



Australian Government
Registered Organisations Commission

1 June 2020

Mr Shane Thompson
Secretary, Northern Mining and NSW Energy District Branch
Construction, Forestry, Maritime, Mining and Energy Union

cc. Mr Barry Lindbeck, Auditor

Dear Secretary

Re: – Financial reporting – CFMMEU, Northern Mining and NSW Energy District Branch - for year ending 31 December 2019 (FR2019/354)

I refer to the financial report of the Northern Mining and NSW Energy District Branch in respect of the year ending 31 December 2019. The documents were lodged with the Registered Organisations Commission ('ROC') on 11 May 2020.

The financial report has been filed. The financial report was filed based on a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements. Please note the report for year ending 31 December 2020 may be subject to an advanced compliance review.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 Reporting Guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

Yours faithfully

A handwritten signature in black ink that reads "Stephen Kellett".

Stephen Kellett
Financial Reporting
Registered Organisations Commission

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the year ended 31 December 2019

I Shane Thompson being the Secretary of the CFMMEU Northern Mining & NSW Energy District Branch certify:

- that the documents lodged herewith are copies of the full report for the CFMMEU Northern Mining & NSW Energy District Branch for the period ended 31 December 2019 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 30 March 2020; and
- that the full report was presented to the last of a series of general meetings of members of the reporting unit on 8 May 2020 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: 11/05/2020

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

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of CFMMEU Northern Mining & NSW Energy District Branch (the Reporting Unit), which comprises the statement of financial position as at 31 December 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 December 2019, notes to the financial statements, including a summary of significant accounting policies; and the Board of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement .

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of CFMMEU Northern Mining & NSW Energy District Branch as at 31 December 2019, 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 the RO Act.

LINDBECK PARTNERS

B N LINDBECK
Partner

Cardiff
5 March 2020

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/195

CFMMEU Northern Mining & NSW Energy District Branch
ABN 80 814 987 748

REPORT REQUIRED UNDER SUBSECTION 255(2A)

for the year ended 31 December 2019

The Board of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 December 2019.

Categories of expenditures	2019	2018
	\$	\$
Remuneration and other employment-related costs and expenses - employees	3,482,469	3,816,787
Advertising	8,803	8,924
Operating costs	5,688,707	6,744,448
Donations to political parties	14,551	8,928
Legal costs	57,169	62,253

Signature of designated officer:



Name and title of designated officer: Shane Thompson, Secretary

Dated:

4/3/2020

OPERATING REPORT

for the year ended 31 December 2019

The Board of Management presents its operating report on the Reporting Unit for the financial year ended 31 December 2019.

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

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

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

The activities listed have achieved their objectives.

The net surplus for the year after income tax was \$1,208,203 (2018 Deficit \$647,080).

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

Significant changes in financial affairs

There has been no significant changes in the financial affairs of the Union during the year. The result has been affected by the increase in value of listed investments and investment properties as at balance date. Underlying operating income has improved over last year with an increase in membership income and the continued reduction in core expenditure items with the ongoing review of operating requirements.

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.

CFMMEU Northern Mining & NSW Energy District Branch

ABN 80 814 987 748

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.

Number of members

There were 8,570 members of the Union as at 31 December 2019.

Number of employees

As at 31 December 2019, the Union employed 22 full time and 0.7 full time equivalent part time employees (2018 22 full time and 0.7 full time equivalent part time employees)

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

Shane Thompson	01.01.19 - 31.12.19
Peter Jordan	01.01.19 - 31.12.19
Jeffrey Drayton	01.01.19 - 31.12.19
Mark McGrath	01.01.19 - 31.12.19
Jeremy McWilliams	01.01.19 - 31.12.19
Keith Shaw	01.01.19 - 01.03.19
Stephen Tranter	28.02.19 - 31.12.19
Anthony Watson	01.01.19 - 31.12.19
Robin Williams	01.01.19 - 31.12.19
Mark Avery	01.01.19 - 31.12.19
Brad Bates	01.01.19 - 31.12.19
Peter Compton	01.01.19 - 31.12.19
Michael Dobie	01.01.19 - 31.12.19
Simon Duff	01.01.19 - 31.12.19
Chad Hanson	28.05.19 - 31.12.19
Matthew Howard	28.02.19 - 31.12.19
Glenn Kollner	01.01.19 - 31.12.19
Kerry Konieczny	28.05.19 - 31.12.19
Darren Maxwell	01.01.19 - 31.12.19
Stephen Mepham	01.01.19 - 28.02.19
Jason Porter	01.01.19 - 31.12.19
Joseph Price	01.01.19 - 31.12.19
Matthew Reid	01.01.19 - 31.12.19
Michael Schofield	01.01.19 - 31.12.19
Sharon Smoothy	01.01.19 - 28.05.19
Michael Taggart	01.01.19 - 31.12.19
Darren Watson	01.01.19 - 28.05.19

Signature of designated officer:



Name and title of designated officer: Shane Thompson, Secretary

Dated:

4/3/2020

BOARD OF MANAGEMENT STATEMENT

for the period ended 31 December 2019

On 4 March 2020 the Board of Management of the CFMMEU Northern Mining & NSW Energy District Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2019:

The Board of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the **RO Act**);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the board of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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

Signature of designated officer:



Name and title of designated officer: Shane Thompson, Secretary

Dated:

4/3/2020

STATEMENT OF COMPREHENSIVE INCOME

for the period ended 31 December 2019

	Notes	2019 \$	2018 \$
Revenue			
Membership subscription		7,901,144	7,194,363
Capitation fees and other revenue from another reporting unit	3A	282,800	229,305
Levies	3B	-	-
Interest	3C	392,804	359,787
Rental revenue	3D	144,290	149,050
Other revenue	3E	2,131,620	2,316,912
Total revenue		<u>10,852,658</u>	<u>10,249,417</u>
Other Income			
Grants and/or donations	3F	-	-
Net gains from sale of assets	3G	221,522	246,347
Total other income		<u>221,522</u>	<u>246,347</u>
Total income		<u>11,074,180</u>	<u>10,495,764</u>
Expenses			
Employee expenses	4A	3,482,469	3,816,787
Capitation fees and other expense to another reporting unit	4B	3,076,585	3,630,470
Affiliation fees	4C	86,352	79,643
Administration expenses	4D	2,489,124	2,983,259
Grants or donations	4E	30,809	86,310
Depreciation and amortisation	4F	180,156	179,149
Legal costs	4G	57,169	62,253
Audit fees	13	60,000	60,000
Net losses from sale of assets	4H	403,313	244,973
Total expenses		<u>9,865,977</u>	<u>11,142,844</u>
Surplus (deficit) for the year		<u>1,208,203</u>	<u>(647,080)</u>
Other comprehensive income			
Items that will be subsequently reclassified to profit or loss			
Net gain/(loss) on available for sale investments		-	-
Net gain/(loss) on investment properties		-	-
Total comprehensive income for the year		<u>1,208,203</u>	<u>(647,080)</u>

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

STATEMENT OF FINANCIAL POSITION

as at 31 December 2019

	Notes	2019 \$	2018 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	2,396,086	852,105
Trade and other receivables	5B	760,592	585,893
Other current assets	5C	167,687	168,314
Total current assets		3,324,365	1,606,312
Non-Current Assets			
Land and buildings	6A	1,046,565	1,017,704
Plant and equipment	6B	605,843	616,225
Investment property	6C	1,965,000	1,847,700
Intangibles	6D	-	-
Other financial assets	6E	16,979,707	17,573,825
Total non-current assets		20,597,115	21,055,454
Total assets		23,921,480	22,661,766
LIABILITIES			
Current Liabilities			
Trade payables	7A	562,972	524,467
Other payables	7B	98,576	98,690
Employee provisions	8A	1,822,430	1,809,310
Total current liabilities		2,483,978	2,432,467
Non-Current Liabilities			
Employee provisions	8A	-	-
Total non-current liabilities		-	-
Total liabilities		2,483,978	2,432,467
Net assets		21,437,502	20,229,299
EQUITY			
General funds	9A	6,299,597	5,832,672
Retained earnings (accumulated deficit)		15,137,905	14,396,627
Total equity		21,437,502	20,229,299

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

CFMMEU Northern Mining & NSW Energy District Branch

ABN 80 814 987 748

STATEMENT OF CHANGES IN EQUITY

for the period ended 31 December 2019

	Notes	Retained earnings \$	Reserves \$	Total equity \$
Balance as at 1 January 2018		15,055,450	-	15,055,450
Adjustment for errors		-	-	-
Adjustment for change in accounting policies		-	-	-
Surplus/(deficit)		(647,080)	-	(647,080)
Other comprehensive income		-	-	-
Transfer to/from Funeral Fund	9A	(155,888)	-	(155,888)
Transfer to/from Local Lodge Admin Fund	9A	144,145	-	144,145
Closing balance as at 31 December 2018		<u>14,396,627</u>	-	<u>14,396,627</u>
Adjustment for errors		-	-	-
Adjustment for change in accounting policies		-	-	-
Surplus/(deficit)		1,208,203	-	1,208,203
Other comprehensive income for the year		-	-	-
Transfer to/from Funeral Fund	9A	(326,506)	-	(326,506)
Transfer to/from Local Lodge Admin Fund	9A	(140,419)	-	(140,419)
Closing balance as at 31 December 2019		<u>15,137,905</u>	-	<u>15,137,905</u>

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

CFMMEU Northern Mining & NSW Energy District Branch
ABN 80 814 987 748

CASH FLOW STATEMENT

for the period ended 31 December 2019

	Notes	2019 \$	2018 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units/controlled entity(s)	10B	241,610	297,771
Interest		400,045	397,717
Distributions		117,792	120,532
Dividends		92,567	114,219
Other		10,323,817	10,342,925
Cash used			
Employees		(3,469,350)	(3,636,271)
Suppliers		(3,840,819)	(3,924,092)
Payment to other reporting units/controlled entity(s)	10B	(3,347,718)	(4,156,521)
Net cash from (used by) operating activities	10A	<u>517,944</u>	<u>(443,720)</u>
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		110,091	122,273
Proceeds from sale of investments		8,667,157	6,023,149
Cash used			
Purchase of plant and equipment		(332,296)	(351,206)
Purchase of investments		(7,418,915)	(6,704,701)
Net cash from (used by) investing activities		<u>1,026,037</u>	<u>(910,485)</u>
FINANCING ACTIVITIES			
Cash received			
Other		-	-
Cash used			
Other		-	-
Net cash from (used by) financing activities		<u>-</u>	<u>-</u>
Net increase (decrease) in cash held		<u>1,543,981</u>	<u>(1,354,205)</u>
Cash & cash equivalents at the beginning of the reporting period		852,105	2,206,310
Cash & cash equivalents at the end of the reporting period	5A	<u>2,396,086</u>	<u>852,105</u>

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

Note 1 Summary of Significant Accounting Policies

1.1 Basis of Preparation of the Financial Statements

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

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

1.2 Comparative amounts

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

1.3 Significant Accounting Judgements and Estimates

The Committee of Management make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

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

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

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

Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

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

1.4 New Australian Accounting Standards (continued)

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 16 Leases and relevant amending standards, which replaces AASB 117 Leases, AASB Interpretation 4 Determining whether an Arrangement contains a Lease, AASB Interpretation-115 Operating Leases-Incentives and AASB Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The impact of applying this standard is discussed further below

AASB 2017-1 Amendments to Australian Accounting Standards – Transfers of Investments Property, Annual Improvements 2014-2016 Cycle and other amendments, which clarify certain requirements in:

- AASB 12 Disclosure of Interests in Other Entities – clarification of scope
- AASB 128 Investments in Associates and Joint Ventures – measuring an associate or joint venture at fair value
- AASB 140 Investment Property – change in use

Adoption of this amendment did not have an impact on the CFMMEU Northern Mining & NSW Energy District Branch.

AASB Interpretation 22 Foreign Currency Transactions and Advance Considerations, which clarifies that the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration.

Adoption of this amendment did not have an impact on the CFMMEU Northern Mining & NSW Energy District Branch.

AASB 1058 Income of Not-for-Profit Entities (AASB 1058) and AASB 15 Revenue from Contracts with Customers (AASB 15) clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities in conjunction with AASB 15

Adoption of this amendment did not have an impact on the CFMMEU Northern Mining & NSW Energy District Branch.

AASB 2017-6 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation - amendments to AASB 9 which clarify that a financial asset passes the solely payments of principal and interest criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

Adoption of this amendment did not have an impact on the CFMMEU Northern Mining & NSW Energy District Branch.

AASB 2017-7 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation. The amendments clarify that an entity applies AASB 9 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture.

Adoption of this amendment did not have an impact on the CFMMEU Northern Mining & NSW Energy District Branch.

1.4 New Australian Accounting Standards (continued)

AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015–2017 Cycle which include improvements in:

- AASB 11 Joint Arrangements - previously held interests are not remeasured
- AASB 123 Borrowing Costs - clarification of scope

Adoption of this amendment did not have an impact on the CFMMEU Northern Mining & NSW Energy District Branch.

Impact on adoption of AASB 16

For NFP entities, AASB 16 commenced from financial years beginning on or after 1 January 2019. Either a full retrospective application or a modified retrospective application is required for AASB 16. The CFMMEU Northern Mining & NSW Energy District Branch adopted AASB 16 on the required effective date 1 January 2019 of using modified retrospective method.

AASB 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under AASB 117. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under AASB 16 is substantially unchanged from today's accounting under AASB 117. Lessors will continue to classify all leases using the same classification principle as in AASB 117 and distinguish between two types of leases: operating and finance leases.

The CFMMEU Northern Mining & NSW Energy District Branch leases photocopiers and IT equipment. The implementation of AASB 16 did not have a material impact on the CFMMEU Northern Mining & NSW Energy District Branch.

Future Australian Accounting Standards Requirements

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

Title	Description	Operative Date
AASB 2018-7	Amendments to Australian Accounting Standards – Definition of Material	1 January 2020
AASB 2019-1	Amendments to Australian Accounting Standards – References to the Conceptual Framework	1 January 2020
AASB 2019-3	Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform	1 January 2020

First time adoption of these standards may have a financial impact, but the potential effects are currently being assessed.

1.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the CFMMEU Northern Mining & NSW Energy District Branch retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the CFMMEU Northern Mining & NSW Energy District Branch.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

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

Dividend income is recognised when it is received.

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

1.6 Gains

Sale of assets

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

1.7 Capitation fees and levies

Capitation fees and levies are to be recognised on an accrual basis and record as a revenue and/or expense in the year to which it relates.

1.8 Employee benefits

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

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

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

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

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

1.9 Leases

Assets held under lease, which result in the Union receiving substantially all of the risk and rewards of ownership are capitalised as property, plant and equipment at the lower of the fair value of the leased assets or the estimated present value of the minimum lease payments. Leased assets are depreciated on the same basis as owned assets or, where shorter, the lease term. The corresponding finance lease obligation is included within interest bearing liabilities. The interest component is charged to the income statement over the lease term to reflect a constant rate of interest over the remaining balance of the obligation.

Operating leases are not capitalised and rental payments are included in the income statement on a straight-line basis over the lease term. Ongoing contracted commitments under finance and operating leases are disclosed within note 11 'Contingent Liabilities, Assets and Commitments'

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised 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 3 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.

1.13 Financial instruments

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

1.14 Financial assets

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

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

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

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

1.14 Financial assets (continued)

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

Subsequent measurement

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

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

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

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

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

Derecognition

A financial asset is derecognised when:

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

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

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

1.14 Financial assets (continued)

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

(i) Trade receivables

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

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

(ii) Debt instruments other than trade receivables

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

ECLs are recognised in two stages:

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

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

1.15 Financial Liabilities

Initial recognition and measurement

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

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

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

1.15 Financial Liabilities (continued)

Subsequent measurement

Financial liabilities at amortised cost

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

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

Derecognition

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

1.16 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

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

Under cost model, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation

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

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

	2019	2018
Land & buildings	40 years	40 years
Plant and equipment	3 to 13 years	3 to 13 years

Derecognition

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

1.18 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

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

1.19 Impairment for non-financial assets

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

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

1.20 Taxation

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

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

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

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

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

1.21 Fair value measurement

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

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

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

1.21 Fair value measurement (continued)

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

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

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

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

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

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

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

1.22 Going concern

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

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

Note 2 Events after the reporting period

There were no events that occurred after 31 December 2019, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the CFMMEU Northern Mining & NSW Energy District Branch.

Note 3 Income

2019	2018
\$	\$

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

Capitation fees

Capitation fees

Subtotal capitation fees

-	-
-	-

CFMMEU Northern Mining & NSW Energy District Branch
ABN 80 814 987 748

Note 3 Income (continued)	2019	2019
	\$	\$
Other revenue from another reporting unit:		
CFMMEU Mining & Energy Division National Office - Director fees Coal Services P/L	100,938	91,556
CFMMEU Mining & Energy Division National Office - Legal Officer costs	93,754	93,005
CFMMEU Mining & Energy Division National Office - Travel & other costs	1,137	9,953
CFMMEU Mining & Energy Division National Office - Central Council wages	6,799	9,791
CFMMEU Mining & Energy Division National Office - LSL Entitlements	54,647	-
CFMMEU Mining & Energy Division National Office - ISHR Funding	25,525	25,000
Subtotal other revenue from another reporting unit	282,800	229,305
Total capitation fees and another revenue from other reporting unit	282,800	229,305
Note 3B: Levies		
Levies	-	-
Total levies	-	-
Note 3C: Interest		
Deposits	358,452	330,764
Loans	-	-
Other financial assets	34,352	29,023
Total interest	392,804	359,787
Note 3D: Rental revenue		
Properties	133,890	138,650
Other	10,400	10,400
Total rental revenue	144,290	149,050
Note 3E: Other revenue		
Administration fees	48,079	52,523
Dividends received	92,567	114,219
Fair value gain on available for sale investments	728,118	-
Fair value gain on investment properties	201,527	-
Medical & legal fees reimbursed	152,451	204,589
Member voluntary contributions - SAF	489,160	390,258
Member voluntary contributions - Campaign Fund	-	692,709
Profit distribution investments	123,337	120,012
Wage subsidy & reimbursements	137,991	317,580
Other income	158,390	425,022
	2,131,620	2,316,912
Note 3F: Grants or donations		
Grants	-	-
Donations	-	-
Total grants or donations	-	-
Note 3G: Net gains from sale of assets		
Other financial assets	221,522	246,347
Total net gains from sale of assets	221,522	246,347

CFMMEU Northern Mining & NSW Energy District Branch
ABN 80 814 987 748

Note 4 Expenses	2019	2018
	\$	\$
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	1,465,229	1,670,918
Superannuation	199,530	259,732
Leave and other entitlements	281,561	299,354
Separation and redundancies	-	-
Other employee expenses	95,990	101,388
Subtotal employee expenses holders of office	2,042,310	2,331,392
Employees other than office holders:		
Wages and salaries	1,060,511	991,122
Superannuation	116,144	160,722
Leave and other entitlements	185,220	256,829
Separation and redundancies	-	-
Other employee expenses	78,284	76,722
Subtotal employee expenses employees other than office holders	1,440,159	1,485,395
Total employee expenses	3,482,469	3,816,787
Note 4B: Capitation fees and other expense to another reporting unit		
Capitation fees		
CFMMEU Mining & Energy Division National Office (Dues)	2,583,220	2,482,024
CFMMEU Mining & Energy Division National Office (SAF)	489,160	390,258
CFMMEU Mining & Energy Division National Office (Campaign)	-	692,709
Subtotal capitation fees	3,072,380	3,564,991
Other expense to another reporting unit		
CFMMEU Mining & Energy Division National Office - LSL entitlements	-	65,479
CFMMEU Mining & Energy Division National Office - other expenses	4,205	-
Subtotal other expense to another reporting unit	4,205	65,479
Total capitation fees and other expense to another reporting unit	3,076,585	3,630,470
Note 4C: Affiliation fees		
Australian Labour Party	39,157	36,697
Newcastle Trades Hall Council	15,058	13,725
Unions NSW	32,137	29,221
Total affiliation fees/subscriptions	86,352	79,643
Note 4D: Administration expenses		
Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	210,819	189,269
Conference and meeting expenses	149,409	118,853
Property expenses	106,111	116,147
Office expenses	115,788	120,898
Information communications technology	111,025	140,316
Insurance	118,468	125,181
Delegates expenses	388,814	428,478
Election expenses	14,551	9,719
Fair value loss on available for sale investments	-	507,980
Fringe benefits tax	136,902	101,884
Funeral & medical expenses	388,649	353,346
Motor vehicle & travel expenses	246,439	113,384
Payroll tax	227,028	250,654

CFMMEU Northern Mining & NSW Energy District Branch
 ABN 80 814 987 748

Note 4 Expenses (continued)	2019	2018
	\$	\$
Other expenses	247,921	378,396
Subtotal administration expense	<u>2,461,924</u>	<u>2,954,505</u>
Operating lease rentals:		
Minimum lease payments	27,200	28,754
Total administration expenses	<u>2,489,124</u>	<u>2,983,259</u>
Note 4E: Grants or donations		
Grants		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations		
Total paid that were \$1,000 or less	5,750	7,250
Total paid that exceeded \$1,000	25,059	79,060
Total grants or donations	<u>30,809</u>	<u>86,310</u>
Note 4F: Depreciation and amortisation		
Depreciation		
Land & buildings	42,443	41,977
Property, plant and equipment	137,713	136,632
Total depreciation	<u>180,156</u>	<u>178,609</u>
Amortisation		
Intangibles	-	540
Total amortisation	<u>-</u>	<u>540</u>
Total depreciation and amortisation	<u>180,156</u>	<u>179,149</u>
Note 4G: Legal costs		
Litigation	27,724	30,631
Other legal matters	29,445	31,622
Total legal costs	<u>57,169</u>	<u>62,253</u>
Note 4H: Net losses from sale of assets		
Property, plant and equipment	107,797	51,106
Other financial assets	295,516	193,867
Total net losses from asset sales	<u>403,313</u>	<u>244,973</u>
Note 5 Current Assets		
Note 5A: Cash and Cash Equivalents		
Cash at bank	2,394,086	843,810
Cash on hand	2,000	8,295
Short term deposits	-	-
Other	-	-
Total cash and cash equivalents	<u>2,396,086</u>	<u>852,105</u>

CFMMEU Northern Mining & NSW Energy District Branch
 ABN 80 814 987 748

Note 5 Current Assets (continued)	2019	2018
	\$	\$
Note 5B: Trade and Other Receivables		
Receivables from other reporting unit[s]		
CFMMEU Mining & Energy Division National office	76,818	22,869
Total receivables from other reporting unit[s]	<u>76,818</u>	<u>22,869</u>
Less provision for doubtful debts	-	-
Total provision for doubtful debts	-	-
Receivable from other reporting unit[s] (net)	<u>76,818</u>	<u>22,869</u>
Other receivables:		
GST receivable from the Australian Taxation Office	-	38,664
Other trade receivables	683,774	524,360
Total other receivables	<u>683,774</u>	<u>563,024</u>
Total trade and other receivables (net)	<u>760,592</u>	<u>585,893</u>
Note 5C: Other Current Assets		
Prepayments	167,015	167,642
Other	672	672
Total other current assets	<u>167,687</u>	<u>168,314</u>
Note 6 Non-current Assets		
Note 6A: Land and buildings		
Land and buildings:		
at cost	1,995,913	1,936,754
accumulated depreciation	949,348	919,050
Total land and buildings	<u>1,046,565</u>	<u>1,017,704</u>
Reconciliation of the Opening and Closing Balances of Land and Buildings		
As at 1 January		
Gross book value	1,936,754	1,932,336
Accumulated depreciation and impairment	919,050	877,073
Net book value 1 January	<u>1,017,704</u>	<u>1,055,263</u>
Additions:		
By purchase	19,909	4,418
Reclassification from investment property	112,700	-
Revaluations	-	-
Depreciation expense	42,443	41,977
Disposals:		
Other	61,305	-
Net book value 31 December	<u>1,046,565</u>	<u>1,017,704</u>
Net book value as of 31 December represented by:		
Gross book value	1,995,913	1,936,754
Accumulated depreciation and impairment	949,348	919,050
Net book value 31 December	<u>1,046,565</u>	<u>1,017,704</u>
Note 6B: Plant and equipment		
Plant and equipment:		
at cost	1,761,970	1,487,819
accumulated depreciation	1,156,127	871,594
Total plant and equipment	<u>605,843</u>	<u>616,225</u>

CFMMEU Northern Mining & NSW Energy District Branch
ABN 80 814 987 748

Note 6 Non-current Assets (continued)	2019	2018
Reconciliation of the Opening and Closing Balances of Plant and Equipment		
As at 1 January		
Gross book value	1,487,819	1,423,534
Accumulated depreciation and impairment	871,594	840,898
Net book value 1 January	616,225	582,636
	\$	\$
Additions:		
By purchase	283,914	343,646
Depreciation expense	137,713	136,632
Disposals:		
Other	156,583	173,425
Net book value 31 December	605,843	616,225
Net book value as of 31 December represented by:		
Gross book value	1,761,970	1,487,819
Accumulated depreciation and impairment	1,156,127	871,594
Net book value 31 December	605,843	616,225

Note 6C: Investment Property

Opening balance as 1 January 2019	1,847,700	1,845,000
Additions:		
By purchase	28,473	2,700
Net gain/(loss) from fair value adjustment	201,527	-
Disposals:		
Reclassification to land & buildings	112,700	-
Net book value 31 December 2019	1,965,000	1,847,700

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

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

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

Rental income earned and received from the investment properties during the year was \$133,890 (2018: \$138,650).

Direct expenses incurred in relation to the investment properties that generated rental income during the year was \$42,080 (2018: \$73,586). During the year and as at the year-end, no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal were present. The CFMMEU Northern Mining & NSW Energy District Branch does not have any contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

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

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

Note 6 Non-current Assets (continued)

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.

Note 6D: Intangibles

	2019	2018
	\$	\$
Computer software at cost:		
internally developed	-	-
purchased	230,614	230,614
accumulated amortisation	230,614	230,614
Total intangibles	<u>-</u>	<u>-</u>

Reconciliation of the Opening and Closing Balances of Intangibles

As at 1 January

Gross book value	230,614	230,172
Accumulated amortisation and impairment	230,614	230,074
Net book value 1 January	<u>-</u>	<u>98</u>

Additions:

By purchase	-	442
Amortisation	-	540

Disposals:

Other	-	-
Net book value 31 December	<u>-</u>	<u>-</u>

Net book value as of 31 December represented by:

Gross book value	230,614	230,614
Accumulated amortisation and impairment	230,614	230,614
Net book value 31 December	<u>-</u>	<u>-</u>

Note 6E: Other Financial Assets

Financial assets at fair value through profit or loss

Held-to-maturity investments	10,950,000	12,026,055
Quoted equity shares	4,194,613	4,065,673
Debt securities	673,664	686,056
Available for sale investments	1,161,430	796,041
Total other financial assets	<u>16,979,707</u>	<u>17,573,825</u>

Note 7A: Trade payables

Trade creditors and accruals	272,460	270,480
Operating lease rentals	-	-
Subtotal trade creditors	<u>272,460</u>	<u>270,480</u>

Payables to other reporting unit[s]

CFMMEU Mining & Energy Division National Office (Dues & SAF)	290,512	253,987
Other trade payables	-	-
Subtotal payables to other reporting unit[s]	<u>290,512</u>	<u>253,987</u>
Total trade payables	<u>562,972</u>	<u>524,467</u>

Settlement is usually made within 30 days.

CFMMEU Northern Mining & NSW Energy District Branch
 ABN 80 814 987 748

Note 7 Current Liabilities (continued)	2019	2018
	\$	\$
Note 7B: Other payables		
Wages and salaries	20,544	32,868
Superannuation	7,075	7,304
Legal costs - litigation	-	-
Legal costs - other legal matters	5,279	1,567
GST payable	15,341	-
Other	50,337	56,951
Total other payables	<u>98,576</u>	<u>98,690</u>
Total other payables are expected to be settled in:		
No more than 12 months	98,576	98,690
More than 12 months	-	-
Total other payables	<u>98,576</u>	<u>98,690</u>
Note 8 Provisions		
Note 8A: Employee Provisions		
Office Holders:		
Annual leave	366,242	372,156
Long service leave	-	-
Separations and redundancies	-	-
Other	734,105	736,572
Subtotal employee provisions—office holders	<u>1,100,347</u>	<u>1,108,728</u>
Employees other than office holders:		
Annual leave	176,454	157,695
Long service leave	359,373	352,235
Separations and redundancies	-	-
Other	186,256	190,652
Subtotal employee provisions—employees other than office holders	<u>722,083</u>	<u>700,582</u>
Total employee provisions	<u>1,822,430</u>	<u>1,809,310</u>
Represented by:		
Current	1,822,430	1,809,310
Non Current	-	-
Total employee provisions	<u>1,822,430</u>	<u>1,809,310</u>
Note 9 Equity		
Note 9A: Funds		
Funeral Fund		
Balance as at start of year	4,459,581	4,303,693
Transferred to fund	326,506	155,888
Transferred out of fund	-	-
Balance as at end of year	<u>4,786,087</u>	<u>4,459,581</u>
Local Lodge Admin Fund		
Balance as at start of year	1,373,091	1,517,236
Transferred to fund	140,419	-
Transferred out of fund	-	144,145
Balance as at end of year	<u>1,513,510</u>	<u>1,373,091</u>
Total Funds	<u>6,299,597</u>	<u>5,832,672</u>

Note 10 Cash Flow	2019	2018
	\$	\$

Note 10A: Cash Flow Reconciliation

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

Cash and cash equivalents as per:

Cash flow statement	2,396,086	852,105
Balance sheet	2,396,086	852,105
Difference	<u>-</u>	<u>-</u>

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

Profit/(deficit) for the year	1,208,203	(647,080)
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Adjustments for non-cash items

Depreciation/amortisation	180,156	179,149
Fair value movements in investment property	(201,527)	-
Fair value movements in financial assets	(728,118)	507,980
(Gain)/loss on disposal of assets	181,791	(1,374)

Changes in assets/liabilities

(Increase)/decrease in net receivables	(174,699)	186,261
(Increase)/decrease in prepayments	627	5,113
Increase/(decrease) in supplier payables	38,505	(119,105)
Increase/(decrease) in other payables	(114)	(443,492)
Increase/(decrease) in employee provisions	13,120	(111,172)
Net cash from (used by) operating activities	<u>517,944</u>	<u>(443,720)</u>

Note 10B: Cash flow information

Cash inflows

CFMMEU Mining & Energy Union - Mining & Energy Division	241,610	297,771
Total cash inflows	<u>241,610</u>	<u>297,771</u>

Cash outflows

CFMMEU Mining & Energy Union - Mining & Energy Division	3,347,718	4,156,521
Total cash outflows	<u>3,347,718</u>	<u>4,156,521</u>

Note 11 Contingent Liabilities, Assets and Commitments

Note 11A: Commitments and Contingencies

Operating lease commitments—as lessee

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

Within one year	27,200	27,200
After one year but not more than five years	22,581	49,781
More than five years	-	-
	<u>49,781</u>	<u>76,981</u>

Capital commitments

At 31 December 2019 capital commitments contracted by the Union are Nil. (2018: Nil.)

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

At 31 December 2019 other contingent assets or liabilities of the Union are Nil. (2018: Nil.)

CFMMEU Northern Mining & NSW Energy District Branch
ABN 80 814 987 748

Note 12 Related Party Disclosures	2019	2018
	\$	\$

Note 12A: Related Party Transactions for the Reporting Period

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

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

Short-term employee benefits

Salary (including annual & sick leave taken)	1,755,171	1,795,335
Annual leave accrued	170,211	176,395
Performance bonus	-	-
Sick leave accrued	111,349	122,959
Total short-term employee benefits	2,036,731	2,094,689

Post-employment benefits:

Superannuation	199,530	165,200
Total post-employment benefits	199,530	165,200

Other long-term benefits:

Long-service leave	-	-
Total other long-term benefits	-	-

Termination benefits

Total	2,236,261	2,259,889
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All long service leave entitlements in relation to Elected Officials are the responsibility of 'The CFMMEU Mining & Energy Employees' Entitlement Trust' from which all relevant long service leave entitlements and obligations are settled from. Accordingly, no provision for long service leave is disclosed.

Note 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

Audit and review services		
Auditors of the Union		
Financial statement audit services	29,000	29,000
Other regulatory audit services	2,500	2,500
Other services		
Auditors of the Union		
In relation to assurance, taxation and due diligence services	28,500	28,500
Other auditors		
In relation to other assurance services	-	-
Total remuneration of auditors	60,000	60,000

Note 14 Financial Instruments

Financial Risk Management Policies

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

The main purpose of non-derivative financial instruments is to raise finance for entity operations. The Union does not have any derivative instruments at 31 December 2019.

Specific Financial Risk Exposure and Management

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

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

Note 14A: Categories of Financial Instruments

	2019	2018
	\$	\$
Financial Assets		
Held-to-maturity investments:		
Term deposits	10,950,000	12,026,055
Total	<u>10,950,000</u>	<u>12,026,055</u>
Fair value through profit or loss:		
Shares & units in listed entities	4,194,613	4,065,673
Shares & units in unlisted entities	1,161,430	796,041
Listed debt securities	673,664	686,056
Total	<u>6,029,707</u>	<u>5,547,770</u>
Loans and receivables:		
Trade & other receivables	760,592	547,229
Total	<u>760,592</u>	<u>547,229</u>
Carrying amount of financial assets	<u><u>17,740,299</u></u>	<u><u>18,121,054</u></u>
Financial Liabilities		
Other financial liabilities:		
Trade & other payables	661,548	623,157
Total	<u>661,548</u>	<u>623,157</u>
Carrying amount of financial liabilities	<u><u>661,548</u></u>	<u><u>623,157</u></u>

Note 14B: Net Income and Expense from Financial Assets

Held-to-maturity		
Interest revenue	358,452	330,764
Impairment	-	-
Gain/loss on disposal	-	-
Net gain/(loss) held-to-maturity	<u>358,452</u>	<u>330,764</u>
Loans and receivables		
Interest revenue	-	-
Impairment	-	-
Gain/loss on disposal	-	-
Net gain/(loss) from loans and receivables	<u>-</u>	<u>-</u>

CFMMEU Northern Mining & NSW Energy District Branch
ABN 80 814 987 748

Note 14B: Net Income and Expense from Financial Assets (continued)	2019	2018
	\$	\$
Financial assets at fair value through profit and loss:		
Held for trading:		
Change in fair value	728,118	(507,980)
Interest revenue	34,352	29,023
Dividend revenue	92,567	114,219
Trust distribution	123,337	120,012
Exchange gains/(loss)	-	-
Total held for trading	978,374	(244,726)
Net income/(expense) from financial assets	1,336,826	86,038

Note 14C: Credit Risk

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

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

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

Credit risk exposures

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

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

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

	2019	2018
	\$	\$
Financial assets		
Held to maturity investments	10,950,000	12,026,055
Held for trading	6,029,707	5,547,770
Trade & other receivables	760,592	547,229
Total	17,740,299	18,121,054

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

	Not Past Due Nor Impaired 2019 \$	Past due or impaired 2019 \$	Not Past Due Nor Impaired 2018 \$	Past due or impaired 2018 \$
Held to maturity investments	10,950,000	-	12,026,055	-
Held for trading	6,029,707	-	5,547,770	-
Trade & other receivables	760,592	-	547,229	-
Total	17,740,299	-	18,121,054	-

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

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

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

Note 14C: Credit Risk (continued)

2019	Trade and other receivables Days past due					Total \$
	Current \$	<30 days \$	30-60 days \$	61-90 days \$	>91 days \$	
Expected credit loss rate	1%	1%	1%	1%	1%	
Estimate total gross carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-

2018	Trade and other receivables Days past due					Total \$
	Current \$	<30 days \$	30-60 days \$	61-90 days \$	>91 days \$	
Expected credit loss rate	1%	1%	1%	1%	1%	
Estimate total gross carrying amount at default	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-

The CFMMEU Northern Mining & NSW Energy District Branch's maximum exposure to credit risk for the components of the statement of financial position at 30 June 2019 and 2018 is the carrying amounts as illustrated in Note 14C.

Note 14D: Liquidity Risk

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

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

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

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

Contractual maturities for financial liabilities 2019

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade & other payables	-	661,548	-	-	-	661,548
Total	-	661,548	-	-	-	661,548

Maturities for financial liabilities 2018

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade & other payables	-	623,157	-	-	-	623,157
Total	-	623,157	-	-	-	623,157

Financial assets pledged as collateral

No financial assets have been pledged as security for any financial liability.

Note 14E: Market Risk

Interest rate risk

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

Sensitivity analysis

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

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

Sensitivity analysis of the risk that the Union is exposed to for 2019

	Risk variable	Change in risk variable %	Effect on Profit and loss \$	Equity \$
Interest rate risk	Increase	1%	109,500	-
Interest rate risk	Decrease	1%	(109,500)	-

Sensitivity analysis of the risk that the Union is exposed to for 2018

	Risk variable	Change in risk variable %	Effect on Profit and loss \$	Equity \$
Interest rate risk	Increase	1%	120,261	-
Interest rate risk	Decrease	1%	(120,261)	-

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

Other price risk

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

Sensitivity analysis

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

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

Sensitivity analysis of the risk that the Union is exposed to for 2019

	Risk variable	Change in risk variable %	Effect on Profit and loss \$	Equity \$
Equity price risk	Increase	5%	-	301,485
Equity price risk	Decrease	5%	-	(301,485)

Note 14F: Market Risk (continued)

Sensitivity analysis of the risk that the Union is exposed to for 2018

	Risk variable	Change in risk variable %	Effect on Profit and loss \$	Effect on Equity \$
Equity price risk	Increase	5%	-	277,389
Equity price risk	Decrease	5%	-	(277,389)

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

Note 15 Fair Value Measurement

Note 15A: Financial Assets and Liabilities

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

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

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The performance risk as at 31 December 2019 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the reporting unit based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 31 December 2019 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

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

	Carrying amount 2019 \$	Fair value 2019 \$	Carrying amount 2018 \$	Fair value 2018 \$
Financial Assets				
Held to maturity investments	10,950,000	10,950,000	12,026,055	12,026,055
Available for sale	6,029,707	6,029,707	5,547,770	5,547,770
Trade & other receivables	760,592	760,592	547,229	547,229
Total	17,740,299	17,740,299	18,121,054	18,121,054
Financial Liabilities				
Trade & other payables	661,548	661,548	623,157	623,157
Total	661,548	661,548	623,157	623,157

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

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

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

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

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
31 December 2019				
Recurring fair value measurements				
Financial assets				
Listed and unlisted shares	6,029,707	-	-	6,029,707
Non Financial assets				
Investment property	-	1,965,000	-	1,965,000
	<u>6,029,707</u>	<u>1,965,000</u>	<u>-</u>	<u>7,994,707</u>
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
31 December 2018				
Recurring fair value measurements				
Financial assets				
Listed and unlisted shares	5,547,770	-	-	5,482,973
Non Financial assets				
Investment property	-	1,847,700	-	1,845,000
	<u>5,547,770</u>	<u>1,847,700</u>	<u>-</u>	<u>7,327,973</u>

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

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

Information to be provided to members or Commissioner:

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

OFFICER DECLARATION STATEMENT

I, Shane Thompson, being the Secretary of the CFMMEU Northern Mining & NSW Energy District Branch, declare that the following activities did not occur during the reporting period ending 31 December 2019

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:

