.01.23 - 31.12.23
Jeremy McWilliams	01.01.23 - 31.12.23
Michael Taggart	01.01.23 - 31.12.23
Stephen Tranter	01.01.23 - 31.12.23
Anthony Watson	01.01.23 - 31.12.23
Scott Baird	01.01.23 - 22.11.23
Stuart Clark	01.01.23 - 31.12.23
Peter Compton	01.01.23 - 31.12.23
Michael Dobie	01.01.23 - 22.11.23
Simon Duff	01.01.23 - 31.12.23
Adam Hewitt	16.02.23 - 31.12.23
Kyle Hunter	22.11.23 - 31.12.23
Scott King	01.01.23 - 31.12.23
Glenn Kollner	01.01.23 - 31.12.23
Kerry Konieczny	01.01.23 - 31.12.23
Richard Lloyd	01.01.23 - 22.11.23
Jason Porter	01.01.23 - 31.12.23
Joseph Price	01.01.23 - 31.12.23
Matthew Reid	01.01.23 - 14.07.23
Michael Schofield	01.01.23 - 31.12.23
Luke Thomas	22.11.23 - 31.12.23
Mark Wicks	16.02.23 - 31.12.23

Signature of designated officer:



Name and title of designated officer: Shane Thompson, Secretary

Dated:

7/3/2024

**BOARD OF MANAGEMENT STATEMENT**

for the period ended 31 December 2023

On 7 March 2024 the Board of Management of the Mining and Energy Union Northern Mining and NSW Energy District Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2023:

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 General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; 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:

7/3/2024

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**STATEMENT OF COMPREHENSIVE INCOME**

for the period ended 31 December 2023

	Notes	2023 \$	2022 \$
<b>Revenue from contracts with customers</b>			
Membership subscriptions	3	7,848,909	8,033,165
Capitation fees and other revenue from another reporting unit	3A	587,500	644,956
Levies	3B	-	-
Other sales of goods or services		204,204	161,060
<b>Total revenue</b>		<u>8,640,613</u>	<u>8,839,181</u>
<b>Income for furthering objectives</b>	3		
Grants and/or donations	3C	14,800	15,000
<b>Total income for furthering objectives</b>		<u>14,800</u>	<u>15,000</u>
<b>Other income</b>			
Net gains from sale of assets	3D	159,582	62,004
Investment income	3E	782,479	522,195
Rental income	3F	156,054	150,123
Other income	3G	696,232	1,109,560
<b>Total other income</b>		<u>1,794,347</u>	<u>1,843,882</u>
<b>Total income</b>		<u>10,449,760</u>	<u>10,698,063</u>
<b>Expenses</b>			
Employee expenses	4A	3,957,002	4,436,351
Capitation fees and other expense to another reporting unit	4B	2,712,896	3,105,162
Affiliation fees	4C	96,320	93,136
Administration expenses	4D	2,805,076	2,819,471
Grants or donations	4E	28,772	30,788
Depreciation and amortisation	4F	216,235	213,804
Legal costs	4G	45,793	72,635
Net losses from sale of assets	4H	104,008	337,241
Other expenses	4I	-	370,446
Audit fees	13	15,000	60,000
<b>Total expenses</b>		<u>9,981,102</u>	<u>11,539,034</u>
<b>Surplus (deficit) for the year</b>		<u>468,658</u>	<u>(840,971)</u>
<b>Other comprehensive income</b>			
Items that will not be subsequently reclassified to profit or loss			
Net gain/(loss) on available for sale investments		-	-
Net gain/(loss) on investment properties		-	-
		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u>468,658</u>	<u>(840,971)</u>

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



Mining and Energy Union Northern Mining and NSW Energy District Branch

ABN 80 814 987 748

STATEMENT OF FINANCIAL POSITION

as at 31 December 2023

	Notes	2023 \$	2022 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	10,131,376	12,908,659
Trade and other receivables	5B	890,695	545,569
Contract assets	5B	-	-
Other current assets	5C	190,678	154,643
<b>Total current assets</b>		<u>11,212,749</u>	<u>13,608,871</u>
<b>Non-Current Assets</b>			
Property, plant & equipment	6A	1,861,459	1,869,074
Investment property	6B	2,735,000	2,635,000
Other financial assets	6D	10,101,349	7,105,827
<b>Total non-current assets</b>		<u>14,697,808</u>	<u>11,609,901</u>
<b>Total assets</b>		<u>25,910,557</u>	<u>25,218,772</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	7A	602,305	514,085
Other payables	7B	222,606	166,521
Employee provisions	8A	1,562,467	1,451,016
Contract liabilities	5B	-	-
Lease liabilities	6C	-	-
<b>Total current liabilities</b>		<u>2,387,378</u>	<u>2,131,622</u>
<b>Non-Current Liabilities</b>			
Employee provisions	8A	56,647	89,276
<b>Total non-current liabilities</b>		<u>56,647</u>	<u>89,276</u>
<b>Total liabilities</b>		<u>2,444,025</u>	<u>2,220,898</u>
<b>Net assets</b>		<u>23,466,532</u>	<u>22,997,874</u>
<b>EQUITY</b>			
General fund/retained earnings		15,623,430	15,541,260
Other funds	9A	7,843,102	7,456,614
<b>Total equity</b>		<u>23,466,532</u>	<u>22,997,874</u>

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

**STATEMENT OF CHANGES IN EQUITY**  
 for the period ended 31 December 2023

	Notes	Retained earnings \$	Reserves \$	Total equity \$
<b>Balance as at 1 January 2022</b>		16,500,315	-	16,500,315
Adjustment for errors		-	-	-
Adjustment for change in accounting policies		-	-	-
<b>Adjusted Balance as at 1 January 2022</b>		16,500,315	-	16,500,315
Surplus/(deficit)		(840,971)	-	(840,971)
Other comprehensive income		-	-	-
Transfer to/from Funeral Fund	9A	(186,580)	-	(186,580)
Transfer to/from Local Lodge Admin Fund	9A	68,496	-	68,496
<b>Closing balance as at 31 December 2022</b>		<u>15,541,260</u>	-	<u>15,541,260</u>
Adjustment for errors		-	-	-
Surplus/(deficit)		468,658	-	468,658
Other comprehensive income for the year		-	-	-
Transfer to/from Funeral Fund	9A	(350,936)	-	(350,936)
Transfer to/from Local Lodge Admin Fund	9A	(35,552)	-	(35,552)
<b>Closing balance as at 31 December 2023</b>		<u>15,623,430</u>	-	<u>15,623,430</u>

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

**CASH FLOW STATEMENT**

for the period ended 31 December 2023

	Notes	2023 \$	2022 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from customers		8,809,452	8,953,392
Donations and grants		16,280	16,500
Receipts from other reporting units/controlled entity(s)	10B	603,009	788,194
Interest		526,927	93,610
Distributions		156,985	142,905
Dividends		90,989	159,049
Other		501,665	907,450
<b>Cash used</b>			
Employees		(3,878,182)	(4,942,088)
Suppliers		(3,755,843)	(3,307,978)
Lease payments for leases of low-value assets	6C	(38,885)	(28,084)
Payment to other reporting units/controlled entity(s)	10B	(2,961,508)	(3,623,067)
<b>Net cash from (used by) operating activities</b>	10A	<b>70,889</b>	<b>(840,117)</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant and equipment		149,045	266,384
Proceeds from sale of investments		3,181,944	2,481,815
<b>Cash used</b>			
Purchase of plant and equipment		(354,020)	(664,032)
Purchase of investments		(5,825,141)	(2,968,555)
<b>Net cash from (used by) investing activities</b>		<b>(2,848,172)</b>	<b>(884,388)</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Other		-	-
<b>Cash used</b>			
Other		-	-
<b>Net cash from (used by) financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash held</b>		<b>(2,777,283)</b>	<b>(1,724,505)</b>
Cash & cash equivalents at the beginning of the reporting period		12,908,659	14,633,164
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<b>10,131,376</b>	<b>12,908,659</b>

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

**Index to the Notes of the Financial Statements**

- Note 1 Summary of significant accounting policies
  - Note 2 Events after the reporting period
  - Note 3 Income
  - Note 4 Expenses
  - Note 5 Current assets
  - Note 6 Non-current assets
  - Note 7 Current liabilities
  - Note 8 Provisions
  - Note 9 Equity
  - Note 10 Cash flow
  - Note 11 Contingent liabilities, assets and commitments
  - Note 12 Related party disclosures
  - Note 13 Remuneration of auditors
  - Note 14 Financial instruments
  - Note 15 Fair value measurements
  - Note 16 Withdrawal of the Union
  - Note 17 Section 272 *Fair Work (Registered Organisations) Act 2009*
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**Note 1 Summary of Significant Accounting Policies**

**1.1 Basis of Preparation of the Financial Statements**

By way of order dated 20 November 2023, Justice Shariff of the Federal Court of Australia in the matter of Grahame Patrick Kelly v Construction, Forestry, Maritime, Mining and Energy Union [NSD1120/2023] made an order pursuant to s.109(1)(a) of the Fair Work (Registered Organisations) Act 2009 ("RO Act") that the withdrawal of the Mining and Energy Division from the Construction, Forestry, Maritime, Mining and Energy Union was to take effect on 1 December 2023.

On 1 December 2023, the Mining and Energy Union was registered as an organisation under subsection 26(1) of the RO Act. Up to the withdrawal date of 1 December 2023, the Reporting Unit was a division of the then Construction, Forestry, Maritime, Mining and Energy Union ("CFMMEU") and known as the CFMMEU Mining and Energy Division.

The Mining and Energy Union a newly formed legal entity and a separate registered organisation under the RO Act from the CFMMEU Mining and Energy Division, which has ceased to exist. The Mining and Energy Union carries on the same business as the CFMMEU Mining and Energy Division.

Similarly, up to the withdrawal date of 1 December 2023, the Construction, Forestry, Maritime, Mining and Energy Union, Mining and Energy Division, Northern Mining and NSW Energy District Branch (the "Former Union") was a District Branch of the CFMMEU Mining and Energy Division Unit and from that date is now known as the Mining and Energy Union Northern Mining and NSW Energy District Branch ("the Union"), being a District branch of the Mining and Energy Union.

Accordingly, there have been no changes in the rights or obligations attached to any assets, liabilities or capital of the Union, with all being transferred (or in the process of being transferred) from the formal title of the Former Union to the Union, at their carrying amounts as at 1 December 2023, and under the same accounting policies referred to in the notes to these financial statements. Similarly, all membership, workplace and District structures have also remained unchanged and have been transferred over to the Union.

Accordingly, for financial reporting purposes, with the agreement of the Fair Work Commission, it is appropriate that, having regard to sections 35 and 93 of the Act, that in practical terms the reporting requirements are continues for the financial year for the various units, as if the Former Union and the Union were the same reporting entity.

That is, the Union shall report to members with one financial report as at and for the year ending 31 December 2023, as if it were the same reporting unit for the entirety of that period.

Refer to note 16 for further information.

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 Mining and Energy Union Northern Mining and 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 prepared on a historical cost basis, 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.

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## 1.2 Going concern

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

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

The amendments are not expected to have a material impact on Mining and Energy Union Northern Mining and NSW Energy District Branch.

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### 1.5 New Australian Accounting Standards (continued)

AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments

The annual improvements amend the following standards:

- AASB 9 Financial Instruments to clarify that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.
- AASB 16 Leases (AASB 16) to amend Illustrative Example 13 to remove the illustration of the reimbursement of leasehold improvements by the lessor.
- Amendments to AASB 116 Property, Plant and Equipment require an entity to recognise the sales proceeds from selling items produced while preparing property, plant and equipment for its intended use and the related cost in the profit or loss, instead of deducting the amounts received from the cost of the asset.
- Amendments to AASB 137 Provisions, Contingent Liabilities and Contingent Assets clarify which costs an entity can include when assessing whether a contract will be onerous.

The amendments are not expected to have a material impact on Mining and Energy Union Northern Mining and NSW Energy District Branch.

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

#### ***Future Australian Accounting Standards Requirements***

Below is a full list of Australian Accounting Standard that has been issued but not yet effective:

- AASB 17 Insurance Contracts
  - AASB 2014-10 Amendments to Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
  - AASB 2020-1 Amendments to Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
  - AASB 2021-2 Amendments to Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates
  - Amendments to AASB 7, AASB 101, AASB 134 and AASB Practice Statement 2
  - Amendments to AASB 108
  - AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
  - AASB 2021-6 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards
  - AASB 2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections
  - AASB 2022-1 Amendments to Australian Accounting Standards – Initial Application of AASB 17 and AASB 9 – Comparative Information.
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### 1.6 Current versus non-current classification

Mining and Energy Union Northern Mining and 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.

Mining and Energy Union Northern Mining and NSW Energy District Branch classifies all other liabilities as non-current.

### 1.7 Revenue

The Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and NSW Energy District Branch has a contract with a customer, the Mining and Energy Union Northern Mining and NSW Energy District Branch recognises revenue when or as it transfers control of goods or services to the customer. The Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and NSW Energy District Branch.

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### 1.7 Revenue (continued)

If there is only one distinct membership service promised in the arrangement, the Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and NSW Energy District Branch at their standalone selling price, the Mining and Energy Union Northern Mining and NSW Energy District Branch accounts for those sales as a separate contract with a customer.

#### **Income of the Mining and Energy Union Northern Mining and NSW Energy District Branch as a Not-for-Profit Entity**

Consideration is received by the Mining and Energy Union Northern Mining and NSW Energy District Branch to enable the entity to further its objectives. The Mining and Energy Union Northern Mining and NSW Energy District Branch recognises each of these amounts of consideration as income when the consideration is received (which is when the Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and NSW Energy District Branch's recognition of the cash contribution does not give to any related liabilities.

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

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### 1.7 Revenue (continued)

#### Gains from sale of assets

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

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## 1.9 Leases

The Mining and Energy Union Northern Mining and 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.

### **Mining and Energy Union Northern Mining and NSW Energy District Branch as a lessee**

The Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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.

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### 1.13 Financial assets (continued)

#### 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 Mining and Energy Union Northern Mining and NSW Energy District Branch business model for managing them. With the exception of trade receivables that do not contain a significant financing component, Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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

#### 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.

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### 1.13 Financial assets (continued)

#### Derecognition

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- Mining and Energy Union Northern Mining and 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. Mining and Energy Union Northern Mining and NSW Energy District Branch has transferred substantially all the risks and rewards of the asset, or
  - b. Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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.

#### Impairment

##### Expected credit losses (ECLs)

##### i. Debt instruments other than trade receivables

The Mining and Energy Union Northern Mining and NSW Energy District Branch recognises an allowance for ECLs for all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Mining and Energy Union Northern Mining and NSW Energy District Branch expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages:

- For credit exposures for which 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).
  - For those credit exposures for which 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).
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### 1.13 Financial assets (continued)

The Mining and Energy Union Northern Mining and NSW Energy District Branch considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, Mining and Energy Union Northern Mining and NSW Energy District Branch may also consider a financial asset to be in default when internal or external information indicates that Mining and Energy Union Northern Mining and 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.

#### ii. Trade receivables

For trade receivables that do not have a significant financing component, the Mining and Energy Union Northern Mining and NSW Energy District Branch applies a simplified approach in calculating ECLs. Therefore, the Mining and Energy Union Northern Mining and 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 Mining and Energy Union Northern Mining and 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.

### 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.

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

#### Subsequent measurement

##### Financial liabilities at amortised cost

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

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

#### Derecognition

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

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### 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 Mining and Energy Union Northern Mining and NSW Energy District Branch transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the Mining and Energy Union Northern Mining and 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. Mining and Energy Union Northern Mining and NSW Energy District Branch's refund liabilities arise from customers' right of return. The liability is measured at the amount Mining and Energy Union Northern Mining and NSW Energy District Branch's ultimately expects it will have to return to the customer. Mining and Energy Union Northern Mining and 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

Purchases of land, buildings, plant and equipment are recognised initially at cost in the statement of financial position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

#### Land and buildings

Land and buildings are measured at cost less accumulated depreciation and impairment losses.

#### 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:

	2023	2022
Land & buildings	40 years	40 years
Plant and equipment	3 to 13 years	3 to 13 years

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### 1.17 Land, Buildings, Plant and Equipment (continued)

#### Derecognition

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

### 1.18 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 Mining and Energy Union Northern Mining and NSW Energy District Branch were deprived of the asset, its recoverable amount is its fair value.

In other cases, for the purposes of determining recoverable amount, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date

### 1.20 Taxation

Mining and Energy Union Northern Mining and 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.

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### 1.21 Fair value measurement

The Mining and Energy Union Northern Mining and 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 investment properties, at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by Mining and Energy Union Northern Mining and 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.

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, Mining and Energy Union Northern Mining and 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.

External valuers are involved for valuation of significant assets, such as investment properties.

### Note 2 Events after the reporting period

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Mining and Energy Union Northern Mining and NSW Energy District Branch, the results of those operations, or the state of affairs of the Mining and Energy Union Northern Mining and NSW Energy District Branch in subsequent financial periods.

<b>Note 3 Revenue and income</b>	2023	2022
	\$	\$

### Disaggregation of revenue from contracts with customers

A disaggregation of the Mining and Energy Union Northern Mining and 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.

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Mining and Energy Union Northern Mining and NSW Energy District Branch  
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Note 3 Revenue and income (continued)	2023	2022
	\$	\$
<b>Type of customer</b>		
Members	7,848,909	8,033,165
Other reporting units	587,500	644,956
Government	-	-
Other parties	204,204	161,060
<b>Total revenue from contracts with customers</b>	<b>8,640,613</b>	<b>8,839,181</b>

**Disaggregation of income for furthering activities**

A disaggregation of the Mining and Energy Union Northern Mining and 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	14,800	15,000
<b>Total income for furthering activities</b>	<b>14,800</b>	<b>15,000</b>

**Note 3A: Capitation fees and other revenue from another reporting unit**

<b>Capitation fees</b>		
Capitation fees	-	-
<b>Subtotal capitation fees</b>	<b>-</b>	<b>-</b>

**Other revenue from another reporting unit:**

Mining and Energy Union National Office - Director fees Coal Services P/L	81,717	-
Mining and Energy Union National Office - Director fees Auscoal P/L	71,725	30,581
Mining and Energy Union National Office - Auscoal P/L sponsorship	-	1,500
Mining and Energy Union National Office - Legal Officer costs	110,138	131,846
Mining and Energy Union National Office - Central Council wages	8,940	7,233
Mining and Energy Union National Office - WIMDOI Conference wages	-	2,452
Mining and Energy Union National Office - Electoral Funding case cont.	-	9,091
Mining and Energy Union National Office - UDS Tier 1 distribution	286,420	108,240
Mining and Energy Union National Office - LSL Entitlements	-	327,094
Mining and Energy Union National Office - ISHR Funding	28,560	26,919
<b>Subtotal other revenue from another reporting unit</b>	<b>587,500</b>	<b>644,956</b>
<b>Total capitation fees and another revenue from other reporting unit</b>	<b>587,500</b>	<b>644,956</b>

**Note 3B: Levies**

Levies	-	-
<b>Total levies</b>	<b>-</b>	<b>-</b>

**Note 3C: Grants and/or donations**

Grants	14,800	15,000
Donations	-	-
<b>Total grants and donations</b>	<b>14,800</b>	<b>15,000</b>

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Note 3 Revenue and income (continued)	2023	2022
	\$	\$
<b>Note 3D: Net gains from sale of assets</b>		
Plant and equipment	7,209	28,319
Other financial assets	152,373	33,685
<b>Total net gains from sale of assets</b>	<u>159,582</u>	<u>62,004</u>
<b>Note 3E: Investment income</b>		
Interest		
Deposits	449,402	190,613
Loans	-	-
Other financial assets	88,589	20,186
Dividend income	90,989	159,049
Trust distribution income	153,499	152,347
<b>Total investment income</b>	<u>782,479</u>	<u>522,195</u>
<b>Note 3F: Rental income</b>		
Properties	146,454	140,723
Other	9,600	9,400
<b>Total rental income</b>	<u>156,054</u>	<u>150,123</u>
<b>Note 3G: Other income</b>		
Fair value gain on available for sale investments	300,396	-
Fair value gain on investment properties	100,000	320,000
Medical & legal fees reimbursed	113,646	202,728
Member voluntary contributions - SAF	-	412,937
Wage subsidy & reimbursements	62,568	20,842
Other income	119,622	153,053
<b>Total other income</b>	<u>696,232</u>	<u>1,109,560</u>
<b>Note 4 Expenses</b>		
<b>Note 4A: Employee expenses</b>		
<b>Holders of office:</b>		
Wages and salaries	1,635,530	2,175,745
Superannuation	215,013	208,501
Leave and other entitlements	341,736	308,886
Separation and redundancies	-	-
Other employee expenses	120,895	110,165
<b>Subtotal employee expenses holders of office</b>	<u>2,313,174</u>	<u>2,803,297</u>
<b>Employees other than office holders:</b>		
Wages and salaries	1,062,438	1,064,586
Superannuation	199,570	185,929
Leave and other entitlements	275,870	290,094
Separation and redundancies	-	-
Other employee expenses	105,951	92,445
<b>Subtotal employee expenses employees other than office holders</b>	<u>1,643,829</u>	<u>1,633,054</u>
<b>Total employee expenses</b>	<u>3,957,002</u>	<u>4,436,351</u>

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<b>Note 4 Expenses (continued)</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 4B: Capitation fees and other expense to another reporting unit</b>		
<b>Capitation fees</b>		
Mining and Energy Union National Office (Dues)	2,668,156	2,641,833
Mining and Energy Union National Office (SAF)	-	412,937
<b>Subtotal capitation fees</b>	<b>2,668,156</b>	<b>3,054,770</b>
<b>Other expense to another reporting unit</b>		
Mining and Energy Union National Office - other expenses	44,740	50,392
<b>Subtotal other expense to another reporting unit</b>	<b>44,740</b>	<b>50,392</b>
<b>Total capitation fees and other expense to another reporting unit</b>	<b>2,712,896</b>	<b>3,105,162</b>
<b>Note 4C: Affiliation fees</b>		
Australian Labor Party	43,380	43,410
Newcastle Trades Hall Council	17,551	16,240
Unions NSW	35,389	33,486
<b>Total affiliation fees/subscriptions</b>	<b>96,320</b>	<b>93,136</b>
<b>Note 4D: Administration expenses</b>		
Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	254,533	201,850
Conference and meeting expenses	192,835	163,370
Property expenses	99,893	89,780
Office expenses	102,423	108,138
Information communications technology	107,645	136,322
Insurance	146,784	122,822
Delegates expenses	426,164	494,769
Election expenses	17,409	12,255
Fringe benefits tax	108,155	205,277
Funeral & medical expenses	373,880	380,502
Travel expenses	134,804	115,776
Payroll tax	236,365	233,748
Other expenses	566,070	526,778
<b>Subtotal administration expense</b>	<b>2,766,960</b>	<b>2,791,387</b>
Operating lease rentals:		
Short term, low value and variable lease payments	38,116	28,084
<b>Total administration expenses</b>	<b>2,805,076</b>	<b>2,819,471</b>
<b>Note 4E: Grants or donations</b>		
<b>Grants</b>		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	2,000	-
<b>Donations</b>		
Total expensed that were \$1,000 or less	7,990	5,750
Total expensed that exceeded \$1,000	18,782	25,038
<b>Total grants or donations</b>	<b>28,772</b>	<b>30,788</b>

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Note 4 Expenses (continued)	2023	2022
	\$	\$
<b>Note 4F: Depreciation and amortisation</b>		
Depreciation		
Buildings	47,745	47,454
Property, plant and equipment	168,490	166,350
<b>Total depreciation</b>	<u>216,235</u>	<u>213,804</u>
Amortisation		
Intangibles	-	-
<b>Total amortisation</b>	<u>-</u>	<u>-</u>
<b>Total depreciation and amortisation</b>	<u><u>216,235</u></u>	<u><u>213,804</u></u>
<b>Note 4G: Legal costs</b>		
Litigation	3,052	38,706
Other legal costs	42,741	33,929
<b>Total legal costs</b>	<u>45,793</u>	<u>72,635</u>
<b>Note 4H: Net losses from sale of assets</b>		
Property, plant and equipment	3,563	109,443
Other financial assets	100,445	227,798
<b>Total net losses from asset sales</b>	<u>104,008</u>	<u>337,241</u>
<b>Note 4I: Other expenses</b>		
Fair value loss on available for sale investments	-	370,446
Penalties - via RO Act or the Fair Work Act 2009	-	-
<b>Total other expenses</b>	<u>-</u>	<u>370,446</u>
<b>Note 5 Current Assets</b>		
<b>Note 5A: Cash and Cash Equivalents</b>		
Cash at bank	2,319,163	2,148,089
Cash on hand	588	2,020
Short term deposits	7,811,625	10,758,550
Other	-	-
<b>Total cash and cash equivalents</b>	<u>10,131,376</u>	<u>12,908,659</u>
<b>Note 5B: Trade and Other Receivables</b>		
Receivables from other reporting unit		
Mining and Energy Union National Office	65,334	44,882
<b>Total receivables from other reporting unit</b>	<u>65,334</u>	<u>44,882</u>
Less allowance for expected credit losses	-	-
<b>Total allowance for expected credit losses</b>	<u>-</u>	<u>-</u>
<b>Receivable from other reporting unit (net)</b>	<u>65,334</u>	<u>44,882</u>
Other receivables:		
GST receivable	-	-
Other	825,361	500,687
<b>Total other receivables</b>	<u>825,361</u>	<u>500,687</u>
<b>Total trade and other receivables (net)</b>	<u><u>890,695</u></u>	<u><u>545,569</u></u>

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<b>Note 5 Current Assets (continued)</b>	2023	2022
	\$	\$
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	-	-
<b>At 31 December</b>	<b>-</b>	<b>-</b>

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

<b>Receivables</b>		
Receivables - current	331,433	278,074
Receivables – non-current	-	-
<b>Contract assets</b>		
Contract assets - current	-	-
Contract assets – non-current	-	-
<b>Other contract liabilities</b>		
Contract liabilities - current	-	-
Contract liabilities – non-current	-	-
<b>Note 5C: Other Current Assets</b>		
Prepayments	190,678	153,971
Other	-	672
<b>Total other current assets</b>	<b>190,678</b>	<b>154,643</b>

**Note 6 Non-current Assets**

**Note 6A: Property, Plant & Equipment 2023**

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
Property, Plant and Equipment carrying amount	331,163	1,963,812	1,793,863	4,088,838
accumulated depreciation	-	1,135,762	1,091,617	2,227,379
<b>Total Property, Plant and Equipment</b>	<b>331,163</b>	<b>828,050</b>	<b>702,246</b>	<b>1,861,459</b>

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

<b>Net book value 1 January</b>	331,163	810,131	727,780	1,869,074
Additions:				
By purchase	-	65,665	288,356	354,021
Revaluations	-	-	-	-
Impairments	-	-	-	-
Depreciation expense	-	47,745	168,490	216,235
Disposals:				
Sale	-	-	145,400	145,400
Other	-	-	-	-
<b>Net book value 31 December</b>	<b>331,163</b>	<b>828,051</b>	<b>702,246</b>	<b>1,861,460</b>
<b>Net book value as of 31 December represented by:</b>				
Gross book value	331,163	1,963,812	1,793,863	4,088,838
Accumulated depreciation and impairment	-	1,135,762	1,091,617	2,227,379
<b>Net book value 31 December</b>	<b>331,163</b>	<b>828,050</b>	<b>702,246</b>	<b>1,861,459</b>

Note 6 Non-current Assets (continued)

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
<b>Total Property, Plant and Equipment</b>	<b>331,163</b>	<b>810,131</b>	<b>727,780</b>	<b>1,869,074</b>

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

<b>Net book value 1 January</b>	331,163	857,585	577,605	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	-	-	-	-
<b>Net book value 31 December</b>	<b>331,163</b>	<b>810,131</b>	<b>727,780</b>	<b>1,869,074</b>
<b>Net book value as of 31 December represented by:</b>				
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
<b>Net book value 31 December</b>	<b>331,163</b>	<b>810,131</b>	<b>727,780</b>	<b>1,869,074</b>

**Note 6B: Investment Property**

<b>Opening balance as 1 January 2023</b>	2,635,000	2,315,000
Additions:		
By purchase	-	-
Net gain/(loss) from fair value adjustment	100,000	320,000
<b>Net book value 31 December 2023</b>	<b>2,735,000</b>	<b>2,635,000</b>

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).

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 \$156,054 (2022: \$150,123).

Direct expenses incurred in relation to the investment properties that generated rental income during the year was \$57,687 (2022: \$58,432). 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 Mining and Energy Union Northern Mining and 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.

**Note 6 Non-current Assets (continued)**

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.

	2023	2022
<b>Note 6C: Leases</b>	\$	\$

The following are the amounts recognised in profit or loss:

Expense relating to leases of low-value assets (included on administrative expenses)	38,885	28,084
<b>Total amount recognised in profit or loss</b>	<u>38,885</u>	<u>28,084</u>

**Note 6D: Other Financial Assets**

**Financial assets at fair value through profit or loss**

Quoted equity shares	4,643,625	4,607,847
Debt securities	2,945,280	553,847
Available for sale investments	2,512,444	1,944,133
<b>Total other financial assets</b>	<u>10,101,349</u>	<u>7,105,827</u>

**Note 7 Current Liabilities**

**Note 7A: Trade payables**

Trade creditors and accruals	342,989	274,198
Operating lease rentals	-	-
<b>Subtotal trade creditors</b>	<u>342,989</u>	<u>274,198</u>
<b>Payables to other reporting unit[s]</b>		
Mining and Energy Union National Office (Dues, other costs)	259,316	239,887
<b>Subtotal payables to other reporting unit[s]</b>	<u>259,316</u>	<u>239,887</u>
<b>Total trade payables</b>	<u>602,305</u>	<u>514,085</u>

Settlement is usually made within 30 days.

**Note 7B: Other payables**

Wages and salaries	52,307	46,408
Superannuation	3,879	8,654
Legal costs - litigation	-	-
Legal costs - other legal costs	18,022	-
GST payable	78,112	52,434
Other	70,286	59,025
<b>Total other payables</b>	<u>222,606</u>	<u>166,521</u>

Total other payables are expected to be settled in:

No more than 12 months	222,606	166,521
More than 12 months	-	-
<b>Total other payables</b>	<u>222,606</u>	<u>166,521</u>



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Note 8 Provisions	2023	2022
	\$	\$
<b>Note 8A: Employee Provisions</b>		
<b>Office Holders:</b>		
Annual leave	193,331	185,714
Long service leave	-	-
Separations and redundancies	-	-
Other	600,449	503,741
<b>Subtotal employee provisions—office holders</b>	<b>793,780</b>	<b>689,455</b>
<b>Employees other than office holders:</b>		
Annual leave	165,902	182,136
Long service leave	435,277	432,449
Separations and redundancies	-	-
Other	224,155	236,252
<b>Subtotal employee provisions—employees other than office holders</b>	<b>825,334</b>	<b>850,837</b>
<b>Total employee provisions</b>	<b>1,619,114</b>	<b>1,540,292</b>
<b>Represented by:</b>		
Current	1,562,467	1,451,016
Non Current	56,647	89,276
<b>Total employee provisions</b>	<b>1,619,114</b>	<b>1,540,292</b>

**Note 9 Other Funds**

**Note 9A: Other funds**

**Other funds required by rules**

**Funeral Fund**

Balance as at start of year	5,542,195	5,355,615
Transferred to fund	350,936	186,580
Transferred out of fund	-	-
<b>Balance as at end of year</b>	<b>5,893,131</b>	<b>5,542,195</b>

**Local Lodge Admin Fund**

Balance as at start of year	1,914,419	1,982,915
Transferred to fund	35,552	-
Transferred out of fund	-	68,496
<b>Balance as at end of year</b>	<b>1,949,971</b>	<b>1,914,419</b>
<b>Total Funds</b>	<b>7,843,102</b>	<b>7,456,614</b>

**Note 10 Cash Flow**

**Note 10A: Cash Flow Reconciliation**

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

<b>Cash and cash equivalents as per:</b>		
Statement of cash flows	10,131,376	12,908,659
Statement of financial position	10,131,376	12,908,659
<b>Difference</b>	<b>-</b>	<b>-</b>

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<b>Note 10 Cash Flow (continued)</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Reconciliation of profit/(deficit) to net cash from operating activities:</b>		
Surplus/(deficit) for the year	468,658	(840,971)
<b>Adjustments for non-cash items</b>		
Depreciation/amortisation	216,235	213,804
Fair value movements in investment property	(100,000)	(320,000)
Fair value movements in financial assets	(300,396)	370,446
(Gain)/loss on disposal of assets	(55,574)	275,237
<b>Changes in assets/liabilities</b>		
(Increase)/decrease in net receivables	(345,126)	135,743
(Increase)/decrease in prepayments	(36,035)	(9,642)
Increase/(decrease) in supplier payables	88,220	(90,351)
Increase/(decrease) in other payables	56,085	(154,127)
Increase/(decrease) in employee provisions	78,822	(420,256)
<b>Net cash from (used by) operating activities</b>	<b>70,889</b>	<b>(840,117)</b>

**Note 10B: Cash flow information**

<b>Cash inflows</b>		
Mining and Energy Union National Office	603,009	788,194
<b>Total cash inflows</b>	<b>603,009</b>	<b>788,194</b>
<b>Cash outflows</b>		
Mining and Energy Union National Office	2,961,508	3,623,067
<b>Total cash outflows</b>	<b>2,961,508</b>	<b>3,623,067</b>

**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	38,116
After one year but not more than five years	28,587	66,703
More than five years	-	-
	<b>66,703</b>	<b>104,819</b>

**Capital commitments**

At 31 December 2023 capital commitments contracted by the Union are Nil. (2022: Nil.)

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

At 31 December 2023 other contingent assets or liabilities of the Union are Nil. (2022: 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 12 Related Party Disclosures (continued)	2023	2022
	\$	\$
<b>Note 12B: Key Management Personnel Remuneration for the Reporting Period</b>		
<b>Short-term employee benefits</b>		
Salary (including annual & sick leave taken)	1,872,942	2,966,372
Annual leave accrued	214,561	184,808
Performance bonus	-	-
Sick leave accrued	127,175	97,593
<b>Total short-term employee benefits</b>	<b>2,214,678</b>	<b>3,248,773</b>
<b>Post-employment benefits:</b>		
Superannuation	215,013	208,501
<b>Total post-employment benefits</b>	<b>215,013</b>	<b>208,501</b>
<b>Other long-term benefits:</b>		
Long-service leave	-	-
<b>Total other long-term benefits</b>	<b>-</b>	<b>-</b>
<b>Termination benefits</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2,429,691</b>	<b>3,457,274</b>

All long service leave entitlements in relation to Elected Officials are the responsibility of 'The Mining and 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 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	15,000	27,500
Other regulatory audit services	-	2,500
Other services	-	30,000
<b>Total remuneration of auditors</b>	<b>15,000</b>	<b>60,000</b>

**Note 14 Financial Instruments**

**Financial Risk Management Policies**

The Board of Management's overall risk management strategy seeks to assist the Mining and Energy Union Northern Mining and NSW Energy District Branch 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 Mining and Energy Union Northern Mining and NSW Energy District Branch does not have any derivative instruments at 31 December 2023.

**Specific Financial Risk Exposure and Management**

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

Note 14 Financial Instruments (continued)

There have been no substantive changes in the types of risks the Mining and Energy Union Northern Mining and NSW Energy District Branch 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.

	2023	2022
	\$	\$
<b>Note 14A: Categories of Financial Instruments</b>		
<b>Financial Assets</b>		
Fair value through profit or loss:		
Shares & units in listed entities	4,643,625	4,607,847
Shares & units in unlisted entities	2,512,444	1,944,133
Listed debt securities	2,945,280	553,847
<b>Total</b>	<b>10,101,349</b>	<b>7,105,827</b>
Loans and receivables:		
Trade & other receivables	890,695	545,569
<b>Total</b>	<b>890,695</b>	<b>545,569</b>
<b>Carrying amount of financial assets</b>	<b>10,992,044</b>	<b>7,651,396</b>
<b>Financial Liabilities</b>		
Other financial liabilities:		
Trade & other payables	824,911	680,606
<b>Total</b>	<b>824,911</b>	<b>680,606</b>
<b>Carrying amount of financial liabilities</b>	<b>824,911</b>	<b>680,606</b>
<b>Note 14B: Net Income and Expense from Financial Assets</b>		
Loans and receivables		
Interest revenue	-	-
Impairment	-	-
Gain/loss on disposal	-	-
<b>Total loans and receivables</b>	<b>-</b>	<b>-</b>
<b>Financial assets at fair value through profit and loss:</b>		
<b>Held for trading:</b>		
Change in fair value	300,396	(370,446)
Interest revenue	88,589	20,186
Dividend revenue	90,989	159,049
Trust distribution	153,499	152,347
Exchange gains/(loss)	-	-
<b>Total held for trading</b>	<b>633,473</b>	<b>(38,864)</b>
<b>Net gain/(loss) on financial assets at fair value through profit or loss</b>	<b>633,473</b>	<b>(38,864)</b>
<b>Net income/(expense) from financial assets</b>	<b>633,473</b>	<b>(38,864)</b>
<b>Note 14C: Credit Risk</b>		
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 Mining and Energy Union Northern Mining and NSW Energy District Branch.		

Note 14 Financial Instruments (continued)

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.

Mining and Energy Union Northern Mining and NSW Energy District Branch has no significant concentrations of credit risk with any single counterparty or group of counterparties.

	2023	2022
	\$	\$

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

**Financial assets**

Held for trading	10,101,349	7,105,827
Trade & other receivables	890,695	545,569
<b>Total</b>	<b>10,992,044</b>	<b>7,651,396</b>

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

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

31 December 2023	Trade and other receivables					
	Days past due					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
	\$	\$	\$	\$	\$	\$
Expected credit loss rate	0%	1%	1%	1%	1%	
Estimate total gross carrying amount at	890,695	-	-	-	-	890,695
Expected credit loss	-	-	-	-	-	-
31 December 2022	Trade and other receivables					
	Days past due					
	Current	<30 days	30-60 days	61-90 days	>91 days	Total
	\$	\$	\$	\$	\$	\$
Expected credit loss rate	0%	1%	1%	1%	1%	
Estimate total gross carrying amount at	545,569	-	-	-	-	545,569
Expected credit loss	-	-	-	-	-	-

Mining and Energy Union Northern Mining and NSW Energy District Branch's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2023 and 2022 is the carrying amounts as illustrated above.

Note 14 Financial Instruments (continued)

Note 14D: Liquidity Risk

Liquidity risk arises from the possibility that Mining and Energy Union Northern Mining and NSW Energy District Branch might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. Mining and Energy Union Northern Mining and NSW Energy District Branch manages this risk through the following mechanisms:

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

Contractual maturities for financial liabilities 2023

	On Demand	< 1 year	1– 2 years	2– 5 years	>5 years	Total
		\$	\$	\$	\$	\$
Trade & other payables	-	824,911	-	-	-	824,911
<b>Total</b>	-	824,911	-	-	-	824,911

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
<b>Total</b>	-	680,606	-	-	-	680,606

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. Mining and Energy Union Northern Mining and NSW Energy District Branch is also exposed to earnings volatility on floating rate instruments. The financial instruments that expose Mining and Energy Union Northern Mining and NSW Energy District Branch to interest risk are limited to cash and cash equivalents.

Sensitivity analysis of the risk that the Union is exposed to for 2023

	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 2022

	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**

Mining and Energy Union Northern Mining and NSW Energy District Branch is exposed to equity securities price risk. This arises from listed and unlisted investments held by Mining and Energy Union Northern Mining and NSW Energy District Branch and classified as available-for-sale on the balance sheet. Equity instruments are held for strategic rather than trading purposes and Mining and Energy Union Northern Mining and NSW Energy District Branch does not actively trade these investments. Mining and Energy Union Northern Mining and NSW Energy District Branch is not exposed to commodity price risk.

**Sensitivity analysis**

The following table illustrates sensitivities to Mining and Energy Union Northern Mining and NSW Energy District Branch'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 2023**

	Risk variable	Change in risk variable %	Effect on Profit and loss	Equity
			\$	\$
Equity price risk	Increase	5%	-	505,067
Equity price risk	Decrease	5%	-	(505,067)

**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)

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**

Mining and Energy Union Northern Mining and NSW Energy District Branch 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.

For other financial instruments, the following methods and assumptions were used to estimate the fair values:

- Fair values of the Mining and Energy Union Northern Mining and 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 own performance risk as at 31 December 2023 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.

## 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 2023 \$	Fair value 2023 \$	Carrying amount 2022 \$	Fair value 2022 \$
<b>Financial Assets</b>				
Available for sale	10,101,349	10,101,349	7,105,827	7,105,827
Trade & other receivables	890,695	890,695	545,569	545,569
<b>Total</b>	<b>10,992,044</b>	<b>10,992,044</b>	<b>7,651,396</b>	<b>7,651,396</b>
<b>Financial Liabilities</b>				
Trade & other payables	824,911	824,911	680,606	680,606
<b>Total</b>	<b>824,911</b>	<b>824,911</b>	<b>680,606</b>	<b>680,606</b>

## Note 15B: Financial and Non-financial Assets and Liabilities Fair Value Hierarchy

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

	Date of valuation	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
31 December 2023					
Recurring fair value measurements					
Financial assets					
Listed and unlisted shares	31.12.2023	10,101,349	-	-	10,101,349
Non Financial assets					
Investment property	19.12.2023	-	2,735,000	-	2,735,000
		<u>10,101,349</u>	<u>2,735,000</u>	<u>-</u>	<u>12,836,349</u>
		Level 1 \$	Level 2 \$	Level 3 \$	Total \$
31 December 2022					
Recurring fair value measurements					
Financial assets					
Listed and unlisted shares	31.12.2022	7,105,827	-	-	7,105,827
Non Financial assets					
Investment property	10.11.2022	-	2,635,000	-	2,635,000
		<u>7,105,827</u>	<u>2,635,000</u>	<u>-</u>	<u>9,740,827</u>

## Note 16 Withdrawal of the Union

By way of order dated 20 November 2023, Justice Shariff of the Federal Court of Australia in the matter of Grahame Patrick Kelly v Construction, Forestry, Maritime, Mining and Energy Union [NSD1120/2023] made an order pursuant to s.109(1)(a) of the Fair Work (Registered Organisations) Act 2009 ("RO Act") that the withdrawal of the Mining and Energy Division from the Construction, Forestry, Maritime, Mining and Energy Union was to take effect on 1 December 2023.

As referred to above at note 1, on 1 December 2023, the Mining and Energy Union ("the Reporting Unit") was registered as an organisation under subsection 26(1) of the RO Act. Up to the withdrawal date of 1 December 2023, the Mining and Energy Union was a division of the then Construction, Forestry, Maritime, Mining and Energy Union ("CFMMEU") and known as the CFMMEU Mining and Energy Division.



**Note 16 Withdrawal of the Union (continued)**

Similarly, up to the withdrawal date of 1 December 2023, the Construction, Forestry, Maritime, Mining and Energy Union, Mining and Energy Division, Northern Mining & NSW Energy District Branch (the "Former Union") was a District Branch of the CFMMEU Mining and Energy Division and from that date is now known as the Mining and Energy Union Northern Mining and NSW Energy District Branch, being a District branch of the Mining and Energy Union.

**Note 17 Section 272 Fair Work (Registered Organisations) Act 2009**

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

Information to be provided to members or General Manager:

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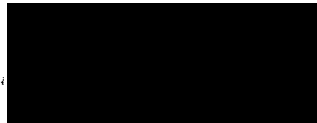
OFFICER DECLARATION STATEMENT

I, Shane Thompson, being the Secretary of the Mining and Energy Union Northern Mining and NSW Energy District Branch, declare that the following activities did not occur during the reporting period ending 31 December 2023

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:

7/3/2024

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## **Independent Audit Report to the Members of Mining and Energy Union Northern Mining & NSW Energy District Branch**

### **Report on the Audit of the Financial Report**

#### **Opinion**

I have audited the financial report of Mining and Energy Union Northern Mining & NSW Energy District Branch (the Reporting Unit), which comprises the statement of financial position as at 31 December 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 December 2023, 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 Mining and Energy Union Northern Mining & NSW Energy District Branch as at 31 December 2023, 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.

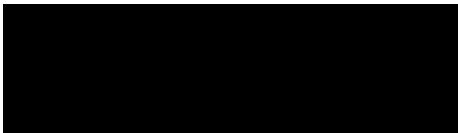
As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- 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 2009.



Joshua Comyns  
Partner  
KLM Accountants

Charlestown, NSW  
7 March 2024

Registered Auditor number is AA2022/9 (as registered by the RO Commissioner of the RO Act)