



15 January 2018

Ms Susan Allison
Secretary, Victorian Branch
National Union of Workers

Dear Ms Allison

Re: – Financial reporting – National Union of Workers, Victorian Branch - for year ending 30 June 2018 (FR2018/127)

I refer to the financial report of the Victorian Branch of the National Union of Workers in respect of the year ending 30 June 2018. The documents were lodged with the Registered Organisations Commission ('the ROC') on 27 November 2018.

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

Please note the report for the year ending 30 June 2019 may be subject to an advanced review.

You are not required to take any further action in respect of the report lodged. However I make the following comment for your information.

Redaction of information from operating report

In the operating report, certain information disclosed under the heading **SGC Contribution** has been redacted by the ROC from the copy of the 2018 financial report published on its website.

The ROC takes its obligations relating to privacy seriously and endeavours to ensure compliance with the requirements under the *Privacy Act 1988* (**Privacy Act**). The redactions have been effected in accordance with the ROC privacy policy to protect the personal information of persons identified in the operating report. A copy of the ROC privacy policy can be found via [this link](#).

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 Reporting

Guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

Yours faithfully

A handwritten signature in black ink, appearing to read "Stephen Kellett", with a horizontal line extending to the right.

Stephen Kellett
Financial Reporting
Registered Organisations Commission

NATIONAL UNION OF WORKERS

VICTORIAN BRANCH

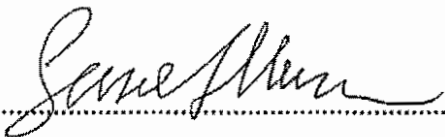
CERTIFICATED PRESCRIBED DESIGNATED OFFICER

FOR YEAR ENDED 30TH JUNE 2018

I, **Susie Allison** 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 2018 referred to in s.268 of the *Fair Work (Registered Organisations Act 2009)*;
- that the full report was provided to members of the reporting unit on 11th day of October 2018; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 14th day of November 2018 in accordance with s.266 of the *Fair Work (Registered Organisations Act 2009)*.

Signature of prescribed designated officer:

.....


Name of prescribed designated officer:

.....
SUSAN JULIA ALLISON

Title of prescribed designated officer:

.....
BRANCH SECRETARY

Dated:

26/11/18

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2018**

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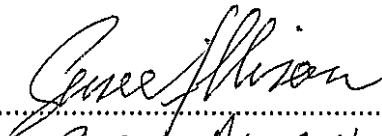
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**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**REPORT REQUIRED UNDER SUBSECTION 255(2A)
FOR THE YEAR ENDED 30 JUNE 2018**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 2018.

Categories of expenditures	2018 \$	2017 \$
Remuneration and other employment-related costs and expenses - employees	6,090,997	5,756,216
Advertising	757	618
Operating costs	4,869,824	4,828,155
Donations to political parties	4,000	0
Legal costs	213,164	122,163

Signature of designated officer: 
Name and title of designated officer: SUSIE ALLISON - BRANCH SECRETARY

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

The Committee of Management presents its report on the operation of the Branch for the financial year ended 30 June 2018.

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 2018 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 continued to campaign on issues of importance to its members and working men and women generally. In particular, the Branch continued to commit significant resources to organising workers employed in the farms sector who are part of the supermarket supply chain. The Branch advocates for decent permanent employment for working men and women through "Jobs You Can Count On".

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 2018 was a surplus of \$2,365,764 [2017: \$3,624,551]. 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 24,962.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

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 47.50;

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	1/7/2017 to 30/6/2018
Gary Maas	Branch Secretary	1/7/2017 to 30/6/2018
Susie Allison	Assistant Branch Secretary	1/7/2017 to 30/6/2018
Christopher Calvert	Vice President	1/7/2017 to 23/3/2018
David Clements	Vice President	20/6/2018 to 30/6/2018
Belinda Jacobi	Organiser	1/7/2017 to 30/6/2018
Heath Lamaro	Organiser	1/7/2017 to 30/6/2018
Neil Smith	Organiser	1/7/2017 to 30/6/2018
Andrew Giles	Organiser	1/7/2017 to 30/6/2018
David Clements	Committee Member	1/7/2017 to 20/6/2018
Craig Chapman	Committee Member	1/7/2017 to 20/6/2018
Michael Veljanovski	Committee Member	1/7/2017 to 20/6/2018
Andreas Wittmann	Committee Member	1/7/2017 to 30/6/2018
Elizabeth McEwan	Committee Member	1/7/2017 to 30/6/2018
Paul Payne	Committee Member	1/7/2017 to 30/6/2018
Lemmuel Leech	Committee Member	1/7/2017 to 30/6/2018
Evalyn Clow	Committee Member	1/7/2017 to 30/6/2018
Julie Kamber	Committee Member	16/8/2017 to 30/6/2018
Narorn leung	Committee Member	16/8/2017 to 30/6/2018

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

Remuneration and Disclosures

The following represents the Union's obligations under the **Fair Work (Registered Organisations) Act 2009**.

The Union's Rules were altered with effect from 3 July 2017 to reflect the new reporting and disclosure obligations arising from the operation of the **Fair Work (Registered Organisations) Amendment Act 2016**. ([2017] FWCD 3231). (the Amendment Act)

As required under the Amendment Act, the Union will file an Officers Disclosure Statement with Registered Organisations Commission by 31 December 2018. The statement will also be posted on the Unions website (www.nuw.org.au). This replaces the previous disclosures on remuneration that otherwise would be contained in the annual financial report.

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 (1/7/2017 to 31/1/2018)	Director	LUCRF Pty Ltd	LUCRF Super	████████
Susie Allison (26/2/2018 to 30/6/2018)	Director	LUCRF Pty Ltd	LUCRF Super	████████

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.

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)
Susie Allison	McKell Institute	Policy Development	Because they are an officer of the reporting unit

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

Remuneration and Disclosures (continued)

None of the above officers received any remuneration associated with their membership or directorship of any board of which they are a member.

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 in accordance with the provisions of the Amendment Act.

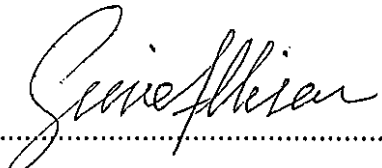
The salary, classifications and pay scale of all appointed officers and staff of the Union is as determined from time to time by Union's National Council in accordance with the Rules.

All officers in accordance with Rule 14D are required to undertake approved training 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 are met by the Union.

Members wishing to obtain additional information or detail on any of these matters may do so by contacting the Union 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: SUSIE ALLISON - BRANCH SECRETARY

Dated: 11/10/18

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

On the 11th October 2018 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 2018:

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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the 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 Commissioner duly made under section 272 of the RO Act, it has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Registered Organisations 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.

Signature of designated officer: *Jane Allison*

Name and title of designated officer: *SUSIE ALLISON - BRANCH SECRETARY*

Dated: *11/10/18*

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
Revenue			
Membership subscriptions		11,836,934	11,623,778
Interest		212,234	204,677
Profit on disposal of assets		-	3,446
Other revenue	3	1,910,967	2,795,138
Total revenue		13,960,135	14,627,039
Expenses			
Employee expenses	4	6,090,997	5,756,216
Sustentation fees	4	2,260,583	2,225,752
Affiliation fees	4	248,967	245,324
Administration expenses	4	814,199	854,529
Donations paid	4	106,563	5,700
Depreciation	4	192,489	235,797
Legal costs	4	213,164	122,163
Audit fees	4	22,000	22,150
Motor vehicle expenses		351,301	306,006
Delegates expenses		150,647	117,487
Occupancy expenses		754,728	750,968
Communication expenses		104,682	89,501
Officials expenses		94,914	127,444
Training & staff education expenses		117,866	134,739
Impairment losses		71,255	-
Losses on disposal of assets		16	8,712
Total expenses		11,594,371	11,002,488
Profit (loss) for the year		2,365,764	3,624,551
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss		-	-
Total comprehensive income for the year		2,365,764	3,624,551

The accompanying notes form part of the financial statements.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	Notes	2018 \$	2017 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	8,012,213	5,900,840
Trade and other receivables	6	876,457	1,075,963
Financial assets	7	4,511,034	4,385,581
Other current assets	8	101,650	105,316
Total current assets		13,501,354	11,467,700
Non-Current Assets			
Trade and other receivables	6	360,233	360,233
Plant and equipment	9	972,559	1,125,469
Investments in associates	10	7,841,031	7,827,023
Other investments	11	16,011,542	15,405,600
Total non-current assets		25,185,365	24,718,325
Total assets		38,686,719	36,186,025
LIABILITIES			
Current Liabilities			
Trade and other payables	12	719,865	638,968
Provisions	13	1,693,727	1,639,694
Total current liabilities		2,413,592	2,278,662
Total liabilities		2,413,592	2,278,662
Net assets		36,273,127	33,907,363
EQUITY			
Accumulated Funds		36,273,127	33,907,363
Total equity		36,273,127	33,907,363

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 2018**

	Retained earnings	Total equity
	\$	\$
Balance as at 1 July 2016	30,282,812	30,282,812
Profit for the year	3,624,551	3,624,551
Balance as at 30 June 2017	<u>33,907,363</u>	<u>33,907,363</u>
Balance as at 1 July 2017	33,907,363	33,907,363
Profit for the year	2,365,764	2,365,764
Balance as at 30 June 2018	<u>36,273,127</u>	<u>36,273,127</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 2018**

	Note	2018 \$	2017 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	15B	390,545	387,339
Receipts from members		11,862,103	11,714,970
Interest		218,042	212,819
Other		1,411,792	1,252,990
Cash used			
Payments to Employees & Suppliers		(8,736,761)	(8,554,120)
Payment to other reporting units	15B	(2,840,348)	(2,729,651)
Net cash from (used by) operating activities	15A	2,305,373	2,284,347
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		-	12,727
Proceeds from investments		-	-
Cash used			
Purchase of plant and equipment		(39,595)	(84,625)
Purchase of term deposits, shares & units		(154,405)	(1,626,239)
Net cash from (used by) investing activities		(194,000)	(1,698,137)
FINANCING ACTIVITIES			
Cash received			
Repayment of Loans		-	-
Cash used			
Repayment of borrowings		-	-
Net cash from (used by) financing activities		-	-
Net increase (decrease) in cash held		2,111,373	586,210
Cash & cash equivalents at the beginning of the reporting period		5,900,840	5,314,630
Cash & cash equivalents at the end of the reporting period		8,012,213	5,900,840

The accompanying notes form part of the financial statements.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

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 2018**

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.

Investment revenue is recognised in the period in which it is earned.

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.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

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.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

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.

**NATIONAL UNION OF WORKERS
VICTORIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

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 2018**

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 2018, 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 2018**

	2018	2017
	\$	\$
3. Other Revenue		
Directors Fees Received	6,385	16,582
Share of net gain from associates accounted for using the equity method	85,263	857,150
Net gain on revaluation of investments	227,110	331,553
Dividends & Distributions Received	1,429,435	1,413,976
Sundry Income	162,774	132,397
Grants received	-	43,480
	<u>1,910,967</u>	<u>2,795,138</u>
4. Expenses		
	2018	2017
	\$	\$
Employee expenses		
Holders of office:		
Wages and salaries	1,068,707	1,046,618
Superannuation	170,759	187,510
Leave and other entitlements	(95,615)	(71,888)
Separation and redundancies	-	-
Other employee expenses	109,543	118,871
Subtotal employee expenses holders of office	<u>1,253,394</u>	<u>1,281,111</u>
Employees other than office holders:		
Wages and salaries	3,643,707	3,409,354
Superannuation	609,293	606,201
Leave and other entitlements	149,648	(21,098)
Separation and redundancies	50,729	132,014
Other employee expenses	384,226	348,634
Subtotal employee expenses employees other than office holders	<u>4,837,603</u>	<u>4,475,105</u>
Total employee expenses	<u>6,090,997</u>	<u>5,756,216</u>
Sustentation fees		
NUW National Office	2,260,583	2,225,752
Total sustentation fees	<u>2,260,583</u>	<u>2,225,752</u>

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4. Expenses (continued)

	2018	2017
	\$	\$
Affiliation fees		
Australian Labor Party	137,913	138,824
Victorian Trades Hall Council	77,455	75,636
Ballarat Trades & Labour Council	660	660
Bendigo Trades & Labour Council	4,152	4,152
Geelong Trades & Labour Council	2,992	2,940
Gippsland Trades & Labour Council	1,275	1,545
Goulburn Valley Trades & Labour Council	3,287	3,154
North East Border Trades & Labour Council	17,124	14,361
South West Trades & Labour Council	900	900
Community Radio Federation Ltd	3,209	3,152
Total affiliation fees	248,967	245,324
Administration expenses		
Consideration to employers for payroll deductions	54,841	48,849
Fees/allowances - meeting and conferences	-	54,228
Conference and meeting expenses	46,873	43,128
Other	712,485	708,324
Total administration expenses	814,199	854,529
Donations		
Total paid that were \$1,000 or less	4,763	1,700
Total paid that exceeded \$1,000	101,800	4,000
Total donations	106,563	5,700

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4. Expenses (continued)

	2018	2017
	\$	\$
Depreciation		
Depreciation		
Office Furniture and Equipment	44,861	46,015
Motor Vehicles	116,722	155,308
Fixtures and Fittings	30,906	34,474
Total depreciation	<u>192,489</u>	<u>235,797</u>
Legal costs		
Litigation	158,144	111,740
Other legal matters	55,020	10,423
Total legal costs	<u>213,164</u>	<u>122,163</u>
Remuneration of auditors		
Financial statement audit services	21,500	21,150
Other services	19,300	19,650
Total remuneration of auditors	<u>40,800</u>	<u>40,800</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

	2018	2017
	\$	\$
Cash on hand	2,028	1,266
Cash at bank	8,010,185	5,899,574
Total cash and cash equivalents	<u>8,012,213</u>	<u>5,900,840</u>

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FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
6. Trade and other receivables		
<u>Current</u>		
Receivables from other reporting units		
NUW National Office	18,885	15,368
NUW General Branch	16,813	5,197
Total receivables from other reporting units	<u>35,698</u>	<u>20,565</u>
Other receivables:		
Other trade receivables	840,759	1,055,398
Total other receivables	<u>840,759</u>	<u>1,055,398</u>
Total trade and other receivables	<u>876,457</u>	<u>1,075,963</u>

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	360,233
Total other receivables	<u>360,233</u>	<u>360,233</u>
Total trade and other receivables	<u>360,233</u>	<u>360,233</u>

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	4,511,034	4,385,581
Total current financial assets	<u>4,511,034</u>	<u>4,385,581</u>

Term Deposits are held with Members Equity Bank with an interest rate of between 2.65% and 2.85% (2017: 2.70%-2.72%)

8. Other current assets

Prepayments	83,805	81,663
Interest receivable	17,845	23,653
Total other current assets	<u>101,650</u>	<u>105,316</u>

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FOR THE YEAR ENDED 30 JUNE 2018**

9. Plant and Equipment

	2018	2017
	\$	\$
Office Furniture & Equipment		
At Cost	434,309	409,125
Less Accumulated Depreciation	(349,220)	(318,754)
Net Office Furniture & Equipment	<u>85,089</u>	<u>90,371</u>
Motor Vehicles		
At Cost	1,021,172	1,021,172
Less Accumulated Depreciation	(671,005)	(554,283)
Net Motor Vehicles	<u>350,167</u>	<u>466,889</u>
Fixtures & Fittings		
At Cost	1,308,200	1,308,200
Less Accumulated Depreciation	(770,897)	(739,991)
Net Fixtures & Fittings	<u>537,303</u>	<u>568,209</u>
Total plant and equipment	<u>972,559</u>	<u>1,125,469</u>

Movements in Carrying Amounts

2018	Motor Vehicles	Office F&E	Fixtures & Fittings	Total
	\$	\$	\$	\$
Balance at beginning of year	466,889	90,371	568,209	1,125,469
Additions	-	39,594	-	39,594
Depreciation expense	(116,722)	(44,861)	(30,906)	(192,489)
Disposals	-	(15)	-	(15)
Carrying amount at end of year	<u>350,167</u>	<u>85,089</u>	<u>537,303</u>	<u>972,559</u>

2017	Motor Vehicles	Office F&E	Fixtures & Fittings	Total
	\$	\$	\$	\$
Balance at beginning of year	555,968	135,983	602,683	1,294,634
Additions	75,511	9,115	-	84,626
Depreciation expense	(155,308)	(46,015)	(34,474)	(235,797)
Disposals	(9,282)	(8,712)	-	(17,994)
Carrying amount at end of year	<u>466,889</u>	<u>90,371</u>	<u>568,209</u>	<u>1,125,469</u>

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FOR THE YEAR ENDED 30 JUNE 2018**

10. Investments in Associates

	2018	2017
	\$	\$
<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	7,466,288	6,733,031
Share of net gain in value of investment	85,263	733,257
Closing Balance	<u>7,551,551</u>	<u>7,466,288</u>
Total investment	<u><u>7,551,585</u></u>	<u><u>7,466,322</u></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	220,141	144,527
Share of net gain/(Provision for impairment)	(43,488)	75,614
Closing Balance	<u>176,653</u>	<u>220,141</u>
<u>Units in IPP Property Trust</u>		
Opening Balance	140,560	92,281
Share of net gain/(Provision for impairment)	(27,767)	48,279
Closing Balance	<u>112,793</u>	<u>140,560</u>
Total investment	<u><u>289,446</u></u>	<u><u>360,701</u></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.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

11. Other Investments

	2018	2017
	\$	\$
Bell Potter Investment Portfolio – At Fair Value	16,011,542	15,405,600
Total investment	16,011,542	15,405,600
<u>Movement in Fair Value</u>		
Opening Balance	15,405,600	13,361,048
Net (Disposals)/Additions	378,832	1,712,999
Fair value adjustment	227,110	331,553
Closing Balance	16,011,542	15,405,600

The portfolio includes investments in equities, fixed interest securities, managed funds and exchange traded funds. The investments are managed on behalf of the National Union of Workers – Victorian Branch by Bell Potter Securities Limited.

12. Trade and other payables

	2018	2017
	\$	\$
Trade creditors and accruals	206,453	177,045
GST Payable	215,673	195,476
Legal Fees Payable – Litigation	21,091	12,923
Legal Fees Payable – Other Legal Matters	2,002	-
Subtotal trade and other payables	445,219	385,444
 Payables to other reporting units		
NUW General Branch	822	547
NUW National Office	273,824	252,977
Subtotal payables to other reporting unit[s]	274,646	253,524
 Total trade and other payables	 719,865	 638,968

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13. Provisions

	2018	2017
	\$	\$
Employee provisions - Current		
Office Holders:		
Annual leave	95,835	144,971
Long service leave	281,938	334,033
Separations and redundancies	-	-
Other	21,852	16,236
	<u>399,625</u>	<u>495,240</u>
Employees other than office holders:		
Annual leave	489,940	479,805
Long service leave	761,521	633,113
Separations and redundancies	-	-
Other	42,641	31,536
	<u>1,294,102</u>	<u>1,144,454</u>
Total employee provisions - current	<u>1,693,727</u>	<u>1,639,694</u>

14 Contingent Liabilities, Assets and Commitments

2018	2017
\$	\$

Note 14A: Commitments and Contingencies

Operating lease commitments—as lessee

5 year lease of office premises expiring 4/11/2023; photocopier leases with 60 month terms. On renewal, the terms of the leases are renegotiated.

Future minimum rentals payable under non-cancellable operating leases as at 30 June are:

Within one year	679,155	630,301
After one year but not more than five years	2,987,560	289,948
More than five years	261,969	-
	<u>3,928,684</u>	<u>920,249</u>

Capital commitments

At 30 June 2018 the Union has no significant capital commitments.

Other contingent assets or liabilities

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

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FOR THE YEAR ENDED 30 JUNE 2018**

15. Cash flow information

15A: Cash flow reconciliation

	2018	2017
	\$	\$
Reconciliation of surplus(deficit) to net cash from operating activities:		
Surplus/(deficit) for the year	2,365,764	3,624,551
Adjustments for non-cash items		
Depreciation	192,489	235,797
Loss on disposal of assets	16	8,712
Profit on disposal of assets	-	(3,446)
Unrealised (gain)/loss in value of investments in associates	(14,008)	(857,150)
Unrealised (profit)/loss in value of investments	(227,110)	(331,553)
Distributions reinvested	(344,177)	(215,188)
Management fees rebated & reinvested	(5,703)	(4,705)
Changes in assets/liabilities		
(Increase)/decrease in trade and receivables	199,506	(7,212)
(Increase)/decrease in other assets	3,665	(19,735)
Increase/(decrease) in trade and other payables	80,898	(52,740)
Increase/(decrease) in employee provisions	54,033	(92,984)
Net cash from (used by) operating activities	2,305,373	2,284,347

15B: Cash flow information

Cash inflows		
NUW – National Office	238,900	224,789
NUW – NSW Branch	-	26,911
NUW – General Branch	151,645	135,639
Total cash inflows	390,545	387,339
Cash outflows		
NUW – National Office	2,815,308	2,708,616
NUW – General Branch	25,040	21,035
Total cash outflows	2,840,348	2,729,651

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FOR THE YEAR ENDED 30 JUNE 2018**

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.

	2018	2017
	\$	\$
<u>Revenue received includes the following:</u>		
NUW National Office		
Sundry income received	10,733	-
Administration expenses recovered	189,419	196,934
Transfer of employee leave entitlements	33,892	8,684
	<u>234,044</u>	<u>205,618</u>
NUW General Branch		
Administration expenses recovered	163,522	137,315
	<u>163,522</u>	<u>137,315</u>
NUW NSW Branch		
Seconded staff expenses recovered	-	11,696
	<u>-</u>	<u>11,696</u>
833 Bourke Street Unit Trust		
Distributions received	608,778	600,645
	<u>608,778</u>	<u>600,645</u>
Publicity Works Pty Ltd		
Directors Fees received	8,000	8,000
	<u>8,000</u>	<u>8,000</u>
<u>Expenses paid includes the following:</u>		
NUW National Office		
Payroll tax	270,384	268,411
Sustentation fees	2,260,583	2,225,752
Transfer of employee leave entitlements	51,248	20,539
Seconded staff expenses	87,143	80,632
Administration Expenses	165,679	114,936
	<u>2,835,037</u>	<u>2,710,270</u>
NUW General Branch		
Seconded staff expenses	6,197	-
Administration Expenses	19,120	21,533
	<u>25,317</u>	<u>21,533</u>
833 Bourke Street Unit Trust		
Rent & Outgoings	754,728	750,968
	<u>754,728</u>	<u>750,968</u>
Publicity Works Pty Ltd		
Printing expenses	36,883	46,325
	<u>36,883</u>	<u>46,325</u>

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16. Related party disclosures (continued)

16A: Related party transactions for the reporting period

	2018	2017
	\$	\$
<u>Amounts owed by -</u>		
NUW National Office	18,885	15,368
NUW General Branch	16,813	5,197
833 Bourke Street Unit Trust	50,715	50,978
	<u>86,413</u>	<u>71,543</u>
<u>Amounts owed to -</u>		
NUW National Office	273,824	252,977
NUW General Branch	822	547
833 Bourke Street Unit Trust	70,599	68,890
	<u>345,245</u>	<u>322,414</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 2018, 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 (2017: \$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

	2018	2017
	\$	\$
Short-term employee benefits		
Salary (including annual leave taken)	1,068,707	1,046,618
Annual leave & RDO accrued	(43,520)	(42,080)
Total short-term employee benefits	<u>1,025,187</u>	<u>1,004,538</u>
Post-employment benefits:		
Superannuation	170,759	187,510
Total post-employment benefits	<u>170,759</u>	<u>187,510</u>
Other long-term benefits:		
Long-service leave	(52,094)	(29,808)
Total other long-term benefits	<u>(52,094)</u>	<u>(29,808)</u>
Termination benefits	-	-
Total	<u>1,143,852</u>	<u>1,162,240</u>

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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 and managed funds 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 and managed funds. The analysis is based on the assumption that the equity and managed fund indexes had increased/(decreased) by 10% (2017 – 10%) with all other variables held constant and all the Union's equity and managed funds instruments moved according to the historical correlation with the index.

	2018	2017
	\$	\$
Effect on equity:		
Increase of equity index by 10%	1,601,154	1,540,560
Decrease of equity index by 10%	(1,601,154)	(1,540,560)

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.

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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 :

	2018	2017
	\$	\$
Cash at bank		
A- Rating	2,406,945	1,777,818
BBB Rating	5,603,240	4,121,756
	<u>8,010,185</u>	<u>5,899,574</u>
 Term Deposits		
BBB Rating	4,511,034	4,385,581

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:

	2018	2017
	\$	\$
Effect on results:		
Increase of interest rates by 1%	101,143	85,073
Decrease of interest rates by 1%	(101,143)	(85,073)

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Maturity profile of financial instruments

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

2018	Weighted Average Interest Rate	Floating Interest Rate	1 year or less	1 to 5 years	Non Interest Bearing	Total
	%	\$	\$	\$	\$	\$
Financial Assets						
Cash on hand		-	-	-	2,028	2,028
Cash at bank	1.75	8,010,185	-	-	-	8,010,185
Term Deposits	2.80	-	4,511,034	-	-	4,511,034
Other Receivables		-	-	-	1,236,690	1,236,690
Investments		23,852,573	-	-	-	23,852,573
		31,862,758	4,511,034	-	1,238,718	37,612,510
Financial Liabilities						
Trade & other payables		-	-	-	719,865	719,865
Net Financial Assets		31,862,758	4,511,034	-	518,853	36,892,645
2017	Weighted Average Interest Rate	Floating Interest Rate	1 year or less	1 to 5 years	Non Interest Bearing	Total
	%	\$	\$	\$	\$	\$
Financial Assets						
Cash on hand		-	-	-	1,266	1,266
Cash at bank	2.00	5,899,574	-	-	-	5,899,574
Term Deposits	2.85	-	4,385,581	-	-	4,385,581
Other Receivables		-	-	-	1,436,196	1,436,196
Investments		23,232,623	-	-	-	23,232,623
		29,132,197	4,385,581	-	1,437,462	34,955,240
Financial Liabilities						
Trade & other payables		-	-	-	638,968	638,968
Net Financial Assets		29,132,197	4,385,581	-	798,494	34,316,272

**NATIONAL UNION OF WORKERS
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

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 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Available-for-sale financial assets	16,011,542	-	-	16,011,542
30th June 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Available-for-sale financial assets	15,405,600	-	-	15,405,600

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**

OFFICER DECLARATION STATEMENT

I, Susie Allison, being the Branch Secretary of the National Union of Workers – Victorian Branch, declare that the following activities did not occur during the reporting period ending 30th June 2018.

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 revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have a balance within the general fund
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer:



Dated:

11/10/18





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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL UNION OF WORKERS VICTORIAN BRANCH

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of National Union of Workers – Victorian Branch, which comprises the statement of financial position as at 30th June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30th June 2018, notes to the financial statements, including a summary of significant accounting policies; the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report:

- a) presents fairly, in all material aspects, the financial position of National Union of Workers - Victorian Branch as at 30th June 2018, and its financial performance and its cash flows for the year ended on that date; and
- b) complies with the Australian Accounting Standards; and
- c) 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 the Committee of Management's use of the going concern basis in the preparation of the financial statements of the Union is appropriate.

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





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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL UNION OF WORKERS VICTORIAN BRANCH (Continued)

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

Independence

We are independent of the Union 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.

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 our knowledge obtained in the audit or otherwise appears to be materially misstated.

Partners:
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Stephen J. Eedy CPA
Suzanne J. Eddy CPA





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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL UNION OF WORKERS VICTORIAN BRANCH (Continued)

Information Other than the Financial Report and Auditor's Report Thereon (continued)
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 Union is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009, 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 Union'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 Union 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 our 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.

Partners:
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL UNION OF WORKERS VICTORIAN BRANCH (Continued)

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

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 our 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 Union'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 Union'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 Union 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL UNION OF WORKERS VICTORIAN BRANCH (Continued)

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Union to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Union audit. We remain solely responsible for our audit opinion.

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.

We declare that we are an approved auditor, a member of CPA Australia and hold a current Public Practising Certificate.

EDDY PARTNERS ACCOUNTANTS & AUDITORS

David James Eddy, CPA – Partner
Approved auditor (AA2017/89)

Melbourne

Date: 11th October 2018

Partners:
David J. Eddy CPA
Stephen J. Eddy CPA
Suzanne J. Eddy CPA

