



30 December 2014

Mr Mark Boyd
Secretary, New South Wales Branch
United Voice

Sent by email: mark.boyd@unitedvoice.org.au

Dear Mr Boyd

United Voice, New South Wales Branch - Financial Report for year ended 30 June 2014 - (FR2014/95)

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

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

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

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

Disclosure of employee benefits to office-holders and other employees

Notes 5A and 9 disclosed employee benefits *expenses* and *provisions* in respect of some but not all of the categories described in the Reporting Guidelines [see RGs 16(f), 16(g), 20(c), 20(d)]. Balances were disclosed for wages and salaries [16(f)(i), 16(g)(i)], superannuation [16(f)(ii), 16(g)(ii)], leave entitlements [16(f)(iii), 16(g)(iii)], and for annual leave provision [20(c)(i), 20(d)(i)], long service leave provision [20(c)(ii), 20(d)(ii)] but not for separation/redundancy expenses [16(f)(iv), 16(g)(iv)] or provisions [20(c)(iii), 20(d)(iii)] or 'other' expenses [16(f)(v), 16(g)(v)] or provisions [20(c)(iv), 20(d)(iv)].

Please note that Reporting Guidelines 17 and 21 state that if any activities identified in items 16 or 20, respectively, did not occur in the reporting period, a statement to this effect (or a nil balance¹) must be included in the general purpose financial report.²

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

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

Auditor's report: declaration regarding going concern

Paragraph 39 of the reporting guidelines requires an auditor to include in the auditor's statement a declaration that as part of the audit of the financial statement they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate. This declaration was not included in the auditor's statements.³ I note that this omission occurred in the previous report but does not appear to have been drawn to your attention in previous correspondence.

Key management personnel compensation

Australian Accounting Standard *AASB 124 Related Party Disclosures* paragraph 17 requires a general purpose financial report to disclose within the statements or the notes compensation paid to key management personnel.

This normally includes a listing of the key management personnel for the organisation, the total amount of compensation paid to all key management personnel, and then totals for each of the following categories:

- Short term employee benefits
- Post employment benefits
- Other long term employee benefits
- Termination benefits
- Any share based payments.

The definition for these categories can be found within accounting standard *AASB 119: Employee Benefits*.

The report did not fully reflect this standard. Key management personnel have been listed at Note 12(a) but 12(b)'s reference to aggregate remuneration being disclosed in the statement of profit and loss and comprehensive income was incorrect and should have been reference to Note 5A. The totals for each of the above categories were not included, although I note that they were set out in the previous report for year ending 30 June 2013.

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

Yours sincerely



Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

cc. Ms Elaine Hudson

³ See also the declaration and information required by paragraph 38



16 December, 2014

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

Dear Ms O'Neill

RE: NEW SOUTH WALES BRANCH FINANCIAL REPORTS

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

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

The financial reports were sent to the Branch Executive on 31st October, 2014 . The Executive resolved:

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

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

A full report was provided to the Committee of Management on 15th December, 2014 and was adopted. Also enclosed is a copy of the Branch Secretary's certificate dated 16th

December, 2014.

On the basis of the above and the enclosed documentation it would seem that the United Voice NSW Branch has complied with the audit and reporting requirements of the Fair Work Australia Act 2009.

Yours faithfully

A handwritten signature in black ink, appearing to read 'D O'Byrne', with a horizontal line extending to the right.

DAVID O'BYRNE
NATIONAL SECRETARY

UNITED VOICE NATIONAL COUNCIL


FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2014

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, Max Boyd, being the Branch Secretary of the United Voice, NSW Branch
certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- That the full report was provided to members on 23 November 2014 and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 15th December, 2014 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signed



Date:

16/12/2014

UNITED VOICE NSW BRANCH

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

UNITED VOICE NSW BRANCH

Financial Report for the Year Ended 30 June 2014

OPERATING REPORT AS AT JUNE 2014

Committee of Management present their report in accordance with section 254 of the Fair work (Registered Organisations) Act 2009 for the year ended 30 June 2014.

Principal Activities

The principal activity of NSW Branch of United Voice was that of a registered Trade Union.

There have been no significant changes to the way the Union has carried out these activities during the last financial year.

Operating Result

The operating deficit for the United Voice NSW Branch for the year ended 30 June 2014 was \$870,790 (2013:\$872,844).

Significant Changes

There have been no significant changes to the operating costs of the Branch in the last financial year.

Rights of Members

Members have the right to resign their membership of the union by giving written notice of resignation to the Branch secretary. This written notification is accepted subject to the rules of United Voice and in accordance with section 174(1) 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 of branch of the organisation. There was no change to this rule during the year.

Superannuation Office Holders

The United Voice, NSW Branch has the following officials and/or members acting as member's representatives on the board of Club Plus and Australian Super.

John Hawker
David Holder
Tara Moriarty
Mark Boyd
Peter James

Membership Numbers

- (1) Under Section 230 of the Fair Work (Registered Organisations) Act 2009 the number of persons recorded in the register of members and who under section 244 of the Fair Work (Registered Organisations) Act 2009 are taken to be members of the Branch of the Union as at 30 June 2014 was 20,702.
- (2) The number of persons, both full-time and part-time employees measured on a full-time equivalent basis, employed by the branch as at 30 June 2014 was 104.

UNITED VOICE NSW BRANCH

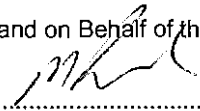
OPERATING REPORT (CONT'D)

- (3) The names of persons who have at any time during the financial year ending 30 June 2014 been members of the United Voice NSW Branch Committee of Management and periods they served on the committee are as follows:

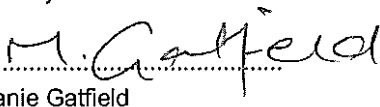
Name	Period of Service	
Amy Bell	01/07/2013	30/06/2014
Mark Boyd	01/07/2013	30/06/2014
Peter Campsie	01/07/2013	26/07/2013
Anthony Carlson	01/07/2013	30/06/2014
Tim Casey	01/07/2013	30/06/2014
Robert Crawford	01/07/2013	30/06/2014
Sharon Eurlings	01/07/2013	30/06/2014
George Fong	01/07/2013	30/06/2014
Melanie Gatfield	01/07/2013	30/06/2014
Kathleen Hadden	01/07/2013	30/06/2014
John Hawker	01/07/2013	30/06/2014
David Holder	01/07/2013	30/06/2014
Tara Moriarty	01/07/2013	30/06/2014
Megan Peason	01/07/2013	30/06/2014
David McElrea	10/09/2013	30/06/2014
Robyn Weate	10/09/2013	30/06/2014
Janet Southcott	01/07/2013	30/06/2014
Richard Stuart	01/07/2013	30/06/2014
Beryl Tanti	01/07/2013	30/06/2014
Troy Thompson	01/07/2013	30/06/2014
David Westrip	01/07/2013	14/08/2013
Chris Barnes	01/07/2013	30/06/2014
Vanessa McGrath	01/07/2013	30/06/2014

Signed on 31st day of October 2014

For and on Behalf of the Committee of Management.


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Mark Boyd


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Melanie Gatfield

UNITED VOICE NSW BRANCH

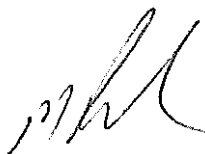
COMMITTEE OF MANAGEMENT'S STATEMENT

On 31st of October 2014 the Committee of Management of the United Voice, New South Wales Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended June 2014.

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

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

For the Committee of Management:



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Mark Boyd
31 October 2014

UNITED VOICE NSW BRANCH

Committee of Management's Certificate

We, **Mark Boyd** and **Melanie Gatfield**, being two members of the Committee of Management of the United Voice, New South Wales Branch, do state on the behalf of the Committee, and in accordance with a resolution passed by the Committee that:

- (i) In the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the Union as at 30 June 2014.
- (ii) In the opinion of the Committee of Management, meetings of the committee were held in the year ended 30 June 2014, in accordance with the rules of the Union.
- (iii) To the knowledge of any member of the Committee, there have been no instances where records of the union or other documents (not being documents containing information made available to a member of the Union under Sub-section 512(2) of the Industrial relations Act, 1991 as applied by Sub-Section 282(3) of the industrial Relations Act, 1996) or copies of the rules of the Union, have not been furnished, or made available to members in accordance with the requirements of the Industrial Relations Act, 1996, there Regulations thereto, or the rules of the Union.
- (iv) The Union has complied with the Sub-Section 517(1) and (5) of the Industrial Relations Act, 1991 in relation to the financial accounts in respect of the period 30 June 2014 and the Auditor's Report thereon.



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Mark Boyd



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Melanie Gatfield

31 October 2014

UNITED VOICE NSW BRANCH

Accounting Officer's Certificate

I, **MARK BOYD**, being the officer responsible for keeping the accounting records of the United Voice, New South Wales Branch, certify that as at 30 June 2014, the number of members of the unions was 20,702.

In my opinion:

- (i) The attached accounts show a true and fair view of the financial affairs of the Union as at 30 June 2014.
- (ii) A record has been kept of all moneys paid by, or collected from members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the Union.
- (iii) Before any expenditure was incurred by the Union, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union.
- (iv) With regard to funds of the Union raised by compulsory levies or voluntary contributions from members, or funds other than the General fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated.
- (v) No loans or other financial benefits, other than remuneration in respect of their full time employment with the Union, were made to persons holding office in the Unions
- (vi) The register of members of the union was maintained in accordance with the New South Wales Industrial Relations Act 1996.



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MARK BOYD

31 October 2014

UNITED VOICE NSW BRANCH

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

	Note	2014 \$	2013 \$
INCOME			
Revenue			
Contributions	4A	9,996,348	10,015,524
Hardship & Support	4B	45,657	52,915
Interest	4C	454,827	345,026
Salaries Recovered – Other	4D	273,572	218,616
Other Revenue	4E	395,287	123,471
Total Revenue		11,165,691	10,755,552
Other Income			
Share of profit from Thomas Street	4F	640,738	887,012
Gain on Disposal of Assets	4G	89,275	41,983
Total Other Income		730,013	928,995
TOTAL INCOME		11,895,704	11,684,547
EXPENSES			
Employee expenses	5A	8,804,086	8,569,061
Sustentation fees	5B	1,279,513	1,271,589
Affiliation fees	5C	280,610	301,979
Administration expenses	5D	528,519	638,267
Grants or donations	5E	148,455	157,436
Depreciation and amortisation	5F	330,643	321,994
Finance costs	5G	450,506	344,366
Legal and professional costs	5H	148,349	125,174
Campaign expenses	5I	63,771	154,584
Other expenses	5J	732,042	672,941
TOTAL EXPENSES		12,766,494	12,557,391
OPERATING DEFICIT FOR THE YEAR		(870,790)	(872,844)

The accompanying notes form part of these financial statements.

UNITED VOICE NSW BRANCH

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Note	2014	2013
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	6A	1,399,957	3,049,364
Trade and other receivables	6B	323,869	204,022
Investments	6C	5,255,590	5,277,447
Long Service Leave Fund	6D	716,278	831,653
Other current assets	6E	399,979	218,573
TOTAL CURRENT ASSETS		8,095,673	9,581,059
NON-CURRENT ASSETS			
Financial Assets	7A	8,451	11,821
Property Plant and Equipment	7B	3,752,665	2,598,057
Intangibles	7C	106,421	110,761
Thomas Street Property Account	7D	23,537,266	14,116,696
TOTAL NON CURRENT ASSETS		27,404,803	16,837,335
TOTAL ASSETS		35,500,476	26,418,394
CURRENT LIABILITIES			
Trade and Other Payables	8	1,135,916	1,278,549
Provisions	9	1,449,599	1,493,777
TOTAL CURRENT LIABILITIES		2,585,515	2,772,326
NON-CURRENT LIABILITIES			
Provisions	9	638,079	587,206
TOTAL NON-CURRENT LIABILITIES		638,079	587,206
TOTAL LIABILITIES		3,223,594	3,359,532
NET ASSETS		32,276,882	23,058,862
EQUITY			
Asset revaluation reserve	10	11,718,745	1,629,937
Retained earnings		20,558,137	21,428,925
ACCUMULATED FUNDS		32,276,882	23,058,862

The accompanying notes form part of these financial statements.

UNITED VOICE NSW BRANCH

STATEMENT OF CHANGES IN ACCUMULATED FUNDS FOR THE YEAR ENDED 30 JUNE 2014

	Asset Revaluation Reserve	Retained Earnings	Total
	\$	\$	\$
Balance as at 1 July 2012	1,629,937	22,301,771	23,931,708
Net Deficit for the year	-	(872,844)	(872,844)
Balance as at 30 June 2013	1,629,937	21,428,927	23,058,864
Net deficit for Year	-	(870,790)	(870,790)
Asset revaluation reserve	10,088,808	-	10,088,808
Balance at 30 June 2014	11,718,745	20,558,137	32,276,882

The accompanying notes form part of these financial statements.

UNITED VOICE NSW BRANCH

STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2014

	Note	2014	2013
			\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members		10,042,005	10,015,524
Payment to National Council for Sustentation Fees		(1,287,672)	(1,271,589)
Payment to Suppliers and Employees		(10,752,864)	(10,994,468)
Interest Received		361,284	345,026
Other Receipts		668,859	395,002
NET CASH (USED IN) OPERATING ACTIVITIES	11B	(968,388)	(1,510,505)
CASH FLOWS FROM INVESTING ACTIVITIES			
Thomas Street property distribution		640,738	648,674
Proceeds from disposal of property, plant & equipment		89,275	102,070
Payment for property, plant and equipment		(1,551,634)	(297,772)
Proceeds on disposal of Investments		140,602	1,082,059
NET CASH PROVIDED BY INVESTING ACTIVITIES		(681,019)	1,535,031
NET (DECREASE)/INCREASE IN CASH HELD		(1,649,407)	24,526
Cash at beginning of year		3,049,364	3,024,838
CASH AT END OF YEAR	11A	1,399,957	3,049,364

The accompanying notes form part of these financial statements.

UNITED VOICE NSW BRANCH

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of Preparation

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

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

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

The financial statements were authorised for issue on 31st October 2014.

(a) Revenue

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

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

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

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

Donations are recognised as revenue when received.

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

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

(b) Income Tax

No provision for Income Tax is necessary as the Union is exempt from Income Tax under Section 50 - 15 of the Income Tax Assessment Act 1997, however still has obligation for Fringe Benefit Tax (FBT) and the Goods and Service Tax (GST).

UNITED VOICE NSW BRANCH

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

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

(c) Property, Plant and Equipment

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

Depreciation

The depreciable amount of plant and equipment is depreciated on a diminishing value method over their useful lives to the union commencing from the time the asset is ready for use.

The depreciation rates used for each class of asset are:

Property	2%
Office Furniture and Equipment	10% - 20%
Motor Vehicles	15% - 25%
Computer Equipment	33%

The Asset's residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

Gains and losses on disposals are calculated as the difference between and the net disposal proceeds and the asset's carrying amount and are included in the statement of comprehensive income in the year that the item is derecognised.

(d) Jointly Controlled Operations

The entity's share of assets, liabilities, revenue and expenses of jointly controlled operations has been included in the financial statements. Details of the NSW Branch's interests are provided in Note 7D.

(e) Impairment of Assets

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

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

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

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

(f) Principle of Aggregation

These aggregated financial statements of United Voice NSW comprise the branch head office in Haymarket and the Liquor and Hospitality Division in Parramatta. All Intergroup transactions and balances have been eliminated.

UNITED VOICE NSW BRANCH

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

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

(g) Intangible Assets

United Voice NSW Branch has the right to occupy land and buildings at Sussex Inlet and amortise it over the period of its useful life. The branch controls the current use and future economic benefits embodied in this asset. As such the property has been brought to account at cost as an intangible right to occupy the property.

(h) Financial assets

Initial recognition and measurement

Financial assets are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the union commits itself to either purchase or sell the asset (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, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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

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

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

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

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

(ii) *Loans and receivables*

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

UNITED VOICE NSW BRANCH

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

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

(iii) Held-to-maturity investments

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

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

(iv) Available-for-sale investments

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

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

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

(v) Financial liabilities

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

Impairment

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

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

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

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

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

UNITED VOICE NSW BRANCH

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

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

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

Derecognition of financial assets

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

(i) **Accounts Receivable and Other Debtors**

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

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

(j) **Employee Benefits**

Short-term employee provisions

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

Other long-term employee provisions

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

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

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

UNITED VOICE NSW BRANCH

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

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

(k) Goods and Services Tax

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

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

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

(l) Accounts 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.

(m) Cash on Hand

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

(n) 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.

(o) Accounting standards issued but not yet effective

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

(p) New accounting standards for application in future periods

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

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

UNITED VOICE NSW BRANCH

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

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

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

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

(a) Critical accounting estimates and assumptions

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

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

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

3. INFORMATION TO BE PROVIDED TO MEMBERS, INDUSTRIAL OFFICER OR GENERAL MANAGER OF FAIR WORK

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

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

In accordance with the requirements of the Industrial Relations Act, 1991 the attention of members is drawn to the provisions of Sub-Sections (1) and (2) of Section 512 which read as follows:

- (1) A member of an organisation, or the industrial Registrar, may apply to the organisation for the specified information prescribed by the regulations in relation to the organisation.
- (2) An organisation must, on the making of such an application, make the specified information available to the member or the industrial Registrar in the manner, and within the time, prescribed by the regulations.

UNITED VOICE NSW BRANCH

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

	2014 \$	2013 \$
4 Income		
4A Contributions from Members	<u>9,996,348</u>	<u>10,015,524</u>
4B Hardship and Support	<u>45,657</u>	<u>52,915</u>
4C Interest Income		
Interest on deposits	<u>454,827</u>	<u>345,026</u>
4D Salaries Recovered -Other		
Salaries recovered	<u>273,572</u>	<u>218,616</u>
4E Other Revenue		
Grant income	293,173	-
Sponsorship	38,940	39,682
Director fees	29,487	26,798
Other revenue	33,687	56,991
Total Other Revenue	<u>395,287</u>	<u>123,471</u>
4F Share of Profit from Thomas street property account		
Distribution from joint operations – Thomas street	<u>640,738</u>	<u>887,012</u>
4G Gain on Disposal of Assets		
Motor vehicle	<u>89,275</u>	<u>41,983</u>
5 Expenses		
5A Employee Expenses		
 Holders of Office		
Wages and salaries	539,709	266,733
Superannuation	71,548	74,852
Leave and other entitlements	55,691	56,817
 Subtotal	<u>666,948</u>	<u>398,402</u>
 Employees other than Office Holders		
Wages and salaries	5,866,743	6,085,001
Superannuation	863,917	780,012
Leave and other entitlements	827,503	733,151
 Subtotal	<u>7,558,163</u>	<u>7,598,164</u>
Fringe benefits tax	138,517	158,913
Payroll tax	440,458	413,582
Total Employee Expenses	<u>8,804,086</u>	<u>8,569,061</u>
5B Sustention Fees		
United Voice National Council	<u>1,279,513</u>	<u>1,271,589</u>
5C Affiliation Fees		
ALP affiliation	88,073	96,017
Unions NSW affiliation	70,950	84,873
Unions NSW affiliation – south coast	9,402	9,147
Welfare rights centre	13,894	13,818
Campaigns action affiliation	45,455	45,455
Sydney alliance affiliation	38,504	37,455
Community sport & workers club membership	4,000	4,000
Newcastle trades	9,410	9,410
TUCAR	300	300
Sydney May Day	300	300
NCOSS affiliation	272	-
CRUMA	50	50
Workers health centre	-	1,154
Total Affiliation Fees	<u>280,610</u>	<u>301,979</u>

UNITED VOICE NSW BRANCH

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

	Note	2014 \$	2013 \$
5D Administration Expenses			
Electricity expenses		53,039	74,241
General expenses		35,599	129,992
Postage and freight		48,261	50,014
Printing and stationary		98,816	37,067
Rates – council		13,688	12,428
Repairs and maintenance		28,416	42,263
Rents (Property, room hire and other rentals)		46,558	47,691
Subscription and Journals		30,490	4,783
Telephone expenses		173,652	239,788
Total Administration Expenses		528,519	638,267
5E Grants or Donations			
Donations			
ALP Charlton (Patrick Conroy)		10,000	-
ALP National		83,333	-
Asian women at work		3,333	5,000
Sydney alliance for community building		1,000	-
Australian Children Education		2,273	-
Asbestos disease foundation		1,819	-
ALP NSW - Country Labor		5,500	-
ALP NSW - Charlestown		2,300	-
ALP NSW - Robertson campaign		2,000	-
ALP NSW - Barton Federal campaign		1,500	-
ALP NSW - Senator M Thistlewaite campaign		2,000	-
ALP NSW - Greenway Federal campaign		500	-
ALP NSW - Maroubra State campaign		990	-
ALP NSW - Bennelong Federal campaign		2,000	-
ALP NSW - Monaro State campaign		2,300	-
ALP NSW - Kingsford Smith Federal campaign		27,607	13,625
ALP NSW - Young Labor		-	100
ALP NSW - Newcastle Federal campaign		-	20,019
ALP NSW - Albanese Federal campaign fund raising		-	2,200
ALP NSW - Shortland Federal campaign		-	10,000
ALP NSW - Parramatta Federal campaign (Julie Owens)		-	5,900
ALP NSW - Michelle R. Federal campaign		-	5,000
ALP NSW - K Kenneally Federal campaign dinner		-	700
J Cartwright social justice		-	35
TAFE awards - M Rakosi		-	50
Grant - IUF		-	94,807
Total grants or donations		148,455	157,436
5F Depreciation and amortization			
Depreciation			
Property		20,234	19,989
Leasehold improvements		7,956	-
Furniture and fittings		36,286	61,433
Motor vehicles		222,269	227,641
Office equipment and computer		39,559	8,581
Total Depreciation		326,304	317,644
Amortisation			
Intangibles – Holiday units license		4,339	4,350
Total Amortisation		4,339	4,350
Total Depreciation and Amortisation		330,643	321,994
5G Finance Costs			
Bank charges		76,275	68,865
Commissions on PRDs		68,194	82,807
Insurance premiums		306,037	192,694
Total Finance Costs		450,506	344,366

UNITED VOICE NSW BRANCH

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

	Note	2014 \$	2013 \$
5H Legal and Professional Costs			
Audit fees - Hall Chadwick		26,000	33,100
Audit fees - Bell Partners		22,000	22,000
Other services - Bell Partners		4,000	4,000
Legal expenses		26,157	27,198
Professional services - other		70,192	38,876
Total Legal and Professional Costs		<u>148,349</u>	<u>125,174</u>
5I Campaign Expenses			
Campaign expenses		<u>63,771</u>	<u>154,584</u>
5J Other Expenses			
Advertising		2,393	4,378
Airfares		-	26,762
Attendance fees and allowances		6,841	13,118
Computer expenses		42,058	26,724
Education and training		33,009	19,534
Meeting and conference expenses		272,322	175,127
Motor vehicle expenses		344,744	363,677
Support - ACTU		4,050	-
Temporary staff		26,625	38,616
Union news publication		-	5,005
Total Other Expenses		<u>732,042</u>	<u>672,941</u>
6 Current Assets			
6A Cash and Cash Equivalents			
Cash at bank		1,391,507	3,039,505
Cash on hand		8,450	9,859
Total Cash and Cash Equivalents		<u>1,399,957</u>	<u>3,049,364</u>
6B Trade and Other Receivables			
Sundry debtors		<u>323,869</u>	<u>204,022</u>
6C Investments			
Short term bank deposits		4,130,000	4,130,000
Short term bank bills		1,125,590	1,147,447
Total Investments		<u>5,255,590</u>	<u>5,277,447</u>
6D Long Service Leave Fund			
Short term deposits		580,000	580,000
Short term bank bills		136,278	251,653
Total Long Service Leave Fund		<u>716,278</u>	<u>831,653</u>
6E Other Current Assets			
Prepayments		162,323	74,459
Accrued interest		230,839	137,297
Deposits		6,817	6,817
Total Other Current Assets		<u>399,979</u>	<u>218,573</u>
7 Non-Current Assets			
7A Financial Assets			
IAG		8,451	4,621
Transnational		-	200
Newcastle Rehabilitation Centre		-	5,000
Trade Union Medical Centre		-	2,000
Total Financial Assets		<u>8,451</u>	<u>11,821</u>

UNITED VOICE NSW BRANCH

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

7B Plant Property and Equipment (a) Movements in Carrying Amounts

2014	Balance as at 1 July 2013	Additions	Disposals	Depreciation	Balance as at 30 June 2014
	\$	\$	\$	\$	\$
Property	1,902,115	418,333	-	(20,234)	2,300,214
Leasehold Improvements	-	544,165	-	(7,956)	536,209
Furniture & Fittings	181,222	90,027	-	(36,286)	234,963
Motor Vehicles	501,965	347,567	(69,733)	(222,269)	557,530
Office Equip & computers	12,755	137,053	-	(39,559)	110,249
Website – at cost	-	13,500	-	-	13,500
Total	2,598,057	1,550,645	(69,733)	(326,304)	3,752,665

2013	Balance as at 1 July 2012	Additions	Disposals	Depreciation	Balance as at 30 June 2013
	\$	\$	\$	\$	\$
Property	1,922,104	-	-	(19,989)	1,902,115
Furniture & Fittings	214,397	26,514	-	(59,689)	181,222
Motor Vehicles	525,342	267,942	(63,678)	(227,641)	501,965
Office equip & computers	18,020	3,316	-	(8,581)	12,755
Total	2,679,863	297,772	(63,678)	(315,900)	2,598,057

(b) Property Plant and Equipment Breakdown

	2014 \$	2013 \$
Property		
At fair value	2,320,448	2,343,393
Less Accumulated Depreciation	(20,234)	(441,278)
	<u>2,300,214</u>	<u>1,902,115</u>
Leasehold Improvements		
At Cost	544,165	-
Less Accumulated Depreciation	(7,956)	-
	<u>536,209</u>	<u>-</u>
Furniture and Fittings		
At Cost	1,580,140	1,126,686
Less Accumulated Depreciation	(1,345,177)	(945,464)
	<u>234,963</u>	<u>181,222</u>
Library		
At Cost	218,504	218,504
Less Accumulated Depreciation	(218,504)	(218,504)
	<u>-</u>	<u>-</u>
Motor Vehicle		
At Cost	1,166,617	1,114,588
Less Accumulated Depreciation	(609,087)	(612,623)
	<u>557,530</u>	<u>501,965</u>
Office Equipment and computers		
At Cost	946,174	858,163
Less Accumulated Depreciation	(835,925)	(805,419)
	<u>110,249</u>	<u>52,744</u>
Website		
At Cost	13,500	-
Less Accumulated Depreciation	-	-
	<u>13,500</u>	<u>-</u>
Total Property Plant and Equipment	<u>3,752,665</u>	<u>2,598,057</u>

UNITED VOICE NSW BRANCH

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

	Note	2014 \$	2013 \$
7C Intangibles			
Holiday apartments License – at cost:		216,935	216,935
Accumulated amortisation		<u>(110,514)</u>	<u>(106,174)</u>
Total Intangibles		<u>106,421</u>	<u>110,761</u>
7D Thomas Street Property Account			
Net assets is relating to the Joint Operations with the National Council in respect of building situated at Thomas St, Sydney			
Assets			
Land		3,664,500	3,664,500
Building - at Valuation less Depreciation		<u>15,835,500</u>	<u>6,321,357</u>
		<u>19,500,000</u>	<u>9,985,857</u>
Cash at bank		326,956	548,893
Deposits		30,612	30,611
Accrued Interest		18,730	36,776
Prepayments		58,765	58,191
Investments		3,850,555	3,612,003
Sundry debtors		-	10,671
Total Assets		<u>23,785,618</u>	<u>14,283,002</u>
Liabilities			
Sundry creditors		<u>248,352</u>	<u>166,306</u>
Total Liabilities		<u>248,352</u>	<u>166,306</u>
Net Assets		<u>23,537,266</u>	<u>14,116,696</u>
The Thomas St property is co-owned by United Voice National Council and United Voice NSW Branch. The property has been revalued to fair value from cost. This gave rise to an asset revaluation increment of \$9,670,475.			
8 Trade and Other Payables			
Sundry creditors and accruals		<u>795,300</u>	<u>918,073</u>
Subtotal sundry creditors and accruals		<u>795,300</u>	<u>918,073</u>
Payables to other reporting unit:			
United Voice National Council		<u>340,616</u>	<u>360,476</u>
Subtotal payables to other reporting unit		<u>340,616</u>	<u>360,476</u>
Total Trade and Other Payables		<u>1,135,916</u>	<u>1,278,549</u>
9 Employee Provisions			
Office Holders			
Annual Leave		95,436	106,263
Long Service Leave		118,038	131,695
Subtotal employee provisions-office holders		<u>213,474</u>	<u>237,958</u>
Employees other than office holders:			
Annual Leave		965,665	996,198
Long Service Leave		908,539	846,827
Subtotal employee provisions – employees other than office holders		<u>1,874,204</u>	<u>1,843,025</u>
Total Employee Provisions		<u>2,087,678</u>	<u>2,080,983</u>
<i>Classifications:</i>			
Current		1,449,599	1,493,777
Non-Current		638,079	587,206
Total Employee Provisions		<u>2,087,678</u>	<u>2,080,983</u>

UNITED VOICE NSW BRANCH

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

	2014 \$	2013 \$
10 Assets Revaluation Reserve		
Balance as at 1 July 2013	1,629,937	1,629,937
Revaluation increment – Thomas Street	9,670,475	-
Revaluation increment – Argyle Street	418,333	-
Balance as at 30 June 2014	11,718,745	1,629,937
11 Cash Flow		
11A Reconciliation of Cash		
For the purpose of the Cash Flow statement, cash includes cash on hand and in at call deposits with banks of financial institutions, net of bank overdrafts.		
Cash at Bank	1,391,507	3,039,505
Cash on Hand	8,450	9,859
	1,399,957	3,049,364
11B Reconciliation of Cash Flow from Operations with Net Deficit		
Deficit for the year	(870,790)	(872,844)
<i>Non Cash Items</i>		
Thomas Street property account surplus	(640,738)	(887,012)
Depreciation and amortisation	401,365	320,050
Assets written-off	668,240	-
Gain on disposal of assets	(89,275)	(41,984)
<i>Changes in Assets and Liabilities</i>		
(Increase)/decrease in sundry debtors	(119,847)	-
(Increase)/decrease in prepayments	(87,864)	(33,285)
(Increase)/decrease in deposits	-	(172,615)
(Increase)/decrease in accrued interest	(93,542)	(59,951)
Increase/(decrease) in sundry creditors	(122,772)	291,699
Increase/(decrease) in national council creditors	(19,860)	21,625
Increase/(decrease) in employee provisions	6,695	(76,188)
Net cash from operating activities	(968,388)	(1,510,505)
12 Related Parties		
(a) The following persons have held office in the branch during the financial period:		
Title	Name	Period of Service
Branch President	Kathleen Hadden	1/07/2013 to 30/06/2014
Branch Secretary	Mark Boyd	1/07/2013 to 30/06/2014
Branch Assistant Secretary	Melanie Gatfield	1/07/2013 to 30/06/2014
	Peter Campise	1/07/2013 to 26/07/2013
	David McEirea	10/09/2013 to 30/06/2014
	Tara Moriarty	1/07/2013 to 30/06/2014
	David Holder	1/07/2013 to 30/06/2014
Branch Executive	Amy Bell	1/07/2013 to 30/06/2014
	Anthony Carlson	1/07/2013 to 30/06/2014
	Tim Casey	1/07/2013 to 30/06/2014
	Robert Crawford	1/07/2013 to 30/06/2014
	Sharon Eurlings	1/07/2013 to 30/06/2014
	George Fong	1/07/2013 to 30/06/2014
	John Hawker	1/07/2013 to 30/06/2014
	Megan Peason	1/07/2013 to 30/06/2014
	Janet Southcott	1/07/2013 to 30/06/2014
	Richard Stuart	1/07/2013 to 30/06/2014
	Beryl Tanti	1/07/2013 to 30/06/2014
	Troy Thompson	1/07/2013 to 30/06/2014
	David Westrip	1/07/2013 to 14/08/2013
	Chris Barnes	1/07/2013 to 30/06/2014
	Vanessa McGrath	1/07/2013 to 30/06/2014
	Robyn Weate	10/09/2013 to 30/06/2014

UNITED VOICE NSW BRANCH

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

12 Related Parties (Cont'd)

- (b) The aggregate amount of the remuneration paid to officers during the financial year is disclosed in the statement of profit or loss and other comprehensive income under Salaries and Allowances – Officers.
- (c) The Aggregate amount paid during the financial year to a superannuation plan in respect of officers was \$71,548 (2013:\$74,852).
- (d) There have been no other transactions between the officers and the union other than those relating to their membership of the union and the reimbursement by the union in the respect of expenses incurred by them in the performance of their duties. Such Transactions have been on conditions no more favorable than those with which it is reasonable to expect would have been adopted by parties at arm's length.
- (e) Transactions with United Voice National Council
- i) National Council Sustentation fees are disclosed as expenses on the statement of profit or loss and other comprehensive income and as payments in the statement of cash flows.
- ii) The amount payable to the United Voice National Council at balance date is disclosed in the statement of Financial position as a payable under National Council Sustentation fees.
- (f) The NSW Branch has joint operations arrangements with the United Voice National Council in respect to the Sydney Thomas Street property. The branch's 50% share is disclosed in Note 7D of the financial statements.

13 Financial Risk Management

(a) General objectives, policies and processes

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

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

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

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

(b) Credit Risk

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

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

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

	2014	2013
	\$	\$
Other receivables	323,869	204,022
Total receivables	323,869	204,022

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

UNITED VOICE NSW BRANCH

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

13 Financial Risk Management (Cont'd)

	2014	2013
	\$	\$
Cash	1,399,958	3,049,364
Term deposits – employee leave fund	716,278	831,653
	2,116,236	3,881,017

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

(c) Liquidity Risk

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

As at 30 June 2014 the Union had cash of \$1,399,958 (2013: \$3,049,364) to meet these commitments as they fall due. The Union manages liquidity risk by monitoring cash flows and maintains an investment fund in respect of the leave liability.

(d) Market Risk

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

(e) Interest Rate Risk

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

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

30 June 2014	Float Interest Rate	Fixed Interest Rate		Non-Interest Bearing	Total
		<small>< 1 year</small>	<small>1 to 5 years</small>		
Financial Assets	\$	\$	\$	\$	\$
Cash	1,391,508	-	-	8,450	1,399,958
Term deposits	-	5,971,868	-	-	5,971,868
Shares	-	-	-	8,451	8,451
	1,391,508	5,971,868	-	16,901	7,380,277
Weighted average Interest rate	0.5%	4.3%			
Financial Liabilities					
Payables	-	-	-	(1,135,916)	(1,135,916)
	-	-	-	(1,135,916)	(1,135,916)
Net Financial Assets	1,391,508	5,971,868	-	(1,119,015)	6,244,361

UNITED VOICE NSW BRANCH

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

13 Financial Risk Management (Cont'd)

30 June 2013	Float Interest Rate	Fixed Interest Rate		Non-Interest Bearing	Total
		< 1 year	1 to 5 years		
	\$	\$	\$	\$	\$
Financial Assets					
Cash	3,039,505	-	-	9,859	3,049,364
Term deposits	-	6,109,100	-	-	6,109,100
Shares	-	-	-	11,821	11,821
	3,039,505	6,109,100	-	21,680	9,170,255
Weighted average Interest rate	0.5%	4.45%			
Financial Liabilities					
Payables	-	-	-	(1,278,549)	(1,278,549)
	-	-	-	(1,278,549)	(1,278,549)
Net Financial Assets	3,039,505	6,109,100	-	(1,256,869)	7,891,706

Sensitivity Analysis 30 June 2014

	Carrying Amount	+1% Profit	-0.25% Loss
	\$	\$	\$
Cash at Bank	1,391,508	13,915	3,479
Term deposits	5,971,868	59,719	14,930
30 June 2014			
	Carrying Amount	+1% Profit	-0.25% Loss
	\$	\$	\$
Cash at Bank	3,039,505	30,395	7,599
Term deposits	6,109,100	61,091	15,273

(f) Other Price Risks

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

(g) Foreign Exchange Risks

The union is not exposed to foreign exchange rate risk.

14 Subsequent Events

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the aggregated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

15 Registered Office

The registered office and principal place of business of the Branch is;

Level 1
187 Thomas Street
Haymarket NSW 2000

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITED VOICE NSW BRANCH

Report to the Members of United Voice, NSW Branch

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

Responsibility of the Committee of Management and Branch Secretary for the financial report

The Committee of Management and Branch Secretary are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Regulations 2009, all requirements of Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act and the Industrial Relations Act 1996 and for such internal control as the Committee of Management and Branch Secretary determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management and Branch Secretary, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies, the Fair Work (Registered Organisations) Regulations 2009, the Fair Work (Registered Organisations) Act 2009 and the Industrial Relations Act 1996.

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia

GPO Box 3555
Sydney NSW 2001

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

NEWCASTLE

Ph: (612) 4969 5521
Fx: (612) 4969 6059

PARRAMATTA

Ph: (612) 9687 2100
Fx: (612) 9687 2900

PENRITH

Ph: (612) 4721 8144
Fx: (612) 9263 2800

MELBOURNE

Ph: (613) 8678 1600
Fx: (613) 8678 1699

PERTH

Ph: (618) 6557 6200
Fx: (618) 9218 8950

BRISBANE

Ph: (617) 3211 1250
Fx: (617) 3211 1249

GOLD COAST

Ph: (617) 5538 2322
Fx: (617) 5526 8599

DARWIN

Ph: (618) 8943 0645
Fx: (618) 8943 0654

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**INDEPENDENT AUDITOR'S REPORT TO
THE MEMBERS OF UNITED VOICE
NSW BRANCH**

Auditor's Opinion

In our opinion the financial report of the United Voice NSW Branch is in accordance with the Fair Work Act 2009, including:

- (i) giving a true and fair view of the entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) the Fair Work (Registered Organisations) Regulations 2009 and all requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 and the Industrial Relations Act 1996.

Nell Chadwick

Hall Chadwick
Level 40, 2 Park Street
Sydney, NSW

Graham Webb

Graham Webb
Partner

31 October 2014



31 July 2014

Mr Mark Boyd
Branch Secretary
United Voice - New South Wales Branch
Sent by email: mark.boyd@unitedvoice.org.au

Dear Mr Boyd,

**Re: Lodgement of Financial Report - [FR2014/95]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

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

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

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

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

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

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

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

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

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

TIMELINE/ PLANNER

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

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

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

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