



Australian Government
Registered Organisations Commission

19 December 2018

Ms Jo-anne Schofield
National Secretary
United Voice

By e-mail: unitedvoice@unitedvoice.org.au
CC: gwebb@hallchadwick.com.au

Dear Ms Schofield,

United Voice

Financial Report for the year ended 30 June 2018 - [FR2018/200]

I acknowledge receipt of the financial report of the United Voice. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 11 December 2018.

The financial report has now been filed.

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

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

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The ROC will confirm these matters have been addressed prior to filing next year's report.

General Purpose Financial Report (GPFR)

Nil activities disclosure

Item 21 of the reporting guidelines (**RGs**) states that if any of the activities identified within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. The notes and the officer's declaration statement contained nil activity information for all prescribed reporting guideline categories except the following:

- Making a payment to a former related party of the reporting unit.

Please ensure in future years that the above mentioned items are disclosed in either the financial statements, the notes or in the officer's declaration statement as per the RGs.

I also note that the officer's declaration statement includes the following nil activity disclosures for which there was already an equivalent form of disclosure in the body of the notes:

- "Nil agreement to receive financial support from another reporting unit to continue as a going concern" and "nil agreement to provide financial support to another reporting unit to

- ensure they continue as a going concern” are disclosed in both Note 1.20 and the officer’s declaration statement;
- “Receiving revenue via compulsory levies” is disclosed in the Statement of Comprehensive Income, Note 5 and the officer’s declaration statement;
 - “Receiving revenue from undertaking recovery of wages activity” is disclosed in the Statement of Comprehensive Income and the officer’s declaration statement;
 - “Paying capitation fees to another reporting unit” is disclosed in both Note 6 and the officer’s declaration statement; and
 - “Having a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch” is disclosed in both Note 11B and the officer’s declaration statement.

Please note that nil activities only need to be disclosed once.

Auditor’s statement

Audit scope to include subsection 255(2A) report and the officer’s declaration statement

A GPFR prepared under section 253 of the RO Act also includes the expenditure report required to be prepared under subsection 255(2A) as prescribed by RG 22 and when nil activity disclosures are contained in an officer’s declaration statement, in accordance with RG 21, the officer’s declaration statement.

The subsection 255(2A) report and the officer’s declaration statement must be identified by title in the auditor’s statement in accordance with paragraph 24(c) of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*.

A subsection 255(2A) report and the officer’s declaration statement were included in the copy of the documents lodged with the ROC but the auditor did not refer to the statement in the auditor’s report.

Please ensure in future years that the subsection 255(2A) report and the officer’s declaration statement are audited before provided to members and lodged with the ROC.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at Kylie.Ngo@roc.gov.au.

Yours sincerely,



Kylie Ngo
Financial Reporting Assistant
Registered Organisations Commission

UNITED VOICE NATIONAL COUNCIL

FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2018

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 this report was provided to members on the 24 November, 2018; and
- That the full report was presented to a meeting of the committee of management of the reporting unit on the 10 December, 2018 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signed


Jo-anne Schofield

Date 10/12/2018

UNITED VOICE NATIONAL COUNCIL

Financial Report for 2017-18

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 2018.

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.
- Industrial work on both the Penalty Rates case and the ERO case.
- Innovation across the National Union with the development of HospoVoice and Workit.
- 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 penalty rates, secure jobs and diversity.

There have been no significant changes in the work of the National Council in 2017-18.

UNITED VOICE NATIONAL COUNCIL

OPERATING REPORT (CONT'D)

2. The National Council's Financial Affairs

United Voice ended the 2017-18 year with an operating deficit of \$1,786,398.

The income of the National Council in 2017-18 was \$13.2m. 46% of this income was received as sustentation payments from our Branches and 26% as income received directly from our members in ACT, NT and Tasmania. A further 22% comes from income from property holdings. Income has remained stable between 2016-17 and 2017-18.

Expenses increased in 2017-18 by \$2.6m mainly due to an increase in campaign support and media costs.

This resulted in an operating deficit on the profit and loss. This deficit was offset by the revaluation of the Investment property 187 Thomas Street which led to a gain in asset value of \$46.2m. This increased the accumulated funds of the National Council to \$87.3m. Most of these assets are currently held as property. 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

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.

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

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

Tim Lyons and Judith Hill have been contracted to fill positions as Trustee on the Board of Host Plus.

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 2017-18 \$4,291 was paid directly to a superannuation account in the name of Helen Gibbons. These funds will not be accessed by Helen.

UNITED VOICE NATIONAL COUNCIL

OPERATING REPORT (CONT'D)

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

Total Income earned in 2017-18 as payment for Directors was:

Host Plus	\$137,310 (\$40,107 transferred to SA Branch)
Hesta	\$ 45,304

Except for the above, the Committee are not aware of any officer or members of the Union who is:

- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a Union that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and
- (iii) where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

5. Membership of the Union

There were 101,984 members of the union as at 30 June 2018.

6. Employees of the National Council

As at 30 June 2018 the National Council employed 30 full time employees and 8 part time employees with a total number of 36 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 2018. The ACT Branch has 7 full time employees.

The Tasmanian Branch employees were also employed by the National Office as at 30 June 2018. 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.

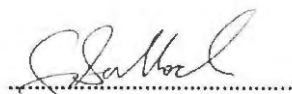
The NT Branch employees were also employed by the National Office as at 30 June 2018. The NT Branch has 7 full time employees and 1 part time employee with a total number of 7.8 employees on a fulltime equivalent basis.

8. National Executive

The following persons were members of the National Executive, during the year ending 30 June 2018:

<i>Name</i>	<i>Period of appointment</i>
Jo-anne Schofield	1.7.17 to 30.6.18
Helen Gibbons	1.7.17 to 30.6.18
Mel Gatfield	1.7.17 to 30.6.18
Julie Korleveska	1.7.17 to 30.6.18
Carolyn Smith	1.7.17 to 30.6.18
Karma Lord	1.7.17 to 30.6.18
Jess Walsh	1.7.17 to 30.6.18
Ben Redford	1.7.17 to 30.6.18
Jannette Armstrong	1.7.17 to 30.6.18
Lyndal Ryan	1.7.17 to 30.6.18
Erina Early	1.7.17 to 30.6.18
David Di Troia	1.7.17 to 30.6.18
Donna Duke	1.7.17 to 30.6.18
Gary Bullock	1.7.17 to 30.6.18
Sheila Hunter	1.7.17 to 30.6.18


Signed for the National Executive



Gary Bullock
National President
20 November, 2018

I, Jo-anne Schofield, being the National Secretary of United Voice National Council, declare that the following activities did not occur during the reporting period ending 30 June, 2018.

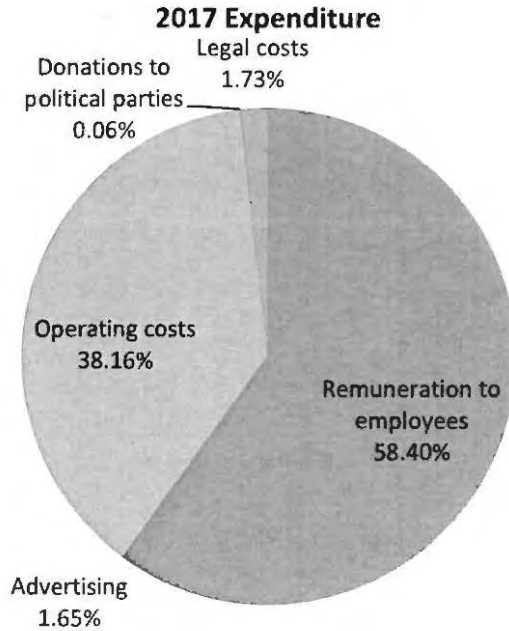
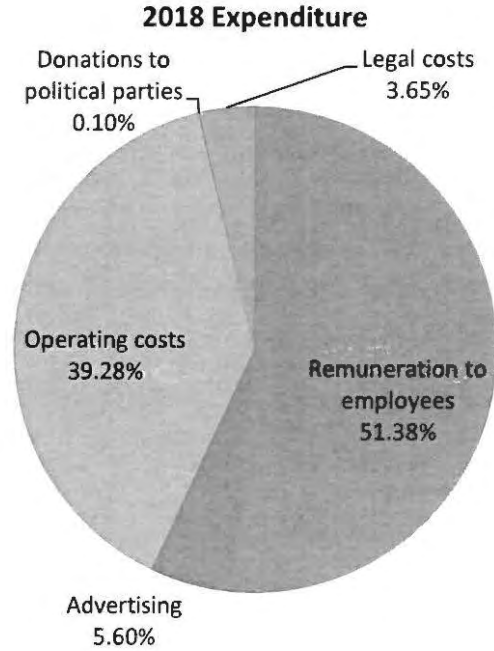
- Agree to receive financial support from another reporting unit to continue as a going concern;
- Agree to provide financial support to another reporting unit to ensure they continue as a going concern;
- Acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission;
- Receive revenue via compulsory levies;
- Receive revenue from undertaking recovery of wages activity;
- Pay capitation fees to another reporting unit;
- Pay compulsory levies;
- Pay fees or allowances for attendance at meetings and conferences
- Pay a penalty imposed under the RO Act of the Fair Work Act 2009;
- Have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch;
- Transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity;
- Have another entity administer the financial affairs of the reporting unit;


.....
Gary Bullock, National President

Date 20 November 2018

UNITED VOICE NATIONAL COUNCIL
Expenditure Report required under Subsection 255 (2A)

The National Executive presents the expenditure report as required under subsection 255 (2A) on United Voice National Council for the year ended 30 June, 2018.



UNITED VOICE NATIONAL COUNCIL
Expenditure Report required under Subsection 255 (2A)

For the purpose of the subsection 255 (2A) statement, the following assumptions were utilised:

Remuneration and other employment-related costs and expenses, in respect of employees

Costs include:

- Salaries and wages paid
- Superannuation
- Payroll tax
- Fringe benefits tax
- Motor vehicle allowances paid
- Workers compensation insurance and salary continuance insurance

Donations to political parties

Donations comprise of direct donations to the Australian Labor party or Labor party candidates and include both cash and in-kind donations.

Legal Costs

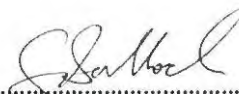
Legal costs include all costs associated with the engagement of external legal services as well as court fees and charges. In-house industrial and legal staff costs are disclosed in remuneration and other employment costs.

Advertising Costs

Advertising costs include any costs incurred for the promotion of the union or for the campaigns of the union. This is paid advertising space in print or online and broadcast and/or radio.

Operating Costs

This includes all other costs incurred to run the National Office excluding the costs of maintaining the investment property.

Signed  Date 20 November 2018
Gary Bullock, National President

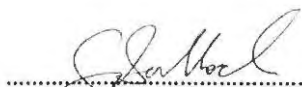
**UNITED VOICE NATIONAL COUNCIL
NATIONAL EXECUTIVE'S STATEMENT**

On the 15th November, 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 2018:

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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) There are reasonable grounds to believe that the 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 Commissioner 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.

This declaration is made in accordance with a resolution of the National Executive:


.....
GARY BULLOCK, NATIONAL PRESIDENT

20 November, 2018

**UNITED VOICE NATIONAL COUNCIL
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018	2017
		\$	\$
REVENUE			
Membership income	5A	3,390,755	3,364,811
Sustentation Fees	5B	6,060,712	6,256,010
Levies		-	-
Interest Received	5C	128,322	155,327
Property Revenue	5D	2,913,011	2,697,206
Merchandising Revenue		4,759	5,267
Other Revenue	5E	716,843	799,706
Total Revenue		13,214,402	13,278,327
Other Income			
Grants and donations	5F	65,593	2,737
Revenue from recovery of wages activity		-	-
Net gain from sale of assets		-	5,320
Total Other Income		65,593	8,057
Total Income		13,279,996	13,286,384
EXPENDITURE			
Employee Expenses	6A	7,112,319	6,730,210
Indirect employment costs	6B	81,171	99,921
Affiliation fees	6C	796,716	871,309
Administration expenses	6D	244,673	293,088
Depreciation	6E	195,616	193,627
Grants and donations	6F	1,242,317	210,087
Finance costs	6G	31,065	64,489
Legal & Professional costs	6H	504,856	199,392
Audit fees	6I	52,100	41,799
Meeting and conference costs	6J	769,500	867,958
Campaign costs	6K	67,851	20,394
Communication costs	6L	1,044,379	472,433
IT costs	6M	814,859	675,672
Property costs	6N	1,280,051	1,060,810
Research costs	6O	828,921	578,078
Total Expenditure		15,066,394	12,379,267
OPERATING (DEFICIT)/SURPLUS FOR YEAR		(1,786,398)	907,117
Other Comprehensive Income			
Gain (Loss) on revaluation of Thomas St property		46,238,814	(381,663)
Total comprehensive income for the year		44,452,416	525,454

The accompanying notes form part of these financial statements.

UNITED VOICE NATIONAL COUNCIL

STATEMENT OF FINANCIAL POSITIONS AS AT 30 JUNE 2018

	Note	2018	2017
		\$	\$
CURRENT ASSETS			
Cash and Cash Equivalents	7A	2,105,008	2,230,189
Trade and Other Receivables	7B	2,880,071	1,885,254
Stock on Hand		39,439	34,398
Asset held for sale	7C	73,208,755	-
Term Deposits	7D	3,833,360	8,017,222
TOTAL CURRENT ASSETS		<u>82,066,633</u>	<u>12,167,063</u>
NON CURRENT ASSETS			
Receivables			
Financial Assets		557	557
Property, Plant and Equipment	8A	8,061,596	7,392,550
Investment property	8B	-	25,118,337
TOTAL NON CURRENT ASSETS		<u>8,062,152</u>	<u>32,511,444</u>
TOTAL ASSETS		<u>90,128,785</u>	<u>44,678,507</u>
LESS CURRENT LIABILITIES			
Payables			
Sundry Creditors	9A	1,375,964	1,118,242
Provisions			
Provision for Annual Leave	10A	754,421	656,020
Provision for Long Service Leave	10A	413,150	379,765
TOTAL CURRENT LIABILITIES		<u>2,543,535</u>	<u>2,154,027</u>
NON CURRENT LIABILITIES			
Provision for long service leave	10A	188,420	180,065
TOTAL LIABILITIES		<u>2,731,955</u>	<u>2,334,092</u>
NET ASSETS		<u>87,396,830</u>	<u>42,344,415</u>
Accumulated Funds		73,591,351	29,138,936
Asset revaluation reserve	11A	13,805,479	13,205,479
TOTAL ACCUMULATED FUNDS		<u>87,396,830</u>	<u>42,344,415</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 2018

	Asset Revaluation Reserve \$	Retained Earnings \$	Total \$
Balance as at 1 July 2016	13,205,479	28,613,481	41,818,960
Surplus for the year		907,117	907,117
Other Comprehensive income for the year	-	(381,663)	(381,663)
Closing balance as at 30 June 2017	13,205,479	29,138,935	42,344,414
Revaluation Increment	600,000	-	600,000
Deficit for the year		(1,786,398)	(1,786,398)
Other Comprehensive income for the year	-	46,238,814	46,238,814
Closing balance as at 30 June 2018	13,805,479	73,591,351	87,396,830

The accompanying notes form part of these financial statements.

UNITED VOICE NATIONAL COUNCIL
STATEMENT FOR CASH FLOW FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		\$	\$
OPERATING ACTIVITIES			
Cash received			
Sustentation received from other reporting units	12C	6,467,881	6,885,577
Other Receipts from reporting units	12C	838,532	351,877
Membership contributions		3,752,785	3,705,853
Interest Received		120,216	173,073
Other Income		2,445,731	1,494,830
Cash used			
Payments to Employees		(6,971,925)	(6,653,069)
Payments to Suppliers		(10,080,337)	(6,047,777)
Payments to other reporting units	12C	(589,244)	(575,261)
Net cash (used by) operating activities		<u>(3,424,117)</u>	<u>(664,898)</u>
INVESTING ACTIVITIES			
Cash received			
Proceeds from Sale of Property Plant and Equipment		-	11,705
Proceeds from Investments		4,183,861	-
Distribution from Thomas Street Property Account		1,234,340	1,361,732
Cash used			
Purchase of Property Plant and Equipment		(1,264,662)	(20,554)
Property Selling Costs		(851,604)	-
Payments for investments		-	(1,872,290)
Net cash from (used by) investing activities		<u>3,301,935</u>	<u>(519,407)</u>
NET DECREASE IN CASH HELD		(125,182)	(1,184,305)
Cash at the Beginning of the Year		<u>2,230,190</u>	<u>3,414,495</u>
CASH AT THE END OF THE YEAR	12A	<u>2,105,008</u>	<u>2,230,190</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 2018

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.

1.1 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.

1.2 Comparative Amounts

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

1.3 New Australian Accounting Standards

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.

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

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

allow greater flexibility in the ability to hedge risk, particularly with respect to the hedging of non-financial items.

The Committee of Management has assessed that the effects of AASB 9 will not significantly affect the Union.

AASB 1058: Income of Not-for-Profit Entities (applicable to annual reporting periods beginning on or after 1 January 2019).

This Standard is applicable to transactions that do not arise from enforceable contracts with customers involving performance obligations.

This significant accounting requirements of AASB 1058 are as follows:

- Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.
- Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or conduct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable standards. The liabilities must be amortised to profit or loss as income when the entity satisfies its obligations under the transfer.

An entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.

The transitional provisions of this Standard permit an entity to either restate the contracts that existed in each prior period presented in accordance with AASB 108 (subject to certain practical expedients); or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract of transaction for which the entity has recognised all of the income in accordance with AASB 1004: Contributions

There is not expected to be any significant impact on the reported financial position and performance.

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.

UNITED VOICE NATIONAL COUNCIL

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

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

The committee of management anticipates that the adoption of AASB 16 will not impact the Union's financial statements, as the union currently does not have any significant leases.

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.

1.4 Investment in associates and 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 8.

United Voice has not invested in any new joint arrangements.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

1.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

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.

1.6 Sustentation fees and levies

Sustentation fees and levies payable from the Branches of the Union are recognised on an accruals basis and recorded as revenue in the year to which they relate.

1.7 Employee Benefits

Short-term employee provisions

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

Liabilities for short-term employee benefits (as defined in AASB 119 *Employee Benefits*) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

UNITED VOICE NATIONAL COUNCIL

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

Other long-term employee provisions

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to the reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The reporting unit recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

1.8 Leases

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

Rental revenue from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.9 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.10 Cash

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.

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

1.11 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.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available the quoted prices in an active market are used to determine the fair value of assets. 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.

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.

UNITED VOICE NATIONAL COUNCIL

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

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.

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.

Available-for-sale investments

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

They are subsequently measured at fair value with any 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.

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).

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

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

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

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

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the 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 asset's carrying amount and the sum of consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

1.12 Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from the Branches of the Union. 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 1.12 for further discussion on the determination of impairment losses.

UNITED VOICE NATIONAL COUNCIL

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

1.13 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).

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.

1.14 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.

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

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 losses relate to a revalued asset.

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.

UNITED VOICE NATIONAL COUNCIL

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

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.

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.

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

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.

1.15 Taxation

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.

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.

1.16 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.

1.17 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.

1.18 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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

1.19 Interests in Joint Arrangement

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 8C.

1.20 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.

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.

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 COMMISSIONER

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

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

4. EVENTS AFTER THE REPORTING PERIOD

There were no events that occurred after 30 June, 2018 and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of United Voice.

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
Note 5 INCOME	\$	\$
5A Contributions from Members		
ACT Branch membership	741,197	736,088
Tas Branch membership income	1,274,477	1,261,230
NT Branch membership income	<u>1,375,080</u>	<u>1,367,493</u>
	<u>3,390,754</u>	<u>3,364,811</u>
Levies	-	-
5B Sustentation revenue		
NSW Branch	1,070,120	1,152,427
Victorian Branch	1,006,489	1,040,302
Queensland Branch	1,864,924	1,892,216
South Australia Branch	977,687	999,240
Western Australia Branch	<u>1,141,492</u>	<u>1,171,825</u>
	<u>6,060,712</u>	<u>6,256,010</u>
5C Interest Revenue		
Interest on Deposits	<u>128,322</u>	<u>155,327</u>
5D Property Revenue		
Rental income Level 9 Thomas St	532,689	498,044
Rental income from Joint arrangement	2,291,042	2,122,003
Rental income Cleveland St Property	66,000	50,219
Rental income NT Branch	14,880	20,700
Rental income ACT Branch	<u>8,400</u>	<u>6,240</u>
	<u>2,913,011</u>	<u>2,697,206</u>
5E Other Revenue		
Directors Fees	132,480	166,7326
ACTU Trust Distribution	44,791	72,274
Marketing Funds	443,677	462,408
Sponsorships	13,818	15,022
Reimbursement of costs	<u>82,077</u>	<u>83,266</u>
	<u>716,843</u>	<u>799,706</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
5F Grants and donations		
Branch contribution to National donation	65,000	-
Donations for campaigns	593	2,737
Donations received	65,593	2,737
Note 6 EXPENSES		
6A Employee Expenses		
Holders of Office		
Wages and salaries	561,960	620,338
Superannuation	83,924	83,746
Leave and other entitlements	77,821	112,609
Separation and redundancies	-	-
Other Employee Expenses	92,890	64,179
Subtotal employee expenses holders of office	816,595	880,872
Employees other than office holders		
Wages and salaries	3,872,301	3,511,415
Superannuation	770,472	677,886
Leave and other entitlements	728,512	644,675
Separation and redundancies	35,406	80,662
Other Employee Expenses	889,033	934,700
Subtotal employee expenses employees other than office holders	6,295,724	5,849,338
Total employee expenses	7,112,319	6,730,210
Capitation Fees Paid	-	-

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
6B Indirect Employment Costs		
Removal/Relocation Expenses	3,745	1,884
Education and Staff Training	29,972	33,848
Staff Amenities	9,653	14,860
Staff selection	10,856	16,388
Mobile Phone	14,908	16,723
Motor Vehicle Expenses	12,037	16,218
	<u>81,171</u>	<u>99,921</u>
6C Affiliation Fees		
ACTU	672,672	681,325
Australian Labor Party - Tas	8,341	13,321
Australian Labor Party - ACT Branch	4,354	6,618
Australian Labor Party - NT Branch	10,491	21,757
Unions Tas	14,100	14,349
Unions ACT	9,833	6,901
Trades and Labor Council NT	13,931	-
UNI	-	67,486
IUF & IOUF Asia	55,927	54,119
Prison Officers Ass	1,075	1,500
ACOSS	1,536	-
APHEDA	4,456	3,933
	<u>796,716</u>	<u>871,309</u>
6D Administration Expenses		
Electricity	53,977	47,630
General Expenses	4,323	9,499
Postage & freight	23,233	22,739
Printing & stationery	86,710	92,134
Telephone - Fixed	76,430	121,086
	<u>244,673</u>	<u>293,088</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
6E Depreciation		
Depreciation - Computers	22,076	29,444
Depreciation - Motor Vehicles	9,824	10,025
Depreciation - Property	<u>163,716</u>	<u>154,158</u>
	<u>195,616</u>	<u>193,627</u>
6F Grants and Donations		
Grants:		
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
Donations		
Total expensed that were \$1,000 or less	5,407	1,270
Total expensed that exceeded \$1,000	<u>1,236,910</u>	<u>208,817</u>
	<u>1,242,317</u>	<u>210,087</u>
6G Finance Costs		
Bank Charges	10,743	9,972
Consideration to employers for payroll deductions	662	169
Insurance Premiums	<u>19,660</u>	<u>54,348</u>
	<u>31,065</u>	<u>64,489</u>
6H Legal Costs		
Litigation	279,018	90,680
Other Legal Costs	<u>225,838</u>	<u>108,712</u>
	<u>504,856</u>	<u>199,392</u>
6I Audit Fees		
Audit Fees	39,600	41,789
Other audit costs	<u>12,500</u>	<u>10</u>
	<u>52,100</u>	<u>41,799</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
6J Meeting and Conference Costs		
Accommodation	171,207	146,251
Airfares	340,300	336,621
Travel allowance	72,839	61,260
Parking and cab charges	60,865	43,775
Other meeting costs	83,813	106,352
Conference costs	40,476	173,699
	<u>769,500</u>	<u>867,958</u>
6K Campaign Costs		
Other Expenses	36,715	-
Promotions - merchandise	31,136	20,394
	<u>67,851</u>	<u>20,394</u>
6L Communication Costs		
Advertising	59,192	43,465
Media costs	739,900	186,374
Union News National	221,743	162,467
SMS messages	9,914	7,902
Video Production	13,630	72,225
	<u>1,044,379</u>	<u>472,433</u>
6M IT Costs		
IT Maintenance & Support	635,181	532,359
Internet - Internet & website	179,678	143,313
	<u>814,859</u>	<u>675,672</u>
6N Property Costs		
Cleveland St running costs	29,907	9,900
NT Branch running costs	46,315	106,644
ACT Branch running costs	30,292	61,785
Tas Branch running costs	46,405	26,854
Thomas Street running costs	1,127,132	855,627
	<u>1,280,051</u>	<u>1,060,810</u>

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

	2018 \$	2017 \$
60 Research Costs		
Research	271,023	388,423
External support	543,354	174,674
Subscriptions & Journals	14,544	14,982
	<u>828,921</u>	<u>578,078</u>
Note 7 CURRENT ASSETS		
7A Cash and Cash Equivalents		
Cash at Bank	2,102,758	2,227,939
Cash on Hand	2,250	2,250
	<u>2,105,008</u>	<u>2,230,189</u>
7B Receivables		
Receivables from other reporting units		
NSW Branch	368,807	307,194
Qld Branch	1,013,877	564,428
SA Branch	249,014	274,295
Victorian Branch	281,940	336,610
WA Branch	323,089	287,187
Total receivables from other reporting units	2,236,727	1,769,714
Less Provision for doubtful debts	-	-
Receivable from other reporting units	<u>2,236,727</u>	<u>1,769,714</u>
Other Receivables		
Prepayments	140,306	28,060
Accrued interest	19,274	11,168
Membership fees receivable	21,505	42,372
Other receivables	462,259	33,940
	<u>643,344</u>	<u>115,540</u>
Total Trade and Other Receivables (net)	<u>2,880,071</u>	<u>1,885,254</u>

Provision for Doubtful Debts

A provision is recognised for doubtful debts when membership subscription fees owing have been given to a third party for collection or where full recoverability is unlikely.

UNITED VOICE NATIONAL COUNCIL

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

	2018 \$	2017 \$
7C Asset Held for Sale		
Tasmanian Property Davey St Hobart		
Sale value 2018 (i)	1,000,000	-
Thomas St Investment Property		
50% sale value (ii)	<u>72,208,755</u>	<u>-</u>
	<u>73,208,755</u>	<u>-</u>
(i)	Based on the indicative current market value obtained from a real estate agent.	
(ii)	Based on the contracted sales price	
7D Term Deposits		
Short Term Bank Deposits	2,078,955	4,855,005
Term Deposits	<u>1,754,405</u>	<u>3,162,217</u>
	<u>3,833,360</u>	<u>8,017,222</u>

Note 8 NON CURRENT ASSETS

8A Property Plant and Equipment

(a) Furniture and 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>(163,781)</u>	<u>(\$141,705)</u>
	<u>13,949</u>	<u>\$36,025</u>

(c) Motor Vehicles

At Cost	65,495	65,495
Less Accumulated Depreciation	<u>(37,252)</u>	<u>(27,428)</u>
	<u>\$28,243</u>	<u>38,067</u>

(d) Properties

Cleveland St property at fair value 30.6.16	5,600,000	5,600,000
less accumulated depreciation	<u>(224,000)</u>	<u>(112,000)</u>
	<u>5,376,000</u>	<u>5,488,000</u>

ACT Branch office at cost	851,394	851,394
less accumulated depreciation	<u>(382,440)</u>	<u>(360,559)</u>
	<u>468,954</u>	<u>490,834</u>

Tas Branch office at cost	1,264,662	587,613
less accumulated depreciation	<u>(10,394)</u>	<u>(187,613)</u>
	<u>1,254,268</u>	<u>400,000</u>

NT Branch office at acquisition value	972,024	972,024
less accumulated depreciation	<u>(51,842)</u>	<u>(32,401)</u>
	<u>920,182</u>	<u>939,623</u>

Total Property	<u>8,019,404</u>	<u>7,318,457</u>
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UNITED VOICE NATIONAL COUNCIL

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

	2018	2017
	\$	\$
Total Property Plant and Equipment	8,061,596	7,392,550
8B Reconciliation of the opening and closing values of property		
	2018	2017
	\$	\$
As at 1 July		
Gross Book Value	8,011,032	8,011,032
Accumulated depreciation and impairment	(692,573)	(539,252)
Net Book value 1 July	7,318,459	7,471,780
Additions		
By purchase	1,264,660	-
From acquisition of entities	-	-
Depreciation Expense	(163,716)	(153,321)
Other movement		-
Disposals		-
Transfer to Property held for Sale	(400,000)	-
Net Book value as of 30 June represented by	8,019,404	7,318,459
Gross Book Value	8,688,080	8,011,032
Accumulated depreciation and impairment	(668,676)	(692,573)
Net Book value 30 June	8,019,404	7,318,457

The revalued land and buildings consist of the union offices in Tasmania, NT and NSW (National Office). We have determined that these constitute one class of asset under AASB 13, based on the nature, characteristics and risks of the property. Fair value of the properties was determined by using market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in the nature, location or conditions of the specific property. As at the date of revaluation (30.6.16), the properties fair values are based on valuations performed by Jones Lang LaSalle, an accredited independent valuer.

In 2017-18 the Tasmanian Property was transferred to Property Held for Sale. This property is currently on the market.

UNITED VOICE NATIONAL COUNCIL

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

	2018 \$	2017 \$
Reconciliation of the opening and closing balances of plant and equipment		
As at 1 July	2018	2017
Gross Book Value	429,993	453,306
Accumulated depreciation and impairment	<u>(355,900)</u>	<u>(353,081)</u>
Net Book value 1 July	<u>74,093</u>	<u>100,225</u>
Additions		
By purchase	-	20,554
From acquisition or entities		
Depreciation Expense	(31,900)	(2,819)
Disposals of motor vehicle	<u></u>	<u>(43,867)</u>
Net Book value as of 30 June represented by	<u>42,193</u>	<u>74,093</u>
 Gross Book Value	 429,993	 429,993
Accumulated depreciation and impairment	<u>(387,800)</u>	<u>(355,900)</u>
Net Book value 30 June	<u>42,193</u>	<u>74,093</u>
 8C Investment Property		
50% 187 Thomas St at fair value 30.6.17	<u>-</u>	<u>25,118,337</u>

The Investment property at 187 Thomas Street has been transferred to Property Held for Sale as the property has been marketed and a contract of sale is in place. The property was settled in September, 2018.

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

In the financial year 2017-18 United Voice National Council and United Voice NSW Branch held the investment property at 187 Thomas Street, Haymarket. Set out below is the branch's 50% share of the assets, liabilities, revenue and expenses for the joint operation in a property located at 187 Thomas St, Haymarket. This property was held in partnership with the NSW Branch for the purpose of earning rental income.

Joint Arrangements Thomas Street Property

Summarised Financial Position	2018	2017
	\$	\$
NON CURRENT ASSETS		
Investment property at fair value		
Building at valuation	-	25,118,337
TOTAL NON CURRENT ASSETS	-	25,118,337
CURRENT ASSETS		
Deposit and sundry debtors	197,723	30,612
Accrued interest	18,516	6,868
Prepayments	15,567	18,901
Cash at Bank	293,065	488,323
Asset held for sale	72,208,754	-
Investments	1,468,527	3,911,698
TOTAL CURRENT ASSETS	<u>74,202,152</u>	<u>4,456,402</u>
TOTAL ASSETS	<u>74,202,152</u>	<u>29,574,739</u>
CURRENT LIABILITIES		
Sundry Creditors	241,252	106,925
TOTAL LIABILITIES	<u>241,252</u>	<u>106,925</u>
NET ASSETS	<u>73,960,899</u>	<u>29,467,814</u>

UNITED VOICE NATIONAL COUNCIL

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

	2017 \$	2016 \$
Joint		
Summarised Financial Performance		
INCOME		
Interest	70,430	96,193
Rent received	<u>2,590,387</u>	<u>2,396,135</u>
	<u>2,660,817</u>	<u>2,492,327</u>
EXPENDITURE		
Building Running Expenses	1,040,198	705,583
Property running costs	50,512	40,293
General Expenses	556	4,504
Leasing Fees, Management	35,866	106,083
Level 9 rent paid to National Council	<u>299,345</u>	<u>274,132</u>
TOTAL EXPENDITURE	<u>1,426,477</u>	<u>1,130,595</u>
OPERATING SURPLUS FOR THE YEAR	<u>1,234,340</u>	<u>1,361,732</u>
Gain/(Loss) on revaluation of property	<u>46,238,814</u>	<u>(381,663)</u>
SURPLUS FOR THE YEAR	<u>47,473,154</u>	<u>980,069</u>

In May 2018 a contract of sale was signed on the Thomas Street property amounting to \$145,800,000. As a result, a gain on the value of the property of \$46,238,814 was recognised. The revalued amount is significantly higher than its previous value due to the property being sold as a development opportunity compared to the previous valuation on the property being held as a commercial building.

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

	2018	2017
	\$	\$
Note 9 CURRENT LIABILITIES		
9A Sundry Creditors		
Trade creditors and accruals	251,194	400,226
Subtotal trade creditors	251,194	400,226
<u>Payables to other reporting units</u>		
United Voice NSW Branch	-	-
United Voice SA Branch	111,285	-
United Voice WA Branch	31,834	2,685
United Voice Vic Branch	137,131	50,839
United Voice Qld Branch	504	8,231
Subtotal Payables to other reporting units	280,754	61,755
<u>Other payables</u>		
Thomas St payables	241,252	45,967
Superannuation	66,101	48,457
Commission owing	-	-
Litigation	71	37,828
Other legal costs	-	-
Payroll deductions	8,756	9,008
Prepaid Income	190,581	163,603
GST payable	337,254	351,398
Subtotal other payables	844,015	656,261
 Total Sundry Creditors	 1,375,963	 1,118,242
 Total sundry creditors are expected to be settled in:		
No more than 12 months	1,375,963	1,118,242
More than 12 months	-	-
	1,375,963	1,118,242

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 JUNE 2018

Note		2018	2017
10	PROVISIONS	\$	\$
10A	Employee Provisions		
	Office Holders:		
	Annual Leave	214,814	168,428
	Long Service Leave	221,970	177,939
	Separations and redundancies	-	-
	Other	-	-
	Subtotal employee provisions - office holders	436,784	346,366
	Employees other than Office Holders		
	Annual Leave	539,608	487,592
	Long Service Leave	379,600	381,891
	Separations and redundancies	-	-
	Other	-	-
	Subtotal employee provisions - employees other than office holders	919,208	869,484
	Total Employee provisions	1,355,992	1,215,850
	Current	1,167,572	1,035,785
	Non-current	188,420	180,065
	Total Employee provisions	1,355,992	1,215,850
Note			
11	RESERVES		
11A	Asset Revaluation Reserve		
	Opening balance - 1 July	13,205,479	13,205,479
	Revaluation increment on Tasmanian Branch Property	600,000	-
	Closing balance 30 June	13,805,479	13,205,479
11B	Compulsory Levy/voluntary contribution fund	-	-

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

Note		\$	\$
12	CASH FLOW		
12A	Reconciliation of Cash		
	Cash at Bank	2,102,758	2,227,940
	Cash at Hand	2,250	2,250
		<u>2,105,008</u>	<u>2,230,190</u>
	Cash flow statement	2,105,008	2,230,190
	Balance Sheet	<u>2,105,008</u>	<u>2,230,190</u>
	Difference	<u>-</u>	<u>-</u>
12B	Reconciliation of Cash Flow from Operations with Net Surplus		
	Net Surplus	44,452,416	525,454
	Non Cash Flows in Net Surplus		
	Depreciation	195,616	193,627
	Surplus on Disposal of Assets	-	(5,320)
	Thomas Street Surplus	(1,234,340)	(1,361,732)
	Fair value gain on revaluation of Thomas St	(46,238,814)	(381,663)
	Changes in Assets and Liabilities		
	(Increase)/Decrease in stock on hand	(5,041)	14,757
	(Increase)/Decrease in other receivables	(407,451)	101,204
	(Increase)/Decrease in prepayments	(112,246)	83,902
	(Increase)/Decrease in Accrued Interest	(8,106)	17,746
	(Increase)/Decrease in Amounts due from Branches	(467,013)	(29,065)
	Increase/(Decrease) in Sundry Creditors	257,721	(662,440)
	Increase /(Decrease) in Employees Provisions	140,142	75,307
		<u>(3,427,117)</u>	<u>(664,898)</u>

UNITED VOICE NATIONAL COUNCIL

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

12C		2018	2017
		\$	\$
	Cash Flow Information		
	Cash Inflows		
	Sustentation received		
	NSW Branch	1,193,360	1,280,098
	Qld Branch	1,829,810	2,073,198
	SA Branch	1,107,436	1,093,235
	Victorian Branch	1,117,535	1,140,147
	WA Branch	1,219,740	1,298,899
	Total cash inflows from sustentation	6,467,881	6,885,577
	NSW Branch	240,808	143,334
	Qld Branch	122,826	69,281
	SA Branch	141,619	81,745
	Victorian Branch	262,344	8,801
	WA Branch	70,935	48,716
	Total cash inflows from other receipts	838,532	351,877
	Cash Outflows		
	NSW Branch	41,508	88,812
	Qld Branch	43,880	53,397
	Qld Branch Poll Printing	8,480	-
	SA Branch	76,256	114,119
	Victorian Branch	367,853	180,413
	WA Branch	51,267	138,520
	Total cash outflows	589,244	575,261

Note: Cash flow information to/from other reporting units disclosed include 10% GST.

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30
JUNE 2018

			2018	2017
Note				
13A	RELATED PARTIES			
	National President	Gary Bullock	1.7.17	30.6.18
	National Vice Presidents	Lyndal Ryan	1.7.17	30.6.18
		Jess Walsh	1.7.17	30.6.18
	National Secretary	Jo-Anne Schofield	1.7.17	30.6.18
	Assistant National Secretaries	Helen Gibbons	1.7.17	13.1.18
	Executive Members	Melanie Gatfield	1.7.17	30.6.18
		Julie Korleveska	1.7.17	30.6.18
		Gary Bullock	1.7.17	30.6.18
		Sheila Hunter	1.7.17	30.6.18
		David DiTroia	1.7.17	30.6.18
		Donna Duke	1.7.17	30.6.18
		Carolyn Smith	1.7.17	30.6.18
		Karma Lord	1.7.17	30.6.18
		Jess Walsh	1.7.17	30.6.18
		Ben Redford	1.7.17	30.6.18
		Jannette Armstrong	1.7.17	30.6.18
		Erina Early	1.7.17	30.6.18
		Lyndal Ryan	1.7.17	30.6.18

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 JUNE 2018

13B Key Management Personnel Remunerations for the Reporting Period

Short-term employee benefits

Salary (including annual leave taken)	689,027	754,911
Annual leave accrued	46,386	18,319
Performance bonus	-	-
Other benefits	9,673	9,673
Total short-term employee benefits	745,087	782,903

Post-employment benefits

Superannuation	83,924	98,138
Total post-employment benefits	83,924	98,138

Other long-term benefits:

Long service leave accrual	44,032	19,759
Total other long term benefits	44,032	19,759

Termination benefits

	-	-
Total	873,043	900,800

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.

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

Note 13E Other Related Party Transactions

The National Council is the ultimate controlling entity of the United Voice Union.

Transactions with Branches include:

- (i) Sustentation fees charged to Branches which are disclosed as income in the statement of comprehensive income and detailed in Note 5B.
- (ii) Transactions between the Branches of the Union and the National Office occur for the provision of services and reimbursement of expenses. The amounts paid and received from the Branches are disclosed in the Cash Flow Statement and detailed in Note 12C.
- (iii) The amounts receivable from Branches are disclosed in the statement of financial position and detailed in Note 7B.
- (iv) The amounts payable to the Branches are disclosed in the statement of financial position and detailed in Note 9A.
- (v) As disclosed at Note 8C, the National Council and NSW Branch have a joint arrangement in the Thomas Street Investment Property Account.
- (vi) The National Council is the controlling entity for the Branches in the ACT, Tasmania and the Northern Territory. All income received and expenses paid on behalf of these Branches are included in the National Council finances.

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

13. FINANCIAL RISK MANAGEMENT

Overview

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 Union's Committee of Management has overall responsibility for the establishment and oversight of the risk management framework. The Union's risk management policies are established to identify and analyse the risks faced by the Union, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Union's activities. The Union, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(a) 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:

	2018 \$	2017 \$
Debtors – Branches	2,236,727	1,769,714
Other receivables	<u>643,344</u>	<u>115,540</u>
Total loans and receivables	<u>2,880,071</u>	<u>1,885,254</u>

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

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

Impairment Losses

The ageing of the Union's trade and other receivables at the reporting date was:

2018	Gross Amount	Past Due but not impaired	
		< 30 days	> 30 days
Receivables from other reporting entities	2,236,727	2,007,785	228,942
Other Receivables	<u>643,344</u>	<u>635,215</u>	<u>8,129</u>
	<u>2,880,071</u>	<u>2,643,000</u>	<u>237,071</u>

2017

Receivables from other reporting entities	1,769,714	1,769,714	-
Other Receivables	<u>115,540</u>	<u>103,897</u>	<u>11,643</u>
	<u>1,885,254</u>	<u>1,873,611</u>	<u>11,643</u>

Cash and cash equivalents

The Union held cash and cash equivalents of

	2018	2017
	\$	\$
Cash	<u>2,105,008</u>	<u>2,230,189</u>

The cash and cash equivalents are held at highly rated bank and financial institution counterparts.

Collateral held as Security

The Union does not hold Collateral with respect to its trade and other receivables at 30 June, 2018.

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

13. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) 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 2018 the Union had cash of \$2,105,008 (2016: \$2,230,189) to meet these commitments as they fall due. Financial liabilities at 30 June 2018 totalled \$1,375,963 (2016: \$1,118,242). The Union manages liquidity risk by monitoring cash flows and maintains an investment fund in respect of the leave liability.

(c) 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).

At the reporting date the interest rate profit of the Union's interest bearing financial instruments was:

Variable rate instruments	2018	2017
	\$	\$
Bank Balances	2,105,008	2,230,189
Call deposits	2,087,873	4,867,575
Term deposits	<u>1,745,487</u>	<u>3,149,647</u>
	<u>5,938,368</u>	<u>10,247,411</u>

(d) 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.

UNITED VOICE NATIONAL COUNCIL

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

13. FINANCIAL RISK MANAGEMENT (CONT'D)

30 June 2018	Floating Interest Rate	Fixed Interest Rate		Non-interest Bearing	Total
		1 year or less	Over 1 to 5 years		
Financial Assets	\$	\$	\$	\$	\$
Cash	2,102,758	-	-	2,250	2,105,008
Call deposits	2,078,955	-	-	-	2,078,955
Term deposits	-	1,754,405	-	-	1,754,405
	4,181,713	1,754,405	-	2,250	5,938,368
Financial Liabilities					
Payables	-	-	-	(1,375,963)	(1,375,963)
Net financial assets	4,181,713	1,754,405	-	(1,373,713)	4,562,405
Weighted average Interest	0.5%	2.7%			

30 June 2017	Floating Interest Rate	Fixed Interest Rate		Non-interest Bearing	Total
		1 year or less	Over 1 to 5 years		
Financial Assets	\$	\$	\$	\$	\$
Cash	2,227,939	-	-	2,250	2,230,189
Call deposits	4,867,575	-	-	-	4,867,575
Term deposits	-	3,162,217	-	-	3,162,217
	7,095,514	3,162,217	-	2,250	10,259,981
Financial Liabilities					
Payables	-	-	-	(1,118,242)	(1,118,242)
Net financial assets	7,095,514	3,162,217	-	(1,115,992)	9,141,739
Weighted average Interest	0.5%	2.8%			

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

13. FINANCIAL RISK MANAGEMENT (CONT'D)

Sensitivity Analysis

2018	Carrying Amount	+1%	-0.25%
		Profit	Loss
	\$	\$	\$
Cash at Bank and at call	4,181,713	41,817	10,454
Other deposits	1,754,405	17,544	4,386
2017	Carrying Amount	+1%	-0.25%
		Profit	Loss
	\$	\$	\$
Cash at Bank	7,095,514	70,955	17,739
Other deposits	3,162,217	31,496	7,874

(e) 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.

(f) Foreign Exchange Risk

The union is not exposed to foreign exchange rate risk.

14. FINANCIAL INSTRUMENTS – FAIR VALUES

14a Accounting classifications and fair values

Management of the reporting unit assessed that cash, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Assets held for sale are measured at the price offered in the market.

The following table contains the carrying amounts and related fair values for National Council financial assets and liabilities:

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

14. FINANCIAL INSTRUMENTS – FAIR VALUES (CONT'D)

	Carrying Amount 2018	Fair Value 2018	Carrying Amount 2017	Fair Value 2017
Financial Assets	\$	\$	\$	\$
Cash and cash equivalents	2,105,008	2,105,008	2,230,189	2,230,189
Trade and other receivables	2,880,071	2,880,071	1,885,254	1,885,254
Property held for sale	73,208,755	73,208,755		
Investments – term deposits	3,833,360	3,833,360	8,017,222	8,017,222
Total Financial Assets	82,027,194	82,027,194	12,167,063	12,167,063
Financial Liabilities				
Sundry Creditors	1,375,963	1,375,963	1,118,242	1,118,242
Total Financial Liabilities	1,375,963	1,375,963	1,118,242	1,118,242

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

(i) Cash and cash equivalents, accounts receivable and other debtors, investments – term deposits and sundry creditors are short term instruments in nature whose carrying value is equivalent to fair value. Sundry creditors exclude amounts provided for annual leave, which is outside the scope of AA5B 139;

(iii) Property held for sale is valued at the market price received for the properties based on contracted offers from buyers. This includes two properties:

187 Thomas St, sold for \$145,000,000.

Davey St, Hobart, conditional offers received between \$1m and \$1,335,000.

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

UNITED VOICE NATIONAL COUNCIL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE
2018

14. FINANCIAL INSTRUMENTS – FAIR VALUES (CONT'D)

Fair value hierarchy – 30 June 2018

Assets measured at fair value	Note	Date of valuation	Level 1	Level 2	Level 3
			\$	\$	\$
Property held for sale	7c		73,208,755	-	-
303 Cleveland St, Redfern property	8a	30 June'16	5,600,000	-	-
Wood St, Darwin property	8a	30 June'16	939,623	-	-
			<u>79,748,378</u>	<u>-</u>	<u>-</u>

Fair value hierarchy – 30 June 2017

Assets measured at fair value	Note	Date of valuation	Level 1	Level 2	Level 3
			\$	\$	\$
Investment property 187 Thomas St	8c	30 June'16	25,500,000	-	-
303 Cleveland St, Redfern property	8a	30 June'16	5,600,000	-	-
Wood St, Darwin property	8a	30 June'16	939,623	-	-
			<u>32,039,623</u>	<u>-</u>	<u>-</u>

National Council does not have any other assets or liabilities that are recorded using a fair value technique.

15. REGISTERED OFFICE

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

303 Cleveland Street
 REDFERN NSW 2016

**INDEPENDENT AUDITOR'S REPORT TO
UNITED VOICE NATIONAL COUNCIL**

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Union Voice National Council, which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in accumulated funds and cash flow statement for the year ended 30 June 2018, notes to the financial statements, including a summary of significant accounting policies; and the National Executive Statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Union Voice National Council as at 30 June 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

Basis for Opinion

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

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

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

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

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

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

SYDNEY

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Sydney NSW 2000
Australia

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**INDEPENDENT AUDITOR'S REPORT TO
UNITED VOICE NATIONAL COUNCIL**

Responsibilities of the National Executive for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the National Executive.
- Conclude on the appropriateness of the National Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITOR'S REPORT TO
UNITED VOICE NATIONAL COUNCIL**

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

I communicate with the National Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an auditor registered under the RO Act.

Hall Chadwick

HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000

Graham Webb

GRAHAM WEBB

Partner

Dated: 20 November 2018

Registration Number: AA2017/22



11 December 2018

Ms Jo-anne Schofield
National Secretary
United Voice
Sent via email: unitedvoice@unitedvoice.org.au

Dear Ms Schofield,

Lodgement of Financial Report - Reminder to lodge

The Registered Organisations Commission's (the ROC) records disclose that the financial year of the United Voice (the reporting unit) ended on the 30 June 2018.

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, s.254, s.265, s.266, s.268). The full report must be lodged with the ROC within 14 days of that meeting.

The ROC 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 Commissioner 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 Commissioner 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 \$105,000 per contravention on the organisation and up to \$21,000 per contravention on an officer whose conduct led to the contravention.

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

Should you seek any clarification in relation to the above, please contact me on (03) 9954 2931 or via email at Sam.Gallichio@roc.gov.au.

Yours faithfully,

Sam Gallichio
Registered Organisations Commission