

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND  
ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**ABN 73 089 711 903**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2019**

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**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**COMMITTEE OF MANAGEMENT'S OPERATING REPORT**

**FOR THE YEAR ENDED 30 JUNE 2019**

**Operating Report**

In accordance with section 254 of the *Fair Work (Registered Organisations) Act 2009* ("Act") the Committee of Management ("the Committee") presents its Operating Report on the Construction, Forestry, Maritime, Mining and Energy Union – Mining and Energy Division (Queensland District Branch) ("the Branch"), for the year ended 30 June 2019.

**Principal Activities**

The principal activity of the Construction, Forestry, Maritime, Mining and Energy Union – Mining and Energy Division (Queensland District Branch) is to uphold the rights of organisation of labour and to improve, protect and foster the best interest of its members and to subscribe to and/ or co-operate with policy of improving the cultural and living standards of its members. The Branch maintains living standards of its members through enterprise bargaining and industrial representation on behalf its members.

**Operating Results**

The deficit for the financial year amounted to \$419,509.

The income of the Branch increased in 2018-19 by 12.85% to \$13,151,310. This increase was primarily driven by a increase in both membership income and levies.

Expenses decreased in 2018-19 by 5.87% to \$13,570,819, which was predominately driven by a reduction of NAF payments as prolonged industrial action ceased during the 2018 financial year.

**Significant Changes in Financial Affairs**

A review of the operations of the Branch during the financial year found that there was no significant change in the financial affairs of the Branch's operations during the year.

**After Balance Date Events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Branch, the results of those operations or the state of affairs of the Branch in future financial years.

**Future Developments**

Likely developments in the operations of the Branch or the expected result of those operations in future financial years have not been included in this report as such information is likely to result in unreasonable prejudice to the Branch.

**Environmental Issues**

The Branch's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**COMMITTEE OF MANAGEMENT’S OPERATING REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2019**

**Members Right to Resign**

A member may resign from the Branch by written notice addressed and delivered to the Secretary of the Branch in which membership is held.

**Membership of the Branch**

Total number of members as at 30 June 2019: 6,489.

**Employees of the Branch**

The number of persons who were, at the end of the period to which the report relates, employees of the Branch, where the number of employees includes both full-time and part-time employees measured on a full-time equivalent basis is 25.67.

**Members of the Committee of Management**

The name of each person who has been a member of the Committee of Management of the Branch at any time during the reporting period, and the period for which he or she held such a position is as follows:

<b>Name</b>	<b>Period of Appointment</b>	<b>Position</b>
Stephen Smyth	01/07/18 – 30/06/19	District President
Mitch Hughes	01/07/18 – 30/06/19	District Senior Vice President
Glenn Power	01/01/19 – 30/06/19	District Secretary
Shaun Isaacs	01/07/18 – 19/09/18	Division 1
Ian Park	01/04/19 – 30/06/19	Division 1
Simon West	01/07/18 – 30/06/19	Division 2
Jeff Scales	01/07/18 – 30/06/19	Division 3
Fredrick (Rick) Hibble	01/07/18 – 30/06/19	Division 4
Steven Grant	01/07/18 – 30/06/19	Division 5
Michael Hartin	01/07/18 – 30/06/19	Division 6
Mark Zerner	01/07/18 – 30/06/19	Division 7
George (Jeff) Pearce	01/07/18 – 30/06/19	Central Councillor
Luke Ludlow	01/07/18 – 30/06/19	Central Councillor
Brain Wise	01/07/18 – 30/06/19	Central Councillor

**Indemnifying Officers or Auditors**

The Branch has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor:

- indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against liability for the costs or expenses to defend legal proceedings.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2019**

**Wages Recovery Activity**

The Branch continuously undertakes recovery of wages on behalf of members. It is Branch policy that any successful wage recovery from employers is paid directly to those effected members. As a result, no wage recovery activity is accounted through via the Branch's bank accounts and therefore not reflected in these financial statements.

**Officers or Members who are Superannuation Fund Trustees/ Directors of a Company that is a Superannuation Fund Trustee**

There were no officers or members of the Branch who held a position of trustee or director of an entity, scheme or company as described in s.254 (2) (d) of the *Fair Work (Registered Organisations) Act 2009*, where a criterion of such entity is that the holder of such position must be a member or official of a registered organisation.

This report is made in accordance with a resolution of the Committee of Management and is signed for and on behalf of the Committee of Management by:



Glenn Power  
District Secretary

12 November 2019

Spring Hill

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**COMMITTEE OF MANAGEMENT STATEMENT**

**FOR THE YEAR ENDED 30 JUNE 2019**

On 12 November 2019, the Committee of Management of the Branch passed the following resolution to the General Purpose Financial Report (GPFR) of the reporting unit for the financial year ended 30 June 2019.

The Committee of Management declares in relation to the GPFR 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 Branch for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Branch 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 Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch concerned; and
  - ii. the financial affairs of the Branch have been managed in accordance with the rules of the organisation, including the rules of the branch concerned; and
  - iii. the financial records of the Branch 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 to each of the other reporting units of the organisation; and
  - v. where information has been sought in any request of a member of the reporting unit or Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or Commissioner; and
  - vi. where any order for inspection of financial records 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 Committee of Management.

**Name of Designated Officer:** Glenn Power

**Title of Designated Officer:** District Secretary

**Signature:**



**Date:** 12 November 2019

**Independent Audit Report to the Members of the Construction, Forestry,  
Maritime, Mining and Energy Union – Mining and Energy Division  
(Queensland District Branch)**

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

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**Opinion**

We have audited the financial report of the Construction, Forestry, Maritime, Mining and Energy Union – Mining and Energy Division (Queensland District Branch) (the Branch), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended, notes to the financial statements, including a summary of significant accounting policies, the Committee of Management Statement and the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Construction, Forestry, Maritime, Mining and Energy Union – Mining and Energy Division (Queensland District Branch) as at 30 June 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).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Branch is appropriate.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Branch in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information Other than the Financial Report and Auditor's Report Thereon**

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

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

In connection with our audit of the financial report, our 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 we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Committee of Management for the Financial Report**

The Committee of Management of the Branch is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Branch or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

Our 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, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 Branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Branch's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Branch 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 Branch to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Branch's audit. We remain solely responsible for our audit opinion.



**Auditor's Responsibilities for the Audit of the Financial Report (Continued)**

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Declaration**

I declare that I am an approved auditor, a member of Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

M.G.I

**MGI Audit Pty Ltd**



**G I Kent**

Director – Audit & Assurance

Spring Hill

12 November 2019

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/2

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2019**

		2019	2018
	Notes	\$	Restated \$
<b>Revenue</b>			
Membership subscription		9,576,020	9,210,472
Levies	4A	2,342,768	1,623,811
Rental income		161,194	120,640
Interest income	4B	277,370	219,905
Grants or donations	4C	2,500	7,500
Other revenue	4D	785,284	428,402
Gain on sale of property, plant and equipment		6,174	42,773
<b>Total revenue</b>		<b>13,151,310</b>	<b>11,653,503</b>
<b>Expenses</b>			
Employee expenses	5A	(5,201,413)	(4,678,986)
Capitation fees	5B	(2,346,080)	(2,042,212)
Affiliation fees	5C	(64,860)	(57,618)
Administration expenses	5D	(1,754,124)	(1,675,308)
Grants or donations	5E	(824,655)	(615,820)
Depreciation and amortisation	5F	(234,101)	(252,058)
Legal costs	5G	(594,217)	(850,502)
Auditors Remuneration	13	(88,249)	(71,766)
Impairment of assets	5H	-	(436,024)
Telephone and IT expenses		(170,281)	(168,319)
Purchases - merchandise		(309,806)	(368,082)
Loss on sale of property, plant and equipment		(50,860)	(19,911)
Other expenses	5I	(1,932,173)	(3,182,021)
<b>Total expenses</b>		<b>(13,570,819)</b>	<b>(14,418,627)</b>
<b>Deficit for the year</b>		<b>(419,509)</b>	<b>(2,765,124)</b>
<b>Other comprehensive income</b>			
Other Comprehensive income (net of income tax)		-	-
<b>Total comprehensive income for the year</b>		<b>(419,509)</b>	<b>(2,765,124)</b>

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

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2019**

	Notes	2019 \$	2018 Restated \$	2017 Restated \$
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents	6A	10,489,303	10,535,516	12,253,711
Trade and other receivables	6B	325,705	711,385	639,490
Other current assets	6C	271,473	266,989	265,086
<b>Total current assets</b>		<b>11,086,481</b>	<b>11,513,890</b>	<b>13,158,287</b>
<b>Non-Current Assets</b>				
Land and buildings	7A	2,021,246	1,892,896	1,896,250
Leasehold improvements	7B	26,383	15,111	15,565
Plant and equipment	7C	102,532	171,213	180,337
Motor vehicles	7D	440,001	511,582	390,236
Intangible assets	7E	925	2,324	436,024
Secured loans to associates	7F	-	-	55,142
Other investments	7G	79,189	79,003	79,003
<b>Total non-current assets</b>		<b>2,670,276</b>	<b>2,672,129</b>	<b>3,052,557</b>
<b>Total assets</b>		<b>13,756,757</b>	<b>14,186,019</b>	<b>16,210,844</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Trade payables	8A	3,155,303	2,755,017	2,866,868
Other payables	8B	590,981	1,124,252	521,153
Employee provisions	9A	1,555,385	1,432,153	1,183,102
<b>Total current liabilities</b>		<b>5,301,669</b>	<b>5,311,422</b>	<b>4,571,123</b>
<b>Non-Current Liabilities</b>				
Employee provisions	9A	-	-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>5,301,669</b>	<b>5,311,422</b>	<b>4,571,123</b>
<b>Net assets</b>		<b>8,455,088</b>	<b>8,874,597</b>	<b>11,639,721</b>
<b>EQUITY</b>				
Retained earnings		8,455,088	8,874,597	11,639,721
<b>Total equity</b>		<b>8,455,088</b>	<b>8,874,597</b>	<b>11,639,721</b>

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

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2019**

Notes	Retained earnings \$	Total equity \$
<b>Balance as at 1 July 2017</b>	11,639,721	11,689,721
Surplus/ (deficit) for the year	(2,765,124)	(2,765,124)
Other comprehensive income	-	-
<b>Closing balance as at 30 June 2018</b>	<b>8,874,597</b>	<b>8,874,597</b>
Deficit for the year	<b>(419,509)</b>	<b>(419,509)</b>
Other comprehensive income	-	-
<b>Closing balance as at 30 June 2019</b>	<b>8,455,088</b>	<b>8,455,088</b>

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

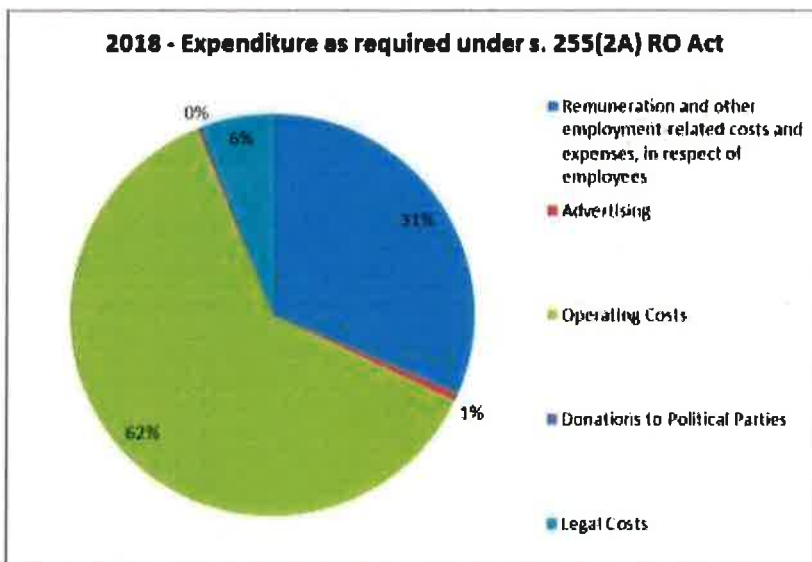
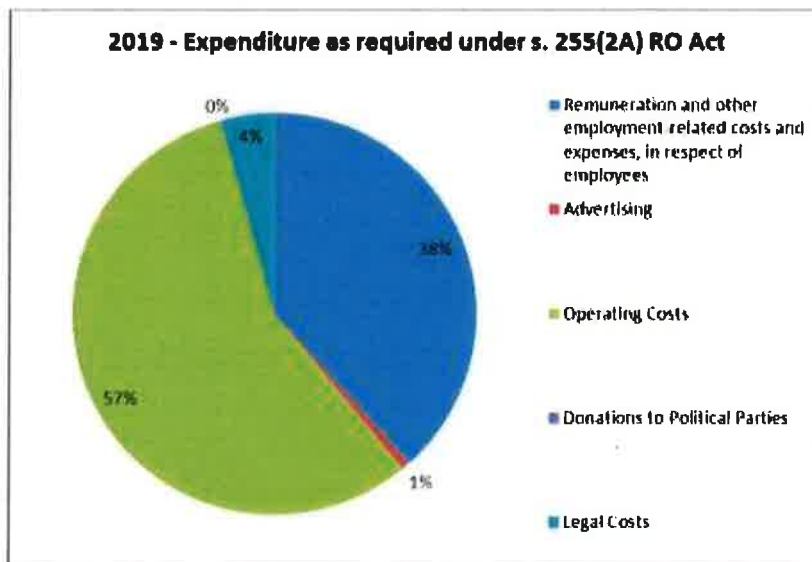
**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2019**

	Notes	2019 \$	2018 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units	10B	220,616	7,587,621
Receipts from members and other customers		13,724,802	12,992,640
Interest received		194,566	300,638
		<u>14,139,984</u>	<u>20,880,899</u>
<b>Cash used</b>			
Employees and suppliers		(9,758,040)	(18,053,603)
Payment to other reporting units	10B	(4,158,829)	(4,106,373)
		<u>(13,916,869)</u>	<u>(22,159,976)</u>
<b>Net cash provided by/ (used in) operating activities</b>		<u>223,115</u>	<u>(1,279,077)</u>
<b>INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment		(320,492)	(524,516)
Proceeds from sale of property, plant and equipment		39,074	181,679
<b>Net cash used in investing activities</b>		<u>(281,418)</u>	<u>(342,837)</u>
<b>FINANCING ACTIVITIES</b>			
Repayment of borrowings by members		76,000	38,867
Repayment of secured loans		-	55,142
Loans to members		(63,910)	(190,290)
<b>Net cash provided by/ (used in) financing activities</b>		<u>12,090</u>	<u>(96,281)</u>
<b>Net decrease in cash held</b>		<u>(46,213)</u>	<u>(1,718,195)</u>
Cash & cash equivalents at the beginning of the reporting period		10,535,516	12,253,711
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	6A	<u>10,489,303</u>	<u>10,535,516</u>

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

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)  
 REPORT REQUIRED UNDER SUBSECTION 255(2A) OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009  
 FOR THE YEAR ENDED 30 JUNE 2019**

The Committee of Management presents the expenditure report as required under subsection 255(2A) of the *Fair Work (Registered Organisations) Act 2009* on the Branch for the year ended 30 June 2019:



*Glenn Power*  
 .....  
 Glenn Power  
 District Secretary

12 November 2019

Spring Hill

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

**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 Construction, Forestry, Maritime, Mining and Energy Union – Mining and Energy Division (Queensland District Branch) (the 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 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 – general*

The Branch assesses impairment at each reporting period by evaluation of conditions and events specific to the Branch that may be indicative of impairment triggers. Recoverable amounts of relevant assets are assessed using value-in-use calculations which incorporate various key assumptions.

No impairment has been recognised in respect of the current year.

Key Judgements

*Useful lives of plant and equipment*

Plant and equipment are depreciated over the useful life of the asset and the depreciation rates are assessed when the asset are acquired or when there is a significant change that affects the remaining useful life of the asset.

*Provision for impairment of receivables*

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.



**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1 Summary of significant accounting policies (Continued)**

**1.3 Significant accounting judgements and estimates (Continued)**

*On-cost for employee entitlement provision*

The Branch revised its estimate for on-costs for employee provision during the year to include superannuation, workers compensation and payroll tax.

**1.4 New Australian Accounting Standards**

***Adoption of New Australian Accounting Standard requirements***

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

- AASB 9 Financial Instruments and relevant amending standards, which replaces AASB 139 Financial Instruments: Recognition and Measurement.

**Impact on adoption of AASB 9**

**(a) Initial application**

AASB 9 *Financial Instruments (AASB 9)* replaces AASB139 *Financial Instruments: Recognition and Measurement (AASB 139)* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Branch has applied AASB 9 retrospectively, with an initial application date of 1 July 2018.

The adoption of AASB 9 did not have any material impact on the amount disclosed in the comparative financial year.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1 Summary of significant accounting policies (Continued)**

**1.4 New Australian Accounting Standards (Continued)**

***Future Australian Accounting Standards Requirements***

- AASB 1058 Income of Not-for-Profit Entities (AASB 1058) and AASB 15 Revenue from Contracts with Customers (AASB 15)

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15 Revenue from Contracts with Customers. These Standards supersede all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions.

Under AASB 1058, the timing of income recognition depends on whether a NFP transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity.

This standard applies when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. In the latter case, the entity will recognise and measure the asset at fair value in accordance with the applicable Australian Accounting Standard (e.g. AASB 116 Property, Plant and Equipment).

Upon initial recognition of the asset, AASB 1058 requires the entity to consider whether any other financial statement elements (called 'related amounts') should be recognised, such as:

- Contributions by owners;
- Revenue, or a contract liability arising from a contract with a customer;
- A lease liability;
- A financial instrument; or
- A provision.

These related amounts will be accounted for in accordance with the applicable Australian Accounting Standard.

The Branch is yet to undertake a detailed assessment of the impact of AASB 1058 and AASB 15. However, based on the Branch's preliminary assessment, the Standards are not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopts for the year ending 30 June 2020.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1 Summary of significant accounting policies (Continued)**

- AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019)

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases. The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

Based on the Branch's initial assessment, it is expected that the first-time adoption of AASB 16 for the year ending 30 June 2019 will have a material impact on the transactions and balances recognised in the financial statements, in particular:

- lease assets and financial liabilities on the statement of financial position will both increase by \$380,762.
- there will be a reduction in the reported equity as the carrying amount of lease assets will reduce more quickly than the carrying amount of lease liabilities.
- operating cash outflows will be lower and financing cash flows will be higher in the statement of cash flows as principal repayments on all lease liabilities will now be included in financing activities rather than operating activities. Interest can also be included within financing activities.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1 Summary of significant accounting policies (Continued)**

**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 entity 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 entity.

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.

**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 recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1 Summary of significant accounting policies (Continued)**

**1.8 Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service 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 which are expected to be settled 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 which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit 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 reporting unit 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**

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

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 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 statement of financial position.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1 Summary of significant accounting policies (Continued)**

**1.11 Financial instruments**

Financial assets and financial liabilities are recognised when the Branch becomes a party to the contractual provisions of the instrument.

**1.12 Financial assets**

**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 Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the 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 Branch's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the 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

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1 Summary of significant accounting policies (Continued)**

**1.12 Financial assets (continued)**

**Financial assets at amortised costs**

The reporting unit measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Branch's financial assets at amortised cost includes trade receivables and loans to related parties.

**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.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1 Summary of significant accounting policies (Continued)**

**1.12 Financial assets (continued)**

**Derecognition**

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The 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 Branch has transferred substantially all the risks and rewards of the asset, or
  - b) the Branch has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the 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 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**

**(i) Trade receivables**

For trade receivables that do not have a significant financing component, the 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 Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The 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.



**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**1.12 Financial assets (continued)**

**(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 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 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 Branch considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Branch may also consider a financial asset to be in default when internal or external information indicates that the 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.

**1.13 Financial Liabilities**

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.

***Subsequent Measurement***

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 are satisfied.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1 Summary of significant accounting policies (Continued)**

**1.13 Financial Liabilities (continued)**

**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.

**1.14 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.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1 Summary of significant accounting policies (Continued)**

**1.15 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.

***Depreciation***

Depreciable 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:

	<b>2019</b>	<b>2018</b>
Motor vehicles	3 - 5 years	3 - 5 years
Buildings	25 - 40 years	25 – 40 years
Furniture, fittings and equipment	3 – 10 years	3 – 10 years
Leasehold improvements	40 years	40 years

***Derecognition***

An item of 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.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1 Summary of significant accounting policies (Continued)**

**1.16 Intangibles**

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The useful lives of the Branch's intangible assets are:

	<b>2019</b>	<b>2018</b>
Film	10 years	10 years
Software	2.5years	2.5 years

**1.17 Impairment of 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 of disposal 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 Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

**1.18 Taxation**

The 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 statement of cash flows 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.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**1.19 Fair value measurement**

The 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 15.

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

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

The principal or the most advantageous market must be accessible by the 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 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.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 1 Summary of significant accounting policies (Continued)**

**1.19 Fair value measurement (continued)**

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 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 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.

**1.20 Going concern**

The Branch is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

The Branch has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 2 Prior period error (Continued)**

A prior period error has been identified in the 2018 financial statements with respect to the related party payable with the CFMMEU – M&E Division (National Office). During the current financial year, a detailed reconciliation between the Branch and the National Office was conducted into outstanding amounts owed in relation to the National Assistance Fund (NAF), Special Assistance Fund (SAF) and campaign contribution the Branch collects from members (which is ultimately passed onto the National Office). A detailed assessment was conducted for the period 1 July 2017 and 30 June 2019 and determined that payments made in the 2018 financial year were incorrectly expensed when paid to the National Office as opposed to offset against the related party creditor.

As a result, the Branch's liabilities were overstated by \$473,943, resulting in the restatement of the statement of comprehensive income and statement of financial position. A summary of the changes is as follows:

<b>Statement of Comprehensive Income</b>	<b>Note</b>	<b>Previously Audited (30 June 2018)</b>	<b>Adjustments</b>	<b>Revised (30 June 2018)</b>
<b>Revenue</b>				
Membership subscription		9,210,472	-	9,210,472
Levies		1,623,811	-	1,623,811
Rental income		120,640	-	120,640
Interest income		219,905	-	219,905
Grants or donations		7,500	-	7,500
Other revenue		428,402	-	428,402
Gain on sale of property, plant and equipment		42,773	-	42,773
<b>Total Revenue</b>		<u>11,653,503</u>	-	<u>11,653,503</u>
<b>Expenses</b>				
Employee expenses		(4,678,986)	-	(4,678,986)
Capitation fees		(2,042,212)	-	(2,042,212)
Affiliation fees		(57,618)	-	(57,618)
Administration expenses		(1,675,308)	-	(1,675,308)
Grants or donations		(615,820)	-	(615,820)
Depreciation and amortisation		(252,058)	-	(252,058)
Legal costs		(850,502)	-	(850,502)
Auditors remuneration		(71,766)	-	(71,766)
Impairment of assets		(436,024)	-	(436,024)
Telephone and IT expenses		(168,319)	-	(168,319)
Purchases - Merchandise		(368,082)	-	(368,082)
Loss on sale of property, plant and equipment		(19,911)	-	(19,911)
Other expenses	i	(3,655,964)	473,943	(3,182,021)
<b>Total expenses</b>		<u>(14,892,570)</u>	<u>473,943</u>	<u>(14,418,627)</u>
<b>Surplus for the year</b>		<u>(3,239,067)</u>	<u>473,943</u>	<u>(2,765,124)</u>
<b>Other comprehensive income</b>		-	-	-
<b>Total comprehensive income for the year</b>		<u>(3,239,067)</u>	<u>473,943</u>	<u>(2,765,124)</u>

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 2 Prior period error (Continued)**

Notes:

- i. During the year the Branch incorrectly allocated NAF, SAF and contribution payments to expenses as opposed to allocating this against the related party creditors. As a result, this amount has subsequently been allocated against the liability and not the expenditure accounts of the Branch.

Statement of Financial Position	Note	Previously Audited (30 June 2017)	Adjustments	Revised (30 June 2017)	Previously Audited (30 June 2018)	Adjustments	Revised (30 June 2018)
<b>ASSETS</b>							
<b>Current Assets</b>							
Cash and cash equivalents		12,253,711	-	12,253,711	10,535,516	-	10,535,516
Trade and other receivables		639,490	-	639,490	711,385	-	711,385
Other current assets		265,086	-	265,086	266,989	-	266,989
<b>Total current assets</b>		<b>13,158,287</b>	<b>-</b>	<b>13,158,287</b>	<b>11,513,890</b>	<b>-</b>	<b>11,513,890</b>
<b>Non-Current Assets</b>							
Land and buildings		1,896,250	-	1,896,250	1,892,896	-	1,892,896
Leasehold improvements		15,565	-	15,565	15,111	-	15,111
Plant and equipment		180,337	-	180,337	171,213	-	171,213
Motor vehicles		390,236	-	390,236	511,582	-	511,582
Intangible assets		436,024	-	436,024	2,324	-	2,324
Secured loans to associates		55,142	-	55,142	-	-	-
Other investments		79,003	-	79,003	79,003	-	79,003
<b>Total Non-current assets</b>		<b>3,052,557</b>	<b>-</b>	<b>3,052,557</b>	<b>2,672,129</b>	<b>-</b>	<b>2,672,129</b>
<b>Total assets</b>		<b>16,210,844</b>	<b>-</b>	<b>16,210,844</b>	<b>14,186,019</b>	<b>-</b>	<b>14,186,019</b>
<b>LIABILITIES</b>							
<b>Current Liabilities</b>							
Trade Payables	i	2,866,868	-	2,866,868	3,228,960	(473,943)	2,755,017
Other Payables		521,153	-	521,153	1,124,252	-	1,124,252
Employee Provisions		1,183,102	-	1,183,102	1,432,153	-	1,432,153
<b>Total current liabilities</b>		<b>4,571,123</b>	<b>-</b>	<b>4,571,123</b>	<b>5,785,365</b>	<b>(473,943)</b>	<b>5,311,422</b>
<b>Non-Current Liabilities</b>							
Employee Provisions		-	-	-	-	-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>4,571,123</b>	<b>-</b>	<b>4,571,123</b>	<b>5,785,365</b>	<b>(473,943)</b>	<b>5,311,422</b>
<b>Net Assets</b>		<b>11,639,721</b>	<b>-</b>	<b>11,639,721</b>	<b>8,400,654</b>	<b>473,943</b>	<b>8,874,597</b>
<b>EQUITY</b>							
Retained earnings		11,639,721	-	11,639,721	8,400,654	473,943	8,874,597
<b>Total equity</b>		<b>11,639,721</b>	<b>-</b>	<b>11,639,721</b>	<b>8,400,654</b>	<b>473,943</b>	<b>8,874,597</b>



**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 2      Prior period error (Continued)**

Notes:

- i.      During the year the Branch incorrectly allocated NAF, SAF and contribution payments to expenses as opposed to allocating this against the related party creditors. As a result, this amount has subsequently been allocated against the liability and not the expenditure accounts of the Branch.

No error was identified during the 30 June 2017 financial year.

**Statement of Cash flows**

The above disclosed prior period error did not impact the statement of cash flows.

**Note 3      Events after the reporting period**

There were no events that occurred after 30 June 2019, and /or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 4      Income</b>		
<b>Note 4A: Levies</b>		
Membership support	344,164	210,770
Legal and assistance	1,998,604	1,413,041
<b>Total levies</b>	<b>2,342,768</b>	<b>1,623,811</b>
<u>Purpose of levies</u>		
<i>Membership Support/ Legal and Assistance</i>		
The purpose of the membership support and legal and assistance levies is to provide financial assistance to members.		
<b>Note 4B: Investment Income</b>		
Interest income - deposits	277,370	219,905
<b>Total interest</b>	<b>277,370</b>	<b>219,905</b>
<b>Note 4C: Grants or Donations</b>		
Grants	-	-
Donations	2,500	7,500
<b>Total grants or donations</b>	<b>2,500</b>	<b>7,500</b>
<b>Note 4D: Other Revenue</b>		
Directors fees – Mine Super	105,487	100,325
National Office recoveries	187,534	95,446
Sponsorship	117,255	25,296
Merchandise sales	16,534	22,167
Other	358,474	185,168
<b>Total other revenue</b>	<b>785,284</b>	<b>428,402</b>

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 5 Expenses</b>		
<b>Note 5A: Employee Expenses</b>		
<b>Holders of office:</b>		
Wages and salaries	476,608	593,944
Superannuation	52,427	58,346
Leave and other entitlements	11,574	13,700
Other employee expenses	54,142	66,583
<b>Subtotal employee expenses holders of office</b>	<b>594,751</b>	<b>732,573</b>
<b>Employees other than office holders:</b>		
Wages and salaries	3,350,235	3,123,492
Superannuation	401,601	366,245
Leave and other entitlements	496,353	117,047
Other employee expenses	358,473	339,629
<b>Subtotal employee expenses employees other than office holders</b>	<b>4,606,662</b>	<b>3,946,413</b>
<b>Total employee expenses</b>	<b>5,201,413</b>	<b>4,678,986</b>
<b>Note 5B: Capitation Fees</b>		
CFMMEU – Mining and Energy Division (CFMMEU National Office)	2,346,080	2,042,212
<b>Total capitation fees</b>	<b>2,346,080</b>	<b>2,042,212</b>
<b>Note 5C: Affiliation Fees</b>		
Australian Labor Party (State of Queensland)	48,362	41,961
Union Shopper	16,498	15,629
Australian Cuba Friendship Society	-	28
<b>Total affiliation fees</b>	<b>64,860</b>	<b>57,618</b>

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 5D: Administration Expenses</b>		
Conference and meetings	293,274	395,686
Office requirements	12,579	23,714
Postage, printing and stationery	494,742	500,798
Property costs	771,444	562,202
Computer maintenance	140,983	119,087
Purchases – subscriptions and periodicals	41,102	73,821
<b>Total administration expense</b>	<u>1,754,124</u>	<u>1,675,308</u>
<b>Note 5E: Grants or Donations</b>		
Grants:	-	-
Donations:		
Total paid that were \$1,000 or less	150,283	389,474
Total paid that exceeded \$1,000	674,372	226,346
<b>Total grants or donations</b>	<u>824,655</u>	<u>615,820</u>
<b>Note 5F: Depreciation and Amortisation</b>		
Depreciation		
Buildings	34,510	33,750
Leasehold improvements	677	454
Plant and equipment	58,227	67,684
Motor vehicles	139,288	148,998
<b>Total depreciation</b>	<u>232,702</u>	<u>250,886</u>
Amortisation		
Software	1,399	1,172
<b>Total Amortisation</b>	<u>1,399</u>	<u>1,172</u>
<b>Total depreciation and amortisation</b>	<u>234,101</u>	<u>252,058</u>
<b>Note 5G: Legal Costs</b>		
Litigation	485,710	850,502
Other legal matters	108,507	-
<b>Total legal costs</b>	<u>594,217</u>	<u>850,502</u>

The Branch has determined that litigation represents legal costs incurred for defending the industrial rights of its members.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 5H: Impairment of Assets</b>		
Intangibles – ‘Blood on the Coal’ film	-	436,024
<b>Total impairment of assets</b>	<u>-</u>	<u>436,024</u>

The Committee of Management determined during the reporting period to fully impair the ‘Blood on the Coal’ film.

**Note 5I: Other Expenses**

Bank fees and charges	46,000	73,164
Advertising, sponsorships and public relations	239,501	254,690
Insurance – property, plant and equipment	937	3,163
Loans written off/ bad and doubtful debts	274,049	282,398
Executive honoraria	36,167	27,167
Motor vehicle expenses	130,629	142,130
Functions and hospitality	190,534	404,792
Campaign administration costs	101,597	14,007
Retirements and tributes	196,553	103,818
Travel – airfares, accommodation and car hire	572,741	700,018
Consultancy fees	94,846	69,708
Membership support	-	1,005,257
Other	48,619	101,709
<b>Total other expenses</b>	<u>1,932,173</u>	<u>3,182,021</u>

**Note 6 Current Assets**

**Note 6A: Cash and Cash Equivalents**

Cash at bank	709,863	753,220
Cash on hand	828	2,478
Short term deposits	9,778,612	9,779,818
<b>Total cash and cash equivalents</b>	<u>10,489,303</u>	<u>10,535,516</u>

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 6B: Trade and Other Receivables</b>		
Receivables from other reporting units		
CFMMEU National Office	16,975	20,341
Less provision for doubtful debts (reporting units)	-	-
<b>Receivable from other reporting units (net)</b>	<b>16,975</b>	<b>-</b>
<b>Other receivables:</b>		
Trade and other receivables	97,234	241,536
Less: Provision for doubtful debts	-	-
Loans – members (unsecured) (financial hardship)	76,315	356,154
Loans – associates (unsecured)	662	6,962
Sundry receivables	-	34,677
Interest receivable	134,519	51,715
<b>Total other receivables</b>	<b>308,730</b>	<b>691,044</b>
<b>Total trade and other receivables (net)</b>	<b>325,705</b>	<b>711,385</b>
<b>Note 6C: Other Current Assets</b>		
Short term investments	271,473	266,989
<b>Total other current assets</b>	<b>271,473</b>	<b>266,989</b>

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
<b>Note 7      Non-current Assets</b>	<b>\$</b>	<b>\$</b>

**Note 7A: Land and Buildings**

Land and buildings:

at valuation	2,123,256	1,960,396
accumulated depreciation	(102,010)	(67,500)
<b>Total land and buildings</b>	<b>2,021,246</b>	<b>1,892,896</b>

***Reconciliation of Opening and Closing Balances of Land and Buildings***

<b>As at 1 July</b>		
Gross book value	1,960,396	1,930,000
Accumulated depreciation and impairment	(67,500)	(37,750)
<b>Net book value 1 July</b>	<b>1,892,896</b>	<b>1,896,250</b>
Additions:		
By purchase	162,860	30,396
Depreciation expense	(34,510)	(33,750)
Disposals:		
By sale	-	-
<b>Net book value 30 June</b>	<b>2,021,246</b>	<b>1,892,896</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	2,123,256	1,960,396
Accumulated depreciation and impairment	(102,010)	(67,500)
<b>Net book value 30 June</b>	<b>2,021,246</b>	<b>1,892,896</b>

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 7B: Leasehold Improvements</b>		
Leasehold improvements:		
at cost	30,124	18,174
accumulated depreciation	(3,741)	(3,063)
<b>Total leasehold improvements</b>	<b>26,383</b>	<b>15,111</b>

***Reconciliation of Opening and Closing Balances of Leasehold Improvements***

<b>As at 1 July</b>		
Gross book value	18,174	18,174
Accumulated depreciation and impairment	(3,063)	(2,609)
<b>Net book value 1 July</b>	<b>15,111</b>	<b>15,565</b>
Additions:		
By purchase	11,949	-
Depreciation expense	(677)	(454)
Disposals:		
By sale	-	-
<b>Net book value 30 June</b>	<b>26,383</b>	<b>15,111</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	30,124	18,174
Accumulated depreciation and impairment	(3,741)	(3,063)
<b>Net book value 30 June</b>	<b>26,383</b>	<b>15,111</b>



**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 7C: Plant and Equipment</b>		
Plant and equipment:		
at cost	1,072,595	1,079,674
accumulated depreciation	(970,063)	(908,461)
<b>Total plant and equipment</b>	<b>102,532</b>	<b>171,213</b>

***Reconciliation of Opening and Closing Balances of plant and equipment***

<b>As at 1 July</b>		
Gross book value	1,079,674	1,021,114
Accumulated depreciation and impairment	(908,461)	(840,777)
<b>Net book value 1 July</b>	<b>171,213</b>	<b>180,337</b>
Additions:		
By purchase	10,278	58,560
Depreciation expense	(58,227)	(67,684)
Disposals:		
By sale	(20,732)	-
<b>Net book value 30 June</b>	<b>102,532</b>	<b>171,213</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	1,072,595	1,079,674
Accumulated depreciation and impairment	(970,063)	(908,461)
<b>Net book value 30 June</b>	<b>102,532</b>	<b>171,213</b>

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 7D: Motor vehicles</b>		
Motor vehicles:		
at cost	662,488	729,479
accumulated depreciation	(222,487)	(217,897)
<b>Total motor vehicles</b>	<b>440,001</b>	<b>511,582</b>

***Reconciliation of Opening and Closing Balances of Motor Vehicles***

<b>As at 1 July</b>		
Gross book value	729,479	660,183
Accumulated depreciation and impairment	(217,897)	(269,947)
<b>Net book value 1 July</b>	<b>511,582</b>	<b>390,236</b>
Additions:		
By purchase	135,219	429,161
Depreciation expense	(139,288)	(148,998)
Disposals:		
By sale	(67,512)	(158,817)
<b>Net book value 30 June</b>	<b>440,001</b>	<b>511,582</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	662,488	729,479
Accumulated depreciation and impairment	(222,487)	(217,897)
<b>Net book value 30 June</b>	<b>440,001</b>	<b>511,582</b>

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 7E: Intangible Assets</b>		
Software (internally generated):		
at cost	60,712	60,712
accumulated amortisation	(59,787)	(58,388)
	<u>925</u>	<u>2,324</u>
Film (internally generated):		
at cost	-	568,791
accumulated amortisation	-	(132,767)
accumulated impairment	-	(436,024)
	<u>-</u>	<u>-</u>
<b>Total intangible assets</b>	<b><u>925</u></b>	<b><u>2,324</u></b>

***Reconciliation of Opening and Closing Balances of Intangible Assets***

<b>As at 1 July</b>		
Gross book value	629,503	626,006
Accumulated depreciation and impairment	(627,179)	(189,982)
<b>Net book value 1 July</b>	<b>2,324</b>	<b>436,024</b>
Additions:		
By purchase		3,496
Amortisation expense	(1,399)	(1,172)
Impairment expense		(436,024)
Disposals:		
By sale	-	-
<b>Net book value 30 June</b>	<b>925</b>	<b>2,324</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	60,712	629,503
Accumulated depreciation and impairment	(59,787)	(627,179)
<b>Net book value 30 June</b>	<b>925</b>	<b>2,324</b>

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 7F: Secured loans to associates</b>		
Secured property loan to associate	-	-
<b>Total secured loan to associates</b>	<u>-</u>	<u>-</u>
<b>Note 7G: Other investments</b>		
Shares in unlisted corporations – at cost	188	2
QCU Mackay Property Unit Trust – at cost	79,001	79,001
<b>Total other investments</b>	<u>79,189</u>	<u>79,003</u>

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 8 Current Liabilities</b>		
<b>Note 8A: Trade payables</b>		
Trade creditors and accruals	293,552	476,548
Related party creditors (CFMEUQ)	1,867,257	1,762,768
<b>Subtotal trade creditors</b>	<u>2,160,809</u>	<u>2,239,316</u>
<b>Payables to other reporting units</b>		
CFMEU M&E Division	994,494	515,701
<b>Subtotal payables to other reporting units</b>	<u>994,494</u>	<u>515,701</u>
<b>Total trade payables</b>	<u>3,155,303</u>	<u>2,755,017</u>
Settlement is usually made within 30 days.		
<b>Note 8B: Other payables</b>		
Superannuation	30,463	66,868
Legal costs		
Litigation	34,361	96,633
Other legal matters	68,648	-
GST payable	189,985	354,529
Other	267,524	606,222
<b>Total other payables</b>	<u>590,981</u>	<u>1,124,252</u>
Total other payables are expected to be settled in:		
No more than 12 months	590,981	1,124,252
More than 12 months	-	-
<b>Total other payables</b>	<u>590,981</u>	<u>1,124,252</u>

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 9 Provisions</b>		
<b>Note 9A: Employee Provisions</b>		
<b>Office Holders:</b>		
Annual leave	267,091	175,143
Vesting personal leave	37,370	38,136
Separations and redundancies	-	118,303
<b><i>Subtotal employee provisions—office holders</i></b>	<b>304,461</b>	<b>331,582</b>
<b>Employees other than office holders:</b>		
Annual leave	564,705	567,415
Vesting personal leave	415,864	458,258
Long service leave	270,355	74,898
<b><i>Subtotal employee provisions—employees other than office holders</i></b>	<b>1,250,924</b>	<b>1,100,571</b>
<b>Total employee provisions</b>	<b>1,555,385</b>	<b>1,432,153</b>
Current	1,555,385	1,432,153
Non-Current	-	-
<b><i>Total employee provisions</i></b>	<b>1,555,385</b>	<b>1,432,153</b>

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 10 Cash Flow</b>		
<b>Note 10A: Cash Flow Reconciliation</b>		
<b>Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement:</b>		
<b>Cash and cash equivalents as per:</b>		
Cash flow statement	10,489,303	10,535,516
Statement of financial position	10,489,303	10,535,516
<b>Difference</b>	<u>-</u>	<u>-</u>
<b>Reconciliation of deficit to net cash from operating activities:</b>		
Deficit for the year	(419,509)	(2,765,124)
<b>Adjustments for non-cash items</b>		
Depreciation/ amortisation	234,101	252,058
Impairment expense	-	436,024
Bad debts written off	274,049	46,974
(Gain)/ loss on disposal of assets	44,686	(22,862)
<b>Changes in assets/liabilities</b>		
(Increase)/ decrease in net receivables	66,037	36,235
(Increase)/ decrease in other assets	33,504	(2,681)
Increase/ (decrease) in creditors and other payables	(132,985)	491,250
Increase/ (decrease) in employee provisions	123,232	249,051
<b>Net cash used in operating activities</b>	<u>223,115</u>	<u>(1,279,077)</u>
<b>Note 10B: Cash flow information</b>		
Cash inflows from other reporting units		
CFMEU – M&E Division	220,616	7,587,621
<b>Total cash inflows</b>	<u>220,616</u>	<u>7,587,621</u>
Cash outflows to other reporting units		
CFMEU – National Office	(44,341)	(4,059,750)
CFMEU – M&E Division	(4,061,622)	(4,059,750)
CFMEU – C&G Division (Qld/ NT Branch)	(52,866)	(46,623)
<b>Total cash outflows</b>	<u>(4,158,829)</u>	<u>(4,106,373)</u>

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 10C: Credit standby arrangements and loan facilities**

The maximum exposure of the Branch for the usage of the Commonwealth Bank Business Cards and the auto pay facility is \$750,000 (2018: \$750,000). This is secured by an undertaking in respect of the liquid assets of the Branch and is paid off/ cleared each month.

**Note 10D: Non-cash transactions**

There have been no non-cash financing or investing activities during the year (2018: Nil).

	2019 \$	2018 \$
<b>Note 10E: Net debt reconciliation</b>		
Cash and cash equivalents	10,489,303	10,535,516
Borrowings – repayable within one year	-	-
Borrowings – repayable after one year	-	-
Net debt	<u>10,489,303</u>	<u>10,535,516</u>

**Note 10F: Reconciliation of movements of liabilities to cash flows arising from financing activities**

	Other Assets	Liabilities from financing activities		
	Cash assets	Borrowings – due within 1 year	Borrowings – due after 1 year	Total
<b>Net debt at 1 July 2017</b>	12,253,711	-	-	12,253,711
Cash flows	(1,718,195)	-	-	(1,718,195)
<b>Net debt at 30 June 2018</b>	10,535,516	-	-	10,535,516
<b>Cash flows</b>	<b>(46,213)</b>	-	-	<b>(46,213)</b>
<b>Net debt at 30 June 2019</b>	<b>10,489,303</b>	-	-	<b>10,489,303</b>



**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 11 Contingent Liabilities, Assets and Commitments**

**Note 11A: Commitments and Contingencies**

**Capital commitments**

At 30 June 2019 the Branch did not have any capital commitments (2018: Nil).

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

Corporate Business Card and Auto-Pay Facility

The maximum exposure of the organisation for the usage of the Commonwealth Bank Business Cards and auto pay facility is \$750,000 (2018: \$750,000). This is secured by an undertaking in respect of the liquid assets of the Branch. The facility is cleared each month.

The Committee of Management is not aware of any other contingent assets or liabilities that are likely to have a material effect on the results of the Branch.

	2019	2018
	\$	\$
<b>Leasing Commitments</b>		
<b>Operating Leases (as a lessee)</b>		
Non-cancellable operating leases contracted for but not capitalised in the financial statements.		
<b>Payable – Minimum lease payments</b>		
not later than 12 months	87,367	84,822
between 12 months and 5 years	405,001	463,841
greater than 5 years	-	28,527
<b>Minimum lease payments</b>	<u>492,368</u>	<u>577,190</u>

*Building Lease*

The Branch leases part of a building in Rockhampton. The lease is for a 10 year period ending on the 13th of October 2024.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 12 Related Party Disclosures**

**Note 12A: Related Party Transactions for the Reporting Period  
Holders of office and related reporting units**

The names of those persons who held office for all or part of the year are deemed to be a related party for financial reporting purposes as set out in the accompanying Committee of Management Operating Report.

For financial reporting purposes, under the *Fair Work (Registered Organisations) Act 2009*, the A Construction, Forestry, Maritime, Mining and Energy Union is divided into the following separate reporting units (and deemed related parties):

Construction, Forestry, Maritime, Mining and Energy Union – National Office  
Construction, Forestry, Maritime, Mining and Energy Union - Construction and General Division (and associated State Branches)  
Construction, Forestry, Maritime, Mining and Energy Union – Maritime Union of Australia Division (and associated State Branches)  
Construction, Forestry, Maritime, Mining and Energy Union – Manufacturing Division (and associated State Branches)  
Construction, Forestry, Maritime, Mining and Energy Union – Mining and Energy Division (CFMEU – M&E Division)  
Construction, Forestry, Maritime, Mining and Energy Union – Mining and Energy Division – Victorian District  
Construction, Forestry, Maritime, Mining and Energy Union – Mining and Energy Division – South Western District  
Construction, Forestry, Maritime, Mining and Energy Union – Mining and Energy Division – Northern Mining and NSW Energy District  
Construction, Forestry, Maritime, Mining and Energy Union – Mining and Energy Division – Tasmanian District  
Construction, Forestry, Maritime, Mining and Energy Union – Mining and Energy Division – Western Australia District

**Other Related Parties**

Construction, Forestry, Mining and Energy, Industrial Union of Employees, Queensland Mining, Energy and Ports District (CFMEUQ)

The Construction, Forestry, Mining and Energy, Industrial Union of Employees, Queensland Mining, Energy and Ports District (being a state registered trade union) has members on its Committee of Management that are consistent with that of the Branch. Further, all members of the Branch are joint members with the state registered union.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 12 Related Party Disclosures (Continued)**

**Note 12A: Related Party Transactions for the Reporting Period  
Holders of office and related reporting units (Continued)**

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

	2019	2018
	\$	\$
<b>Revenues received from CFMEU M&amp;E Division includes the following:</b>		
Rental, outgoings and administration costs	57,004	118,568
National Assistance Funds (NAF) receipts	-	7,457,317
Recoupment of wages	163,612	11,736
<b>Expenses paid to CFMEU M&amp;E Division includes the following:</b>		
Capitation fees	2,346,080	2,042,212
NAF payments	1,071,297	1,045,781
Donations and election costs	32,000	-
Officials LSL top-up	266,391	-
Other administrative costs	4,117	-
<b>Amounts owed to CFMEU M&amp;E Division includes the following:</b>		
Capitation fees, NAF and other administrative costs	994,494	989,644
<b>Expenses paid to CFMEU National Office includes the following:</b>		
Advertising contribution for elections	44,341	-
<b>Expenses paid to CFMEU Construction and General Division – Qld/ NT Branch includes the following:</b>		
Affiliation fees for ALP	51,546	34,386
Rally costs recouped	-	1,626
Merchandise purchases	-	364
Conference attendance costs	1,320	5,363
<b>Expenses paid to CFMEUQ includes the following:</b>		
Rental of property	104,489	99,513
<b>Expenses paid on behalf of CFMEUQ includes the following:</b>		
Mortuary benefit payments	52,500	-
<b>Amounts owed to CFMEUQ includes the following:</b>		
Building relates costs	1,867,257	1,762,768

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 12 Related Party Disclosures (Continued)**

**Note 12A: Related Party Transactions for the Reporting Period  
Holders of office and related reporting units (Continued)**

	2019	2018
<b>Loans receivable to other related parties include:</b>	<b>\$</b>	<b>\$</b>
C Roth	1,822	8,122
K King	-	1,000
W Sellings	-	18,500
<b>Loans payable to other related parties include:</b>		
S Smyth	1,160	1,160

**Terms and conditions of transactions with related parties**

Sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2019, the Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2018: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Loans provided to other related parties are repayment as follows:

- C Roth – three years. Repayments being paid from wages at \$25 per week.
- K King – by 30 September 2017. Repayments being paid from wages at \$150 per week/
- W Sellings – repayments are made at \$1,000 per moth via direct debit until loan is repaid.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 12 Related Party Disclosures (Continued)**

	2019 \$	2018 \$
<b>Note 12B: Key Management Personnel Remuneration for the Reporting Period</b>		
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	476,608	593,944
Annual and personal leave accrued	11,574	13,700
Other	54,142	66,583
<b>Total short-term employee benefits</b>	<u>542,324</u>	<u>674,227</u>
<b>Post-employment benefits:</b>		
Superannuation	52,427	58,346
<b>Total post-employment benefits</b>	<u>52,427</u>	<u>58,346</u>
<b>Other long-term benefits:</b>		
Long-service leave	-	-
<b>Total other long-term benefits</b>	<u>-</u>	<u>-</u>
<b>Termination benefits</b>	-	-
<b>Total</b>	<u>594,751</u>	<u>732,573</u>
<b>Note 12C: Transactions with Key Management Personnel and their Close Family Members</b>		
<b>Loans to key management personnel</b>		
W Sellings	-	7,000
<b>Total loans to key management personnel</b>	<u>-</u>	<u>7,000</u>

No other transactions occurred during the year with elected officers, close family members or other related parties than those related to their membership or employment and on terms no more favourable than those applicable to any other member of employee.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 13 Remuneration of Auditors**

<b>Value of the services provided</b>	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Financial statement audit services	<b>49,000</b>	71,766
Other services	<b>39,249</b>	-
<b>Total remuneration of auditors</b>	<b>88,249</b>	<b>71,766</b>

The Branch's external auditor changed from SRJ Walker Wayland to MGI Audit Pty Ltd during the year.

**Note 14 Financial Instruments**

**Financial Risk Management Policy**

The Branch Committee of Management monitors the Branch's financial risk management policies and exposure and approves financial transactions entered into. It also reviews the effectiveness of internal controls relating to the counterparty credit risk, liquidity risk, market risk and interest rate risk. The Branch Committee of Management meets on a regular basis to review the financial exposure of the Branch.

**(a) Credit Risk**

Exposure to credit risk relating to financial assets arise from the potential non-performance by counterparties of contract obligations that could lead to a financial loss of the Branch. The Branch does not have any material credit risk exposures as its major source of revenue is the receipt of membership fees.

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

The Branch has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the Branch.

On a geographical basis, the Branch's trade and other receivables are all based in Australia.

The following table details the Branch's trade and other receivables exposed to credit risk. Amounts are considered 'past due' when the debt has not been settled, within the terms and conditions agreed between the Branch and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Branch.

The balance of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 14 Financial Instruments (Continued)**

**Ageing of financial assets that were past due but not impaired for 2019**

	Within trading terms	0 to 30 days	31 to 60 days	60+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	325,705	-	-	-	325,705
Receivables from other reporting units	-	-	-	-	-
<b>Total</b>	<b>325,705</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>325,705</b>

**Ageing of financial assets that were past due but not impaired for 2018**

	Within trading terms	0 to 30 days	31 to 60 days	60+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	623,768	1,356	1,356	64,564	691,044
Receivables from other reporting units	20,341	-	-	-	20,341
<b>Total</b>	<b>644,109</b>	<b>1,346</b>	<b>1,356</b>	<b>64,564</b>	<b>711,385</b>

The Branch has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties.

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved policy. Such policy requires that surplus funds are only invested with counterparties with a strong reputation and backed by the Commonwealth Government's bank guarantee. At 30 June 2019, all funds were held by financial institutions backed by the Commonwealth Government's bank guarantee.

***Collateral held as security***

The Branch does not hold collateral with respect to its receivables at 30 June 2019 (2018: Nil).

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 14 Financial Instruments (Continued)**

**(b) Liquidity Risk**

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

- preparing forward looking cash flow estimates;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Branch does not hold directly 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

**Financial Instrument Composition and Maturity Analysis**

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial liabilities due for payment</b>								
Trade payables	3,155,303	2,755,017	-	-	-	-	3,155,303	2,755,017
Other payables	590,981	1,124,252	-	-	-	-	590,981	1,124,252
<b>Total expected outflows</b>	<b>3,746,284</b>	<b>3,879,269</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,746,284</b>	<b>3,879,269</b>
<b>Financial assets – cash flow receivable</b>								
Cash and cash equivalents	10,489,303	10,535,516	-	-	-	-	10,489,303	10,535,516
Trade and other receivables	325,705	711,385	-	-	-	-	325,705	711,385
Investments	271,473	266,989	-	-	79,189	79,003	350,662	345,992
Loans to associates	-	-	-	-	-	-	-	-
<b>Total anticipated inflows</b>	<b>11,086,481</b>	<b>11,513,890</b>	<b>-</b>	<b>-</b>	<b>79,189</b>	<b>79,003</b>	<b>11,165,670</b>	<b>11,592,893</b>
<b>Net inflow on financial instruments</b>	<b>7,340,197</b>	<b>7,160,678</b>	<b>-</b>	<b>-</b>	<b>79,189</b>	<b>79,003</b>	<b>7,419,386</b>	<b>7,239,681</b>



**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 14 Financial Instruments (Continued)**

**(c) Market Risk**

i. 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 Branch is also exposed to earnings volatility on floating rate instruments.

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 Branch is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is managed using a mix of fixed and floating financial instruments. The effective interest rate expenditure to interest rate financial instruments are as follows:

	Weighted Average Effective Interest Rate			
	2019	2018	2019	2018
	%	%	\$	\$
<b>Floating rate instruments</b>				
Cash and cash equivalents	2.76%	2.58%	10,489,303	10,535,516

ii. *Other price risk*

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held.

The Branch is exposed to other price risk on its investments held in direct shares and capital notes. Such risk is managed through diversification of investments and held in large listed companies with strong credit ratings.

iii. Foreign exchange risk

The Branch is not exposed to direct fluctuations in foreign currencies.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 14 Financial Instruments (Continued)**

- iv. Price risk  
The Branch is not exposed to any material commodity price risk.
- v. Interest rate risk  
The Branch has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk.
- vi. Sensitivity Analysis

The following table illustrates sensitivities to the Branch's exposures to changes in interest rates and equity prices. The table indicates the impact of how profit and equity values 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 assume that the movement in a particular variable is independent of other variables.

	<b>Profit \$</b>	<b>Equity \$</b>
<b>Year ended 30 June 2019</b>		
+0.5% in interest rates	<b>52,446</b>	<b>52,446</b>
-0.5% in interest rates	<b>(48,923)</b>	<b>(48,923)</b>
<b>Year ended 30 June 2018</b>		
+0.5% in interest rates	52,678	52,678
-0.5% in interest rates	(49,868)	(49,868)

No sensitivity analysis has been performed on foreign exchange risk as the Branch has no material direct exposures to currency risk. There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

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

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 15 Fair Value Measurement**

**Fair Values**

*Fair value estimation*

The fair values of financial assets and liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties at an arm's length transaction.

Fair value may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair values is extracted from the market, with more reliable information available from markets that are actively traded.

In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Branch. Most of these instruments, which are carried at amortised cost (i.e. accounts receivable), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the Branch.

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

	Footnote	2019		2018	
		Carrying value	Fair value	Carrying value	Fair value
		\$	\$	\$	\$
<b>Financial assets</b>					
Cash and cash equivalents	(i)	10,489,303	10,489,303	10,535,516	10,535,516
Accounts receivable and other debtors	(i)	325,705	325,705	711,385	711,385
Investments	(ii)	350,662	350,662	345,992	345,992
Loans receivable to associates	(i)	-	-	-	-
<b>Total financial assets</b>		<b>11,165,670</b>	<b>11,165,670</b>	<b>11,592,893</b>	<b>11,592,893</b>
<b>Financial liabilities</b>					
Accounts payable and other payables	(i)	3,746,284	3,746,284	4,353,212	4,353,212
<b>Total financial liabilities</b>		<b>3,746,284</b>	<b>3,746,284</b>	<b>4,353,212</b>	<b>4,353,212</b>

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, accounts receivable, loans receivable and other debtors and accounts payable and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 139.
- (ii) For listed investments (via a managed investment fund), closing quoted bid prices at the end of the reporting period are used.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 15 Fair Value Measurement (Continued)**

The fair values disclosed in the above table have been determined based on the following methodologies:

- (iii) Cash and cash equivalents, accounts receivable and other debtors and accounts payable and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 139.

**Fair Value Hierarchy**

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categories fair value measurement into one of the three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

**Level 1**

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

**Level 2**

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 15 Fair Value Measurement (Continued)**

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

*Fair value hierarchy – 30 June 2019*

	<b>Note</b>	<b>Date of Valuation</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets measured at fair value</b>					
<i>Financial assets at fair value through profit or loss</i>					
- Shares in unlisted companies	7G	30 June 2019	-	-	188
- QCU Mackay Property Trust	7G	30 June 2019	-	-	79,001
<i>Non-financial assets measured at fair value</i>					
Land and buildings	7A	30 June 2017			1,930,000
Total assets recognised at fair value on a recurring basis			-	-	2,009,183

The Branch does not have any liabilities that are recorded using a fair value technique.

*Fair value hierarchy – 30 June 2018*

	<b>Note</b>	<b>Date of Valuation</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets measured at fair value</b>					
<i>Financial assets at fair value through profit or loss</i>					
- Shares in unlisted companies	7G	30 June 2018	-	-	2
- QCU Mackay Property Trust	7G	30 June 2018	-	-	79,001
<i>Non-financial assets measured at fair value</i>					
Land and buildings	7A	30 June 2017			1,930,000
Total financial assets recognised at fair value on a recurring basis			-	-	2,009,003

The Branch does not have any liabilities that are recorded using a fair value technique.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

*Description of significant unobservable inputs*

<b>Asset measured at fair value</b>	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Range (weighted average)</b>
Land and buildings	Market	<ul style="list-style-type: none"> <li>Independent market valuation for similar properties is an active market (1)</li> </ul>	3% - 5% (4%)
QCU Mackay Property Trust	Market	<ul style="list-style-type: none"> <li>Independent market valuation for similar properties is an active market (2)</li> </ul>	% - 5% (4%)

(1) A 4% increase/ (decrease) in the WACC would result in an increase/ (decrease) in fair value by \$77,200.

(2) A 4% increase/ (decrease) in the WACC would result in an increase/ (decrease) in fair value by \$3,160.

**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 Commission:

- (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).

**Note 17 Branch Details**

The registered office of the Branch is:

Level 2, 61 Bowen Street  
SPRING HILL QLD 4000

**Note 18 Segment Information**

The Branch operates solely in one reporting segment, being the provision of industrial services in Queensland.

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**OFFICER DECLARATION STATEMENT**

I, Glenn Power, being the District Secretary of the Construction, Forestry, Maritime, Mining and Energy Union – Mining and Energy Division (Queensland District Branch), declare that the following activities did not occur during the reporting period ending 30 June 2019:

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- 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 capitation fees from another reporting unit
- receive grants
- 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 grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay separation and redundancy to holders of office
- pay separation and redundancy to employees (other than holders of office)
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- incur expenses due to holding a meeting as required under the rules of the organisation
- 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 separation and redundancy provision in respect of holders of office
- have a long service leave provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)

**CONSTRUCTION, FORESTRY, MARITIME, MINING AND ENERGY UNION – MINING AND ENERGY DIVISION (QUEENSLAND DISTRICT BRANCH)**

**OFFICER DECLARATION STATEMENT (CONTINUED)**

- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

  
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Glenn Power  
District Secretary

12 November 2019

Spring Hill