

5 February 2016

Mr Gary Maas
Victorian Branch Secretary
Victorian Branch
National Union of Workers
gmaas@nuw.org.au



CC: David Eddy, Eddy Partners, by email: info@eddypartners.com.au

Dear Mr Maas,

**National Union of Workers - Victorian Branch
Financial Report for the year ended 30 June 2015 - [FR2015/263]**

I acknowledge receipt of the financial report of the National Union of Workers - Victorian Branch. The documents were lodged with the Fair Work Commission on 23 December 2015.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2016 may be subject to an advanced compliance review.

I make the following comment to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The FWC will confirm this concern has been addressed prior to filing next year's report.

Revenue recognition

The Australian Accounting Standard *AASB 101 Presentation of Financial Statements* paragraph 117 and *AASB 118: Revenue* paragraph 35(a) requires that the entity must disclose the measurement basis or bases used in recognising revenue.

The accounting policy for *dividends and distributions received* has not been disclosed. While there appears to be a policy for dividends it is unclear whether it relates to this line item as it doesn't mention distributions. Please ensure that next year's report has a revenue policy for each material revenue source.

If you have any queries regarding this letter, please contact me on (03) 8656 4698 or via email at catherine.bebbington@fwc.gov.au.

Kind regards



CATHERINE BEBBINGTON
Regulatory Compliance Branch

FAIR WORK COMMISSION

Tel: 03 8656 4698
catherine.bebbington@fwc.gov.au
www.fwc.gov.au

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

NATIONAL UNION OF WORKERS
VICTORIAN BRANCH

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
FOR YEAR ENDED 30TH JUNE 2015

I, **Gary Maas** being the Secretary of the National Union of Workers – Victorian Branch certify:

- that the documents lodged herewith are copies of the full report for the National Union of Workers – Victorian Branch for the year ended 30th June 2015 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on **19th** day of **November** 2015; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on **16th** day of **December** 2015 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:.....

Name of prescribed designated officer:.....**Gary Maas**

Title of prescribed designated officer:.....**Victorian Branch Secretary**

Dated:.....**17.12.2015**

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2015**

Contents

Operating Report	2
Committee of Management Statement	7
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Cash Flow Statement	11
Notes to and Forming Part of the Financial Statements	12
Independent Audit Report	35

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

The Committee of Management presents its report on the operation of the Branch for the financial year ended 30 June 2015.

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

The principal activities of the Branch during the financial year ended 30 June 2015 were to improve the wages and working conditions of its members. This was undertaken through bargaining with employers, maintaining the content of modern awards and by appearing before industrial tribunals, principally the Fair Work Commission.

During the reporting period the Branch made submissions to a number of public enquiries and either launched or fostered campaigns around issues of importance to its members and working men and women generally.

Decisions of the Branch Committee of Management were implemented in furtherance of the above during the reporting period.

Operating Result

The operating result of the Branch for the year ended 30th June 2015 was a surplus of \$2,515,888 [2014: \$2,667,704]. No provision for tax was necessary as the Branch is considered exempt.

Significant changes in financial affairs

There was no significant change in the financial affairs of the Branch during the year.

Right of members to resign

All members have the right to resign from the Union in accordance with Rule 59 of the Union Rules (and Section 174 of the Act); namely, by providing written notice addressed and delivered to the Secretary of the Branch, including via email.

Number of members

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Regulations 2009:

The number of persons that were at the end of the financial year recorded in the register of members for sec. 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the Branch under sec. 244 of the Fair Work (Registered Organisations) Act 2009 was 27,351.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

Number of employees

The number of persons who were at the end of the financial year employees of the Branch including both full-time and part-time employees measured on a full-time equivalent basis was 44.20;

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

The names of those who have been members of the Committee of Management of the Branch at any time during the financial year and the periods for which he or she held office were:

Name:	Position:	Period:
Julie Warren	Branch President	1/7/2014 to 30/6/2015
Gary Maas	Branch Secretary	1/7/2014 to 30/6/2015
Susie Allison	Assistant Branch Secretary	1/7/2014 to 30/6/2015
John Glover	Senior Vice President	1/7/2014 to 30/8/2014
Brad Dobson	Junior Vice President	1/7/2014 to 30/8/2014
Brad Dobson	Vice President	1/9/2014 to 30/6/2015
Gayle Burmeister	Organiser	1/7/2014 to 30/8/2014
Christopher Calvert	Organiser	1/7/2014 to 30/6/2015
Belinda Jacobi	Organiser	1/7/2014 to 30/6/2015
Chris Kalomiris	Organiser	1/7/2014 to 30/8/2014
Heath Lamaro	Organiser	1/7/2014 to 30/6/2015
Mathew Toner	Organiser	1/9/2014 to 30/6/2015
Patrick Byrne	Committee Member	1/7/2014 to 30/6/2015
Craig Chapman	Committee Member	1/7/2014 to 30/6/2015
Les Claudius	Committee Member	1/7/2014 to 30/6/2015
Pamela Cupples	Committee Member	1/7/2014 to 30/8/2014
Clifford Redgwell	Committee Member	1/7/2014 to 30/8/2014
Michael Veljanovski	Committee Member	1/7/2014 to 30/6/2015
Danial Wilson	Committee Member	1/7/2014 to 30/6/2015
Andreas Wittmann	Committee Member	1/7/2014 to 30/6/2015
Sharyn Cook	Committee Member	1/7/2014 to 30/6/2015
Donna Carkeek	Committee Member	1/9/2014 to 30/6/2015
Elizabeth McEwan	Committee Member	1/9/2014 to 30/6/2015
Sarah Rantall	Committee Member	1/9/2014 to 30/6/2015

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

Remuneration and Disclosures

Under section 148A of the Act and Rule 14B of the Union's Rules, the two highest paid officers of the Victorian Branch and their remuneration for the reporting period were

Name of officer	Office	Total Remuneration
Gary Maas	Branch Secretary	\$ 185,256
Susie Allison	Assistant Branch Secretary	\$ 159,214

The above relevant remuneration for each of the above officers includes the following:

- annual leave and annual leave loading in accordance with Rule 68(d)
- long service leave in accordance with Rule 68(e)
- 12 rostered days off per calendar year (which do not accrue)
- a superannuation contribution is in accordance with Rule 69.

Additionally the above officers have an entitlement to paid parental leave and other leave that is regulated by the National Employment Standards.

Relevant non cash benefits provided to each paid officer during the reporting period were the provision of a maintained, registered and insured motor vehicle as well as salary continuance insurance.

The above officers, (along with non elected officers of the Union) are entitled to claim reimbursements associated with travel, meals and incidentals (both interstate and overseas) as well as attendance at conferences in accordance with the policy of the Union. As reimbursements these are not considered to be remuneration or non cash benefits.

The above officers are entitled to claim reimbursement of home telephony and internet access and to receive media and/or professional subscriptions in accordance with Union policy. These are not considered to be non cash benefits.

The following officers and employees are superannuation fund trustees or directors of a company that is a superannuation fund trustee. In each case the officer or employee was nominated for the position by the reporting unit.

Officer or Employee	Position	Trustee Company	Name of Fund	SGC Contribution
Gary Maas	Director	LUCRF Pty Ltd	LUCRF Super	\$5,306.56

A superannuation contribution of the amount specified by legislation of LUCRF director's fees is paid to the officers nominated superannuation fund. For the reporting period the contribution was as appears in the table above.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

Remuneration and Disclosures (continued)

During the reporting period officers held directorships of the following boards and/or entities

Name	Board	Principal Activity	Reason
Gary Maas	Labour Union and Investment Property Services Pty Ltd	Real estate and property	Because they are an officer of the reporting unit
	Publicity Works (Industrial Printing And Publicity Pty Ltd)	Printing and Publicity	Because they are an officer of the reporting unit (non beneficial shareholder)
Julie Warren	Manufacturing Skills Australia (Proxy Director)	Industry skills council	Because they are an officer of the reporting unit

No officer received any remuneration associated with their membership or directorship of any board of which they are a member (as defined by Rule 14B)

Any remuneration that otherwise could have been paid to the officer by virtue of directorships of the above boards and/or entity was paid in lieu to the Union's operating account.

No other disclosures as required under Rule 14B were made by officers for the reporting period.

No officer received any remuneration from a related third party of the Union in connection with the performance of their duties. Rule 68(c) prohibits officers undertaking external or secondary employment without the permission of the Branch Committee of Management. No such permissions were sought during the reporting period.

The Union maintains a register of interests of all officers and observes procedures for dealing with conflicts of interests. There were no conflicts recorded or noted during the reporting period.

The salary, classification and staff and pay scale of all appointed officers and staff of the Union is as determined from time to time by Union's National Council in accordance with the Rules.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

Remuneration and Disclosures (continued)

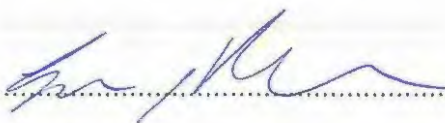
All officers in accordance with Rule 14D are required to undertake training approved by the General Manager of the Fair Work Commission by 29 December 2013 or within six months of assuming office. All officers have complied with this Rule. A register of participation in approved training is maintained by the Union.

Costs associated with the delivery of the training and attendance is met by the Union.

Members wishing to obtain additional information or detail on any of these matters may do so by contacting the Union's Membership Service Centre on 1300 275 689 or by email – info@nuw.org.au

A copy of the Union's rules along with additional material relevant to governance is available for download on the website – nuw.www.org.au/publicnotices

Signature of designated officer:



Name and title of designated officer:

Mark Gary Maas } Branch Secretary

Dated:

18.11.15

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015**

On the 18th November 2015 the Committee of Management of the National Union of Workers – Victorian Branch passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30th June 2015:

The Committee of Management declares that in its opinion:


- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPRF 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 including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act, it has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

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

Signature of designated officer:

Name and title of designated officer:

Dated:


Mark Gary Maas } Branch Secretary

18.11.15

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
Revenue			
Membership subscriptions		11,244,450	11,232,308
Interest		284,165	283,624
Donations received		320	17,942
Profit on disposal of assets		-	4,342
Other revenue	3	2,119,184	1,950,662
Total revenue		13,648,119	13,488,878
Expenses			
Employee expenses	4	5,815,031	5,514,219
Sustentation fees	4	2,133,250	2,140,952
Affiliation fees	4	226,991	218,609
Administration expenses	4	882,483	1,043,333
Donations paid	4	30,880	51,142
Depreciation	4	316,122	218,750
Legal costs	4	27,865	43,441
Audit fees	4	21,000	20,500
Motor vehicle expenses		235,016	322,669
Delegates expenses		128,566	143,377
Occupancy expenses		712,568	665,878
Communication expenses		76,834	88,563
Officials expenses		111,739	116,758
Training & staff education expenses		114,791	159,793
Impairment losses		268,922	-
Losses on disposal of assets		30,173	73,190
Total expenses		11,132,231	10,821,174
Profit (loss) for the year		2,515,888	2,667,704
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss		-	-
Total comprehensive income for the year		2,515,888	2,667,704

The accompanying notes form part of the financial statements.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Notes	2015 \$	2014 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	5,673,922	4,712,890
Trade and other receivables	6	792,669	1,075,553
Financial assets	7	4,140,427	4,934,562
Other current assets	8	76,153	131,237
Total current assets		10,683,171	10,854,242
Non-Current Assets			
Trade and other receivables	6	360,233	-
Plant and equipment	9	1,457,351	1,743,903
Investments in associates	10	6,953,020	6,553,280
Other investments	11	11,508,641	9,950,513
Total non-current assets		20,279,245	18,247,696
Total assets		30,962,416	29,101,938
LIABILITIES			
Current Liabilities			
Trade and other payables	12	714,265	1,644,212
Provisions	13	1,897,586	1,623,049
Total current liabilities		2,611,851	3,267,261
Total liabilities		2,611,851	3,267,261
Net assets		28,350,565	25,834,677
EQUITY			
Accumulated Funds		28,350,565	25,834,677
Total equity		28,350,565	25,834,677

The accompanying notes form part of the financial statements.

NATIONAL UNION OF WORKERS
VICTORIAN BRANCH

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	Retained earnings	Total equity
	\$	\$
Balance as at 1 July 2013	23,166,973	23,166,973
Profit for the year	2,667,704	2,667,704
Balance as at 30 June 2014	<u>25,834,677</u>	<u>25,834,677</u>
Balance as at 1 July 2014	25,834,677	25,834,677
Profit for the year	2,515,888	2,515,888
Balance as at 30 June 2015	<u>28,350,565</u>	<u>28,350,565</u>

The accompanying notes form part of the financial statements.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 \$	2014 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	15B	378,338	413,990
Receipts from members		11,226,735	11,267,621
Interest		332,225	307,487
Other		1,113,391	979,085
Cash used			
Payments to Employees & Suppliers		(7,779,232)	(8,088,154)
Payment to other reporting units	15B	(2,866,442)	(2,579,107)
Net cash from (used by) operating activities	15A	2,405,015	2,300,922
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		252,022	3,454
Proceeds from investments		794,135	385,440
Cash used			
Purchase of plant and equipment		(998,069)	(31,643)
Purchase of term deposits, shares & units		(1,492,071)	(884,746)
Net cash from (used by) investing activities		(1,443,983)	(527,495)
FINANCING ACTIVITIES			
Cash received			
Repayment of Loans		-	24,074
Cash used			
Repayment of borrowings		-	-
Net cash from (used by) financing activities		-	24,074
Net increase (decrease) in cash held		961,032	1,797,501
Cash & cash equivalents at the beginning of the reporting period		4,712,890	2,915,389
Cash & cash equivalents at the end of the reporting period		5,673,922	4,712,890

The accompanying notes form part of the financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1. Summary of significant accounting policies

1a 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 National Union of Workers – Victorian 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.

1b Comparative amounts

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

1c Significant accounting judgements and estimates

The preparation of financial statements requires the Branch to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

1d New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

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

The accounting policies adopted are consistent with those of the previous financial year.

Future Australian Accounting Standards Requirements

There were no new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on National Union of Workers – Victorian Branch.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

1e Investment in associates

An associate is an entity over which the National Union of Workers – Victorian Branch has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in associates are accounted for using the equity method. Any goodwill or fair value adjustment attributable to the Union's share in the associate is not recognised separately and is included in the amount recognised as investment.

The carrying amount of the investment in associates is increased or decreased to recognise the Union's share of the profit or loss and other comprehensive income of the associate, adjusted where necessary to ensure consistency with the accounting policies of the Union.

1f 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.

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

All revenue is stated net of the amount of goods and services tax (GST).

1g Gains

Sale of assets

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

1h Sustentation fees and levies

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

1i Employee benefits

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

Liabilities for short-term employee benefits which are expected to be settled within twelve months of the end of the 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 including related on costs.

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.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

Contributions made by the Union to employee superannuation funds are charged as expenses when incurred.

1j Leases

Lease payments for operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged as expenses in the period in which they are incurred.

1k Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

1l Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1m Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the Union has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Available-for-sale

Listed shares and listed redeemable notes held by the Union that are traded in an active market are classified as available-for-sale and are stated at fair value.

Dividends from available-for-sale equity instruments are recognised in profit or loss when received.

Loans and receivables

Trade receivables, loans and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included as current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial position.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1m Financial assets

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

Derecognition of financial assets

The Union derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

1n Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Union derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

1o Plant and equipment

Plant and equipment are brought to account at cost less, where applicable, any accumulated depreciation or amortisation.

Depreciation

The depreciable amount of plant and equipment is depreciated on either a straight line or diminishing value basis over their useful lives commencing from the time the asset is held ready for use.

The depreciation rates used for each class of asset are:

<u>Class of Fixed Asset</u>	<u>Depreciation Rate</u>
Motor Vehicles	18.75% - 25%
Office Furniture and Equipment	7.5% - 66.67%
Fixtures and Fittings	2.50%-50%

All minor purchases of assets are considered by the Committee as having a useful life relative only to the period of purchase and as such are written off during that period.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit or loss in the statement of comprehensive income.

1p Taxation

The Union 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. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables, in the statement of financial position are shown inclusive of GST.

2. Events after the reporting period

There were no events that occurred after 30 June 2015, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of National Union of Workers – Victorian Branch.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

	2015	2014
	\$	\$
3. Other Revenue		
Directors Fees Received	8,000	20,144
Gain on Revaluation of Investments	-	673,196
Share of net gain from associates accounted for using the equity method	511,575	136,420
Dividends & Distributions Received	1,493,679	963,417
Sundry Income	105,930	157,485
Capitation Fees	-	-
Levies	-	-
Grants	-	-
Financial support from another reporting unit	-	-
	<u>2,119,184</u>	<u>1,950,662</u>
4. Expenses		
	2015	2014
	\$	\$
Employee expenses		
Holders of office:		
Wages and salaries	989,124	1,195,866
Superannuation	185,190	206,152
Leave and other entitlements	(249,261)	37,240
Separation and redundancies	-	-
Other employee expenses	106,031	161,095
Subtotal employee expenses holders of office	<u>1,031,084</u>	<u>1,600,353</u>
Employees other than office holders:		
Wages and salaries	3,203,655	2,955,861
Superannuation	539,668	482,267
Leave and other entitlements	523,798	114,367
Separation and redundancies	73,964	72,733
Other employee expenses	442,862	288,638
Subtotal employee expenses employees other than office holders	<u>4,783,947</u>	<u>3,913,866</u>
Total employee expenses	<u>5,815,031</u>	<u>5,514,219</u>
Sustentation fees		
NUW National Office	2,133,250	2,140,952
Total sustentation fees	<u>2,133,250</u>	<u>2,140,952</u>

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

4. Expenses (continued)

	2015	2014
	\$	\$
Affiliation fees		
Australian Labor Party	143,414	141,512
Victorian Trades Hall Council	57,855	56,218
Ballarat Trades & Labour Council	450	450
Bendigo Trades & Labour Council	2,074	2,075
Geelong Trades & Labour Council	2,852	2,752
Gippsland Trades & Labour Council	1,364	1,273
Goulburn Valley Trades & Labour Council	2,465	2,589
North East Border Trades & Labour Council	12,454	7,784
South West Trades & Labour Council	900	900
Community Radio Federation Ltd	3,163	3,056
Total affiliation fees	226,991	218,609
Administration expenses		
Consideration to employers for payroll deductions	54,153	56,982
Campaign Levy – ACTU	95,500	65,500
Campaign Levy – VTHC	-	80,000
Fees/allowances - meeting and conferences	51,695	46,317
Conference and meeting expenses	60,645	53,083
Distress payments to members	-	79,144
Other	620,490	662,307
Penalties - via RO Act or RO Regulations	-	-
Total administration expenses	882,483	1,043,333
Donations		
Total paid that were \$1,000 or less	9,680	5,757
Total paid that exceeded \$1,000	21,200	45,385
Total donations	30,880	51,142
Grants		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants	-	-

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

4. Expenses (continued)

	2015	2014
	\$	\$
Depreciation		
Depreciation		
Office Furniture and Equipment	35,253	49,325
Motor Vehicles	234,875	113,861
Fixtures and Fittings	45,994	55,564
Total depreciation	<u>316,122</u>	<u>218,750</u>
Legal costs		
Litigation	-	5,554
Other legal matters	27,865	37,887
Total legal costs	<u>27,865</u>	<u>43,441</u>
Remuneration of auditors		
Financial statement audit services	20,500	20,000
Other services	18,250	18,250
Total remuneration of auditors	<u>38,750</u>	<u>38,250</u>

Other services include the audit of the political membership return, assistance in the preparation of the general purpose financial report, completion of fringe benefits tax return and completion of quarterly business activity statements.

5. Cash and cash equivalents

	2015	2014
	\$	\$
Cash on hand	1,301	1,692
Cash at bank	5,672,621	4,711,198
Total cash and cash equivalents	<u>5,673,922</u>	<u>4,712,890</u>

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

	2015	2014
	\$	\$
6. Trade and other receivables		
<u>Current</u>		
Receivables from other reporting units		
NUW National Office	13,280	51,428
NUW General Branch	16,749	-
Total receivables from other reporting units	30,029	51,428
Other receivables:		
Other trade receivables	762,640	1,024,125
Total other receivables	762,640	1,024,125
Total trade and other receivables	792,669	1,075,553

The carrying amounts of all current trade and other receivables are equal to their fair values as they are short term receivables (less than 30 days) and non-interest bearing.

Non-Current

Other receivables:

IPP Property Trust – Distribution receivable	360,233	-
Total other receivables	360,233	-
Total trade and other receivables	360,233	-

Based on the underlying net assets of these entities, no impairment losses have been recognised as it is expected that these amounts will be recovered in full.

7. Financial assets

Held to Maturity investments		
- Term Deposits	4,140,427	4,934,562
Total current financial assets	4,140,427	4,934,562

Term Deposits are held with Members Equity Bank with an interest rate of 3.10% (2014: between 3.75% and 3.90%)

8. Other current assets

Movie tickets on hand	1,043	804
Prepayments	48,065	55,328
Interest receivable	27,045	75,105
Total other current assets	76,153	131,237

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

9. Plant and Equipment

	2015	2014
	\$	\$
Office Furniture & Equipment		
At Cost	423,375	411,738
Less Accumulated Depreciation	<u>(326,626)</u>	<u>(304,786)</u>
Net Office Furniture & Equipment	<u>96,749</u>	<u>106,952</u>
Motor Vehicles		
At Cost	993,972	1,014,122
Less Accumulated Depreciation	<u>(275,347)</u>	<u>(65,142)</u>
Net Motor Vehicles	<u>718,625</u>	<u>948,980</u>
Fixtures & Fittings		
At Cost	1,308,200	1,308,200
Less Accumulated Depreciation	<u>(666,223)</u>	<u>(620,229)</u>
Net Fixtures & Fittings	<u>641,977</u>	<u>687,971</u>
Total plant and equipment	<u>1,457,351</u>	<u>1,743,903</u>

Movements in Carrying Amounts

2015	Motor Vehicles \$	Office F&E \$	Fixtures & Fittings \$	Total \$
Balance at beginning of year	948,980	106,952	687,971	1,743,903
Additions	43,091	26,530	-	69,621
Depreciation expense	(234,875)	(35,253)	(45,994)	(316,122)
Disposals	(38,571)	(1,480)	-	(40,051)
Carrying amount at end of year	<u>718,625</u>	<u>96,749</u>	<u>641,977</u>	<u>1,457,351</u>
2014	Motor Vehicles \$	Office F&E \$	Fixtures & Fittings \$	Total \$
Balance at beginning of year	448,839	124,634	743,535	1,317,008
Additions	928,449	31,643	-	960,092
Depreciation expense	(113,861)	(49,325)	(55,564)	(218,750)
Disposals	(314,447)	-	-	(314,447)
Carrying amount at end of year	<u>948,980</u>	<u>106,952</u>	<u>687,971</u>	<u>1,743,903</u>

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

10. Investments in Associates

	2015	2014
	\$	\$
<u>(A) 833 Bourke Street Company and Trust</u>		
<u>Ordinary Shares in 833 Bourke Street Pty Limited</u>		
Opening Balance	34	34
Share of net gain in value of investment	-	-
Closing Balance	<u>34</u>	<u>34</u>
<u>Units in 833 Bourke Street Unit Trust</u>		
Opening Balance	6,153,246	6,016,826
Share of net gain in value of investment	511,575	136,420
Closing Balance	<u>6,664,821</u>	<u>6,153,246</u>
Total investment	<u>6,664,855</u>	<u>6,153,280</u>

The National Office of the National Union of Workers holds shares in 833 Bourke Street Pty Limited and units in 833 Bourke Street Unit Trust on behalf of the National Union of Workers – Victorian Branch. The above represents the National Union of Workers – Victorian Branch's share of the total investment.

(B) Industrial Printing & Publishing Company & Trust

<u>Ordinary Shares in Industrial Printing & Publishing Pty Ltd</u>		
Opening Balance	244,125	244,125
Provision for impairment	(68,255)	-
Closing Balance	<u>175,870</u>	<u>244,125</u>
<u>Units in IPP Property Trust</u>		
Opening Balance	155,875	155,875
Provision for impairment	(43,580)	-
Closing Balance	<u>112,295</u>	<u>155,875</u>
Total investment	<u>288,165</u>	<u>400,000</u>

The National Office of the National Union of Workers holds shares in trust in Industrial Printing and Publishing Pty Ltd and units in IPP Property Trust on behalf of the National Union of Workers – Victorian Branch. The above represents the National Union of Workers – Victorian Branch's share of the total investment.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

11. Other Investments

	2015	2014
	\$	\$
Australian Equities – At Fair Value	11,508,641	9,950,513
Total investment	11,508,641	9,950,513
<u>Movement in Fair Value</u>		
Opening Balance	9,950,513	7,466,832
Net (Disposals)/Additions	1,715,215	1,919,545
Fair value adjustment	(157,087)	564,136
Closing Balance	11,508,641	9,950,513
International Equities – At Fair Value	-	-
Total investment	-	-
<u>Movement in Fair Value</u>		
Opening Balance	-	1,264,275
Net (Disposals)/Additions	-	(1,373,335)
Fair value adjustment	-	109,060
Closing Balance	-	-

The equity investments are managed on behalf of the National Union of Workers – Victorian Branch by Bell Potter Securities Limited.

12. Trade and other payables

	2015	2014
	\$	\$
Trade creditors and accruals	239,101	1,247,808
GST Payable	230,955	149,210
Consideration to employers for payroll deductions	-	-
Legal Fees Payable – Litigation	-	-
Legal Fees Payable – Other Legal Matters	-	-
Subtotal trade and other payables	470,056	1,397,018
Payables to other reporting units		
NUW General Branch	5,948	746
NUW National Office	238,261	246,448
Subtotal payables to other reporting unit(s)	244,209	247,194
Total trade and other payables	714,265	1,644,212

NATIONAL UNION OF WORKERS
VICTORIAN BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

13. Provisions

	2015	2014
	\$	\$
Employee provisions - Current		
Office Holders:		
Annual leave	178,604	312,453
Long service leave	322,042	437,977
Separations and redundancies	-	-
Other	10,095	9,571
	<u>510,741</u>	<u>760,001</u>
Employees other than office holders:		
Annual leave	596,580	417,015
Long service leave	767,803	422,808
Separations and redundancies	-	-
Other	22,462	23,225
	<u>1,386,845</u>	<u>863,048</u>
Total employee provisions - current	<u>1,897,586</u>	<u>1,623,049</u>

14. Contingent liabilities

The members of the Committee of Management are unaware of any contingent liability, the effect of which may be material in relation to the financial statements.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

15. Cash flow information

15A: Cash flow reconciliation

	2015	2014
	\$	\$
Reconciliation of surplus(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	2,515,888	2,667,704
Adjustments for non-cash items		
Depreciation	316,122	218,750
Loss on disposal of assets	30,173	73,190
Profit on disposal of assets	-	(4,342)
Unrealised gain in value of investments	(511,575)	(809,616)
Unrealised loss in value of investments	268,922	-
Non-cash distribution	(360,233)	-
Distributions reinvested	(218,916)	(147,894)
Management fees rebated & reinvested	(4,228)	(3,896)
Changes in assets/liabilities		
(Increase)/decrease in trade and receivables	40,739	46,293
(Increase)/decrease in other assets	55,084	29,498
Increase/(decrease) in trade and other payables	(1,498)	79,629
Increase/(decrease) in employee provisions	274,537	151,606
Net cash from (used by) operating activities	2,405,015	2,300,922

15B: Cash flow information

Cash inflows		
NUW – National Office	214,336	204,510
NUW – General Branch	164,002	209,480
Total cash inflows	378,338	413,990
Cash outflows		
NUW – National Office	2,856,924	2,577,294
NUW – General Branch	9,518	1,813
Total cash outflows	2,866,442	2,579,107

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

16. Related party disclosures

16A: Related party transactions for the reporting period

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

	2015	2014
	\$	\$
<u>Revenue received includes the following:</u>		
NUW National Office		
Seconded staff expenses recovered	-	28,854
Sundry income received	909	-
Administration expenses recovered	160,268	177,946
Transfer of employee leave entitlements	9,331	-
	<u>170,508</u>	<u>206,800</u>
NUW General Branch		
Transfer of employee leave entitlements	30,032	19,543
Administration expenses recovered	133,802	189,937
Sundry income received	182	-
Seconded staff expenses recovered	14,805	-
	<u>178,821</u>	<u>209,480</u>
833 Bourke Street Unit Trust		
Distributions received	562,264	539,975
Publicity Works Pty Ltd		
Directors Fees received	8,000	8,000
<u>Expenses paid includes the following:</u>		
NUW National Office		
ACTU campaign levy	95,500	65,500
Payroll tax	249,695	243,516
Sustentation fees	2,133,250	2,140,952
Transfer of employee leave entitlements	176,076	16,286
Seconded staff expenses	66,081	67,127
Administration Expenses	128,691	56,584
	<u>2,849,293</u>	<u>2,589,965</u>
NUW General Branch		
Administration expenses	14,925	2,490
833 Bourke Street Unit Trust		
Rent & Outgoings	712,568	665,878
Publicity Works Pty Ltd		
Printing expenses	41,924	53,892
LUCRF Pty Ltd		
Transfer of employee leave entitlements	-	62,340

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

16. Related party disclosures (continued)

16A: Related party transactions for the reporting period

	2015	2014
	\$	\$
<u>Amounts owed by -</u>		
NUW National Office	13,280	51,428
NUW General Branch	16,749	-
833 Bourke Street Unit Trust	47,498	44,551
	<u>77,527</u>	<u>95,979</u>
<u>Amounts owed to -</u>		
NUW National Office	238,261	246,448
NUW General Branch	5,948	746
833 Bourke Street Unit Trust	66,937	55,396
	<u>311,146</u>	<u>302,590</u>

Terms and conditions of transactions with related parties

The 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 2015, the National Union of Workers – Victorian Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2014: \$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.

16B: Key management personnel remuneration for the reporting period

	2015	2014
	\$	\$
Short-term employee benefits		
Salary (including annual leave taken)	989,124	1,195,866
Annual leave & RDO accrued	(133,325)	3,891
Total short-term employee benefits	<u>855,799</u>	<u>1,199,757</u>
Post-employment benefits:		
Superannuation	185,190	206,152
Total post-employment benefits	<u>185,190</u>	<u>206,152</u>
Other long-term benefits:		
Long-service leave	(115,936)	33,349
Total other long-term benefits	<u>(115,936)</u>	<u>33,349</u>
Termination benefits	-	-
Total	<u>925,053</u>	<u>1,439,258</u>

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

17. Financial instruments

The Union's activities expose it to the primary financial risks of market, liquidity, credit and interest rate risk. The Union's overall risk management approach is to identify the risks and implement safeguards which seek to minimise potential adverse effects on the financial performance of the Union.

Market Risk

The Union is exposed to equity securities price risk. This arises from investments held by the Union and classified on the statement of financial position either as available-for-sale or at fair value through profit or loss.

The Union's equity investments are publicly traded and are listed on the ASX.

The table below summarises the impact of increases/(decreases) of the indexes on the Union's equity. The analysis is based on the assumption that the equity indexes had increased/(decreased) by 10% (2014 – 10%) with all other variables held constant and all the Union's equity instruments moved according to the historical correlation with the index.

	2015	2014
	\$	\$
Effect on equity:		
Increase of equity index by 10%	1,150,864	995,051
Decrease of equity index by 10%	(1,150,864)	(995,051)

Liquidity Risk

Liquidity risk is the risk that the Union may not be able to meet its financial obligations as they fall due. The Union has both short term and long term investments which enable sufficient cash to be available to settle obligations as they fall due.

Credit Risk

Credit risk is the risk of financial loss to the Union if a member or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, receivables, deposits with banks and financial institutions and loans to branches.

There is no concentration of credit risk with respect to current receivables. The maximum exposure to credit risk for receivables at the reporting date is the carrying amount in the statement of financial position.

Cash transactions are limited to high credit quality financial institutions. Currently the investments are held in Australian banks. The Union has no significant concentrations of credit risk.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

17. Financial instruments

Credit Risk

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. The credit quality of financial assets can be assessed by reference to external credit ratings as follows :

	2015	2014
	\$	\$
Cash at bank		
AA- Rating	1,809,489	1,485,579
A-2 Rating	3,863,132	3,225,619
	<u>5,672,621</u>	<u>4,711,198</u>
 Term Deposits		
A-2 Rating	<u>4,140,427</u>	<u>4,934,562</u>

Interest Rate Risk

Interest rate risk is the risk that a financial instrument's value and future cash flows will fluctuate as a result of changes in market interest rates. The Union's exposure to interest rate risk arises from cash at bank and term deposits.

Sensitivity analysis

As at 30 June the effect on the surplus/(deficit) as a result of changes in interest rates, with all other variables remaining constant would be as follows:

	2015	2014
	\$	\$
Effect on results:		
Increase of interest rates by 1%	80,036	81,602
Decrease of interest rates by 1%	(80,036)	(81,602)

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Maturity profile of financial instruments

The maturity profile of financial assets and liabilities held are detailed below:

2015	Weighted Average Interest Rate	Floating Interest Rate	1 year or less	1 to 5 years	Non Interest Bearing	Total
	%	\$	\$	\$	\$	\$
Financial Assets						
Cash on hand		-	-	-	1,301	1,301
Cash at bank	2.50	5,672,621	-	-	-	5,672,621
Term Deposits	3.10	-	4,140,427	-	-	4,140,427
Other Receivables		-	-	-	1,152,902	1,152,902
Investments		18,461,661	-	-	-	18,461,661
		24,134,282	4,140,427	-	1,154,203	29,428,912
Financial Liabilities						
Trade & other payables		-	-	-	714,265	714,265
Net Financial Assets		24,134,282	4,140,427	-	439,938	28,714,647

2014	Weighted Average Interest Rate	Floating Interest Rate	1 year or less	1 to 5 years	Non Interest Bearing	Total
	%	\$	\$	\$	\$	\$
Financial Assets						
Cash on hand		-	-	-	1,692	1,692
Cash at bank	3.10	4,711,198	-	-	-	4,711,198
Term Deposits	3.83	-	4,934,562	-	-	4,934,562
Other Receivables		-	-	-	1,075,553	1,075,553
Investments		16,503,793	-	-	-	16,503,793
		21,214,991	4,934,562	-	1,077,245	27,226,798
Financial Liabilities						
Trade & other payables		-	-	-	1,644,212	1,644,212
Net Financial Assets		21,214,991	4,934,562	-	(566,967)	25,582,586

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

18. Fair value measurement

AASB 13: Fair Value Measurement requires the disclosure of fair value information according to the relevant level in the fair value hierarchy as follows:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Unobservable inputs for the asset or liability.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial assets available-for-sale is based on quoted market prices at the end of the reporting period.

The table below shows the assigned level for each asset and liability held at fair value –

30th June 2015	Level 1	Level 2	Level 3	Total
Assets	\$	\$	\$	\$
Available-for-sale financial assets	11,508,641	-	6,953,020	18,461,661
30th June 2014	Level 1	Level 2	Level 3	Total
Assets	\$	\$	\$	\$
Available-for-sale financial assets	9,950,513	-	6,553,280	16,503,793

19. Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or General Manager:

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

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

20. Other Information

(i) Going Concern

The branch's ability to continue as a going concern is not reliant on financial support from another reporting unit.

(ii) Financial Support

No financial support has been provided to another reporting unit to ensure that it continues as a going concern.

(iii) Acquisition of assets and liability under specific sections:

The branch did not acquire any asset or a liability during the financial year as a result of:

- An amalgamation under part 2 of Chapter 3, of the RO Act;
- A restructure of the Branches of the organization;
- A determination by the General Manager under s245(1) of the RO Act;
- A revocation by the General Manager under s249(1) of the RO Act;

(iv) Acquisition of assets and liability as part of a business combination:

If assets and liabilities were acquired during the financial year as part of a business combination, the requirement of the Australian Accounting Standards will be complied with. No such acquisition has occurred during the financial year.



Eddy Partners Accountants

Eddy Partners
Accountants and Auditors
ABN 87 382 183 920

Level 8,
501 LaTrobe Street,
Melbourne, Victoria 3000.

PO Box 13105,
Law Courts,
Melbourne, Victoria 8010.

Telephone: (03) 9602 5177

Facsimile: (03) 9602 5766

e-mail: info@eddypartners.com.au

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF NATIONAL UNION OF WORKERS VICTORIAN BRANCH

We have audited the accompanying general purpose financial report of the National Union of Workers – Victorian Branch for the year ended 30th June 2015 comprising Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Cash Flow Statement, Notes to and Forming Part of the Financial Statements and Committee of Management Statement.

Committee of Management’s Responsibility for the Financial Report

The Union’s Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the Committee determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

Partners:

David J. Eddy CPA
Stephen J. Eedy CPA
Suzanne J. Eddy CPA



Liability limited by a scheme approved
under Professional Standards Legislation.



EddyPartners
Accountants

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Audit Opinion

In our opinion we have concluded that management's use of the going concern basis of accounting in the preparation of the Union's financial report is appropriate.

In our opinion the financial report presents fairly, in all material respects, the financial position as at 30 June 2015 and of its financial performance and cash flows for the year then ended and is in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009.

Signed at Melbourne, this 18th day of November 2015.

Eddy Partners
8th Floor,
501 Latrobe Street
MELBOURNE, VIC., 3000
Tel: (03) 9602 5177
Fax: (03) 9602 5766

EDDY PARTNERS,
Certified Practising Accountants.

David James Eddy, CPA
Registered Company Auditor.
Holder of a Current Public Practice Certificate