



9 January 2015

Mr David O'Byrne
National Secretary
United Voice

Sent by email: elaine.hudson@unitedvoice.org.au

Dear Mr O'Byrne

United Voice, National Council - Financial Report for year ended 30 June 2014 - (FR2014/94)

I refer to the financial report of the National Council of United Voice. The documents were lodged with the Fair Work Commission on 17 December 2014. The financial report has been filed.

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 2015 may be subject to an advanced compliance review.

I make the following comments 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 Fair Work Commission will confirm these matters have been addressed prior to filing next year's report.

Disclosure of employee benefits to office-holders and other employees

Note 10A disclosed employee benefits by office-holders and 'other employees' and disclosed *provisions* in respect of some but not all of the categories described in the Reporting Guidelines [see RGs 20(c), 20(d)]. Balances were not included for separation/redundancy provisions [RGs 20(c)(iii), 20(d)(iii)] or 'other' employee benefits provisions [RGs 20(c)(iv), 20(d)(iv)].

Reporting Guideline 21 states that if any activities identified in item 20 did not occur in the reporting period, a statement to this effect (or a nil balance¹) must be included in the general purpose financial report.² FWC correspondence in relation to the previous year's report may not have made this clear.

Auditor's report: declaration regarding going concern

Paragraph 39 of the reporting guidelines requires an auditor to include in the auditor's statement a declaration that as part of the audit of the financial statement they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting

¹ cf. Model Financial statements 2013-2014 at <https://www.fwc.gov.au/registered-organisations/compliance-governance/financial-reporting>

² See also RGs 13, 15, 17, 19, 21, 23, 25 for which non-activity statements or nil balances in respect of all activity categories described in the respective preceding RGs must be included.

unit's financial statements is appropriate. This declaration was not included in the auditor's statements.³ I note that this omission also occurred in the previous report but does not appear to have been drawn to your attention in previous correspondence.

I attach a copy of the Reporting Guidelines for reference. If you have any queries regarding this letter, I may be contacted on (02) 6723 723 or by email at stephen.kellett@fwc.gov.au.

Yours sincerely

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

cc. Ms Elaine Hudson

³ See also the declaration and information required by paragraph 38



10 December, 2014

Ms Bernadette O'Neill
Fair Work Australia
80 William Street
EAST SYDNEY NSW 2011

Dear Ms O'Neill

RE: NATIONAL COUNCIL FINANCIAL REPORTS

I am writing to lodge the financial reports for the United Voice National Council for the year ended 30 June 2014. Enclosed is the full Financial Report including:

- The National Executive Statement signed by the National Secretary
- The Operating Report signed by the National Secretary
- The Independent Audit Report signed by the Auditors
- The Accounts, including the notes to and forming part of the accounts.

The financial reports were sent to the National Executive on the 6 November, 2014. The Executive resolved:

- That the operating report be approved and signed
- To endorse the National Executive Statement
- That the National Secretary be authorised to sign the National Executive Statement
- That the financial reports be distributed to members by publication on the United Voice website and advertising that link in November edition of Union News.

Subsequently the financial report including the General Purpose Financial Report, the Auditors statements and the operating report were supplied to members through publication on the United Voice website. Members also received a copy of Union News which contained an advertisement advising members how to view the reports on the website.

A full report was provided to the Committee of Management on 9 December, 2014 and was

adopted. Also enclosed is a copy of the National Secretary's certificate dated 11 December, 2014.

On the basis of the above and the enclosed documentation it would seem that the United Voice National Council has complied with the audit and reporting requirements of the Act.

If you have any questions please contact me.

Yours faithfully

A handwritten signature in black ink, appearing to read 'D. O'Byrne', with a small dot at the end.

DAVID O'BYRNE
NATIONAL SECRETARY

UNITED VOICE NATIONAL COUNCIL

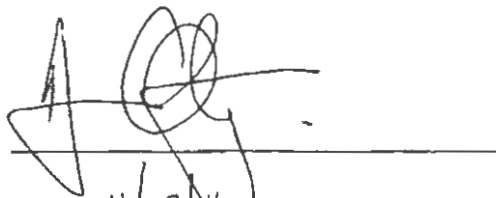
FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2014

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, David O'Byrne, being the National Secretary of the United Voice, National Council certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- That the full report was provided to members on 23 November 2014 and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 9th December, 2014 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signed

A handwritten signature in black ink, appearing to be 'David O'Byrne', written over a horizontal line.

Date:

A handwritten date '11/12/14' written over a horizontal line.

UNITED VOICE NATIONAL COUNCIL

**FINANCIAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2014**

UNITED VOICE NATIONAL COUNCIL

OPERATING REPORT

United Voice is a union of workers organising to win better jobs, stronger communities, a fairer society and a sustainable future.

This Operating Report covers the activities of United Voice National Council for the financial year ended 30 June 2014.

1. Principal Activities of the National Council

The principal activities of the National Council of the Union, as conducted through the National Office, during the past year fell into the following categories:

- Implementation of the decisions of the National Executive and National Council.
- Implementation of the union's organising agenda, including direct assistance and strategic advice on particular industry or site organising projects, the training and development of officials and assistance to branches on planning and resourcing campaigns.
- Coordination of campaigns undertaken by the union. This particularly focussed on the child care industry.
- Industrial support including representation of individual member grievances, advice on legal and legislative matters and responding to other unions' rules applications where they impact on membership of United Voice.
- The administration of federal awards and initiating and responding to variations to federal awards.
- Participation in campaigns and other work conducted by the ACTU.
- Management of information technology, the membership database and strategic systems designed to support organising.
- National media and communications to members and to the broader community via media and public comment, video and film development, websites and social media and targeted publications, including the national magazine.
- National bargaining in key industries and assistance to branches on bargaining by request.
- Assisting branches in their implementation of the union's policies and the priorities established by the National Council and National Executive.
- Lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to United Voice members e.g. funding of aged care and government tendering.
- Advocacy to bodies set up by government to enquire into policy areas affecting United Voice members including enquiries by the Productivity Commission.
- Research and campaigning on social justice issues that affect United Voice members including taxation, affordable housing and penalty rates.

2. The National Council's Financial Affairs

United Voice ended the 2013-14 year with a small deficit of \$147,511. The deficit is the result of a decrease in sustentation income from the Branches due to an overpayment of sustentation by the WA Branch in the previous two financial years. Income from the Thomas Street property was also lower as the NSW Branch of the Union relocated to a new level in the building. Total income was \$10,430,000 – a decline of 7% in the financial year.

Expenses also decreased in 2013-14 by 4% to \$10,577,512. The decrease was due to savings in IT, Communication and Meeting costs.

This resulted in a small deficit in the profit and loss.

The Thomas Street property, owned jointly by the National Council and the NSW Branch of the Union, was revalued this financial year. This increased the accumulated funds of the National Council by \$9.6 million bringing the total accumulated funds to \$31.3 million.

3. Right of Members to Resign

All Members of the Union have the right to resign from the Union in accordance with Rule 10 of the Union Rules, and Section 174 of the Fair Work (Registered Organisations) Act 2009

In accordance with Section 174(1) of the Fair Work (Registered Organisations) Act 2009 a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a Branch of the organisation.

UNITED VOICE NATIONAL COUNCIL

OPERATING REPORT (CONT'D)

4. Superannuation Trustees

Troy Burton was an officer of the National Office and a Trustee and Member of the Board of Directors of the HOSTPLUS Superannuation Fund.

Brian Daley is an officer of the National Office and is a Trustee and Member of the Board of Directors of the HOSTPLUS Superannuation Fund and the Australian Super Fund.

Rebecca Stark is an officer of the National Office and is a Trustee and Member of the Board of Directors of the HOSTPLUS Superannuation Fund.

Peter Tullgren was an officer of the National Office and a Member of the Board of Tasplan Superannuation Fund.

All fees (including superannuation) paid for these positions were paid to the Union. This is reported as Sundry Income.

Total Income received in 2013-2014 as payment for Directors was:

Australian Super	\$ 64,184
Host Plus	\$294,291
Tasplan	\$ 15,794

5. Membership of the Union

There were 108,227 members of the union as at 30 June 2014.

6. Employees of the National Council

As at 30 June 2014 the National Council employed 24 full time employees and 5 part time employees with a total number of 27.2 employees on a fulltime equivalent basis working in National Office. There were also 3 staff members on unpaid leave.

The ACT Branch employees were also employed by the National Office as at 30 June, 2014. The ACT Branch has 4 full time employees and 4 part time employees with a total number of 5.97 employees on a fulltime equivalent basis.

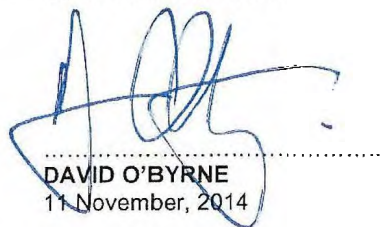
The Tasmanian Branch employees were also employed by the National Office as at 30 June, 2014. The Tasmanian Branch has 5 full time employees and 8 part time employees with a total number of 9.95 employees on a fulltime equivalent basis.

7. National Executive

The following persons were members of the National Executive, during the year ending 30 June 2014:

<i>Name</i>	<i>Period of appointment</i>
Louise Tarrant	1.7.13 to 30.6.14 (On leave)
David O'Byrne (Acting)	27.6.14 to 30.6.14
Sharron Caddie	22.7.13 to 30.6.14
Michael Crosby	1.7.13 to 30.6.14
Troy Burton	1.7.13 to 21.3.14
Mark Boyd	1.7.13 to 30.6.14
Mel Gatfield	1.7.13 to 30.6.14
Carolyn Smith	1.7.13 to 30.6.14
Kelly Shay	1.7.13 to 30.6.14
Jess Walsh	1.7.13 to 30.6.14
Ben Redford	1.7.13 to 30.6.14
Helen Gibbons	1.7.13 to 30.6.14
David Di Troia	1.7.13 to 30.6.14
Robyn Buckler	1.7.13 to 30.6.14
Gary Bullock	1.7.13 to 30.6.14
Sheila Hunter	1.7.13 to 30.6.14
Lyndal Ryan	1.7.13 to 30.6.14
Matthew Gardiner	1.7.13 to 30.6.14

For the National Executive



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DAVID O'BYRNE
11 November, 2014

UNITED VOICE NATIONAL COUNCIL

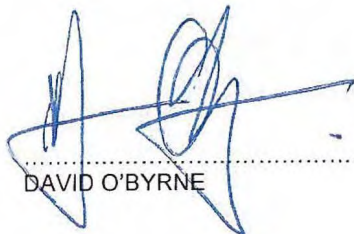
NATIONAL EXECUTIVE'S STATEMENT

On 5th of November 2014, the National Executive of United Voice National Council, passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2014:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) The financial statements and notes comply with the Australian Accounting Standards;
- (b) The financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia (FWA);
- (c) The financial statements and notes give a fair view of the financial performance, financial position and cash flows of the National Council for the financial year to which they relate;
- (d) There are reasonable grounds to believe that the National Council will be able to pay its debts as and when they become due and payable;
- (e) During the financial year to which the GPFR relates and since the end of that year:
 - (i) Meetings of the committee of management were held in accordance with the rules of the organization and the rules of the National Council; and
 - (ii) The financial affairs of the National Council have been managed in accordance with the rules of the organization and the rules of the National Council; and
 - (iii) The financial records of the National Council have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) The financial records of the National Council have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
 - (v) No information has been sought in any request of a member of the National Council or the general manager of FWA under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - (vi) No order for inspection of the financial records has been made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) During the financial year ended 30 June 2014 the National Council did not participate in any recovery of wages activity.

For the National Executive:



DAVID O'BYRNE

11 November, 2014

UNITED VOICE NATIONAL COUNCIL
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014	2013
INCOME		\$	\$
Membership Income - ACT Branch	4A	777,864	756,598
Membership Income- Tas Branch	4A	1,321,566	1,351,498
Sustentation Fees	4B	6,111,090	6,677,644
Interest Income	4C	61,239	97,383
Property Income	4D	528,307	519,035
Merchandising Revenue	4E	5,535	14,590
Other Revenue	4F	975,655	903,567
Total Revenue		9,781,256	10,320,314
Other Income			
Share of profit from Thomas Street	4G	637,038	887,012
Net gain from sale of assets	4H	11,707	5,644
Total Other Income		648,745	892,656
TOTAL INCOME		10,430,001	11,212,970
EXPENSES			
Employee Expenses	5A	6,592,764	6,372,509
Indirect Employment Costs	5B	147,828	157,338
Affiliation Fees	5C	543,298	505,464
Administration Expenses	5D	314,353	291,217
Depreciation	5E	379,790	473,463
Grants and Donations	5F	157,564	171,698
Finance Costs	5G	63,551	59,960
Legal & Professional Costs	5H	175,795	231,563
Meeting and Conference Costs	5I	745,727	770,051
Campaign Costs	5J	243,231	292,364
Communication Costs	5K	377,893	437,897
IT Costs	5L	388,398	605,435
Research Costs	5M	237,369	508,837
Assistance to NT Branch	5N	209,951	209,568
TOTAL EXPENDITURE		10,577,512	11,087,364
OPERATING (DEFICIT)/ SURPLUS FOR THE YEAR		(147,511)	125,604

(The Attached Notes Form Part of these Financial Statements)

UNITED VOICE NATIONAL COUNCIL
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash and Cash Equivalents	6A	1,360,493	1,467,034
Receivables	6B	2,343,444	2,351,770
Stock on Hand – Badges and other merchandise		45,139	29,313
Term Deposits – Employee Leave Fund	6C	<u>1,916,093</u>	<u>1,861,139</u>
Total Current Assets		<u>5,665,169</u>	<u>5,709,256</u>
NON CURRENT ASSETS			
Financial Assets		557	557
Thomas Street Property Account	8A	23,537,266	14,116,760
Property, Plant and Equipment	7A	<u>4,039,877</u>	<u>4,274,716</u>
Total Non Current Assets		<u>27,577,700</u>	<u>18,392,032</u>
TOTAL ASSETS		<u>33,242,869</u>	<u>24,101,288</u>
CURRENT LIABILITIES			
Payables			
Sundry Creditors	9A	985,629	1,407,232
Provisions			
Provision for Annual Leave	10A	471,408	497,280
Provision for Long Service Leave	10A	<u>463,428</u>	<u>397,336</u>
		<u>934,836</u>	<u>894,616</u>
Total Current Liabilities		<u>1,920,465</u>	<u>2,301,848</u>
TOTAL LIABILITIES		<u>1,920,465</u>	<u>2,301,848</u>
NET ASSETS		<u>31,322,404</u>	<u>21,799,440</u>
EQUITY			
Asset revaluation reserve		9,670,475	-
Retained Earnings		<u>21,651,929</u>	<u>21,799,440</u>
ACCUMULATED FUNDS		<u>31,322,404</u>	<u>21,799,440</u>

(The Attached Notes Form Part of these Financial Statements)

**UNITED VOICE NATIONAL COUNCIL
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 30 JUNE 2014**

	Asset Revaluation Reserve	Accumulated Funds	Total
	\$	\$	\$
Balance as at 30 June 2012	-	21,673,836	21,673,836
Net Surplus for Year Ended 30 June 2013	-	125,604	125,604
Balance as at 30 June 2013	-	21,799,440	21,799,440
Net Deficit for Year Ended 30 June 2014	-	(147,511)	(147,511)
Revaluation Increment	9,670,475	-	9,670,475
Balance as at 30 June 2014	9,670,475	21,651,929	31,322,404

(The Attached Notes Form Part of these Financial Statements)

UNITED VOICE NATIONAL COUNCIL

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Sustentation Fees		6,557,417	6,424,648
Payments to Suppliers and Employees		(10,933,352)	(10,429,098)
Membership Contributions for ACT & TAS		2,099,430	2,108,095
Interest Received		70,834	91,826
Other Income		<u>1,400,322</u>	<u>1,361,280</u>
Net Cash Used In Operating Activities	11(b)	<u>(805,349)</u>	<u>(443,249)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property, Plant and Equipment		6,000	14,043
Payments for Property, Plant and Equipment		(141,622)	(36,293)
Proceeds from Investments		-	84,802
Payments for Investments		(52,582)	-
Distribution from Thomas Street Property Account		<u>887,012</u>	<u>648,674</u>
Net Cash Provided By Investing Activities		<u>698,808</u>	<u>711,226</u>
NET (DECREASE)/INCREASE IN CASH HELD		<u>(106,541)</u>	<u>267,977</u>
Cash at the Beginning of the Year		<u>1,467,034</u>	<u>1,199,057</u>
CASH AT THE END OF THE YEAR	11(a)	<u>1,360,493</u>	<u>1,467,034</u>

(The Attached Notes Form Part of these Financial Statements)

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards – including Australian Accounting interpretations of the Australian Accounting Standards Board, the Fair Work (Registered Organisations) Regulations 2009 and the Fair Work (Registered Organisations) Act 2009.

Basis of Preparation

The financial report is for the entity United Voice - National Council, as an individual entity. United Voice - National Council is an organisation registered under the Fair Work (Registered Organisations) Act 2009. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the National Executive are not subject to the Corporations Act 2001.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

(a) Revenue

Sustentation Fees, Interest and Contribution Income are accounted for on an accruals basis.

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

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

(b) Income Tax

No provision for Income Tax is necessary as the Union is exempt from Income Tax under Section 50 - 15 of the Income Tax Assessment Act 1997.

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Property, Plant and Equipment

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

Depreciation

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

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

Property	2%
Office Furniture and Equipment	20%
Motor Vehicles	15%

Derecognition

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

(d) Jointly Controlled Operations

The entity's share of assets, liabilities, revenue and expenses of jointly controlled operations have been included in the financial statements. Details of the national council's interests are provided in Note 8.

(e) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset's class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Financial assets

Initial recognition and measurement

Financial assets are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the union commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset.

Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the union's intention to hold these investments to maturity.

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale investments

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the union assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets will be deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a "loss event"), which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors, or a group of debtors, are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter into bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having undertaken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the union recognises the impairment for such financial assets by taking into account the

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition of financial assets

The reporting unit 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 risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of 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.

(g) Account Receivables and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

(h) Employee Benefits

Short-term employee provisions

Provision is made for the union's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The union's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the union does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Contributions are made to employee superannuation funds and are charged as expenses when incurred.

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(j) Account Payables and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the union during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(k) Cash on Hand

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(l) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(m) Accounting standards issues but not yet effective

There has been no accounting standards issued which will have a financial impact on the financial report in future periods and which are not yet effective.

(n) New accounting standards for application in future periods

– AASB 9: Financial Instruments (December 2010) and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2017).

These Standards will be applicable retrospectively (subject to the provisions on hedge accounting) and include revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The key changes that may affect the union on initial application of AASB 9 and associated Amending Standards include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items. Should the entity elect to change its hedge accounting policies in line with the new hedge accounting requirements of AASB 9, the application of such accounting would be largely prospective.

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Union makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

(b) Critical judgments in applying the Union's accounting principles

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

3. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009 the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of the Fair Work (Registered Organisations) Act 2009 which read as follows:

- (1) A member of an organisation, or the General Manager of Fair Work Australia, 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).

UNITED VOICE NATIONAL COUNCIL
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
4	Income	
4A	Contributions from Members	
	<u>2,099,430</u>	<u>2,108,096</u>
4B	Sustentation Fees	
	NSW Branch	1,271,589
	Victorian Branch	952,898
	Queensland Branch	1,785,669
	South Australia Branch	937,799
	Western Australia Branch	1,546,268
	Northern Territory Branch	183,421
	<u>6,111,090</u>	<u>6,677,644</u>
4C	Interest Income	
	Interest on Deposits	97,383
	<u>61,239</u>	<u>97,383</u>
4D	Property Income	
	Rental Income Level 9 – Thomas St Property	455,275
	Rental Income Cleveland St Property	63,760
	<u>66,310</u>	<u>63,760</u>
	<u>528,307</u>	<u>519,035</u>
4E	Merchandising Revenue	
	Sale of Merchandise	14,590
	<u>5,535</u>	<u>14,590</u>
4F	Other Revenue	
	Directors Fees	404,151
	Sponsorship	475,500
	Sundry Income	23,916
	<u>276,841</u>	<u>23,916</u>
	<u>975,655</u>	<u>903,567</u>
4G	Share of Profit from Joint Arrangement	
	Revenue	2,285,775
	Expenses	1,398,763
	<u>1,457,182</u>	<u>1,398,763</u>
	<u>637,038</u>	<u>887,012</u>
4H	Gain on Sales of Assets	
	Motor Vehicle	5,643
	<u>11,707</u>	<u>5,643</u>
5	EXPENSES	
5A	Employee Expenses	
	Holders of Office	
	Wages and Salaries	409,736
	Superannuation	49,168
	Leave and Other Entitlements	112,634
	Separation and Redundancies	-
	Other Employee Expenses	47,197
	<u>49,699</u>	<u>47,197</u>
	<u>726,690</u>	<u>618,735</u>
	Subtotal	
	Employees Other than Office Holders	
	Wages and Salaries	3,582,821
	Superannuation	681,061
	Leave and Other Entitlements	610,980
	Separation and Redundancies	-
	Other Employee Expenses	878,912
	<u>807,702</u>	<u>878,912</u>
	<u>5,866,074</u>	<u>5,753,774</u>
	Subtotal	
	<u>6,592,764</u>	<u>6,372,509</u>
	Total	

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
5B	Indirect Employment Costs		
	Removal/Relocation Expenses	14,117	28,841
	Education and Staff Training	31,541	34,580
	Staff Amenities	12,703	14,350
	Staff Selection	26,640	3,256
	Mobile Phone	28,021	33,332
	Motor Vehicle Expenses	34,806	42,979
	Total Indirect Employment Costs	147,828	157,338
5C	Affiliation Fees		
	ACTU	405,276	389,486
	Australian Labor Party – TAS	8,891	8,677
	Australian Labor Party – ACT Branch	5,219	4,780
	Trades & Labor Council – TAS	16,257	15,839
	Unions ACT	6,849	6,676
	UNI	48,313	40,308
	IUF	50,311	38,835
	ACOSS	1,182	263
	APHEDA	1,000	600
	Total Affiliation Fees	543,298	505,464
5D	Administration Expenses		
	Electricity	44,294	53,725
	General Expenses	17,374	9,713
	Postage & Freight	30,440	26,220
	Printing & Stationary	82,477	69,330
	Rates – Council	20,263	17,384
	Other Property Expenses	39,466	31,251
	F&F < \$1,000	4,045	-
	Water	1,952	3,368
	Repairs & Maintenance	12,656	21,781
	Telephone - Fixed	61,385	58,445
	Total Administration Expenses	314,352	291,217
5E	Depreciation		
	Depreciation – Furn & Fitt	15,641	16,094
	Depreciation – Computers	27,840	29,118
	Depreciation – Motor Vehicles	29,782	34,110
	Depreciation - Property	306,527	394,141
	Total Depreciation	379,790	473,463
5F	Donations		
	AFTINET Campaign	5,000	5,000
	APHEDA	34,373	33,690
	ACTU Members Equity Worksite	25,000	-
	Australian Progress	50,000	-
	Occupy Sydney	2,000	-
	Dave Kelly for ALP Bassenden Campaign	-	5,000
	ALP National	23,077	100,385
	ALP – J Austin Campaign	-	2,000
	ALP – H Richardson Campaign	-	5,000
	ALP Tasmanian Branch	15,000	5,000
	Unions TAS PS Election Appeal	1,824	-
	Uniting Church Anti Poverty Week	-	3,000
	Trade Union Committee for Aboriginal Rights	-	5,000
	TAS Bushfires	-	4,000
	COTA	1,000	-
	Incidental Donations	290	3,623
	Total Donations	157,564	171,698

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
5G Finance Costs			
Bank Charges		26,453	24,864
Commissions on PRDs		2,001	2,869
Insurance Premiums		35,097	32,227
		<u>63,551</u>	<u>59,960</u>
5H Legal and Professional Costs			
Legal and Professional		145,795	198,843
Audit Services		-	1,700
Audit Fees		30,000	31,020
		<u>175,795</u>	<u>231,563</u>
5I Meeting and Conference Costs			
Accommodation		142,274	115,369
Airfares		375,961	333,195
Travel Allowance		72,362	43,135
Parking and Cab Charges		57,916	54,805
Other Meeting Costs		54,943	54,361
Conference Costs		42,271	169,186
		<u>745,727</u>	<u>770,051</u>
5J Campaign Costs			
ACTU Advertising Campaign for Industrial Rights		231,586	231,586
Other Expenses		4,330	521
Promotions - Merchandise		7,315	60,257
		<u>243,231</u>	<u>292,364</u>
5K Communication Costs			
Advertising		2,926	3,176
Media Costs		151,483	121,329
Union News National		196,451	236,527
Other Publications		5,011	67,862
Video Production		22,022	9,003
		<u>377,893</u>	<u>437,897</u>
5L IT Costs			
IT Maintenance and Support		371,013	424,008
Internet – Internet and Website		17,385	181,427
		<u>388,398</u>	<u>605,435</u>
5M Research Costs			
Research		213,082	478,437
Subscriptions and Journals		24,287	30,400
		<u>237,369</u>	<u>508,837</u>
5N Assistance to Branches			
Support for the Northern Territory Branch		<u>209,951</u>	<u>209,568</u>

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$		
6 CURRENT ASSETS					
6A Cash and Cash Equivalents					
Cash at Bank		1,358,743	1,465,284		
Cash on Hand		1,750	1,750		
		<u>1,360,493</u>	<u>1,467,034</u>		
6B Receivables					
Amounts Due from Branches	12	1,601,535	2,095,341		
Prepayments		142,940	16,816		
Accrued Interest		4,131	13,726		
Other Receivables		594,838	225,887		
		<u>2,343,444</u>	<u>2,351,770</u>		
6C Long Service Leave Fund Investments					
Short Term Bank Deposits		<u>1,916,093</u>	<u>1,861,139</u>		
7 NON CURRENT ASSETS					
7A Property Plant and Equipment					
(a) Furniture and Fittings					
At Cost		180,721	180,721		
Less Accumulated Depreciation		(174,794)	(159,153)		
		<u>5,927</u>	<u>21,568</u>		
(b) IT Systems					
At Cost		357,546	249,606		
Less Accumulated Depreciation		(243,890)	(216,051)		
		<u>113,656</u>	<u>33,555</u>		
(c) Properties					
Land at Cost		1,558,000	1,558,000		
Building at Cost		4,564,647	4,564,647		
		6,122,647	6,122,647		
Less Accumulated Depreciation		(2,293,578)	(1,987,051)		
		<u>3,829,069</u>	<u>4,135,596</u>		
(d) Motor Vehicles					
At Cost		205,616	225,239		
Less Accumulated Depreciation		(114,390)	(141,242)		
		<u>91,226</u>	<u>83,997</u>		
Total, Property, Plant and Equipment		<u>4,039,878</u>	<u>4,274,716</u>		
7B Movements in Carrying Amounts of Property Plant and Equipment					
	Properties	Furniture & Fittings	Motor Vehicles	IT Systems	Total
	\$	\$	\$	\$	\$
Balance as at 1 July 2013	4,135,596	21,569	83,997	33,556	4,274,718
Additions	-	-	44,940	107,939	152,879
Disposals	-	-	(7,929)	-	(7,929)
Depreciation	(306,527)	(15,641)	(29,782)	(27,840)	(379,790)
Balance as at 30 June 2014	<u>3,829,069</u>	<u>5,928</u>	<u>91,226</u>	<u>113,655</u>	<u>4,039,878</u>

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
8	THOMAS STREET PROPERTY ACCOUNT		
8A	Assets		
	Land at cost	-	3,664,500
	Building at cost	19,500,000	6,321,357
		<u>19,500,000</u>	<u>9,985,857</u>
	Deposit	30,612	30,612
	Accrued Interest	18,730	91,022
	Prepayments	58,765	58,191
	Cash at Bank	326,956	548,893
	Investments	3,850,555	3,557,754
	Sundry Debtors	-	10,671
	Total Assets	<u>23,785,618</u>	<u>14,283,000</u>
	Liabilities		
	Sundry Creditors	248,352	166,240
	Total Liabilities	<u>248,352</u>	<u>166,240</u>
	Net Assets	<u>23,537,266</u>	<u>14,116,760</u>
	The Thomas Street property is co-owned by United Voice National Council and United Voice NSW Branch. The property has been valued to fair value from cost. This gave rise to an asset revaluation increment of \$9,670,475.		
9	CURRENT LIABILITIES		
9A	Sundry Creditors		
	Trade Creditors and Accruals	190,919	523,620
	Payables to Other Reporting Units		
	United Voice NSW Branch	69,488	15,222
	United Voice SA Branch	-	54,493
	United Voice WA Branch	8,451	17,082
	United Voice VIC Branch	16,216	29,618
	United Voice QLD Branch	66,171	-
	Other Payables		
	Superannuation	32,630	27,491
	Consideration to Employers for Payroll Deductions	113,412	111,541
	Prepaid Income	136,853	260,766
	GST Payable	351,489	367,399
		<u>985,629</u>	<u>1,407,232</u>
10	PROVISIONS		
10A	Employee Provisions		
	Office Holders		
	Annual Leave	92,580	95,747
	Long Service Leave	174,842	136,534
	Subtotal	<u>267,422</u>	<u>232,281</u>
	Employees Other than Office Holders		
	Annual Leave	378,828	401,533
	Long Service Leave	288,585	260,802
	Subtotal	<u>667,413</u>	<u>662,335</u>
	Total Employee Provisions	<u>934,835</u>	<u>894,616</u>

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Current		934,835	894,616
Non Current		-	-
Total Employee Provisions		934,835	894,616
11 CASH FLOW			
11A Reconciliation of Cash			
For the purpose of the cash flow statement, cash includes cash on hand and in at call deposits with banks of financial institutions, net of bank overdrafts			
Cash at Bank		1,358,743	1,465,284
Cash on Hand		1,750	1,750
		1,360,493	1,467,034
11B RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH NET (DEFICIT)/ SURPLUS		2014	2013
		\$	\$
Net (Deficit)/Surplus		(147,511)	125,604
Non Cash Flows in Net (Deficit)/Surplus			
Depreciation		379,790	473,463
Surplus on Disposal of Assets		(11,707)	(5,643)
Thomas Street Surplus		(637,038)	(887,012)
Changes in Assets and Liabilities			
(Increase)/Decrease in stock on hand		(15,826)	18,275
(Increase)/Decrease in other receivables		(368,951)	51,047
(Increase)/Decrease in prepayments		(126,124)	20,811
Decrease/(Increase) in Accrued Interest		9,595	(5,557)
Decrease/(Increase) in Amounts due from Branches		493,806	(393,335)
(Decrease)/Increase in Sundry Creditors		(421,602)	210,570
Increase /(Decrease) in Employees Provisions		40,219	(51,473)
		(805,349)	(443,250)
12 AMOUNTS DUE FROM BRANCHES		2014	2013
		\$	\$
NSW Sustentation		340,616	360,476
Other		4,388	100,770
Victoria Sustentation		264,888	273,685
Other		5,089	11,360
Queensland Sustentation		492,198	529,343
Other		4,388	5,028
South Australia Sustentation		268,080	259,362
Other		4,388	3,350
Western Australia Sustentation		88,376	424,306
Other		4,627	3,350
Northern Territory Sustentation		52,506	105,821
Other		71,991	18,491
Provision for Doubtful Debts		-	-
	6B	1,601,535	2,095,342

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

13 RELATED PARTIES

(a) The following persons have held office in the Union during the financial period.

National President	Michael Crosby	1.7.13	30.6.14
National Vice Presidents	Lyndal Ryan	1.7.13	30.6.14
	Jess Walsh	1.7.13	30.6.14
National Secretary	Louise Tarrant	1.7.13	30.6.14
	David O'Byrne (Acting)	27.6.14	30.6.14
Assistant National Secretaries	Sharron Caddie	22.7.13	30.6.14
	Troy Burton	1.7.13	21.3.14
Executive Members	Mark Boyd	1.7.13	30.6.14
	Melanie Gatfield	1.7.13	30.6.14
	Gary Bullock	1.7.13	30.6.14
	Sheila Hunter	1.7.13	30.6.14
	David DiTroia	1.7.13	30.6.14
	Robyn Buckler	1.7.13	30.6.14
	Carolyn Smith	1.7.13	30.6.14
	Kelly Shay	1.7.13	30.6.14
	Jess Walsh	1.7.13	30.6.14
	Lyndal Ryan	1.7.13	30.6.14
	Helen Gibbons	1.7.13	30.6.14
	Matthew Gardiner	1.7.13	30.6.14
	Ben Redford	1.7.13	30.6.14

(b) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the statement of profit or loss and other comprehensive income under "Salaries – Officers".

Salaries of Elected Officials	Salary & wages	Superannuation	Other Benefits	Total
National Secretary	121,213	12,522	-	133,735
National President	94,936	12,873	13,646	121,455
Assistant National Secretary- S.Caddie	103,308	12,521	12,806	128,635
Assistant National Secretary- T.Burton	70,991	13,458	-	84,449
Tas Branch Secretary	108,531	13,188	13,646	135,365
ACT Branch Secretary	101,771	11,679	9,601	123,051
TOTAL	600,750	76,241	49,699	726,690

(c) The aggregate amount paid to a superannuation plan in respect of the retirement of officers is disclosed in the statement of comprehensive income under Superannuation - Officers.

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

- (d) There have been no other transactions between the officers and the Union other than those relating to their membership of the Union and the reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.
- (e) The National Council is the ultimate controlling entity of the United Voice Union.

Transactions with Branches:

- (i) Sustentation fees charged to Branches are disclosed as income in the statement of profit or loss and other comprehensive income and detailed in Note 4B.
- (ii) Assistance by the National Council to the Northern Territory Branch is disclosed as an expense in the Statement of profit or loss and other comprehensive income.
- (iii) Transactions between the Branches of the Union and the National Office occur for the provision of services and reimbursement of expenses. The value of these transactions in the 2013-14 financial year was:

	Payments to the Branches	Received from the Branches
United Voice NSW Branch	38,980	258,835
United Voice NT Branch	38,211	11,935
United Voice Qld Branch	283,910	120,673
United Voice Vic Branch	120,281	33,985
United Voice SA Branch	133,164	161,388
United Voice WA Branch	93,266	165,845

- (iv) Amounts receivable from Branches are disclosed in the statement of financial position and detailed in note 6B.
- (v) As disclosed at Note 8, the National Council and NSW Branch have a joint operation in the Thomas Street Property Account.

(e) **Close Members of the Family of Key Management Personnel**

There are staff members that work at the union who are close members of the family of Key Management Personnel. These staff members are employed on similar terms and conditions that are no more favourable to any other staff members at the union for their positions and experience. The total amount of salaries and wages received by them was:

Ted Crosby	\$90,309
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No other non-arms length transactions occurred with them that require disclosure in these accounts.

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

14. FINANCIAL RISK MANAGEMENT

(a) General objectives, policies and processes

The union is exposed to risks that arise from its use of financial instruments. This note describes the union's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the union's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The union's financial instruments consist mainly of deposits with banks, trade receivables and payables. The main risks the union is exposed to through its financial instruments are interest rate risk (see section (e) below), liquidity risk and credit risk.

The National Council has overall responsibility for the determination of the union's risk management objectives and policies and whilst retaining ultimate responsibility for them, the National Council makes investment decisions after considering appropriate advice.

(b) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the union incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the union.

There is no concentration of credit risk with respect to current and non-current receivables.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

	2014 \$	2013 \$
Debtors – Branches	1,601,535	2,095,341
Other receivables	<u>594,838</u>	<u>225,887</u>
Total loans and receivables	<u>2,196,373</u>	<u>2,321,228</u>

There has been no history of default and all receivables are likely to be repaid within the expected terms.

	2014 \$	2013 \$
Cash	1,360,493	1,467,034
Term deposits employee leave fund	<u>1,916,093</u>	<u>1,861,139</u>
Total cash and cash equivalents	<u>3,276,586</u>	<u>3,328,173</u>

Cash and cash equivalents are held within Australian financial institutions with good credit history.

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

(c) Liquidity Risk

Liquidity risk is the risk that the union may encounter difficulties raising funds to meet commitments associated with financial liabilities.

As at 30 June 2014 the Union had cash of \$1,360,493 (2013: \$1,467,034) to meet these commitments as they fall due. The Union manages liquidity risk by monitoring cash flows and maintains an investment fund in respect of the leave liability.

(d) Market Risk

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk).

(e) Interest Rate Risk

The Union's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities, is summarised below.

The Council's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below:

30 June 2014	Floating Interest Rate	Fixed Interest Rate		Non interest Bearing	Total
		1 year or less	Over 1 to 5 years		
Financial Assets	\$	\$	\$	\$	\$
Cash	1,358,743	-	-	1,750	1,360,493
Term deposits employee leave fund	-	1,916,093	-	-	1,916,093
	1,358,743	1,916,093		1,750	3,276,586
Weighted average Interest rate	0.5%	3.5%			
Financial Liabilities					
Payables	-	-	-	(985,629)	(985,629)
Net financial assets	1,358,743	1,916,093		(983,879)	2,290,957

UNITED VOICE NATIONAL COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

30 June 2013	Floating Interest Rate	Fixed Interest Rate	Non interest Bearing	Total
		1 year or less	Over 1 to 5 years	
Financial Assets	\$	\$	\$	\$
Cash	1,465,284	-	-	1,750
Term deposits employee leave fund	-	1,861,139	-	-
	1,465,284	1,861,139	-	1,750
Weighted average Interest rate	0.5%	4.6%		
Financial Liabilities				
Payables	-	-	-	(1,407,231)
Net financial assets	1,465,284	1,861,139	-	(1,405,481)

Sensitivity Analysis

2014	Carrying Amount	+1%	-0.25%
	\$	Profit	Loss
		\$	\$
Cash at Bank	1,358,743	13,587	3,397
Term deposits employee leave fund	1,916,093	19,161	4,790
2013	Carrying Amount	+1%	-0.25%
T	\$	Profit	Loss
h		\$	\$
eCash at Bank	1,465,284	14,653	3,663
Term deposits employee leave fund	1,861,139	18,611	6,653

(f) Other Price Risks

The union does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

(g) Foreign Exchange Risk

The union is not exposed to foreign exchange rate risk.

(h) Fair Value Measurements

The carrying value of the Council's assets approximates to their fair value.

15. REGISTERED OFFICE

The registered office and principal place of business of the National Council is:

313 Cleveland Street
REDFERN NSW 2016

16. EVENTS AFTER THE REPORTING PERIOD

The executive is not aware of any significant events since the end of the reporting period.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITED VOICE NATIONAL COUNCIL

Report to the Members of United Voice, National Council

We have audited the accompanying financial report of United Voice, National Council which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, the statement of changes in accumulated funds and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the National Executive's statement.

Responsibility of the National Executive and the National Secretary for the financial report

The National Executive and the National Secretary are 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) Regulations 2009 and all requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 and for such internal control as the National Executive and National Secretary 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 whether the financial report is free from material misstatement.

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 judgment, 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 company's preparation 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 National Executive and the National Secretary, 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, the Fair Work (Registered Organisations) Act 2009.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITED VOICE NATIONAL COUNCIL

Auditor's Opinion

In our opinion the financial report of the United Voice National Council is in accordance with the Fair Work (Registered Organisations) Regulations 2009, including:

- (i) giving a true and fair view of the entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) the Fair Work (Registered Organisations) Regulations 2009 and all requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

Hall Chadwick

Hall Chadwick
Level 40, 2 Park Street
Sydney, NSW

Graham Webb

Graham Webb
Partner

11 November 2014

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31 July 2014

Ms Louise Tarrant
National Secretary
United Voice
Sent by email: info@unitedvoice.org.au

Dear Ms Tarrant,

**Re: Lodgement of Financial Report - [FR2014/94]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the United Voice (the reporting unit) ended on 30 June 2014.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 January 2015 (being the expiry date of 6 months and 14 days from the end of the financial year), under s.268 of the RO Act.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Further, the General Manager's updated Reporting Guidelines, that apply to all financial reports prepared on or after 30 June 2014, are also available on the website. For your convenience, our webinar video and slides on the Reporting Guidelines have also been placed on the website.

The Fair Work Commission has also developed a model set of financial statements. There is no requirement to use this model but it may be a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. All of the above information can be accessed through our website under [Financial Reporting](#).

The financial report and any statement of loans, grants or donations made during the financial year (statement must be lodged within 90 days of end of financial year) can be emailed to orgs@fwc.gov.au. A sample statement of loans, grants or donations is available at [sample documents](#).

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$51,000 for a body corporate and \$10,200 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at robert.pfeiffer@fwc.gov.au .

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
<p>(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.</p> <p>(b) A # designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).</p>	/ /	As soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	<p>Within a reasonable time of having received the GPFR</p> <p>(NB: Auditor's report must be dated on or after date of Committee of Management Statement</p>
<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	/ /	<p>(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,</p> <p>or</p> <p>(b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.</p>
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.