



21 April 2017

Ms Jo-Anne Schofield
National Secretary
United Voice
303 Cleveland Street
REDFERN NSW 2016

via email: jo.schofield@unitedvoice.org.au

Dear Ms Schofield

United Voice Financial Report for the year ended 30 June 2016 - [FR2016/258]

I acknowledge receipt of the financial report for the year ended 30 June 2016 for the United Voice (**the reporting unit**). The documents were lodged with the Fair Work Commission (**FWC**) on 15 December 2016. I also acknowledge the supplementary information and amended financial report provided on 2 March 2017 and 7 April 2017 which addressed the issues raised in my letter dated 25 January 2017.

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

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you wish to discuss this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on 03) 8656 4681 or by email at joanne.fenwick@fwc.gov.au.

Yours sincerely

Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch



7 April, 2017

Ms Joanne Fenwick
Regulatory Compliance Branch
Fair Work Commission
GPO Box 1994
MELBOURNE VIC 3000

Dear Ms Fenwick

RE: NATIONAL COUNCIL FINANCIAL REPORTS

I am writing to lodge the amended financial report for the United Voice National Council for the year ended 30 June 2016. Enclosed is the full Financial Report

The amended financial report was sent to the National Executive on the 14 March, 2017. 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.

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.

A full report was provided to the Committee of Management on 4 April, 2017 and was adopted. Also enclosed is a copy of the National Secretary's certificate dated 7 April, 2017.

We thank you for your assistance throughout the process of amending the notes to our report to achieve compliance.

Yours faithfully

JO-ANNE SCHOFIELD
NATIONAL SECRETARY

UNITED VOICE NATIONAL COUNCIL

FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2016

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, Jo-anne Schofield, 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 the 14 March, 2017; and
- That the full report was presented to a meeting of the committee of management of the reporting unit on the 4 April, 2017 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signed


Jo-anne Schofield

Date 7 April, 2017

UNITED VOICE NATIONAL COUNCIL

Financial Report for 2015-16

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 2016.

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 save our weekend campaign and the child care industry but assistance was also provided in the cleaning, aged care and home care campaigns.
- Industrial work on both the Penalty Rates case and the ERO case.
- The administration of federal awards and initiating and responding to variations to federal awards.
- Participation in campaigns and other work conducted by the ACTU and on the ACTU Executive.
- 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. the funding of aged care and the government tendering process for cleaners.
- 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.

This has led to the National Union leading the save our weekend campaign. The National Council will also oversee the landmark ERO case.

There have been no significant changes in the work of the National Council in 2015-16.

UNITED VOICE NATIONAL COUNCIL

OPERATING REPORT (CONT'D)

2. The National Council's Financial Affairs

United Voice ended the 2015-16 year with an operating surplus of \$357,213. The revaluation of the Thomas Street property increased the surplus to \$6,935,496.

The income of the National Council in 2015-16 was \$13.65m which is an increase of over \$1.5m. This increase is due to the Northern Territory Branch accounts being included with the National Council accounts from the 1st November, 2015.

Expenses also increased in 2015-16 by \$1.3m as we absorbed the costs of running the NT Branch.

This resulted in a surplus in the profit and loss which increased the accumulated funds of the National Council to \$41,818,960. Most of these assets are held as property but Cash Investments also increased in 2015-16 to \$6.2m. National Council continues to hold cash assets to cover all employees leave entitlements.

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.

4. Superannuation Trustees

David McElrea is an elected official of the National Office and is a Trustee and Member of the Board of Directors of the HOSTPLUS Superannuation 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.

Robyn Buckler is an officer of the SA Branch and is a Trustee and Member of the Board of Directors of the HOSTPLUS Superannuation Fund.

Tim Lyons has been contracted to fill a position as Trustee on the Board of Host Plus.

Helen Gibbons is an elected official of the National Office and is a member of the Board of Directors of HESTA.

All fees (including superannuation) paid for these positions were paid to the Union apart from HESTA who pay the superannuation of the Director's Fee directly to the official. United Voice has sought a ruling from the ATO on this matter. In 2015-16 \$506.71 was paid directly to the superannuation account of Helen Gibbons.

Where Directors positions are filled by Branch employees 50% of the fee received on behalf of that Director is transferred to the Branch.

UNITED VOICE NATIONAL COUNCIL

OPERATING REPORT (CONT'D)

Total Income received in 2015-16 as payment for Directors was:

Australian Super	\$12,094
Host Plus	\$277,260
Hesta	\$ 4,849

5. Membership of the Union

There were 102,205 members of the union as at 30 June 2016.

6. Employees of the National Council

As at 30 June 2016 the National Council employed 21 full time employees and 7 part time employees with a total number of 26.1 employees on a fulltime equivalent basis working in National Office.

The ACT Branch employees were also employed by the National Office as at 30 June 2016. The ACT Branch has 6 full time employees and 1 part time employee with a total number of 6.5 employees on a fulltime equivalent basis.

The Tasmanian Branch employees were also employed by the National Office as at 30 June 2016. The Tasmanian Branch has 5 full time employees and 8 part time employees with a total number of 9.9 employees on a fulltime equivalent basis.

The NT Branch employees were also employed by the National Office as at 30 June 2016. The NT Branch has 10 full time employees and 1 part time employee with a total number of 9.6 employees on a fulltime equivalent basis.

7. National Executive

The following persons were members of the National Executive, during the year ending 30 June 2016:

<i>Name</i>	<i>Period of appointment</i>
Jo-anne Schofield	24.8.15 to 30.6.16
Helen Gibbons	1.7.15 to 30.6.16
David McElrea	24.8.15 to 30.6.16
Mark Boyd	1.7.15 to 30.5.16
Mel Gatfield	1.7.15 to 30.6.16
Carolyn Smith	1.7.15 to 30.6.16
Kelly Shay	1.7.15 to 29.2.16
Jess Walsh	1.7.15 to 30.6.16
Ben Redford	1.7.15 to 30.6.16
Jannette Armstrong	1.7.15 to 30.6.16
David Di Troia	1.7.15 to 30.6.16
Donna Duke	1.7.15 to 30.6.16

UNITED VOICE NATIONAL COUNCIL

OPERATING REPORT (CONT'D)

Gary Bullock	1.7.15 to 30.6.16
Sheila Hunter	1.7.15 to 30.6.16
Lyndal Ryan	1.7.15 to 30.6.16
Erina Early	9.9.15 to 30.6.16

For the National Executive


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JO-ANNE SCHOFIELD
20 March, 2017

**UNITED VOICE
NATIONAL COUNCIL**

NATIONAL EXECUTIVE'S STATEMENT

On 15 March, 2017, 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 2016:

The National Council 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;
- (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 National Council will be able to pay its debts as and when they become due and payable; and
- (e) During the financial year to which the GPFR relates and since the end of that year:
 - (i) Meetings of the National Executive 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 RO Act; 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 under section 272 of the RO Act; and
 - (vi) No order for inspection of the financial records has been made by the Fair Work Commission under section 273 of the RO Act.
- (f) During the financial year ended 30 June 2016 the National Council did not participate in any recovery of wages activity.

For the National Executive:


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JO-ANNE SCHOFIELD

20 March 2017

**UNITED VOICE NATIONAL COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016	2015
REVENUE		\$	\$
Membership income - ACT Branch	4A	725,410	722,715
- Tas Branch		1,267,811	1,242,846
- NT Branch		993,137	-
Sustentation Fees	4B	6,301,992	6,404,834
Interest Received	4C	159,246	176,178
Property Revenue	4D	2,960,970	2,755,339
Merchandising Revenue	4E	4,110	8,768
Other Revenue	4F	844,125	847,167
Total Revenue		13,256,802	12,157,847
Other Income			
Grants and donations	4G	393,526	-
Net gain from sale of assets	4H	-	17,280
Total Other Income		393,526	17,280
Total Income		13,650,328	12,175,127
EXPENSES			
Employee Expenses	5A	6,193,054	5,836,467
Indirect employment costs	5B	105,708	120,864
Affiliation fees	5C	671,908	569,614
Administration expenses	5D	264,347	198,620
Depreciation	5E	440,247	571,835
Grants and donations	5F	725,583	241,440
Finance costs	5G	103,265	103,312
Legal & Professional costs	5H	441,203	158,347
Audit fees	5I	45,670	38,204
Meeting and conference costs	5J	691,341	784,947
Campaign costs	5K	596,117	246,624
Communication costs	5L	559,712	371,130
IT costs	5M	663,918	448,735
Property costs	5N	1,388,160	1,273,928
Research costs	5O	293,042	316,187
Assistance to NT Branch	5P	109,477	627,290
Loss from Sale of Assets	5Q	364	-
Total Expenditure		13,293,115	11,907,543
Operating Surplus for the year		357,213	267,584
Gain on revaluation of Thomas St property		6,578,283	-
Surplus (Deficit) for the year		6,935,496	267,584

The accompanying notes form part of these financial statements

**UNITED VOICE NATIONAL COUNCIL
BALANCE SHEET AS AT 30 JUNE 2016**

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash and Cash Equivalents	6A	3,414,495	2,077,877
Trade and Other Receivables	6B	2,059,040	2,337,124
Stock on Hand - Badges & other merchandise		49,155	49,156
Investments			
Term Deposits - Employee Leave Fund	6C	<u>6,144,932</u>	<u>6,105,085</u>
		<u>6,144,932</u>	<u>6,105,085</u>
TOTAL CURRENT ASSETS		<u>11,667,622</u>	<u>10,569,242</u>
NON CURRENT ASSETS			
Financial Assets		557	557
Investment Property at Fair Value	7B	25,500,000	-
Property Plant and Equipment	7A	<u>7,572,005</u>	<u>23,155,368</u>
TOTAL NON CURRENT ASSETS		<u>33,072,562</u>	<u>23,155,925</u>
TOTAL ASSETS		<u>44,740,184</u>	<u>33,725,167</u>
LESS CURRENT LIABILITIES			
Sundry Creditors	9A	1,780,683	1,227,916
Provision for Annual Leave	10A	663,549	468,899
Provision for Long Service Leave	10A	<u>365,206</u>	<u>335,630</u>
TOTAL CURRENT LIABILITIES		<u>2,809,437</u>	<u>2,032,445</u>
NON CURRENT LIABILITIES			
Provision for long service leave	10A	<u>111,787</u>	<u>102,734</u>
TOTAL NON CURRENT LIABILITIES		<u>111,787</u>	<u>102,734</u>
TOTAL LIABILITIES		<u>2,921,224</u>	<u>2,135,179</u>
NET ASSETS		<u>41,818,960</u>	<u>31,589,988</u>
Accumulated Funds		28,613,481	21,919,513
Asset revaluation reserve		<u>13,205,479</u>	<u>9,670,475</u>
TOTAL ACCUMULATED FUNDS		<u>41,818,960</u>	<u>31,589,988</u>

The accompanying notes form part of these financial statements.

**UNITED VOICE NATIONAL COUNCIL
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 30 JUNE 2016**

	Asset Revaluation Reserve \$	Accumulated Funds \$	Total \$
Balance at 30 June 2014	9,670,475	21,651,929	31,322,404
Net Surplus for Year ended 30 June 2014	-	267,584	267,584
Balance at 30 June 2015	9,670,475	21,919,513	31,589,988
NT Branch	965,653	(241,527)	724,126
Revaluation increment Cleveland St	2,569,351	-	2,569,351
Net surplus for Year ended 30 June 2016	-	6,935,496	6,935,496
Balance at 30 June 2016	13,205,479	28,613,481	41,818,960

The accompanying notes form part of these financial statements.

**UNITED VOICE NATIONAL COUNCIL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
CASH FLOW FROM OPERATING ACTIVITIES			
NSW Branch Sustentation Received		1,211,100	1,245,774
NT Branch Sustentation Received		95,139	97,666
Qld Branch Sustentation Received		1,866,389	1,769,121
SA Branch Sustentation Received		970,064	981,199
Vic Branch Sustentation Received		1,009,376	977,906
WA Branch Sustentation Received		1,220,235	1,025,859
Membership Contributions		2,986,358	1,965,562
Interest Received		140,653	188,718
Other Income		2,044,783	2,772,257
Payments to Suppliers and Employees		<u>(10,894,624)</u>	<u>(10,964,167)</u>
NET CASH USED IN OPERATING ACTIVITIES	11 (b)	<u>649,473</u>	<u>59,895</u>
CASH FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property Plant and Equipment		12,750	35,166
Payments for Property Plant and Equipment		(250,342)	(205,211)
Payments for Investments		(39,847)	(338,438)
Distribution from Thomas Street Property Account		<u>964,583</u>	<u>839,017</u>
NET CASH PROVIDED INVESTING ACTIVITIES		<u>687,144</u>	<u>330,534</u>
NET INCREASE IN CASH HELD		1,336,618	390,429
Cash at the Beginning of the Year		<u>2,077,877</u>	<u>1,687,448</u>
CASH AT THE END OF THE YEAR	11 (a)	<u>3,414,495</u>	<u>2,077,877</u>

The accompanying notes form part of these financial statements.

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2016**

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 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 Organisations) Act 2009. For the purpose of preparing the general purpose financial statements, United Voice, National Council 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 the assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. These financial statements are presented in Australian dollars.

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 except for the adoption of the investment property standard refer note (n) below:

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2016**

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

(a) Revenue

Sustentation Fees, Property Income, 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.

(c) Fair Value of Assets and Liabilities

The Union measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Union would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(c) Fair Value of Assets and Liabilities (cont'd)

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(d) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

Freehold property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuation by external independent Valuers, less subsequent depreciation for buildings. The property held at Cleveland St was valued as at 30 June, 2016 by Jones Lang LaSalle Advisory Services Pty Ltd.

Properties held for the purpose of accommodation of the Union are shown at cost price less depreciation.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment

UNITED VOICE NATIONAL COUNCIL**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(d) Property, Plant and Equipment (cont'd)**

losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Property	2%
Building improvements	15%
Office Furniture and Equipment	20%
Motor Vehicles	15%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

Sale of Assets

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

De-recognition

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.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(e) Interests in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

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

(f) 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..

(g) Financial assets

Initial recognition and measurement

Financial assets and financial liabilities 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 company commits itself to either purchase or sell the asset (i.e. 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.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(g) Financial assets (cont'd)

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 or financial liability 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 or financial liability.

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. 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.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(g) Financial assets (cont'd)

They are subsequently measured at fair value with any re-measurements 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.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(g) Financial assets (cont'd)

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

De-recognition 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 assets' 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

(h) 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.

(i) 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 re-measurement of obligations for

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(i) Employee Benefits (cont'd)

other long-term employee benefits, the net change in the obligation are 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.

(j) 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.

(k) 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.

(l) 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.

(m) 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.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(n) Investment Property

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

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

(o) Accounting standards issued 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.

(p) 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 2018).

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 de-recognition requirements for financial instruments, and simplified requirements for hedge accounting.

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.

AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2018).

When effective, this standard will replace the current accounting requirements applicable to revenue with a single principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential.

The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- Identify the contract(s) with a customer;

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

AASB 15 cont'd

- Identify the performance obligations in the contract(s);
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract(s); and
- Recognise revenue when (or as) the performance obligations are satisfied.

This standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

AASB 16: Leases

This Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases and related Interpretations*. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

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

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospect application as an adjustment to opening equity on the date of initial application

Although the directors anticipate that the adoption of AASB 16 will impact the Group's financial statements, it is impracticable at stage to provide a reasonable estimate of such impact.

The National Council do not expect these revised standards to have a material impact on the United Voice National Council.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(q) Going Concern

United Voice National Council is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis. United Voice National Council does not provide support to another reporting unit to ensure they can continue on a going concern basis.

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 AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

Note	Note	2016	2015
4	INCOME		
4A	CONTRIBUTIONS FROM MEMBERS		
	Membership contributions	2,986,358	1,965,561
	Compulsory Levies	-	-
		<u>2,986,358</u>	<u>1,965,561</u>
4B	SUSTENTATION REVENUE		
	NSW Branch	1,200,171	1,237,617
	Victorian Branch	1,032,622	975,808
	Queensland Branch	1,864,618	1,773,031
	South Australia Branch	975,743	974,598
	Western Australia Branch	1,186,022	1,249,801
	Northern Territory Branch	42,816	193,979
		<u>6,301,992</u>	<u>6,404,834</u>
4C	INTEREST REVENUE		
	Interest on Deposits	<u>159,246</u>	<u>176,178</u>
4D	PROPERTY REVENUE		
	Rental income Level 9, Thomas St.	490,384	468,928
	Rental income from Thomas St.	2,383,689	2,206,759
	Rental income Cleveland St Property	63,600	72,780
	Rental income NT Branch	19,147	
	Rental income ACT Branch	4,150	6,872
		<u>2,960,970</u>	<u>2,755,339</u>
4E	MERCHANDISING REVENUE		
	Sale of Merchandise	<u>4,110</u>	<u>8,768</u>
4F	OTHER REVENUE		
	Directors Fees	290,956	379,835
	Sponsorship	386,906	328,727
	Levies	-	-
	Sundry Income	166,263	138,605
		<u>844,125</u>	<u>847,167</u>
4G	DONATIONS		
	United Voice Branch contribution to donations	372,000	-
	Donations for campaigns	21,526	-
		<u>393,526</u>	<u>-</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
4H GAIN ON SALE OF ASSETS			
Sale of Motor Vehicles		-	17,280
		<u> </u>	<u> </u>
Note			
5 EXPENSES			
5A EMPLOYEE EXPENSES			
 Holders of Office			
Wages and salaries		640,404	513,475
Superannuation		90,966	72,881
Leave and other entitlements		52,921	87,995
Separation and redundancies		-	109,278
Other Employee Expenses		51,859	40,508
		<u> </u>	<u> </u>
Subtotal employee expenses holders of office		<u>836,160</u>	<u>824,137</u>
 Employees other than office holders			
Wages and salaries		3,135,202	3,283,606
Superannuation		605,015	524,590
Leave and other entitlements		666,301	312,424
Separation and redundancies		124,371	182,169
Other Employee Expenses		826,013	709,541
		<u> </u>	<u> </u>
Subtotal employee expenses employees other than office holders		<u>5,356,902</u>	<u>5,012,330</u>
Total employee expenses		<u>6,193,054</u>	<u>5,836,467</u>
5B INDIRECT EMPLOYMENT COSTS			
Removal/Relocation Expenses		1,144	19,793
Education and Staff Training		51,383	34,130
Staff Amenities		12,308	13,420
Staff selection		4,082	10,691
Mobile Phone		26,400	22,726
Motor Vehicle Expenses		10,391	20,104
		<u> </u>	<u> </u>
TOTAL INDIRECT EMPLOYMENT COSTS		<u>105,708</u>	<u>120,864</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
5C AFFILIATION FEES			
ACTU		494,796	418,903
Australian Labor Party - Tas		8,222	8,605
Australian Labor Party - ACT Branch		4,620	4,785
Australian Labor Party - NT Branch		(5,966)	
Unions Tas.		13,653	14,342
Unions ACT		6,997	7,109
Trades and Labor Council NT		11,128	
UNI		82,306	64,229
IUF		49,201	46,450
Prison Officers Ass		1,500	1,500
ACOSS		1,633	
APHEDA		3,818	3,691
TOTAL AFFILIATION FEES		<u>671,908</u>	<u>569,614</u>
5D ADMINISTRATION EXPENSES			
Electricity		41,280	40,878
General Expenses		20,895	2,933
Postage & freight		31,278	21,585
Printing & stationery		101,352	71,620
Telephone - Fixed		69,542	61,604
TOTAL ADMINISTRATION EXPENSES		<u>264,347</u>	<u>198,620</u>
5E DEPRECIATION			
Depreciation - Furn & Fitt		-	5,928
Depreciation - Computers		27,099	27,099
Depreciation - Motor Vehicles		10,211	15,258
Depreciation – leasehold improvement		-	3,299
Depreciation - Property		402,937	520,251
TOTAL DEPRECIATION		<u>440,247</u>	<u>571,835</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
5F GRANTS AND DONATIONS			
Grants:			
Total paid that were \$1,000 or less		-	-
Total paid that exceeded \$1,000		-	-
Donations			
Total paid that were \$1,000 or less		-	941
Total paid that exceeded \$1,000		<u>725,583</u>	<u>240,499</u>
TOTAL GRANTS OR DONATIONS		<u>725,583</u>	<u>241,440</u>
5G FINANCE COSTS			
Bank Charges		27,060	25,555
Commission on PRDs		622	1,061
Insurance Premiums		<u>75,583</u>	<u>76,696</u>
TOTAL FINANCE COSTS		<u>103,265</u>	<u>103,312</u>
5H LEGAL COSTS			
Litigation		406,809	145,776
Other Legal Costs		<u>34,394</u>	<u>12,571</u>
TOTAL LEGAL COSTS		<u>441,203</u>	<u>158,347</u>
5I AUDIT FEES			
Accountancy fees		-	-
Audit Fees		<u>45,670</u>	<u>38,204</u>
		45,670	38,204
5J MEETING AND CONFERENCE COSTS			
Accommodation		157,357	147,205
Airfares		277,499	372,603
Travel allowance		66,077	67,116
Parking and cab charges		47,980	54,529
Other meeting costs		75,006	45,945
Conference costs		<u>67,422</u>	<u>97,549</u>
		<u>691,341</u>	<u>784,947</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
5K	CAMPAIGN COSTS		
	ACTU Advertising Campaign for Industrial Rights	260,348	231,586
	Other Expenses	285,841	1,464
	Promotions - merchandise	49,928	13,574
		<u>596,117</u>	<u>246,624</u>
5L	COMMUNICATION COSTS		
	Advertising	31,245	48,277
	Media costs	192,339	122,464
	Union News National	333,199	150,092
	Other Publications	-	40,661
	Video Production	2,929	9,636
		<u>559,712</u>	<u>371,130</u>
5M	IT COSTS		
	IT Maintenance & Support	527,264	380,630
	Internet - Internet & website	136,654	68,105
		<u>663,918</u>	<u>448,735</u>
5N	PROPERTY COSTS		
	Cleveland St running costs	60,206	33,850
	NT Branch running costs	67,266	-
	ACT Branch running costs	56,622	47,794
	Tas Branch	22,096	19,259
	Thomas Street running costs	1,181,970	1,173,025
		<u>1,388,160</u>	<u>1,273,928</u>
5O	RESEARCH COSTS		
	Research	274,251	290,517
	Subscriptions & Journals	18,791	25,670
		<u>293,042</u>	<u>316,187</u>
5P	ASSISTANCE TO BRANCHES		
	Support for the Northern Territory Branch	109,477	627,290
5Q	NET LOSS FROM SALE OF ASSETS		
	Plant and Equipment	364	-

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Note 6			
CURRENT ASSETS			
6A CASH AND CASH EQUIVALENTS			
Cash at Bank		3,412,245	2,076,127
Cash on Hand		<u>2,250</u>	<u>1,750</u>
		<u>3,414,495</u>	<u>2,077,877</u>
6B RECEIVABLES			
Amounts due from Branches	12	1,679,011	1,908,843
Prepayments		111,963	112,588
Accrued interest		28,915	10,322
Other receivables		<u>239,151</u>	<u>305,371</u>
		<u>2,059,040</u>	<u>2,337,124</u>
6C LONG SERVICE LEAVE FUND INVESTMENTS			
Short Term Bank Deposits		2,846,806	3,073,886
Thomas Street Term Deposits		<u>3,298,126</u>	<u>3,031,199</u>
		<u>6,144,932</u>	<u>6,105,085</u>
Note 7			
NON CURRENT ASSETS			
7A PROPERTY PLANT AND EQUIPMENT			
(a) FURNITURE & FITTINGS			
At Cost		180,721	180,721
Less Accumulated Depreciation		<u>(180,721)</u>	<u>(180,721)</u>
		<u>-</u>	<u>-</u>
(b) IT SYSTEMS			
At Cost		177,730	177,730
Less Accumulated Depreciation		<u>(112,262)</u>	<u>(85,162)</u>
		<u>65,468</u>	<u>92,568</u>

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
(c) PROPERTIES			
50% Thomas St property at fair value		-	19,500,000
Thomas St building improvements		-	62,835
Cleveland St property at fair value 30.6.16		5,600,000	4,820,003
less accumulated depreciation		-	(2,309,917)
		<u>5,600,000</u>	<u>22,072,921</u>
ACT Branch office at cost		851,394	851,394
less accumulated depreciation		(338,679)	(319,598)
		<u>512,715</u>	<u>531,796</u>
Tas Branch office at cost		587,613	587,613
less accumulated depreciation		(187,613)	(187,613)
		<u>400,000</u>	<u>400,000</u>
NT Branch office at acquisition value		972,024	-
less accumulated depreciation		(12,960)	-
		<u>959,064</u>	<u>-</u>
TOTAL PROPERTY		<u>7,471,780</u>	<u>23,004,717</u>
 (d) MOTOR VEHICLES			
At Cost		88,808	107,969
Less Accumulated Depreciation		(54,050)	(49,888)
		<u>34,758</u>	<u>58,083</u>
Total Property Plant and Equipment		<u>7,572,006</u>	<u>23,155,368</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

7B INVESTMENT PROPERTY	2016	2015
	\$	\$
Investment Property at fair value	<u>25,500,000</u>	<u>-</u>

A valuation of the Thomas Street Property was conducted during the year. The valuation was performed by Jones Lang LaSalle (JLL). The fair value has been determined on a market value basis in accordance with International Valuation Standards (IVS), as set out by the International Valuation Standards Council (IVSC). In arriving at their estimates of market values, the valuers have used their market knowledge and professional judgement together with historical transactional comparables.

Rental income earned and received from the investment property during the year was \$2,383,689 (2015: \$2,206,759).

Direct expenses incurred in relation to the investment property that generated rental income during the year were \$1,181,970 (2015: \$1,173,025).

7C MOVEMENTS IN CARRYING AMOUNTS OF PROPERTY PLANT AND EQUIPMENT

	Property	Furniture and Fittings	Motor Vehicles	IT Systems	Total
	\$	\$	\$	\$	\$
Balance as at 1 July 2015	23,004,717	-	58,083	95,567	23,155,367
Additions	256,714	-	-	-	256,714
Transfer in NT Branch	965,653	-	-	-	965,653
Revaluation Cleveland St	2,569,351	-	-	-	2,569,351
Transfer out Thomas St	(18,921,718)	-	-	-	(18,921,718)
Disposals	-	-	(13,114)	-	(13,114)
Depreciation	(402,937)	-	(10,211)	(27,099)	(440,247)
TOTAL	<u>7,471,780</u>	<u>-</u>	<u>34,758</u>	<u>65,468</u>	<u>7,572,006</u>

	Property	And Fittings	Motor Vehicles	IT Systems	Total
	\$	\$	\$	\$	\$
Balance as at 1 July 2014	23,329,068	5,928	91,226	113,655	23,539,877
Additions	199,199	-	-	6,012	205,211
Disposals	-	-	(17,885)	-	(17,885)
Depreciation	(523,550)	(5,928)	(15,258)	(27,099)	(571,835)
TOTAL	<u>23,004,717</u>	<u>-</u>	<u>58,083</u>	<u>92,568</u>	<u>23,155,368</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2016

7C MOVEMENTS IN CARRYING AMOUNTS OF PROPERTY PLANT AND
EQUIPMENT CONT'D

The transfer in from the NT Branch is the transfer of an office property currently valued at \$965,653. The property is at 1st Floor, 38 Woods Street, Darwin and was valued in 2014.

NOTE 8A JOINT ARRANGEMENTS

Set out below is the branch's 50% share of the assets, liabilities, revenue and expenses for the joint arrangement in a property located at 187 Thomas St, Haymarket. This property is held in partnership with the New South Wales Branch for the purpose of earning rental income.

Summarised Financial Position	2016	2015
	\$	\$
NON CURRENT ASSETS		
Investment property at fair value	25,500,000	-
Building at valuation	-	19,500,000
Less Accumulated Depreciation	-	(316,710)
	<u>25,500,000</u>	<u>19,183,290</u>
Building improvements at cost	-	62,835
Less Accumulated Depreciation	-	(3,299)
	<u>-</u>	<u>59,536</u>
TOTAL NON CURRENT ASSETS	<u>25,500,000</u>	<u>19,242,826</u>
CURRENT ASSETS		
Deposit and sundry debtors	35,457	32,778
Accrued interest	24,428	6,559
Prepayments	9,529	71,179
Cash at Bank	772,449	525,922
Investments	3,298,125	3,031,199
	<u>4,139,988</u>	<u>3,667,637</u>
TOTAL CURRENT ASSETS	<u>4,139,988</u>	<u>3,667,637</u>
TOTAL ASSETS	<u>29,639,988</u>	<u>22,910,463</u>

UNITED VOICE NATIONAL COUNCIL**NOTES TO AND FORMING PART OF THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016****NOTE 8A JOINT ARRANGEMENTS CONT'D****LIABILITIES**

Sundry Creditors	196,892	171,217
TOTAL LIABILITIES	<u>196,892</u>	<u>171,217</u>
NET ASSETS	<u>29,443,095</u>	<u>22,739,246</u>

The branch's share of the assets located at 187 Thomas Street, Haymarket, has been reclassified as an investment property effective 1 July 2015. On 1 July 2015, in accordance with AASB140, the property was assessed as being an investment property. Up until 1 July 2015, the property was accounted for as an owner occupied in accordance with AASB116, and any revaluation up until this date was accounted for through the Asset Revaluation Reserve as prescribed under AASB 116.

	Note	2016 \$	2015 \$
Summarised Financial Performance			
INCOME			
Interest		84,972	125,291
Rent received		<u>2,383,689</u>	<u>2,206,759</u>
		<u>2,468,661</u>	<u>2,332,050</u>
EXPENDITURE			
Audit and Accountancy Fees		1,000	-
Building Running Expenses		836,971	824,851
Property running costs		39,597	35,489
Depreciation		321,108	320,009
General Expenses		397	797
Leasing Fees, Management		28,013	41,067
Level 9 rent paid to National Council		<u>276,992</u>	<u>270,820</u>
TOTAL EXPENDITURE		<u>1,504,078</u>	<u>1,493,033</u>
OPERATING SURPLUS FOR THE YEAR		964,583	839,017
Gain on revaluation of property		<u>6,578,283</u>	<u>-</u>
SURPLUS FOR THE YEAR		<u>7,542,866</u>	<u>839,017</u>

UNITED VOICE NATIONAL COUNCIL**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
Note 9			
9A			
CURRENT LIABILITIES			
SUNDRY CREDITORS			
Trade creditors and accruals		921,489	297,959
<u>Payables to other reporting units</u>			
United Voice NSW Branch		-	21,871
United Voice SA Branch		5,349	3,500
United Voice WA Branch		5,483	1,488
United Voice Vic Branch		31,488	6,526
United Voice Qld Branch		27,320	52,766
United Voice NT Branch		-	65,598
<u>Other payables</u>			
Thomas St payables		196,892	171,217
Superannuation		46,872	36,275
Payroll deductions		6,913	33,787
Commission owing		-	-
Litigation costs		20,594	5,005
Other legal fees		-	1,177
Prepaid Income		163,603	136,853
GST payable		354,680	393,894
		<u>1,780,683</u>	<u>1,227,916</u>
Note 10			
10A			
Employee Provisions			
Office Holders:			
Annual Leave		163,392	91,768
Long Service Leave		176,209	125,418
Separations and redundancies			-
Other			-
Subtotal employee provisions - office holders		<u>339,601</u>	<u>217,186</u>
Employees other than Office Holders			
Annual Leave		500,157	377,131
Long Service Leave		300,784	312,946
Separations and redundancies		-	-
Other		-	-
Subtotal employee provisions - employees other than office holders		<u>800,941</u>	<u>690,077</u>
Total Employee provisions		<u>1,140,542</u>	<u>907,263</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Current		1,028,755	804,529
Non-current		<u>111,787</u>	<u>102,734</u>
Total Employee provisions		<u>1,140,542</u>	<u>907,263</u>

Note 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 or financial institutions, net of bank
overdrafts

Cash at Bank	3,412,745	2,076,127
Cash at Hand	<u>1,750</u>	<u>1,750</u>
	<u>3,414,495</u>	<u>2,077,877</u>

**11B RECONCILIATION OF CASH FLOW FROM
OPERATIONS WITH NET SURPLUS/(DEFICIT)**

Net Surplus	6,935,496	267,584
Non Cash Flows in Net Surplus/(Deficit)		
Depreciation	440,247	571,835
Loss on Disposal of Assets	364	-
Gain on Disposal of Assets	-	(17,280)
Thomas Street Surplus	(964,583)	(839,017)
Fair value gain on revaluation of Thomas St property	(6,578,283)	-
Changes in Assets and Liabilities		
Decrease in stock on hand	-	(4,018)
Decrease in other receivables	66,220	(320,078)
Decrease in prepayments	626	89,118
(Increase)/Decrease in Accrued Interest	(18,500)	12,540
(Increase)/Decrease in Amounts due from Branches	229,832	(307,309)
Increase/(Decrease) Sundry Creditors	304,775	(6,065)
Increase)/(Decrease) in Employees Provisions	<u>233,279</u>	<u>(27,572)</u>
	<u>649,473</u>	<u>59,894</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

		2016	2015
	Note	\$	\$
12	AMOUNTS DUE FROM BRANCHES	\$	\$
NSW	Sustentation	319,622	331,664
	Other	778	10,500
Victoria	Sustentation	288,152	262,580
	Other	-	26,231
Queensland	Sustentation	494,551	496,499
	Other	6,076	316
South Australia	Sustentation	268,366	260,818
	Other	4,388	9,913
Western Australia	Sustentation	297,078	334,712
	Other	-	32,598
Northern Territory	Sustentation	-	51,826
	Other	-	91,206
Provision for Doubtful Debts		<u>1,679,011</u>	<u>1,908,843</u>
	6B		

UNITED VOICE NATIONAL COUNCIL**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016****Note 13 RELATED PARTIES**

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

National President	Gary Bullock	23.11.15	30.6.16
National Vice Presidents	Lyndal Ryan	1.7.15	30.6.16
	Jess Walsh	1.7.15	30.6.16
National Secretary	Jo-anne Schofield	24.8.15	30.6.16
Assistant National Secretaries	David McElrea	24.8.15	30.6.16
	Helen Gibbons	1.7.15	30.6.16
Executive Members	Mark Boyd	1.7.15	30.5.16
	Melanie Gatfield	1.7.15	30.6.16
	Gary Bullock	1.7.15	30.6.16
	Sheila Hunter	1.7.15	30.6.16
	David DiTroia	1.7.15	30.6.16
	Donna Duke	1.7.15	30.6.16
	Carolyn Smith	1.7.15	30.6.16
	Kelly Shay	1.7.15	29.2.16
	Jess Walsh	1.7.15	30.6.16
	Ben Redford	1.7.15	30.6.16
	Jannette Armstrong	1.7.15	30.6.16
	Erina Early	9.9.15	30.6.16
	Lyndal Ryan	1.7.15	30.6.16

UNITED VOICE NATIONAL COUNCIL**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016****Note 13B KEY MANAGEMENT PERSONNEL REMUNERATION FOR THE PERIOD**

	2016	2015
	\$	\$
Short-term employee benefits		
Salary (including annual leave taken)	731,146	599,541
Annual leave accrued	12,348	17,101
Performance bonus	-	-
Other benefits	9,673	9,601
Total short-term employee benefits	<u>753,168</u>	<u>626,243</u>
Post-employment benefits		
Superannuation	90,966	67,880
Total post-employment benefits	<u>90,966</u>	<u>67,880</u>
Other long-term benefits:		
Long service leave accrual	10,639	22,962
Total other long term benefits	<u>10,639</u>	<u>22,962</u>
Termination benefits	-	-
Total	<u>854,773</u>	<u>717,085</u>

Note 13C REMUNERATION PAID TO OFFICIALS OF THE UNION

	Salary & wages	Superannuation	Other Benefits	Total
Jo-anne Schofield (National Secretary)	142,761	16,418	-	159,179
Lyndal Ryan (ACT Branch Secretary)	118,046	14,166	9,673	141,885
Jannette Armstrong (Tas Branch Secretary)	135,472	15,160	-	150,632
Erina Early (NT Branch Secretary)	109,419	13,130	-	122,549
David McElrea (Asst Nat Sec.)	108,963	13,075	-	122,038
Helen Gibbons (Asst Nat Sec.)	132,033	15,843	-	147,876
TOTAL	746,694	87,792	9,673	844,159

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2016

Note 13D OTHER TRANSACTIONS

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.

Note 13E OTHER RELATED PARTY TRANSACTIONS

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 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 Income Statement.
- (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 2015-16 financial year was:

	Payments to the Branches	Received from the Branches
United Voice NSW Branch	140,882	1,630,873
United Voice NT Branch	65,172	-
United Voice Qld Branch	99,262	2,281,573
United Voice Vic Branch	49,536	1,372,282
United Voice SA Branch	91,682	1,267,421
United Voice WA Branch	124,814	1,544,557

- (iv) Amounts receivable from Branches are disclosed in the statement of financial position and detailed in Note 12.
- (v) As disclosed at Note 8, the National Council and NSW Branch have a joint arrangement in the Thomas Street Property Account.

UNITED VOICE NATIONAL COUNCIL**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016****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:

	2016 \$	2015 \$
Debtors – Branches	1,679,011	1,908,843
Other receivables	<u>239,151</u>	<u>305,372</u>
Total loans and receivables	<u>1,918,162</u>	<u>2,214,215</u>

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

	2016 \$	2015 \$
Cash	3,414,495	2,077,877
Term deposits employee leave fund	<u>6,144,932</u>	<u>6,105,085</u>
Total cash and cash equivalents	<u>9,559,427</u>	<u>8,184,962</u>

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (CONT'D)

14. FINANCIAL RISK MANAGEMENT (CONT'D)

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

(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 2016 the Union had cash of \$3,414,495 (PY: \$2,077,877) to meet these commitments as they fall due. Financial liabilities at 30 June 2016 totalled \$1,780,683 (2015: \$1,227,916). 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) or other market factors (other price 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 2016	Floating Interest Rate	Fixed Interest Rate		Non interest Bearing	Total
		1 year or less	Over 1 to 5 years		
Financial Assets	\$	\$	\$	\$	\$
Cash	3,412,245			2,250	3,414,495
Term deposits employee leave fund		6,144,932			6,144,932
	3,412,245	6,144,932		2,250	9,559,427
Weighted average Interest rate	0.5%	3%			
Financial Liabilities				(1,780,683)	(1,780,683)
Payables	-	-	-		
Net financial assets	3,412,245	6,144,932		(1,778,433)	7,778,744

UNITED VOICE NATIONAL COUNCIL**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (CONT'D)****14. FINANCIAL RISK MANAGEMENT (CONT'D)**

30 June 2015	Floating Interest Rate	Fixed Interest Rate		Non interest Bearing	Total
		1 year or less	Over 1 to 5 years		
Financial Assets	\$	\$	\$	\$	\$
Cash	2,076,127			1,750	2,077,877
Term deposits employee leave fund		6,105,085			6,105,085
	2,076,127	6,105,085		1,750	8,182,962
Weighted average Interest rate	0.5%	3%			
Financial Liabilities Payables	-	-	-	(1,227,916)	(1,227,916)
Net financial assets	2,076,127	6,105,085		(1,226,166)	6,955,046

Sensitivity Analysis

2016	Carrying Amount	+1%	-0.25%
		Profit \$	Loss \$
Cash at Bank	3,412,245	34,122	8,531
Term deposits employee leave fund	6,144,932	61,449	15,362
2015	Carrying Amount	+1%	-0.25%
		Profit \$	Loss \$
Cash at Bank	2,076,127	20,761	5,190
Term deposits employee leave fund	6,105,085	61,151	15,263

(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.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (CONT'D)

14. FINANCIAL RISK MANAGEMENT (CONT'D)

(g) Foreign Exchange Risk

The union is not exposed to foreign exchange rate risk.

15. NORTHERN TERRITORY BRANCH CEASING TO BE A REPORTING UNIT

On 6 August, 2015, a combined meeting of the Northern Territory Branch Executive (Committee of Management) agreed that a Deed of Arrangement between the Northern Territory Branch and National Council be signed and that rules of the Northern Territory Branch be amended by the insertion of a new sub-rule 75A6.

At the National Executive meeting on the 12 June, 2015 a resolution was passed that a rule change for the Northern Territory branch to restructure finance, membership and grievance handling by the Branch be registered.

On 16 November 2015 the Industrial Registrar certified the alterations to the rules and further certified that the Union is to be divided into reporting units on an alternative basis as to that existing prior to the rule alteration.

The effect of the agreement and rule alteration is that from 1 November 2015 the income, expenditure, assets, liabilities and accumulated funds of the Northern Territory Branch will, in future years be disclosed in the National Council's Financial Report.

16. REGISTERED OFFICE

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

303 Cleveland Street
REDFERN NSW 2016

17. 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**

SYDNEY

 Level 40
 2 Park Street
 Sydney NSW 2000
 Australia

 GPO Box 2552
 Sydney NSW 2001

 Tel: (612) 9263 2500
 Fax: (612) 9263 2600

Report to the Members of United Voice, National Council

We have audited the accompanying financial report of United Voice, National Council which comprises the balance sheet as at 30 June 2016, the statement of 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

As part of the audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.

In our opinion the financial report of the United Voice National Council Branch 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 2016 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.

In accordance with the Reporting Guidelines for the purpose of section 253, the following declarations are made in reference to the auditor, Mr Graham Webb:

- is a Registered Company Auditor (approved auditor) and a Partner of Hall Chadwick Chartered Accountants.
- is a member of the Institute of Chartered Accountants in Australia and holds a current Public Practice Certificate.

Hall Chadwick

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

Graham Webb

Graham Webb (CA)
Partner
Dated: 20 March 2017



25 January 2017

Ms Jo-Anne Schofield
National Secretary
United Voice
303 Cleveland Street
REDFERN NSW 2016

via email: jo.schofield@unitedvoice.org.au

Dear Ms Schofield

United Voice Financial Report for the year ended 30 June 2016 - [FR2016/258]

I acknowledge receipt of the financial report for the year ended 30 June 2016 for United Voice (**the reporting unit**). The documents were lodged with the Fair Work Commission (**FWC**) on 15 December 2016.

The financial report has not been filed. I have examined the report and identified a number of matters, the details of which are set out below, that you are required to address before the report can be filed.

The General Purpose Financial Report (**GPFR**) will require amendments. The amended report will need to be provided to members, presented to a Committee of Management meeting, republished on the reporting unit's website and lodged with the FWC.

The matters identified should be read in conjunction with the *Fair Work (Registered Organisations) Act 2009 (the RO Act)*, *Fair Work (Registered Organisations) Regulations 2009 (the RO Regs)*, the 4th edition of the Reporting Guidelines (**RG**) made under section 255 of the RO Act and Australian Accounting Standards.

To assist with the preparation of financial reports reporting units should consult the template 'Model Financial Statements' which is available from the FWC website.

Notes to the financial statements

General purpose financial report to be prepared on accrual basis

Section 252 of the RO Act places obligations upon reporting units to keep financial records. Under section 252(4) an organisation may keep the financial records for its membership subscriptions on a cash basis.

This is distinct from the obligation under section 253 to *prepare* a General Purpose Financial Report (GPFR). Section 253 requires that:

...a reporting unit must cause a General Purpose Financial Report to be prepared, in accordance with the Australian Accounting Standards, from the financial records kept under subsection 252(1) in relation to the financial year...

Paragraph 27 of Australian Accounting Standard *AASB101 Presentation of Financial Statements*, states that:

'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting'.

The notes to the reporting unit's financial statements state that *'...Contribution Income are accounted for on an accruals basis'*.

The figure reported in the Statement of Comprehensive Income and in Note 4A as Contributions from Members is the same figure that is reported in the Cash Flow Statement as 'Membership Contributions'. It would appear that Contribution Income has not been accounted for on an accruals basis but on a cash basis.

Membership Contributions will need to be brought to account on an accruals basis in accordance with the Australian Accounting Standards and the relevant statements and items will need to be amended accordingly. This will also require the re-auditing of these statements by your auditor.

Financial Risk Management

Financial instruments disclosures

Australian Accounting Standard *AASB 7 Financial Instruments: Disclosures* details the reporting disclosures required by an entity in relation to financial instruments.

Some disclosures have been made in Note 14 Financial Risk Management. However, it is expected that the disclosures required by AASB 7 paragraphs 37 and 39 also be provided.

The carrying value of the financial instruments disclosed in Note 14(b), (c) and (e) do not reconcile to the corresponding figures reported in the Balance Sheet, Note 6A, Note 6B, Note 6C and Note 9A. Please amend accordingly.

Leases

Leases

In Note 4D Property Revenue it states that an amount of \$640,881 was received in the 2016 financial year for rental income from properties not classed as an investment property. The GPFR however does not include any information in relation to these operating leases and does not provide for the required disclosures under *AASB117 Leases* paragraph 56. Please amend the GPFR accordingly.

Fair Value Measurement

Disclosure requirements - measured at fair value

Australian Accounting Standard *AASB 13 Fair Value Measurement* paragraph 93 identifies the disclosure requirements for when assets and liabilities are measured at fair value.

These disclosure requirements have not been sufficiently addressed in the GPFR.

Statement of Profit and Loss

Disclosure of audit fees

Australian Accounting Standard *AASB 1054 Australian Additional Disclosures* paragraph 10 requires the financial statements to separately disclose amounts paid to the auditor for the audit or review of the financial statements and for all other services performed.

Note 5I discloses audit fees but does not break down this expenditure as described above. It should be noted that if any of the audit fee relates to other services performed, then a description of the nature of the other services must be provided (refer to *AASB 1054* paragraph 11).

Statement of Financial Position

Property, plant and equipment reconciliation

Australian Accounting Standard *AASB 116 Property, Plant and Equipment* paragraph 73(e) requires a reconciliation of the carry amount at the beginning and end of the period for each class of property, plant and equipment.

While Note 7C provides this reconciliation, I note that the figure provided for 'additions' under Property for 2016 does not reconcile to the figure provided in the Cash Flow Statement for 'payment for Property, Plant and Equipment'.

Classification of IT System

I note that under Property, Plant and Equipment that a category of asset 'IT System' is listed. In relation to IT Systems, unless it is the actual computers/hardware, it is normal classified as an intangible asset and subject to the requirements under AASB 138 Intangible Assets. An intangible asset is defined as 'an identifiable non-monetary asset without physical substance.'

Please review to ensure this class of asset is appropriately classified.

Joint Arrangement

The figure disclosed in Note 7A(c) for the 50% share of the Thomas Street property for 2015 does not reconcile to the corresponding figure reported in Note 8A Joint Arrangements and the figure disclosed in last year's financial report.

Also in Note 8A the figure reported as Rent received for 2016 does not reconcile to the corresponding figure reported under Note 4D as rental income from Thomas Street.

Please amend accordingly.

Cash Flow Statement

Notes to the Cash Flow Statement

Reporting Guideline 24 states:

Where another reporting unit and/or controlled entity of the organisation is the source of a cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit and/or controlled entity concerned.

This is in addition to the requirement to disclose sustentation fees to/from another reporting unit (Reporting Guideline 14(b) and 16(b)) and receipt of, or provision of, any other financial support from another reporting unit (Reporting Guideline 10, 11 and 14(e)).

The Cash Flow Statement discloses under cash flow from operating activities 'sustentation fees' however it does not separately disclose the name of each reporting unit and the value of each reporting units sustentation fee received.

Please update the Cash Flow Statement accordingly.

Activities under Reporting Guidelines not disclosed

Activities under RG not disclosed

Items 13, 17, 21 and 23 of the RG state that if the activities identified in items 11, 16, 20 and 22 respectively have not occurred in the reporting period, a statement of this effect must be included in the notes to the GPF. I note that for the following items no such disclosure has been made:

- 11 - going concern financial support provided to another reporting unit (refers to agreement regarding financial support not dollar amount)
- 16(a) - fees incurred as consideration for employers making payroll deductions of membership subscriptions
- 16(d) - compulsory levies imposed
- 16(h) - fees or allowances paid to persons to attend conferences or meetings as a representative of the reporting unit
- 20(a) - payables to employers as consideration for employer making payroll deductions of membership subscriptions
- 20(b) - payables in respect of legal costs and other expenses related to litigation or other legal matters by;
 - 20(b)(i) - litigation
 - 20(b)(ii) - other legal matters
- 22(a) - name and balance of each fund or account for compulsory levies or voluntary contributions
- 22(d) - details of any transfer or withdrawal to a fund, account or controlled entity

Northern Territory Branch ceasing to be a Reporting Unit

On 31 November 2015, the General Manager of the FWC certified that for the purpose of compliance with Part 3 of the RO Act that the reporting units within United Voice are to be divided on an alternative basis, allowing the Northern Territory Branch of United Voice to form part of the United Voice National Office. On 1 November 2015, the assets and liabilities of the Northern Territory Branch were transferred to the reporting unit.

The information relating to this event is provided in Note 15 (although it does refer to the Tasmanian Branch in the last paragraph) and in the Statement of Changes in Equity and Note 7C Movement in Carrying Amounts of Property Plant and Equipment however I note that the only information provide relates to the total net assets and does not provide information, including the value, of each individual class of assets and liabilities. This information is required under RG 12.

Please amend the financial statements accordingly.

Reconciliation between reporting units

As required within the RG, transactions between reporting units within a registered organisation must be appropriately disclosed. As part of the assessment of the lodged financial return for the reporting unit I note that various transactions have occurred between the reporting unit and the other Branches of United Voice. To ensure that consistent information is being disclosed, a reconciliation between the lodged financial statements has been conducted. During this review the following discrepancies have been noted:

National office and New South Wales Branch

	2016	2015
	\$	\$
Trade Receivables		
National – sustentation NSW	319,622	331,664
National – other NSW	778	10,500
Total receivable NSW	320,400	342,164
Trade Payables		
NSW – to National Council	357,496	342,144
Trade Payables		
National – to NSW Branch	-	21,187
Trade Receivables		
NSW – from National Council	-	-
Cash Inflow		
National – from NSW	298,664	Not disclosed
Cash Outflow		
NSW – to National Council	1,200,172	1,307,474
Cash Outflow		
National – to NSW	140,882	Not disclosed
Cash Inflow		
NSW – from National Council	-	-

National office and Victorian Branch

	2016	2015
	\$	\$
Sustentation Revenue		
National – from Victoria	1,032,622	975,808
Victoria – to National Council	1,026,857	974,302
Trade Receivables		
National – sustentation Vic	288,152	262,580
National – other Vic	-	26,231
Total receivable Vic	<u>288,152</u>	<u>288,811</u>
Trade Payables		
Victoria – to National Council	276,579	330,422
Trade Payables		
National – to Vic Branch	31,488	6,526
Trade Receivables		
Vic – from National Council	28,705	5,535
Cash Inflow		
National – from Vic	91,682	Not disclosed
Cash Outflow		
NSW – to National Council	1,272,952	1,041,738
Cash Outflow		
National – to Vic	200,350	Not disclosed
Cash Inflow		
Vic – from National Council	50,679	65,217

National office and Queensland Branch

	2016	2015
	\$	\$
Trade Receivables		
National – sustentation Qld	494,551	496,499
National – other Qld	6,076	316
Total receivable Qld	<u>500,627</u>	<u>496,815</u>
Trade Payables		
Qld – sustentation to National Council	449,592	496,499
Qld – other to National Council	5,524	-
Total payables to National Council	<u>455,116</u>	<u>496,499</u>

Trade Payables		
National – to Qld Branch	27,320	52,766
Trade Receivables		
Qld – from National Council	9,314	56,550
Cash Inflow		
National – from Qld	228,545	Not disclosed
Cash Outflow		
Qld – to National Council	2,281,573	2,139,063
Cash Outflow		
National – to Qld	99,262	Not disclosed
Cash Inflow		
Qld – from National Council	107,762	261,436
<u>National office and South Australia Branch</u>		
	2016	2015
	\$	\$
Sustentation Revenue		
National – from SA	975,743	974,598
SA – to National Council	952,032	973,938
Trade Payables		
National – to SA Branch	5,349	3,500
Trade Receivables		
SA – from National Council	-	-
Cash Inflow		
National – from SA	261,969	Not disclosed
Cash Outflow		
SA – to National Council sustentation	1,039,687	1,079,319
SA – to National Council other	201,652	52,660
Total cash outflow to National Council	1,241,339	1,131,979
Cash Outflow		
National – to SA	49,536	Not disclosed
Cash Inflow		
SA – from National Council	97,032	112,500

National office and Western Australia Branch

	2016	2015
	\$	\$
Sustentation Revenue		
National – from WA	1,186,022	1,249,801
WA – to National Council	1,181,724	1,254,100
Trade Receivables		
National – sustentation WA	297,078	334,712
National – other WA	-	32,598
Total receivable WA	<u>297,078</u>	<u>367,310</u>
Trade Payables		
WA – to National Council	-	-
Cash Inflow		
National – from WA	202,299	Not disclosed
Cash Outflow		
WA – to National Council	1,544,557	1,259,070
Cash Outflow		
National – to WA	124,814	Not disclosed
Cash Inflow		
WA – from National Council	122,161	109,591

Please amend the financial statements of the reporting unit accordingly or provide an explanation for the differences.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on 03) 8656 4681 or by email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch



17 December, 2016

The General Manager
Fair Work Commission
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 2016. 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 9 November, 2016. 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 14 December, 2016 and

was adopted. Also enclosed is a copy of the National Secretary's certificate dated 14 December, 2016.

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, reading "Jo-Anne Schofield". The signature is written in a cursive style with a large, looping initial "J".

JO-ANNE SCHOFIELD
NATIONAL SECRETARY

UNITED VOICE NATIONAL COUNCIL


FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2016

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, Jo-anne Schofield, being the 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 the 25 November, 2016; and
- That the full report was presented to a meeting of the committee of management of the reporting unit on the 14 December, 2016 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signed



Jo-anne Schofield

Date

14/12/16

UNITED VOICE NATIONAL COUNCIL

Financial Report for 2015-16

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 2016.

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 save our weekend campaign and the child care industry but assistance was also provided in the cleaning, aged care and home care campaigns.
- Industrial work on both the Penalty Rates case and the ERO case.
- The administration of federal awards and initiating and responding to variations to federal awards.
- Participation in campaigns and other work conducted by the ACTU and on the ACTU Executive.
- 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. the funding of aged care and the government tendering process for cleaners.
- 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.

This has led to the National Union leading the save our weekend campaign. The National Council will also oversee the landmark ERO case.

There have been no significant changes in the work of the National Council in 2015-16.

UNITED VOICE NATIONAL COUNCIL

OPERATING REPORT (CONT'D)

2. The National Council's Financial Affairs

United Voice ended the 2015-16 year with an operating surplus of \$357,213. The revaluation of the Thomas Street property increased the surplus to \$6,935,496.

The income of the National Council in 2015-16 was \$13.65m which is an increase of over \$1.5m. This increase is due to the Northern Territory Branch (NT) accounts being included with the National Council accounts from the 1st November, 2015.

Expenses also increased in 2015-16 by \$1.3m as we absorbed the costs of running the NT Branch. .

This resulted in a surplus in the profit and loss which increased the accumulated funds of the National Council to \$41,818,960. Most of these assets are held as property but Cash Investments also increased in 2015-16 to \$6.2m. National Council continues to hold cash assets to cover all employees leave entitlements.

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.

4. Superannuation Trustees

David McElrea is an elected official of the National Office and is a Trustee and Member of the Board of Directors of the HOSTPLUS Superannuation 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.

Robyn Buckler is an officer of the SA Branch and is a Trustee and Member of the Board of Directors of the HOSTPLUS Superannuation Fund.

Tim Lyons has been contracted to fill a position as Trustee on the Board of Host Plus.

Helen Gibbons is an elected official of the National Office and is a member of the Board of Directors of HESTA.

All fees (including superannuation) paid for these positions were paid to the Union apart from HESTA who pay the superannuation of the Director's Fee directly to the official. United Voice has sought a ruling from the ATO on this matter. In 2015-16 \$506.71 was paid directly to the superannuation account of Helen Gibbons.

Where Directors positions are filled by Branch employees 50% of the fee received on behalf of that Director is transferred to the Branch.

UNITED VOICE NATIONAL COUNCIL

OPERATING REPORT (CONT'D)

Total Income received in 2015-16 as payment for Directors was:

Australian Super	\$12,094
Host Plus	\$277,260
Hesta	\$ 4,849

5. Membership of the Union

There were 102,205 members of the union as at 30 June 2016.

6. Employees of the National Council

As at 30 June 2016 the National Council employed 21 full time employees and 7 part time employees with a total number of 26.1 employees on a fulltime equivalent basis working in National Office.

The ACT Branch employees were also employed by the National Office as at 30 June 2016. The ACT Branch has 6 full time employees and 1 part time employee with a total number of 6.5 employees on a fulltime equivalent basis.

The Tasmanian Branch employees were also employed by the National Office as at 30 June 2016. The Tasmanian Branch has 5 full time employees and 8 part time employees with a total number of 9.9 employees on a fulltime equivalent basis.

The NT Branch employees were also employed by the National Office as at 30 June 2016. The NT Branch has 10 full time employees and 1 part time employee with a total number of 9.6 employees on a fulltime equivalent basis.

7. National Executive

The following persons were members of the National Executive, during the year ending 30 June 2016:

<i>Name</i>	<i>Period of appointment</i>
Jo-anne Schofield	24.8.15 to 30.6.16
Helen Gibbons	1.7.15 to 30.6.16
David McElrea	24.8.15 to 30.6.16
Mark Boyd	1.7.15 to 30.5.16
Mel Gatfield	1.7.15 to 30.6.16
Carolyn Smith	1.7.15 to 30.6.16
Kelly Shay	1.7.15 to 29.2.16
Jess Walsh	1.7.15 to 30.6.16
Ben Redford	1.7.15 to 30.6.16
Jannette Armstrong	1.7.15 to 30.6.16
David Di Troia	1.7.15 to 30.6.16
Donna Duke	1.7.15 to 30.6.16

UNITED VOICE NATIONAL COUNCIL

OPERATING REPORT (CONT'D)

Gary Bullock	1.7.15 to 30.6.16
Sheila Hunter	1.7.15 to 30.6.16
Lyndal Ryan	1.7.15 to 30.6.16
Erina Early	9.9.15 to 30.6.16

For the National Executive


.....
JO-ANNE SCHOFIELD
14 November, 2016

**UNITED VOICE
NATIONAL COUNCIL**

NATIONAL EXECUTIVE'S STATEMENT

On 14 November, 2016, 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 2016:

The National Council 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;
- (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 National Council will be able to pay its debts as and when they become due and payable; and
- (e) During the financial year to which the GPFR relates and since the end of that year:
 - (i) Meetings of the National Executive 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 RO Act; 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 under section 272 of the RO Act; and
 - (vi) No order for inspection of the financial records has been made by the Fair Work Commission under section 273 of the RO Act.
- (f) During the financial year ended 30 June 2016 the National Council did not participate in any recovery of wages activity.

For the National Executive:


.....
JO-ANNE SCHOFIELD

14 November, 2016

**UNITED VOICE NATIONAL COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
REVENUE			
Membership income - ACT Branch	4A	725,410	722,715
- Tas Branch		1,267,811	1,242,846
- NT Branch		993,137	-
Sustentation Fees	4B	6,301,992	6,404,834
Interest Received	4C	159,246	176,178
Property Revenue	4D	2,960,970	2,755,339
Merchandising Revenue	4E	4,110	8,768
Other Revenue	4F	844,125	847,167
Total Revenue		13,256,802	12,157,847
Other Income			
Grants and donations	4G	393,526	-
Net gain from sale of assets	4H	-	17,280
Total Other Income		393,526	17,280
Total Income		13,650,328	12,175,127
EXPENSES			
Employee Expenses	5A	6,193,054	5,836,467
Indirect employment costs	5B	105,708	120,864
Affiliation fees	5C	671,908	569,614
Administration expenses	5D	264,347	198,620
Depreciation	5E	440,247	571,835
Grants and donations	5F	725,583	241,440
Finance costs	5G	103,265	103,312
Legal & Professional costs	5H	441,203	158,347
Audit fees	5I	45,670	38,204
Meeting and conference costs	5J	691,341	784,947
Campaign costs	5K	596,117	246,624
Communication costs	5L	559,712	371,130
IT costs	5M	663,918	448,735
Property costs	5N	1,388,160	1,273,928
Research costs	5O	293,042	316,187
Assistance to NT Branch	5P	109,477	627,290
Loss from Sale of Assets	5Q	364	-
Total Expenditure		13,293,115	11,907,543
Operating Surplus for the year		357,213	267,584
Gain on revaluation of Thomas St property		6,578,283	-
Surplus (Deficit) for the year		6,935,496	267,584

The accompanying notes form part of these financial statements

**UNITED VOICE NATIONAL COUNCIL
BALANCE SHEET AS AT 30 JUNE 2016**

	Note	2016	2015
		\$	\$
CURRENT ASSETS			
Cash and Cash Equivalents	6A	3,414,495	2,077,877
Trade and Other Receivables	6B	2,059,040	2,337,124
Stock on Hand - Badges & other merchandise		49,155	49,156
Investments			
Term Deposits - Employee Leave Fund	6C	<u>6,144,932</u>	<u>6,105,085</u>
		<u>6,144,932</u>	<u>6,105,085</u>
TOTAL CURRENT ASSETS		<u>11,667,622</u>	<u>10,569,242</u>
NON CURRENT ASSETS			
Financial Assets		557	557
Investment Property at Fair Value	7B	25,500,000	-
Property Plant and Equipment	7A	<u>7,572,005</u>	<u>23,155,368</u>
TOTAL NON CURRENT ASSETS		<u>33,072,562</u>	<u>23,155,925</u>
TOTAL ASSETS		<u>44,740,184</u>	<u>33,725,167</u>
LESS CURRENT LIABILITIES			
Sundry Creditors	9A	1,780,683	1,227,916
Provision for Annual Leave	10A	663,549	468,899
Provision for Long Service Leave	10A	<u>365,206</u>	<u>335,630</u>
TOTAL CURRENT LIABILITIES		<u>2,809,437</u>	<u>2,032,445</u>
NON CURRENT LIABILITIES			
Provision for long service leave	10A	<u>111,787</u>	<u>102,734</u>
TOTAL NON CURRENT LIABILITIES		<u>111,787</u>	<u>102,734</u>
TOTAL LIABILITIES		<u>2,921,224</u>	<u>2,135,179</u>
NET ASSETS		<u>41,818,960</u>	<u>31,589,988</u>
Accumulated Funds		28,613,481	21,919,513
Asset revaluation reserve		<u>13,205,479</u>	<u>9,670,475</u>
TOTAL ACCUMULATED FUNDS		<u>41,818,960</u>	<u>31,589,988</u>

The accompanying notes form part of these financial statements.

**UNITED VOICE NATIONAL COUNCIL
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 30 JUNE 2016**

	Asset Revaluation Reserve \$	Accumulated Funds \$	Total \$
Balance at 30 June 2014	9,670,475	21,651,929	31,322,404
Net Surplus for Year ended 30 June 2014	-	267,584	267,584
Balance at 30 June 2015	9,670,475	21,919,513	31,589,988
NT Branch	965,653	(241,527)	724,126
Revaluation increment	2,569,351	-	2,569,351
Net surplus for Year ended 30 June 2016	-	6,935,496	6,935,496
Balance at 30 June 2016	13,205,479	28,613,481	41,818,960

The accompanying notes form part of these financial statements.

**UNITED VOICE NATIONAL COUNCIL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Sustentation Fees		6,372,303	6,097,525
Membership Contributions		2,986,358	1,965,562
Interest Received		140,653	188,718
Other Income		2,044,783	2,772,257
Payments to Suppliers and Employees		<u>(10,894,624)</u>	<u>(10,964,167)</u>
NET CASH USED IN OPERATING ACTIVITIES	11 (b)	<u>649,473</u>	<u>59,895</u>
CASH FROM INVESTING ACTIVITIES			
Proceeds from Sale of Property Plant and Equipment		12,750	35,166
Payments for Property Plant and Equipment		(250,342)	(205,211)
Payments for Investments		(39,847)	(338,438)
Distribution from Thomas Street Property Account		<u>964,583</u>	<u>839,017</u>
NET CASH PROVIDED INVESTING ACTIVITIES		<u>687,144</u>	<u>330,534</u>
NET INCREASE IN CASH HELD		1,336,618	390,429
Cash at the Beginning of the Year		<u>2,077,877</u>	<u>1,687,448</u>
CASH AT THE END OF THE YEAR	11 (a)	<u>3,414,495</u>	<u>2,077,877</u>

The accompanying notes form part of these financial statements.

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2016**

I. 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 statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Account Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisations) Act 2009. For the purpose of preparing the general purpose financial statements, United Voice, National Council 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 the assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. These financial statements are presented in Australian dollars.

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 except for the adoption of the investment property standard refer note (n) below:

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2016

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

(a) Revenue

Sustentation Fees, Property Income, 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.

(c) Fair Value of Assets and Liabilities

The Union measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Union would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(c) Fair Value of Assets and Liabilities (cont'd)

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(d) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

Freehold property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuation by external independent Valuers, less subsequent depreciation for buildings. The property held at Cleveland St was valued as at 30 June, 2016 by Jones Lang LaSalle Advisory Services Pty Ltd.

Properties held for the purpose of accommodation of the Union are shown at cost price less depreciation.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(d) Property, Plant and Equipment (cont'd)

losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Property	2%
Building improvements	15%
Office Furniture and Equipment	20%
Motor Vehicles	15%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

Sale of Assets

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

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.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(e) Interests in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

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

(f) 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.

(g) Financial assets

Initial recognition and measurement

Financial assets and financial liabilities 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 company commits itself to either purchase or sell the asset (i.e. 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.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(g) Financial assets (cont'd)

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 or financial liability 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 or financial liability.

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. 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.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(g) Financial assets (cont'd)

They are subsequently measured at fair value with any re-measurements 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.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(g) Financial assets (cont'd)

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

De-recognition 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 assets'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

(h) 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.

(i) 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 re-measurement of obligations for

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(i) Employee Benefits (cont'd)

other long-term employee benefits, the net change in the obligation are 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.

(j) 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.

(k) 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.

(l) 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.

(m) 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.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(n) Investment Property

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

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

(o) Accounting standards issued 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.

(p) 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 2018).

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 de-recognition requirements for financial instruments, and simplified requirements for hedge accounting.

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.

AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods commencing on or after 1 January 2018).

When effective, this standard will replace the current accounting requirements applicable to revenue with a single principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential.

The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- Identify the contract(s) with a customer;

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

AASB 15 cont'd

- Identify the performance obligations in the contract(s);
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract(s); and
- Recognise revenue when (or as) the performance obligations are satisfied.

This standard will require retrospective restatement, as well as enhanced disclosures regarding revenue.

AASB 16: Leases

This Standard will replace the current accounting requirements applicable to leases in AASB 117: *Leases and related Interpretations*. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

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

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospect application as an adjustment to opening equity on the date of initial application

Although the directors anticipate that the adoption of AASB 16 will impact the Group's financial statements, it is impracticable at stage to provide a reasonable estimate of such impact.

The National Council do not expect these revised standards to have a material impact on the United Voice National Council.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

(q) Going Concern

United Voice National Council is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

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 AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
Note			
4 INCOME			
4A CONTRIBUTIONS FROM MEMBERS		<u>2,986,358</u>	<u>1,965,561</u>
4B SUSTENTATION REVENUE			
NSW Branch		1,200,171	1,237,617
Victorian Branch		1,032,622	975,808
Queensland Branch		1,864,618	1,773,031
South Australia Branch		975,743	974,598
Western Australia Branch		1,186,022	1,249,801
Northern Territory Branch		<u>42,816</u>	<u>193,979</u>
		<u>6,301,992</u>	<u>6,404,834</u>
4C INTEREST REVENUE			
Interest on Deposits		<u>159,246</u>	<u>176,178</u>
4D PROPERTY REVENUE			
Rental income Level 9, Thomas St.		553,984	468,928
Rental income from Thomas St.		2,320,089	2,206,759
Rental income Cleveland St Property		63,600	72,780
Rental income NT Branch		19,147	-
Rental income ACT Branch		4,150	6,872
Rental income TAS Branch		<u>-</u>	<u>-</u>
		<u>2,960,970</u>	<u>2,755,339</u>
4E MERCHANDISING REVENUE			
Sale of Merchandise		<u>4,110</u>	<u>8,768</u>
4F OTHER REVENUE			
Directors Fees		290,956	379,835
Sponsorship		386,906	328,727
Levies		-	-
Sundry Income		<u>166,263</u>	<u>138,605</u>
		<u>844,125</u>	<u>847,167</u>
4G DONATIONS			
United Voice Branch contribution to donations		372,000	-
Donations for campaigns		<u>21,526</u>	<u>-</u>
		<u>393,526</u>	<u>-</u>

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

4H GAIN ON SALE OF ASSETS

	Note	2016 \$	2015 \$
Sale of Motor Vehicles		-	17,280

Note

5 EXPENSES

5A EMPLOYEE EXPENSES

Holders of Office

Wages and salaries	640,404	513,475
Superannuation	90,966	72,881
Leave and other entitlements	52,921	87,995
Separation and redundancies	-	109,278
Other Employee Expenses	51,859	40,508
Subtotal employee expenses holders of office	<u>836,160</u>	<u>824,137</u>

Employees other than office holders

Wages and salaries	3,135,202	3,283,606
Superannuation	605,015	524,590
Leave and other entitlements	666,301	312,424
Separation and redundancies	124,371	182,169
Other Employee Expenses	826,013	709,541
Subtotal employee expenses employees other than office holders	<u>5,356,902</u>	<u>5,012,330</u>
Total employee expenses	<u>6,193,054</u>	<u>5,836,467</u>

5B INDIRECT EMPLOYMENT COSTS

Removal/Relocation Expenses	1,144	19,793
Education and Staff Training	51,383	34,130
Staff Amenities	12,308	13,420
Staff selection	4,082	10,691
Mobile Phone	26,400	22,726
Motor Vehicle Expenses	10,391	20,104
TOTAL INDIRECT EMPLOYMENT COSTS	<u>105,708</u>	<u>120,864</u>

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
5C AFFILIATION FEES			
ACTU		494,796	418,903
Australian Labor Party - Tas		8,222	8,605
Australian Labor Party - ACT Branch		4,620	4,785
Australian Labor Party - NT Branch		(5,966)	-
Unions Tas.		13,653	14,342
Unions ACT		6,997	7,109
Trades and Labor Council NT		11,128	-
UNI		82,306	64,229
IUF		49,201	46,450
Prison Officers Ass		1,500	1,500
ACOSS		1,633	-
APHEDA		3,818	3,691
TOTAL AFFILIATION FEES		<u>671,908</u>	<u>569,614</u>
5D ADMINISTRATION EXPENSES			
Electricity		41,280	40,878
General Expenses		20,895	2,933
Postage & freight		31,278	21,585
Printing & stationery		101,352	71,620
Telephone - Fixed		69,542	61,604
TOTAL ADMINISTRATION EXPENSES		<u>264,347</u>	<u>198,620</u>
5E DEPRECIATION			
Depreciation - Furn & Fitt		-	5,928
Depreciation - Computers		27,099	27,099
Depreciation - Motor Vehicles		10,211	15,258
Depreciation – leasehold improvement		-	3,299
Depreciation - Property		402,937	520,251
TOTAL DEPRECIATION		<u>440,247</u>	<u>571,835</u>

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
5F GRANTS AND DONATIONS			
Grants:			
Total paid that were \$1,000 or less		-	-
Total paid that exceeded \$1,000		-	-
Donations			
Total paid that were \$1,000 or less		-	941
Total paid that exceeded \$1,000		<u>725,583</u>	<u>240,499</u>
TOTAL GRANTS OR DONATIONS		<u>725,583</u>	<u>241,440</u>
5G FINANCE COSTS			
Bank Charges		27,060	25,555
Commission on PRDs		622	1,061
Insurance Premiums		<u>75,583</u>	<u>76,696</u>
TOTAL FINANCE COSTS		<u>103,265</u>	<u>103,312</u>
5H LEGAL COSTS			
Litigation		406,809	145,776
Other Legal Costs		<u>34,394</u>	<u>12,571</u>
TOTAL LEGAL COSTS		<u>441,203</u>	<u>158,347</u>
5I AUDIT FEES			
Audit Fees		<u>45,670</u>	<u>38,204</u>
5J MEETING AND CONFERENCE COSTS			
Accommodation		157,357	147,205
Airfares		277,499	372,603
Travel allowance		66,077	67,116
Parking and cab charges		47,980	54,529
Other meeting costs		75,006	45,945
Conference costs		<u>67,422</u>	<u>97,549</u>
		<u>691,341</u>	<u>784,947</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
5K	CAMPAIGN COSTS		
	ACTU Advertising Campaign for Industrial Rights	260,348	231,586
	Other Expenses	285,841	1,464
	Promotions - merchandise	49,928	13,574
		<u>596,117</u>	<u>246,624</u>
5L	COMMUNICATION COSTS		
	Advertising	31,245	48,277
	Media costs	192,339	122,464
	Union News National	333,199	150,092
	Other Publications	-	40,661
	Video Production	2,929	9,636
		<u>559,712</u>	<u>371,130</u>
5M	IT COSTS		
	IT Maintenance & Support	527,264	380,630
	Internet - Internet & website	136,654	68,105
		<u>663,918</u>	<u>448,735</u>
5N	PROPERTY COSTS		
	Cleveland St running costs	60,206	33,850
	NT Branch running costs	67,266	-
	ACT Branch running costs	56,622	47,794
	Tas Branch	22,096	19,259
	Thomas Street running costs	1,181,970	1,173,025
		<u>1,388,160</u>	<u>1,273,928</u>
5O	RESEARCH COSTS		
	Research	274,251	290,517
	Subscriptions & Journals	18,791	25,670
		<u>293,042</u>	<u>316,187</u>
5P	ASSISTANCE TO BRANCHES		
	Support for the Northern Territory Branch	109,477	627,290
5Q	NET LOSS FROM SALE OF ASSETS		
	Plant and Equipment	364	-

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Note 6			
CURRENT ASSETS			
6A CASH AND CASH EQUIVALENTS			
Cash at Bank		3,412,245	2,076,127
Cash on Hand		<u>2,250</u>	<u>1,750</u>
		<u>3,414,495</u>	<u>2,077,877</u>
6B RECEIVABLES			
Amounts due from Branches	12	1,679,011	1,908,843
Prepayments		111,963	112,588
Accrued interest		28,915	10,322
Other receivables		<u>239,151</u>	<u>305,371</u>
		<u>2,059,040</u>	<u>2,337,124</u>
6C LONG SERVICE LEAVE FUND INVESTMENTS			
Short Term Bank Deposits		2,846,806	3,073,886
Thomas Street Term Deposits		<u>3,298,126</u>	<u>3,031,199</u>
		<u>6,144,932</u>	<u>6,105,085</u>
Note 7			
NON CURRENT ASSETS			
7A PROPERTY PLANT AND EQUIPMENT			
(a) FURNITURE & FITTINGS			
At Cost		180,721	180,721
Less Accumulated Depreciation		<u>(180,721)</u>	<u>(180,721)</u>
		<u>-</u>	<u>-</u>
(b) IT SYSTEMS			
At Cost		177,730	177,730
Less Accumulated Depreciation		<u>(112,262)</u>	<u>(85,162)</u>
		<u>65,468</u>	<u>92,568</u>

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
(c) PROPERTIES			
50% Thomas St property at fair value		-	19,205,496
Cleveland St property at fair value			
30.6.16		5,600,000	4,857,333
less accumulated depreciation		-	(1,989,908)
		<u>5,600,000</u>	<u>2,867,425</u>
ACT Branch office at cost		851,394	851,394
less accumulated depreciation		(338,679)	(319,598)
		<u>512,715</u>	<u>531,796</u>
Tas Branch office at cost		587,613	587,613
less accumulated depreciation		(187,613)	(187,613)
		<u>400,000</u>	<u>400,000</u>
NT Branch office at acquisition value		972,024	-
less accumulated depreciation		(12,960)	-
		<u>959,064</u>	<u>-</u>
TOTAL PROPERTY		<u>7,471,780</u>	<u>23,004,717</u>
(d) MOTOR VEHICLES			
At Cost		88,808	107,969
Less Accumulated Depreciation		(54,050)	(49,888)
		<u>34,758</u>	<u>58,083</u>
Total Property Plant and Equipment		<u>7,572,006</u>	<u>23,155,368</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

7B INVESTMENT PROPERTY	2016	2015
	\$	\$
Investment Property at fair value	<u>25,500,000</u>	<u>-</u>

A valuation of the Thomas Street Property was conducted during the year. The valuation was performed by Jones Lang LaSalle (JLL). The fair value has been determined on a market value basis in accordance with International Valuation Standards (IVS), as set out by the International Valuation Standards Council (IVSC). In arriving at their estimates of market values, the valuers have used their market knowledge and professional judgement together with historical transactional comparables.

Rental income earned and received from the investment property during the year was \$2,320,089 (2015: \$2,206,759).

Direct expenses incurred in relation to the investment property that generated rental income during the year were \$1,181,970 (2015: \$1,173,025).

7C MOVEMENTS IN CARRYING AMOUNTS OF PROPERTY PLANT AND EQUIPMENT

	Property	Furniture and Fittings	Motor Vehicles	IT Systems	Total
	\$	\$	\$	\$	\$
Balance as at 1 July 2015	23,004,717	-	58,083	92,567	23,155,367
Additions	256,714	-	-	-	256,714
Transfer in NT Branch	965,653	-	-	-	965,653
Revaluation -Cleveland street	2,569,351	-	-	-	2,569,351
Transfer out Thomas Street	(18,921,718)	-	-	-	(18,921,718)
Disposals	-	-	(13,114)	-	(13,114)
Depreciation	(402,937)	-	(10,211)	(27,099)	(440,247)
TOTAL	<u>7,471,780</u>	<u>-</u>	<u>34,758</u>	<u>65,468</u>	<u>7,572,006</u>

	Property	Furniture and Fittings	Motor Vehicles	IT Systems	Total
	\$	\$	\$	\$	\$
Balance as at 1 July 2014	23,329,068	5,928	91,226	113,655	23,539,877
Additions	199,199	-	-	6,012	205,211
Disposals	-	-	(17,885)	-	(17,885)
Depreciation	(523,550)	(5,928)	(15,258)	(27,099)	(571,835)
TOTAL	<u>23,004,717</u>	<u>-</u>	<u>58,083</u>	<u>92,568</u>	<u>23,155,368</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2016

NOTE 8A JOINT ARRANGEMENTS

Set out below is the branch's 50% share of the assets, liabilities, revenue and expenses for the joint arrangement in a property located at 187 Thomas St, Haymarket. This property is held in partnership with the New South Wales Branch for the purpose of earning rental income.

Summarised Financial Position	2016	2015
	\$	\$
NON CURRENT ASSETS		
Investment property at fair value	25,500,000	-
Building at valuation	-	19,500,000
Less Accumulated Depreciation	-	(316,710)
	<u>25,500,000</u>	<u>19,183,290</u>
Building improvements at cost	-	62,835
Less Accumulated Depreciation	-	(3,299)
	<u>-</u>	<u>59,536</u>
TOTAL NON CURRENT ASSETS	<u>25,500,000</u>	<u>19,242,826</u>
CURRENT ASSETS		
Deposit and sundry debtors	35,457	32,778
Accrued interest	24,428	6,559
Prepayments	9,529	71,179
Cash at Bank	772,449	525,922
Investments	3,298,125	3,031,199
	<u>4,139,988</u>	<u>3,667,637</u>
TOTAL CURRENT ASSETS	<u>4,139,988</u>	<u>3,667,637</u>
TOTAL ASSETS	<u>29,639,988</u>	<u>22,910,463</u>
LIABILITIES		
Sundry Creditors	196,892	171,217
	<u>196,892</u>	<u>171,217</u>
TOTAL LIABILITIES	<u>196,892</u>	<u>171,217</u>
NET ASSETS	<u>29,443,095</u>	<u>22,739,246</u>

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

The branch's share of the assets located at 187 Thomas Street, Haymarket, has been reclassified as an investment property effective 1 July 2015. On 1 July 2015, in accordance with AASB140, the property was assessed as being an investment property. Up until 1 July 2015, the property was accounted for as an owner occupied in accordance with AASB116, and any revaluation up until this date was accounted for through the Asset Revaluation Reserve as prescribed under AASB 116.

	Note	2016 \$	2015 \$
Summarised Financial Performance			
INCOME			
Interest		84,972	125,291
Rent received		<u>2,383,689</u>	<u>2,206,759</u>
		<u>2,468,661</u>	<u>2,332,050</u>
EXPENDITURE			
Audit and Accountancy Fees		1,000	-
Building Running Expenses		836,971	824,851
Property running costs		39,597	35,489
Depreciation		321,108	320,009
General Expenses		397	797
Leasing Fees, Management		28,013	41,067
Level 9 rent paid to National Council		<u>276,992</u>	<u>270,820</u>
TOTAL EXPENDITURE		<u>1,504,078</u>	<u>1,493,033</u>
OPERATING SURPLUS FOR THE YEAR		964,583	839,017
Gain on revaluation of property		<u>6,578,283</u>	<u>-</u>
SURPLUS FOR THE YEAR		<u>7,542,866</u>	<u>839,017</u>

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Note 9			
9A			
CURRENT LIABILITIES			
SUNDRY CREDITORS			
Trade creditors and accruals		942,083	304,141
<u>Payables to other reporting units</u>			
United Voice NSW Branch		-	21,871
United Voice SA Branch		5,349	3,500
United Voice WA Branch		5,483	1,488
United Voice Vic Branch		31,488	6,526
United Voice Qld Branch		27,320	52,766
United Voice NT Branch		-	65,598
<u>Other payables</u>			
Thomas St payables		196,892	171,217
Superannuation		46,872	36,275
Payroll deductions		6,913	33,787
Prepaid Income		163,603	136,853
GST payable		354,680	393,894
		<u>1,780,683</u>	<u>1,227,916</u>
Note			
10			
PROVISIONS			
10A			
Employee Provisions			
Office Holders:			
Annual Leave		163,392	91,768
Long Service Leave		176,209	125,418
Separations and redundancies		-	-
Other		-	-
Subtotal employee provisions - office holders		<u>339,601</u>	<u>217,186</u>
Employees other than Office Holders			
Annual Leave		500,157	377,131
Long Service Leave		300,784	312,946
Separations and redundancies		-	-
Other		-	-
Subtotal employee provisions - employees other than office holders		<u>800,941</u>	<u>690,077</u>
Total Employee provisions		<u>1,140,542</u>	<u>907,263</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Current		1,028,755	804,529
Non-current		<u>111,787</u>	<u>102,734</u>
Total Employee provisions		<u>1,140,542</u>	<u>907,263</u>

Note 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 or financial institutions, net of bank
overdrafts

Cash at Bank	3,412,745	2,076,127
Cash at Hand	<u>1,750</u>	<u>1,750</u>
	<u>3,414,495</u>	<u>2,077,877</u>

**11B RECONCILIATION OF CASH FLOW FROM
OPERATIONS WITH NET SURPLUS**

Net Surplus	6,935,496	267,584
Non Cash Flows in Net Surplus		
Depreciation	440,247	571,835
Loss on Disposal of Assets	364	-
Gain on Disposal of Assets	-	(17,280)
Thomas Street Surplus	(964,583)	(839,017)
Fair value gain on revaluation of Thomas St property	<u>(6,578,283)</u>	<u>-</u>
Changes in Assets and Liabilities		
Decrease in stock on hand	-	(4,018)
Decrease in other receivables	66,220	(320,078)
Decrease in prepayments	626	89,118
(Increase)/Decrease in Accrued Interest	(18,500)	12,540
Decrease/(Increase) in Amounts due from Branches	229,832	(307,309)
Increase/(Decrease) Sundry Creditors	304,775	(6,065)
Increase)/(Decrease) in Employees Provisions	<u>233,279</u>	<u>(27,572)</u>
	<u>649,473</u>	<u>59,894</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

		2016	2015
	Note	\$	\$
12	AMOUNTS DUE FROM BRANCHES	\$	\$
NSW	Sustentation	319,622	331,664
	Other	778	10,500
Victoria	Sustentation	288,152	262,580
	Other	-	26,231
Queensland	Sustentation	494,551	496,499
	Other	6,076	316
South Australia	Sustentation	268,366	260,818
	Other	4,388	9,913
Western Australia	Sustentation	297,078	334,712
	Other	-	32,598
Northern Territory	Sustentation	-	51,826
	Other	-	91,206
Provision for Doubtful Debts			
	6B	1,679,011	1,908,843

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Note 13 RELATED PARTIES

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

National President	Gary Bullock	23.11.15	30.6.16
National Vice Presidents	Lyndal Ryan	1.7.15	30.6.16
	Jess Walsh	1.7.15	30.6.16
National Secretary	Jo-anne Schofield	24.8.15	30.6.16
Assistant National Secretaries	David McElrea	24.8.15	30.6.16
	Helen Gibbons	1.7.15	30.6.16
Executive Members	Mark Boyd	1.7.15	30.5.16
	Melanie Gatfield	1.7.15	30.6.16
	Gary Bullock	1.7.15	30.6.16
	Sheila Hunter	1.7.15	30.6.16
	David DiTroia	1.7.15	30.6.16
	Donna Duke	1.7.15	30.6.16
	Carolyn Smith	1.7.15	30.6.16
	Kelly Shay	1.7.15	29.2.16
	Jess Walsh	1.7.15	30.6.16
	Ben Redford	1.7.15	30.6.16
	Jannette Armstrong	1.7.15	30.6.16
	Erina Early	9.9.15	30.6.16
	Lyndal Ryan	1.7.15	30.6.16

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Note 13B KEY MANAGEMENT PERSONNEL REMUNERATION FOR THE PERIOD

	2016	2015
	\$	\$
Short-term employee benefits		
Salary (including annual leave taken)	731,146	599,541
Annual leave accrued	12,348	17,101
Performance bonus	-	-
Other benefits	<u>9,673</u>	<u>9,601</u>
Total short-term employee benefits	<u>753,168</u>	<u>626,243</u>
Post-employment benefits		
Superannuation	<u>90,966</u>	<u>67,880</u>
Total post-employment benefits	<u>90,966</u>	<u>67,880</u>
Other long-term benefits:		
Long service leave accrual	<u>10,639</u>	<u>22,962</u>
Total other long term benefits	<u>10,639</u>	<u>22,962</u>
Termination benefits	<u>-</u>	<u>-</u>
Total	<u>854,773</u>	<u>717,085</u>

Note 13C REMUNERATION PAID TO OFFICIALS OF THE UNION

	Salary & wages	Superannuation	Other Benefits	Total
Jo-anne Schofield (National Secretary)	142,761	16,418	-	159,179
Lyndal Ryan (ACT Branch Secretary)	118,046	14,166	9,673	141,885
Jannette Armstrong (Tas Branch Secretary)	135,472	15,160	-	150,632
Erina Early (NT Branch Secretary)	109,419	13,130	-	122,549
David McElrea (Asst Nat Sec.)	108,963	13,075	-	122,038
Helen Gibbons (Asst Nat Sec.)	132,033	15,843	-	147,876
TOTAL	746,694	87,792	9,673	844,159

**UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2016**

Note 13D OTHER TRANSACTIONS

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.

Note 13E OTHER RELATED PARTY TRANSACTIONS

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 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 Income Statement.
- (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 2015-16 financial year was:

	Payments to the Branches	Received from the Branches
United Voice NSW Branch	140,882	298,664
United Voice NT Branch	65,172	-
United Voice Qld Branch	99,262	228,545
United Voice Vic Branch	91,682	200,350
United Voice SA Branch	49,536	261,969
United Voice WA Branch	124,814	202,299

- (iv) Amounts receivable from Branches are disclosed in the statement of financial position and detailed in Note 12.
- (v) As disclosed at Note 8, the National Council and NSW Branch have a joint arrangement in the Thomas Street Property Account.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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:

	2016 \$	2015 \$
Debtors – Branches	1,751,349	1,908,843
Other receivables	<u>218,127</u>	<u>305,372</u>
Total loans and receivables	<u>1,969,476</u>	<u>2,214,215</u>

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

	2016 \$	2015 \$
Cash	3,414,495	2,077,877
Term deposits employee leave fund	<u>6,147,979</u>	<u>6,105,085</u>
Total cash and cash equivalents	<u>9,562,474</u>	<u>8,184,962</u>

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (CONT'D)

14. FINANCIAL RISK MANAGEMENT (CONT'D)

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

(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 2016 the Union had cash of \$3,414,495 (PY: \$2,077,877) to meet these commitments as they fall due. Financial liabilities at 30 June 2016 totalled \$1,772,942 (2015: \$1,227,916). 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) or other market factors (other price 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 2016	Floating Interest Rate	Fixed Interest Rate		Non interest Bearing	Total
		1 year or less	Over 1 to 5 years		
Financial Assets	\$	\$	\$	\$	\$
Cash	3,414,495			1,750	3,416,245
Term deposits employee leave fund		6,147,979			6,147,979
	3,414,495	6,147,979		1,750	9,564,224
Weighted average Interest rate	0.5%	3%			
Financial Liabilities				(1,772,942)	(1,772,942)
Payables	-	-	-		
Net financial assets	3,414,495	6,147,979		(1,771,192)	7,791,282

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (CONT'D)

14. FINANCIAL RISK MANAGEMENT (CONT'D)

30 June 2015	Floating Interest Rate	Fixed Interest Rate		Non interest Bearing	Total
		1 year or less	Over 1 to 5 years		
Financial Assets	\$	\$	\$	\$	\$
Cash	2,077,877			1,750	2,079,627
Term deposits employee leave fund		6,105,085			6,105,085
	<u>2,077,877</u>	<u>6,105,085</u>		<u>1,750</u>	<u>8,184,712</u>
Weighted average Interest rate	0.5%	3%			
Financial Liabilities Payables	-	-	-	(1,227,916)	(1,227,916)
Net financial assets	<u>2,077,877</u>	<u>6,105,085</u>		<u>(1,226,166)</u>	<u>6,956,796</u>

Sensitivity Analysis

2016	Carrying Amount	+1%	-0.25%
		Profit	Loss
	\$	\$	\$
Cash at Bank	3,416,245	34,162	8,540
Term deposits employee leave fund	6,147,979	61,480	15,370
2015	Carrying Amount	+1%	-0.25%
	\$	Profit	Loss
	\$	\$	\$
Cash at Bank	2,079,627	20,796	5,199
Term deposits employee leave fund	6,105,085	61,151	15,263

(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.

UNITED VOICE NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015 (CONT'D)

14. FINANCIAL RISK MANAGEMENT (CONT'D)

(g) Foreign Exchange Risk

The union is not exposed to foreign exchange rate risk.

15. NORTHERN TERRITORY BRANCH CEASING TO BE A REPORTING UNIT

On 6 August, 2015, a combined meeting of the Northern Territory Branch Executive (Committee of Management) agreed that a Deed of Arrangement between the Northern Territory Branch and National Council be signed and that rules of the Northern Territory Branch be amended by the insertion of a new sub-rule 75A6.

At the National Executive meeting on the 12 June, 2015 a resolution was passed that a rule change for the Northern Territory branch to restructure finance, membership and grievance handling by the Branch be registered.

On 16 November 2015 the Industrial Registrar certified the alterations to the rules and further certified that the Union is to be divided into reporting units on an alternative basis as to that existing prior to the rule alteration.

The effect of the agreement and rule alteration is that from 1 November 2015 the income, expenditure, assets, liabilities and accumulated funds of the Tasmania Branch will, in future years be disclosed in the National Council's Financial Report.

16. REGISTERED OFFICE

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

303 Cleveland Street
REDFERN NSW 2016

17. 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****SYDNEY**

Level 40
2 Park Street
Sydney NSW 2000
Australia

GPO Box 3555
Sydney NSW 2001

Ph: (612) 9263 2600
Fx : (612) 9263 2800

Report to the Members of United Voice, National Council

We have audited the accompanying financial report of United Voice, National Council which comprises the balance sheet as at 30 June 2016, the statement of 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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International Ltd, a
worldwide association
of separate and
independent
accounting
and consulting firms

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

Auditor's Opinion

As part of the audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.

In our opinion the financial report of the United Voice National Council Branch 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 2016 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.

In accordance with the Reporting Guidelines for the purpose of section 253, the following declarations are made in reference to the auditor, Mr Graham Webb:

- is a Registered Company Auditor (approved auditor) and a Partner of Hall Chadwick Chartered Accountants.
- is a member of the Institute of Chartered Accountants in Australia and holds a current Public Practice Certificate.

Hall Chadwick

Hall Chadwick
Level 40, 2 Park Street
Sydney, NSW

G Webb

Graham Webb (CA)
Partner
Date: 14 November 2016

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International Ltd, a
worldwide association
of separate and
independent
accounting
and consulting firms

www.hallchadwick.com.au



8 December 2016

Ms Jo-Anne Schofield
National Secretary
United Voice

Sent via email: jo.schofield@unitedvoice.org.au

Dear Ms Schofield,

Lodgement of Financial Report - Reminder to lodge

The Fair Work Commission's (the Commission) records disclose that the financial year of the United Voice (the reporting unit) ended on the 30 June 2016.

As you would be aware, the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires that a reporting unit prepare a financial report in accordance with the RO Act, make it available to the members and then must lodge the financial report within 14 days after the general meeting of members, or if the rules of the reporting unit allow, the Committee of Management meeting (s.268).

The maximum period of time allowed under the RO Act for the full financial report to be presented to a general meeting of members or a committee of management meeting is six months after the expiry date of its financial year (s.253, s254, s265, s.266, s.268). The full report must be lodged with the Commission within 14 days of that meeting.

The Commission encourages your reporting unit to lodge its financial report at the earliest opportunity in order to ensure compliance with its obligations. Failure of a reporting unit to lodge its financial report is a breach of a civil penalty provision of the RO Act. This can result in the General Manager instituting an inquiry or investigation into a reporting unit's non-compliance under Chapter 11, Part 4 of the RO Act. The actions available to the General Manager following an investigation include issuing Federal Court legal proceedings for breach of a civil penalty provision. The orders available to the Federal Court include imposition of a pecuniary penalty on the organisation or individual officer, whose conduct led to the contravention, of up to \$54,000 per contravention on the organisation and up to \$10,800 per contravention on an officer whose conduct led to the contravention.

Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

We encourage you to lodge the full financial report directly to orgs@fwc.gov.au. That is the official email address for electronic lodgements of material related to registered organisations matters.

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Telephone : (03) 8661 7777
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

Should you seek any clarification in relation to the above, please contact me on (03) 8656 4699 or via email at Sam.Gallichio@fwc.gov.au.

Yours sincerely,



Sam Gallichio
Adviser
Regulatory Compliance Branch



15 July 2016

Ms Jo-Anne Schofield
National Secretary
United Voice
By email: jo.schofield@unitedvoice.org.au

Dear Ms Schofield,

**Re: Lodgement of Financial Report - [FR2016/258]
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the United Voice (the reporting unit) ended on 30 June 2016.

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 under s.268 of the RO Act, that being within 14 days after the meeting referred to in s.266 of the RO Act.

Timelines

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, guidance notes and model statements

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. This includes a model set of financial statements which have been developed by the FWC. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. The model statement, Reporting Guidelines and other resources can be accessed through our website under [Financial Reporting](#) in the Compliance and Governance section.

Loans, grants and donations: our focus this year

Also you are reminded of the obligation to prepare and lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 requires this statement to be lodged with the FWC within 90 days of the end of the reporting unit's financial year, that is on or before 28 September 2016. A sample statement of loans, grants or donations is available at [sample documents](#).

Over the past year we have noted issues in organisations' financial reports relating to timelines and how loans, grants and donations are reported. We will be focusing closely on these areas this year. Please find attached below fact sheets relating to these requirements or alternatively visit our website for information regarding [financial reporting timelines](#) and [loans, grants and donations](#).

It is requested that the financial report and any Statement of Loans, Grant or Donations be lodged electronically by emailing orgs@fwc.gov.au.

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Telephone : (03) 8661 7777
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

Civil penalties may apply

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 \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

Contact

Should you wish to seek any clarification in relation to the above, email orgs@fwc.gov.au.

Yours sincerely,

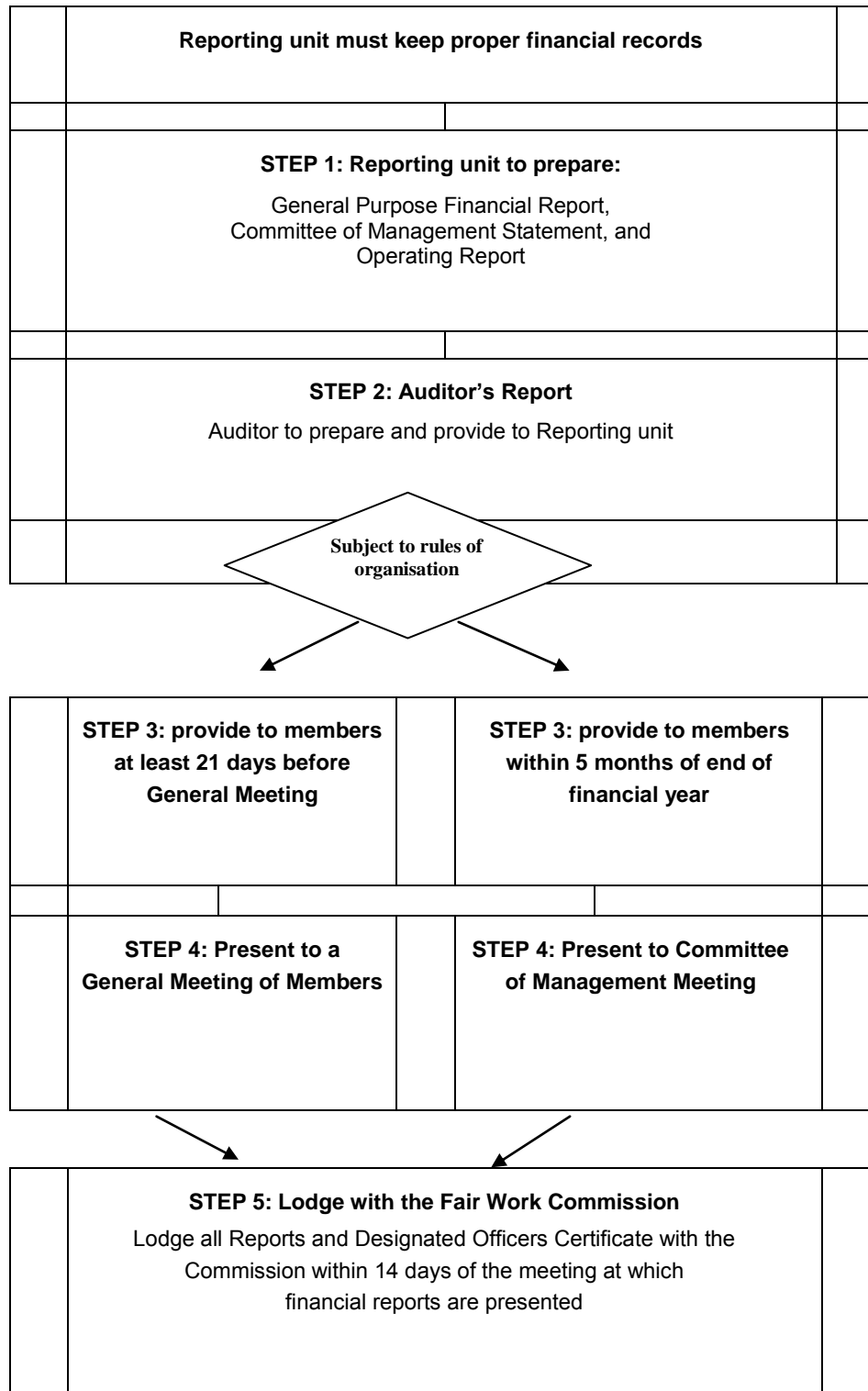


Anastasia Kyriakidis
Adviser
Regulatory Compliance Branch

Financial reporting timelines

Financial reports are to be lodged with the Fair Work Commission (the Commission) within 14 days of the meeting at which the financial reports have been presented, by completing the steps as outlined below.

See Fact sheet—Financial reporting for an explanation of each of these steps.



Fact Sheet - Loans, Grants & Donations

The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the General Manager’s Reporting Guidelines, a reporting unit’s General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceed \$1000. The following information must be supplied to the Commission for each relevant loan, grant or donation:







- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,* and
- the arrangements for repaying the loan.*

*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the Commission has a [Template Loans, Grants and Donations Statement](#) on its website. The Commission encourages branches and organisations to lodge the statement even if all of the figures are NIL.

Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.
 Statements can be lodged with the financial report.	 The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.

Grants & Donations within the Financial Report

Item 16(e) of the [General Manager's Reporting Guidelines](#) requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the [Commission's Model Statements](#) the note appears as follows:

Note 4E: Grants or donations*

Grants:	2016	2015
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-

Item 17 of the General Manager's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

Implications for filing the Financial Report

During their review of the 2016 financial report staff of the Commission will confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their 2015 financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the [Commission's website](#).

Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the Regulatory Compliance Branch on orgs@fwc.gov.au