



FAIR WORK  
COMMISSION

5 January 2017

Ms Melanie Gatfield  
Secretary, New South Wales Branch  
United Voice

By email: [mel.gatfield@unitedvoice.org.au](mailto:mel.gatfield@unitedvoice.org.au)

Dear Ms Gatfield

**Re: Lodgement of Financial Statements and Accounts – United Voice, New South Wales Branch - for year ended 30 June 2016 (FR2016/252)**

I refer to the financial report for the New South Wales Branch of United Voice. The report was lodged with the Fair Work Commission on 19 December 2016.

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

You are not required to take further action in relation to the report lodged but I make the following comments to assist you when preparing the next financial report. Please note that the financial report for the year ending 30 June 2017 may be subject to an advanced compliance review.<sup>1</sup>

**Non-compliance with previous request – legal cost payables disclosure**

While we filed last year's financial report, we raised certain issues for the reporting unit to address in the preparation of future financial reports. These issues were addressed in the 2016 report with the exception of disclosure of payables in respect of legal costs.

Reporting Guideline 20(b) requires a payable<sup>2</sup> in relation to legal costs to be disclosed by litigation and by other legal matters. Reporting Guideline 21 states that if any activities identified in item 20 have not occurred in the reporting period, a statement to this effect<sup>3</sup> must be included in the GPFR. No such disclosure was made in the report although I received advice today confirming that there were no legal costs payables to disclose.

The FWC aims to assist reporting units in complying with their obligations under the RO Act and Reporting Guidelines, by providing advice about the errors identified in financial reports. Failure to address issues that are identified may lead to the General Manager exercising her powers under section 330 of the RO Act.

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<sup>1</sup> The full range of disclosure requirements that may apply can be found itemised on the advanced assessment form available at <https://www.fwc.gov.au/documents/documents/organisations/factsheets/org-financial-report-checklist-advanced.pdf>

<sup>2</sup> Note that the Reporting Guidelines distinguish between legal costs *expenses* [RG16(j)] and legal costs *payables* [RG20(b)], and require appropriate disclosure of both. The report disclosed legal costs *expenses* at Note 5H. Disclosure of nil-activity in relation to legal costs *payables* should most appropriately have been made at Note 8.

<sup>3</sup> Or nil balances, as illustrated in the Model Financial statements

## Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you require further information on the financial reporting requirements of the Act, I may be contacted on (02) 6746 3283 or 0429 462 979 or by email at [stephen.kellett@fwc.gov.au](mailto:stephen.kellett@fwc.gov.au)

Yours sincerely

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

Stephen Kellett  
Senior Adviser  
Regulatory Compliance Branch



17 December, 2016

The General Manager  
Fair Work Commission  
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 2015. 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 11 October, 2016. 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 19<sup>th</sup> December, 2016 and was adopted. Also enclosed is a copy of the Branch Secretary's certificate dated 19<sup>th</sup>

December, 2016.

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 that reads "Jo-Anne Schofield". The signature is written in a cursive style with a large initial 'J'.

JO-ANNE SCHOFIELD  
NATIONAL SECRETARY



New South Wales Branch

President - Amy Bell

Secretary - Mel Gatfield

**UNITED VOICE NSW BRANCH**

**FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2016**

**CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER**

I, Melanie Gatfield, being the 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 the 25 November, 2016; and
- That the full report was presented to a meeting of the committee of management of the reporting unit on the 19/12/16 in accordance with section 266 of the Fair Work (Registered Organisations) Act of 2009.

Signed: \_\_\_\_\_

*M. Gatfield*

Date: \_\_\_\_\_

*19/12/16*

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**UNITED VOICE NSW BRANCH**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2016**

## **UNITED VOICE NSW BRANCH**

### **OPERATING REPORT AS AT 30 JUNE 2016**

The 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, 2016.

#### **Review of the Principal Activities of the Branch, the results of those activities and any changes in the nature of those activities during the year**

As in past years the principal activities of the Branch during the year fell into the following categories:

- Organising existing members and new members;
- Bargaining, negotiating and arbitrating for improvements in wages and conditions of employment for members of the Union;
- Representing members in work related grievances or other matters;
- Undertaking training and development for delegates of the Union.

Over the year the Branch negotiated many Collective Agreements delivering improvements in wages and conditions to United Voice members. The branch has also worked on the transition of the government homecare service to the non-government sector.

#### **The NSW Branch Financial Affairs**

The Branch ended the 2015-16 year with an operating deficit of \$(261,555).

The income of the Branch in 2015-16 was \$12,490,386 which is slightly less than the income received in 2014-15. This decrease is due to a decrease in membership income and interest received.

Expenses also decreased in 2015-16 by 4% to \$12,780,772. The decrease was mainly due to savings in employment costs as the staffing levels were lower throughout the financial year.

This resulted in a deficit in the profit and loss which increased the accumulated funds of the NSW Branch to \$37,895,048. Most of these assets are held as property but Cash Investments also increased in 2015-16 to \$9.02m. NSW Branch continues to hold cash assets to cover all employees leave entitlements.

#### **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.

## UNITED VOICE NSW BRANCH

### OPERATING REPORT AS AT 30 JUNE 2016 (CONT'D)

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.

#### Superannuation Trustees

The United Voice NSW Branch has the following officials and/or members acting as member's representatives on the board of Club Plus. Their remuneration in their capacity as Board members was:

	Gross Remuneration	Superannuation Contribution	Consideration
Mark Boyd	\$ -	\$ -	Mark did not receive any remuneration from the board.
John Hawker	\$71,307	\$25,777	John was not a paid official of the union.
Tara Moriarty	\$71,120	\$2,500	Tara donated \$9,155 of board fees to the Union.

#### Membership of the NSW Branch

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 2016 was 18,503.

#### Employees of the NSW Branch

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 2016 was 75.5 FTEs.



## UNITED VOICE NSW BRANCH

### OPERATING REPORT AS AT 30 JUNE 2016 (CONT'D)

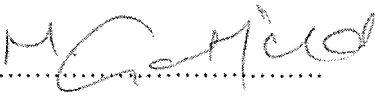
#### Branch Executive

The names of persons who have at any time during the financial year ending 30 June 2016 been members of the United Voice NSW Branch Committee of Management and periods they served on the committee are as follows:

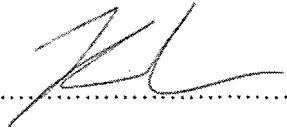
Name	Period of Service	
Mark Boyd	01/07/2015	27/05/2016
Melanie Gatfield	01/07/2015	30/06/2016
Julie Korlevska	21/06/2016	30/06/2016
David McElrea	01/07/2015	25/08/2015
Kathleen Hadden	01/07/2015	30/06/2016
Amy Bell	01/07/2015	30/06/2016
Dale Buckmaster	01/07/2015	30/06/2016
Anthony Carlson	01/07/2015	30/06/2016
Sharon Eurlings	01/07/2015	30/06/2016
Jane Grundy	21/06/2016	30/06/2016
Jeff Higgins	01/07/2015	30/06/2016
Wesley Inglis	01/02/2016	30/06/2016
Ian Pandilovski	01/07/2015	30/06/2016
Ruth Sorbello	01/07/2015	30/06/2016
Troy Thompson	01/07/2015	30/06/2016
Lorna Whitford	01/07/2015	30/06/2016
Robert Crawford	01/07/2015	30/06/2016
John Hawker	01/07/2015	30/06/2016
David Holder	01/07/2015	30/06/2016
Vanessa McGrath	01/07/2015	30/06/2016
Tara Moriarty	01/07/2015	30/06/2016
David Perkins	01/07/2015	30/06/2016
Jan Tuiach	01/07/2015	30/06/2016
Robyn Weate	01/07/2015	30/06/2016

Signed on

For and on Behalf of the Committee of Management

  
.....

Melanie Gatfield

  
.....

Julie Korlevska

## UNITED VOICE NSW BRANCH

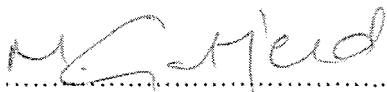
### COMMITTEE OF MANAGEMENT'S STATEMENT

On 11 October 2016, the Committee of Management of the United Voice NSW Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2016:

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a fair view of the financial performance, financial position and cash flows of the United Voice NSW Branch for the financial year to which they relate;
- (d) there are reasonable 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 to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organization and the rules of the branch; and
  - (ii) the financial affairs of the branch have been managed in accordance with the rules of the organization and the rules of the branch; and
  - (iii) the financial records of the branch have been kept and maintained in accordance with the RO Act; and
  - (iv) the financial records of the branch 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 reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
  - (vi) no order for inspection of the financial records has been made by Fair Work Commission under section 273 of the RO Act.
- (f) During the financial year ended 30 June 2016 the NSW Branch did not participate in any recovery of wages activity.

For the Committee of Management:



.....  
Melanie Gatfield  
11 October 2016

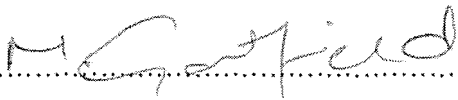
**UNITED VOICE NSW BRANCH**

**ACCOUNTING OFFICER'S CERTIFICATE**

I, Melanie Gatfield, being the officer responsible for keeping the accounting records of the United Voice, NSW Branch, certify that as at 30 June 2016, the number of members of the union was 18,503.

In my opinion:

- (i) The attached accounts show a true and fair view of the financial affairs of the Union as at 30 June, 2016;
- (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 funds 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 NSW Industrial Relations Act 1996.



Melanie Gatfield

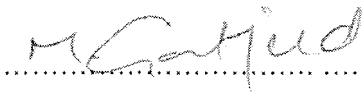
Date: 11 October 2016

## UNITED VOICE NSW BRANCH

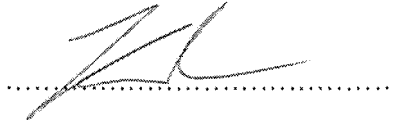
### COMMITTEE OF MANAGEMENT'S CERTIFICATE

We, Melanie Gatfield and Julie Korlevska, 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: s

- (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, 2016.
- (ii) In the opinion of the Committee of Management, meetings of the committee were held in the year ended 30 June 2016 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 2015 and the Auditor's Report thereon.



Melanie Gatfield



Julie Korlevska

11 October 2016

**UNITED VOICE NSW BRANCH  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016	2015
<b>Revenue</b>		<b>\$</b>	<b>\$</b>
Membership income	4A	9,037,691	9,223,864
Levies	4B	500,831	530,116
Interest Received	4C	373,799	438,230
Property Revenue	4D	2,384,089	2,207,159
Other Revenue	4E	193,976	237,084
<b>Total Revenue</b>		<b><u>12,490,386</u></b>	<b><u>12,636,453</u></b>
 <b>Other Income</b>			
Share of profit from Associate		-	-
Net gain from sale of assets	4F	28,830	8,760
<b>Total Other Income</b>		<b><u>28,830</u></b>	<b><u>8,760</u></b>
<b>Total Income</b>		<b><u>12,519,216</u></b>	<b><u>12,645,213</u></b>
 <b>Expenses</b>			
Employee Expenses	5A	7,663,653	8,116,757
Indirect employment costs	5B	267,356	312,364
Affiliation fees	5C	238,670	237,924
Administration expenses	5D	296,787	395,797
Depreciation and Amortisation	5E	630,561	659,835
Grants and donations	5F	173,609	42,312
Finance costs	5G	201,889	236,252
Legal & Professional costs	5H	41,209	24,764
Audit fees	5I	99,182	119,348
Meeting and conference costs	5J	329,299	374,453
Campaign costs	5K	133,356	41,638
Communication costs	5L	21,067	10,305
IT costs	5M	108,701	52,189
Property costs	5N	1,263,364	1,265,434
Research costs	5O	29,654	29,665
Sustentation	5P	1,200,172	1,237,618
Member service costs	5Q	82,244	75,960
Penalties via RO Act		-	-
Write down of assets	5R	-	111,162
<b>Total Expenditure</b>		<b><u>12,780,772</u></b>	<b><u>13,343,776</u></b>
<b>Operating Deficit for the year</b>		<b>(261,555)</b>	<b>(698,563)</b>
Fair value gain on revaluation of land & building		<u>6,578,283</u>	<u>-</u>
<b>Surplus/(deficit) for the year</b>		<b><u>6,316,728</u></b>	<b><u>(698,563)</u></b>

The accompanying notes form part of these financial statements

**UNITED VOICE NSW BRANCH  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	6A	1,485,031	1,324,421
Trade and Other Receivables	6B	152,614	155,801
Investments	6C	9,020,255	8,998,691
Long Service Leave Fund	6D	676,693	581,985
Other current assets	6E	244,793	482,905
<b>TOTAL CURRENT ASSETS</b>		<u>11,579,386</u>	<u>11,543,803</u>
<b>NON CURRENT ASSETS</b>			
Financial Assets	7A	9,037	8,600
Intangibles	7B	138,281	143,783
Investment Property at Fair Value	7C	25,000,000	-
Property Plant and Equipment	7D	3,977,518	22,664,700
<b>TOTAL NON CURRENT ASSETS</b>		<u>29,124,837</u>	<u>22,817,083</u>
<b>TOTAL ASSETS</b>		<u>40,704,222</u>	<u>34,360,886</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8A	965,386	889,392
Provisions	9A	1,485,883	1,386,494
<b>TOTAL CURRENT LIABILITIES</b>		<u>2,451,269</u>	<u>2,275,886</u>
<b>NON CURRENT LIABILITIES</b>			
Provisions	9A	357,905	506,680
<b>TOTAL NON CURRENT LIABILITIES</b>		<u>357,905</u>	<u>506,680</u>
<b>TOTAL LIABILITIES</b>		<u>2,809,174</u>	<u>2,782,566</u>
<b>NET ASSETS</b>		<u>37,895,048</u>	<u>31,578,320</u>
<b>EQUITY</b>			
Retained earnings		26,176,303	19,859,575
Asset revaluation reserve		11,718,745	11,718,745
<b>TOTAL ACCUMULATED FUNDS</b>		<u>37,895,048</u>	<u>31,578,320</u>

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 2016**

	<b>Asset Revaluation Reserve \$</b>	<b>Retained Earnings \$</b>	<b>Total \$</b>
Balance at 30 June 2014	11,718,745	20,558,138	32,276,883
Net Deficit for Year ended 30 June 2015	-	(698,563)	(698,563)
Asset revaluation reserve			
Balance as at 30 June 2015	<u>11,718,745</u>	<u>19,859,575</u>	<u>31,578,320</u>
Net Surplus for Year ended 30 June 2016	<u>-</u>	<u>6,316,728</u>	<u>6,316,728</u>
Balance at 30 June 2016	<u>11,718,745</u>	<u>26,176,303</u>	<u>37,895,048</u>

The accompanying notes form part of these financial statements.



**UNITED VOICE NSW BRANCH  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016 \$	2015 \$
<b>CASH FROM OPERATING ACTIVITIES</b>			
Receipts from members		9,538,523	9,753,979
Payments to National Council for Sustentation		(1,200,172)	(1,307,474)
Payments to Suppliers and Employees		(10,709,344)	(11,779,054)
Interest Received		401,013	455,847
Other receipts		<u>1,613,481</u>	<u>1,605,227</u>
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	11 (B)	<u>(356,498)</u>	<u>(1,271,475)</u>
<b>CASH FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of Property, Plant and Equipment		277,902	278,776
Payments for Property, Plant and Equipment		(608,667)	(359,809)
Payment for Financial Assets		(437)	(148)
Proceeds on disposal of Investments		(118,258)	113,130
Distribution from Thomas Street Property Account		<u>964,583</u>	<u>839,017</u>
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		<u>515,123</u>	<u>870,966</u>
<b>NET INCREASE IN CASH HELD</b>		158,625	(400,508)
Cash at the Beginning of the Year		<u>1,326,406</u>	<u>1,724,929</u>
<b>CASH AT THE END OF THE YEAR</b>	11 (A)	<u>1,485,031</u>	<u>1,324,421</u>

The accompanying notes form part of these financial statements.

## **UNITED VOICE NSW BRANCH**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

##### **Basis of Preparation**

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Account Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisations) Act 2009. For the purpose of preparing the general purpose financial statements, United Voice, NSW Branch is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for 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.

The financial statements were authorised for issue on 11 October 2016.

#### **NEW AUSTRALIAN ACCOUNTING STANDARDS**

##### **Adoption of New Australian Accounting Standard Requirements**

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the investment property standard refer note (e) below:

##### **(a) Revenue**

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.

## UNITED VOICE NSW BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

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

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

Donations are recognised as revenue when received.

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

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

#### (b) Income Tax

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

#### (c) 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.

##### *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 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.

#### (d) Interests in Joint Arrangements

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

## UNITED VOICE NSW BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The union's interest in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Details of the NSW Branch's interests are disclosed in Note 7D.

##### (e) 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.

An 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 derecognition 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.

##### (f) Impairment of Assets

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

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

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

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

##### (g) Principles 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 2016

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

##### (h) 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.

Website costs have a finite useful life and are amortised on a systematic basis based on the future economic benefits over the useful life of the website.

##### (i) 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 (ie trade date accounting is adopted).

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

###### Classification and subsequent measurement

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

Amortised cost is calculated as the amount at which the financial asset 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.

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.

## UNITED VOICE NSW BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

##### (ii) Loans and receivables

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

##### (iii) Held-to-maturity investments

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

## UNITED VOICE NSW BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

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 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.

##### **(j) Investment 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.

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Union's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements.

##### **(k) 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.

## UNITED VOICE NSW BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

##### (l) 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.

##### (m) 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.

##### (n) Accounts Payable 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.



## UNITED VOICE NSW BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

##### (o) 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.

##### (p) 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.

##### (q) Accounting standards issues but not yet effective

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

##### (r) New accounting standards for application in future periods

AASB 9: Financial Instruments (December 2010) and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2018).

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

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

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

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

## UNITED VOICE NSW BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

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

Identify the contract(s) with a customer;

Identify the performance obligations in the contract(s);

Determine the transaction price;

Allocate the transaction price to the performance obligations in the contract(s); and

Recognise revenue when (or as) the performance obligations are satisfied.

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

The committee of management do not expect these revised standards to have a material impact on the Branch.

AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019).

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

The main changes introduced by the new Standard include:

recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);

depreciation of right-to-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;

variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;

by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and

additional disclosure requirements.

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

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

## UNITED VOICE NSW BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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

##### (s) Going concern

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

#### 2. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

##### (a) Critical accounting estimates and assumptions

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

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

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

#### 3. INFORMATION TO BE PROVIDED TO MEMBERS, 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 2016

	Note	2016	2015
Note 4	Income	\$	\$
4A	<b>CONTRIBUTIONS FROM MEMBERS</b>	<u>9,037,691</u>	<u>9,223,864</u>
4B	<b>HARDSHIP &amp; SUPPORT</b>		
	Levy paid by members	<u>500,831</u>	<u>530,116</u>
4C	<b>INTEREST RECEIVED</b>		
	Interest on investments	<u>373,799</u>	<u>438,230</u>
4D	<b>Property Revenue</b>		
	Rental Income from joint arrangement	2,383,689	2,206,759
	Other rental income	<u>400</u>	<u>400</u>
		<u>2,384,089</u>	<u>2,207,159</u>
4E	<b>OTHER INCOME</b>		
	Grant Income	80,234	129,560
	Sponsorship	49,955	37,956
	Director Fees	9,155	36,894
	Other Revenue	<u>54,632</u>	<u>32,674</u>
		<u>193,976</u>	<u>237,084</u>
4F	<b>GAIN ON SALE OF ASSETS</b>		
	Sale of Motor Vehicles	<u>28,830</u>	<u>8,760</u>
		<u>28,830</u>	<u>8,760</u>
Note 5	<b>EXPENSES</b>		
5A	<b>EMPLOYEE EXPENSES</b>		
	<b> Holders of Office</b>		
	Wages and salaries	461,361	514,305
	Superannuation	64,421	80,164
	Leave and other entitlements	116,506	92,720
	Separation and redundancies	-	-
	Other Employee Expenses	<u>36,189</u>	<u>42,107</u>
	<b>Subtotal employee expenses holders of office</b>	<u>678,477</u>	<u>729,295</u>

UNITED VOICE NSW BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
<b>Employees other than office holders</b>		
Wages and salaries	4,484,332	4,817,157
Superannuation	807,528	919,795
Leave and other entitlements	726,216	730,867
Separation and redundancies	24,809	-
Other Employee Expenses	942,291	919,642
<b>Subtotal employee expenses employees other than office holders</b>	<u>6,985,176</u>	<u>7,387,461</u>
<b>Total employment costs</b>	<u>7,663,653</u>	<u>8,116,757</u>
<b>5B INDIRECT EMPLOYMENT COSTS</b>		
Removal/Relocation Expenses	615	1,901
Education and Staff Training	30,348	31,779
Staff Amenities	8,247	11,729
Temporary staff cost	-	1,980
Motor Vehicle Expenses	228,146	264,975
<b>TOTAL INDIRECT EMPLOYMENT COSTS</b>	<u>267,356</u>	<u>312,364</u>
<b>5C AFFILIATION FEES</b>		
Australian Labor Party	85,046	86,864
Unions NSW	83,919	82,601
Welfare Rights	13,838	13,838
Newcastle Trades and Labour Council	9,684	9,511
Sydney Alliance	40,135	39,620
Campaign Action	-	-
Community Sport and Workers Club	4,000	4,000
Other affiliations	2,048	1,490
<b>TOTAL AFFILIATION FEES</b>	<u>238,670</u>	<u>237,924</u>
<b>5D ADMINISTRATION EXPENSES</b>		
General Expenses	12,984	18,362
Postage & freight	51,607	64,753
Printing & stationery	74,821	120,699
Office equipment	14,974	24,994
Telephone	142,401	166,989
<b>TOTAL ADMINISTRATION EXPENSES</b>	<u>296,787</u>	<u>395,797</u>

**UNITED VOICE NSW BRANCH****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>5E DEPRECIATION</b>		
Depreciation - Furn & Fitt	64,853	57,989
Depreciation - Computers	11,985	44,957
Depreciation - Motor Vehicles	195,667	204,563
Depreciation - Leasehold Improvements	11,446	7,979
Depreciation - Property	341,108	340,010
<b>TOTAL DEPRECIATION</b>	<u>625,059</u>	<u>655,498</u>
 <b>AMORTISATION</b>		
Intangibles - Holiday units license	4,351	4,337
- Website	1,151	-
	<u>5,502</u>	<u>4,337</u>
<b>TOTAL DEPRECIATION &amp; AMORTISATION</b>	<u>630,561</u>	<u>659,835</u>
 <b>5F DONATIONS</b>		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations	-	-
Total paid that were \$1,000 or less	4,852	3,962
Total paid that exceeded \$1,000	168,757	38,350
<b>TOTAL DONATIONS</b>	<u>173,609</u>	<u>42,312</u>
 <b>5G FINANCE COSTS</b>		
Bank Charges	67,000	71,394
Commission on PRDs	29,227	39,385
Insurance Premiums	105,662	122,610
Bad debts prior years	-	2,863
<b>TOTAL FINANCE COSTS</b>	<u>201,889</u>	<u>236,252</u>

UNITED VOICE NSW BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
<b>5H LEGAL AND PROFESSIONAL COSTS</b>	<b>\$</b>	<b>\$</b>
Litigation costs	8,636	6,364
Legal costs	<u>32,573</u>	<u>18,400</u>
<b>TOTAL LEGAL &amp; PROFESSIONAL COSTS</b>	<u>41,209</u>	<u>24,764</u>
<b>5I AUDIT AND PROFESSIONAL FEES</b>		
Audit Fees	66,221	55,184
Professional services	<u>32,961</u>	<u>64,164</u>
	<u>99,182</u>	<u>119,348</u>
<b>5J MEETING AND CONFERENCE COSTS</b>		
Accommodation	80,948	100,857
Airfares	43,630	92,726
Travel allowance	102,806	49,949
Parking and cab charges	39,625	51,328
Other meeting costs	17,980	31,023
Conference costs	<u>44,310</u>	<u>48,570</u>
<b>TOTAL MEETING &amp; CONFERENCE COSTS</b>	<u>329,299</u>	<u>374,453</u>
<b>5K CAMPAIGN COSTS</b>	<u>133,356</u>	<u>41,638</u>
<b>5L COMMUNICATION COSTS</b>		
Advertising	14,252	2,814
Promotions	<u>6,815</u>	<u>7,491</u>
<b>TOTAL COMMUNICATION COSTS</b>	<u>21,067</u>	<u>10,305</u>
<b>5M IT COSTS</b>		
IT Maintenance & Support	32,160	32,506
Internet - Internet & website	<u>76,541</u>	<u>19,683</u>
<b>TOTAL IT COSTS</b>	<u>108,701</u>	<u>52,189</u>
<b>5N PROPERTY COSTS</b>		
Electricity	30,409	38,938
Repairs & Maintenance	31,133	30,929
Thomas Street running costs	1,181,970	1,173,025
Other property expense	<u>19,852</u>	<u>22,542</u>
<b>TOTAL PROPERTY COSTS</b>	<u>1,263,364</u>	<u>1,265,434</u>

UNITED VOICE NSW BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
<b>50 RESEARCH COSTS</b>	<b>\$</b>	<b>\$</b>
Subscriptions & Journals	<u>29,654</u>	<u>29,665</u>
<b>5P SUSTENTATION</b>		
Paid to United Voice National Council	<u>1,200,172</u>	<u>1,237,618</u>
<b>5Q MEMBER SERVICE COSTS</b>		
Publication Union News	6,284	-
Workers compensation Journey Cover	<u>75,960</u>	<u>75,960</u>
<b>TOTAL MEMBER SERVICE COSTS</b>	<u>82,244</u>	<u>75,960</u>
<b>5R WRITE DOWN OF ASSETS</b>		
Plant and Equipment	<u>-</u>	<u>111,162</u>
<b>Note 6 CURRENT ASSETS</b>		
<b>6A Cash and Cash Equivalents</b>		
Cash at Bank	1,475,674	1,315,671
Cash at Hand	<u>9,357</u>	<u>8,750</u>
	<u>1,485,031</u>	<u>1,324,421</u>
<b>6B Trade and Other Receivables</b>		
Sundry debtors - others	<u>152,614</u>	<u>155,801</u>
	<u>152,614</u>	<u>155,801</u>
<b>6C Investments</b>		
Short term bank deposits	4,634,546	4,815,684
Short term bank bills	1,087,584	1,151,808
Thomas Street Invested funds	<u>3,298,125</u>	<u>3,031,199</u>
	<u>9,020,255</u>	<u>8,998,691</u>
<b>6D Long Service Leave Fund</b>		
Cash at Bank	-	1,985
Short term bank deposits	<u>676,693</u>	<u>580,000</u>
	<u>676,693</u>	<u>581,985</u>
<b>6E Other Current Assets</b>		
Prepayments	35,611	215,897
Accrued interest	204,177	231,391
Deposits	<u>5,005</u>	<u>35,617</u>
	<u>244,793</u>	<u>482,905</u>



UNITED VOICE NSW BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

Note 7	NON-CURRENT ASSETS	2016	2015
7A	<b>Financial Assets</b>	\$	\$
	LAG – shares in listed entity at market value	<u>9,037</u>	<u>8,600</u>
7B	<b>Intangibles</b>		
	<b>License</b>		
	Holiday apartments License - at cost	216,935	216,935
	Accumulated amortisation	<u>(119,203)</u>	<u>(114,852)</u>
		<u>97,732</u>	<u>102,083</u>
	<b>Websites</b>		
	At Cost	41,700	41,700
	Accumulated amortisation	<u>(1,151)</u>	<u>-</u>
		<u>40,549</u>	<u>41,700</u>
	<b>Total Intangibles</b>	<u>138,281</u>	<u>143,783</u>
7C	<b>Investment Property at Fair Value</b>	<u>25,500,000</u>	<u>-</u>

A valuation of the Thomas Street Property was conducted during the year.

The valuation was performed by Jones Lang Lasalle (JLL).

The fair value has been determined on a market value basis in accordance with International Valuation Standards (IVS), as set out by the International Valuation Standards Council (IVSC). In arriving at their estimates of market values, the valuers have used their market knowledge and professional judgement together with historical transactional comparables.

Rental income earned and received from the investment property during the year was \$2,384,089 (2015: \$2,207,159).

Direct expenses incurred in relation to the investment property that generated rental income during the year were \$1,263,364 (2015: \$1,265,434).

UNITED VOICE NSW BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

**7D Property Plant and Equipment**

(a) Movements in Carrying Amounts

2016	Balance as at 01-Jul-15	Additions	Transfer	Disposals	Depreciation	Balance as at 30-Jun-16
	\$	\$	\$	\$	\$	\$
Property	22,017,850	-	(18,921,718)	-	(341,108)	2,755,024
Leasehold improvements	554,970	-	-	-	(11,446)	543,524
Furniture & Fittings	102,981	125,426	-	(23,054)	(64,853)	140,500
Motor Vehicles	322,283	438,453	-	(148,637)	(195,667)	416,432
Office Equipment & computers	100,051	44,788	-	(10,816)	(11,985)	122,038
Work in Progress	66,365	-	-	(66,365)	-	-
<b>TOTAL</b>	<b>23,164,500</b>	<b>608,667</b>	<b>(18,921,718)</b>	<b>(248,872)</b>	<b>(625,059)</b>	<b>3,977,518</b>

UNITED VOICE NSW BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2015	Balance as at 01-Jul-14	Additions	Disposals	Depreciation	Balance as at 30-Jun-15
	\$	\$	\$	\$	\$
Property	21,800,214	62,835	(4,989)	(340,010)	21,518,050
Leasehold improvements	536,209	26,740	-	(7,979)	554,970
Furniture & Fittings	234,963	-	(73,993)	(57,989)	102,981
Motor Vehicles	557,530	169,110	(199,794)	(204,563)	322,283
Office Equipment & computers	110,249	34,759	-	(44,957)	100,051
Work in Progress	-	66,365	-	-	66,365
<b>TOTAL</b>	<b>23,239,165</b>	<b>359,809</b>	<b>(278,776)</b>	<b>(655,498)</b>	<b>22,664,700</b>

(b) Property Plant and Equipment Breakdown	2016	2015
	\$	\$
<b>Property</b>		
Argyle Street at fair value	2,718,333	2,718,333
Thomas Street at fair value	-	19,500,000
Building Improvements	62,835	62,835
Less Accumulated Depreciation	(26,144)	(763,118)
	<u>2,755,024</u>	<u>21,518,050</u>
<b>Leasehold Improvements</b>		
At Cost	570,905	570,905
Less Accumulated depreciation	(27,381)	(15,935)
	<u>543,524</u>	<u>554,970</u>
<b>Furniture and Fittings</b>		
At Cost	950,095	824,669
Less Accumulated depreciation	(809,595)	(721,688)
	<u>140,500</u>	<u>102,981</u>

UNITED VOICE NSW BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

(b) Property Plant and Equipment Breakdown  
cont'd

	2016	2015
	\$	\$
<b>Motor Vehicle</b>		
At Cost	751,583	802,545
Less Accumulated depreciation	<u>(335,151)</u>	<u>(480,262)</u>
	416,432	322,283
<b>Office Equipment &amp; Computers</b>		
At Cost	304,084	259,296
Less Accumulated depreciation	<u>(183,046)</u>	<u>(159,245)</u>
	122,038	100,051
<b>Work in Progress</b>	-	66,365
<b>Total Property Plant and Equipment</b>	<u>3,977,518</u>	<u>22,664,700</u>

**7E JOINT ARRANGEMENTS – THOMAS ST PROPERTY**

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 is held in partnership with the National Council for the purpose of earning rental income.

<b>Summarised Financial Position</b>	2016	2015
	\$	\$s
<b>NON-CURRENT ASSETS</b>		
Investment property at fair value	25,500,000	-
Building at valuation	-	19,500,000
Less Accumulated Depreciation	<u>-</u>	<u>(316,710)</u>
	25,500,000	19,183,290
Building improvements at cost	-	62,835
Less Accumulated depreciation	<u>-</u>	<u>(3,299)</u>
	-	59,536
<b>TOTAL NON-CURRENT ASSETS</b>	<u>25,500,000</u>	<u>19,242,826</u>

**UNITED VOICE NSW BRANCH****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016**

	2016	2015
	\$	\$
<b>CURRENT ASSETS</b>		
Deposit & sundry debtors	35,457	32,778
Accrued interest	24,428	6,559
Prepayments	9,529	71,179
Cash at Bank	772,449	525,922
Investments	3,298,125	3,031,199
<b>TOTAL CURRENT ASSETS</b>	<u>4,139,987</u>	<u>3,667,637</u>
<b>TOTAL ASSETS</b>	<u>29,639,987</u>	<u>22,910,463</u>
<b>LIABILITIES</b>		
Sundry Creditors	<u>196,892</u>	<u>171,217</u>
<b>TOTAL LIABILITIES</b>	<u>196,892</u>	<u>171,217</u>
<b>NET ASSETS</b>	<u>29,443,095</u>	<u>22,739,246</u>

The branch's share of the assets located at 187 Thomas street Haymarket has been reclassified as an investment property effective 1 July 2015. On 1 July 2015, in accordance with AASB 140, the property was assessed as being an investment property. Up until 1 July 2015, the property was accounted for as owner occupied in accordance with AASB 116, and any revaluation up until this date was accounted for through the Asset Revaluation Reserve as prescribed under AASB 116.

## 7E JOINT ARRANGEMENTS (CONT'D)

## Summarised Financial Performance

<b>INCOME</b>	<b>Note</b>	<b>2016</b> <b>\$</b>	<b>2015</b> <b>\$</b>
Interest		84,973	125,291
Rent Received		<u>2,383,689</u>	<u>2,206,759</u>
<b>TOTAL INCOME</b>		<u>2,468,661</u>	<u>2,332,050</u>
<b>EXPENDITURE</b>			
Audit and Accountancy Fees		1,000	-
Building Running Expenses		836,972	824,851
Property running costs		39,597	35,489
Depreciation		321,108	320,009
General Expenses		397	797
Leasing Fees, Management		28,013	41,067
Level 9 rent paid to National Office		<u>276,992</u>	<u>270,820</u>
<b>TOTAL EXPENDITURE</b>		<u>1,504,078</u>	<u>1,493,033</u>
<b>OPERATING SURPLUS FOR THE YEAR</b>		964,583	839,017
Gain on revaluation of property		<u>6,578,283</u>	-
<b>SURPLUS FOR THE YEAR</b>		<u>7,542,866</u>	<u>839,017</u>

UNITED VOICE NSW BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
<b>Note 8 CURRENT LIABILITIES</b>		
<b>8A Trade and Other Payables</b>		
Sundry creditors and accruals	607,890	547,248
<b>Subtotal Sundry Creditors and Accruals</b>	<u>607,890</u>	<u>547,248</u>
Payables to Other Reporting Units		
United Voice National Council	357,496	342,144
<b>Subtotal Payables to Other Reporting Units</b>	<u>357,496</u>	<u>342,144</u>
<b>Total Trade and Other Payables</b>	<u>965,386</u>	<u>889,392</u>
<b>Note 9 EMPLOYEE PROVISIONS</b>		
<b>Office Holders</b>		
Annual Leave	102,305	83,209
Long Service Leave	147,643	137,041
Separations and redundancies	-	-
Other	-	-
<b>Subtotal Employee provisions - office holders</b>	<u>249,948</u>	<u>220,250</u>
<b>Employees other than Officeholders</b>		
Annual Leave	786,201	810,557
Long Service Leave	807,640	862,367
Separations and redundancies	-	-
Other	-	-
<b>Subtotal Employee provisions - employees other than office holders</b>	<u>1,593,841</u>	<u>1,672,924</u>
<b>Total Employee Provisions</b>	<u>1,843,789</u>	<u>1,893,175</u>
<b>Classifications</b>		
Current	1,485,883	1,386,494
Non-current	357,905	506,680
<b>Total Employee Provisions</b>	<u>1,843,788</u>	<u>1,893,174</u>

UNITED VOICE NSW BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

**Note 10 EQUITY**

**10A Asset Revaluation Reserve**

Balance as at 1 July	<u>11,718,745</u>	<u>11,718,745</u>
Balance as at 30 June	<u>11,718,745</u>	<u>11,718,745</u>

**Note 11 CASH FLOW**

**11A Reconciliation of Cash**

Cash at Bank	1,475,674	1,315,671
Cash at Hand	<u>9,357</u>	<u>8,750</u>
	<u>1,485,031</u>	<u>1,324,421</u>

**11B RECONCILIATION OF CASH FLOW FROM OPERATIONS DEFICIT**

Net Surplus/(Deficit)	6,316,728	(698,563)
Non Cash Flows in Surplus/(Deficit)		
Thomas Street Surplus	(964,583)	(839,017)
Depreciation and amortisation	630,561	659,835
Assets written off	-	111,162
Gain on disposal of assets	(28,830)	(8,760)
Fair value gain on investment property	(6,578,282)	-
Changes in Assets and Liabilities		
Increase in trade and other receivables	3,187	168,067
Increase in prepayments	180,286	5,752
Increase in deposits	30,612	1,812
Increase in accrued interest	27,214	17,612
Increase/(Decrease) in trade and other payables	75,995	(494,878)
Decrease in Employees Provisions	<u>(49,386)</u>	<u>(194,504)</u>
	<u>(356,498)</u>	<u>(1,271,475)</u>



## UNITED VOICE NSW BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

#### 12 RELATED PARTIES

(a) The following persons have held office in the branch during the financial period:

TITLE	NAME	PERIOD OF SERVICE
Branch Secretary	Mark Boyd	01/07/2015 to 27/05/2016
Branch Secretary	Melanie Gatfield	27/05/2016 to 30/06/2016
Br. Asst. Secretary	Melanie Gatfield	01/07/2015 to 21/06/2016
Br. Asst. Secretary	Julie Korlevska	21/06/2016 to 30/06/2016
Br. Asst. Secretary	David McElrea	01/07/2015 to 25/08/2015
Br. Asst. Secretary LHD	David Holder	01/07/2015 to 30/06/2016
Divisional Secretary LHD	Tara Moriarty	01/07/2015 to 30/06/2016
	Kathleen Hadden	01/07/2015 to 30/06/2016
	Amy Bell	01/07/2015 to 30/06/2016
	Dale Buckmaster	01/07/2015 to 30/06/2016
	Anthony Carlson	01/07/2015 to 30/06/2016
	Sharon Eurlings	01/07/2015 to 30/06/2016
	Jane Grundy	21/06/2016 to 30/06/2016
	Jeff Higgins	01/07/2015 to 30/06/2016
	Wesley Inglis	01/02/2016 to 30/06/2016
	Ian Pandilovski	01/07/2015 to 30/06/2016
	Ruth Sorbello	01/07/2015 to 30/06/2016
	Troy Thompson	01/07/2015 to 30/06/2016
	Lorna Whitford	01/07/2015 to 30/06/2016
	Robert Crawford	01/07/2015 to 30/06/2016
	John Hawker	01/07/2015 to 30/06/2016
	Vanessa McGrath	01/07/2015 to 30/06/2016
	David Perkins	01/07/2015 to 30/06/2016
	Jan Tuiach	01/07/2015 to 30/06/2016
	Robyn Weate	01/07/2015 to 30/06/2016

- (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 \$64,421 (2015: \$71,548)
- (d) There have been no other transactions between the officers and the union other than those relating to their membership of the union and the reimbursement by the union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those with which it is reasonable to expect would have been adopted by parties at arm's length.

UNITED VOICE NSW BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

12 RELATED PARTIES (CONT'D)

12B KEY MANAGEMENT PERSONNEL REMUNERATIONS FOR THE REPORTING PERIOD

	2016	2015
	\$	\$
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	606,492	622,334
Annual leave accrued	102,305	83,209
Performance bonus		
Other benefits	47,109	20,672
<b>Total short-term employee benefits</b>	<u>755,906</u>	<u>726,215</u>
<b>Post employment benefits</b>		
Superannuation	64,411	79,965
<b>Total post employment benefits</b>	<u>64,411</u>	<u>79,965</u>
<b>Other long-term benefits:</b>		
Long service leave accrual	154,900	137,041
<b>Total other long term benefits</b>	<u>154,900</u>	<u>137,041</u>
<b>Termination benefits</b>		
<b>Total</b>	<u>975,217</u>	<u>943,221</u>

## UNITED VOICE NSW BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

#### 12 RELATED PARTIES (CONT'D)

##### 12C REMUNERATION PAID TO TOP OFFICIALS OF THE UNION

Salaries of Elected Officials	Salary & Wages	Superannuation	Other Benefits	Total
Branch Secretary (NSW)	135,472	16,257		151,729
Assistant Branch Secretary	128,594	15,431		144,025
LHD Division Secretary	121,485	14,309		135,794
LHD Division Asst Sec.	114,607	14,325		128,932
<b>TOTAL</b>	<b>500,158</b>	<b>60,322</b>		<b>560,480</b>

(e) Transactions with United Voice National Council

National Council Sustentation fees are disclosed as expenses on the statement of comprehensive income and as payments in the statement of cash flows.

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.

## UNITED VOICE NSW BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

#### 13. FINANCIAL RISK MANAGEMENT (CONT'D)

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

##### (b) Credit Risk

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

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

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

	2016	2015
	\$	\$
Other receivables	<u>152,614</u>	<u>155,801</u>
Total receivables	<u>152,614</u>	<u>155,801</u>

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

	2016	2015
	\$	\$
Cash	1,485,031	1,326,406
Term deposits – employee leave fund	<u>676,693</u>	<u>580,000</u>
	<u>2,161,724</u>	<u>1,906,406</u>

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

##### (c) Liquidity Risk

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

As at 30 June 2016 the Union had cash of \$1,485,031 (PY: \$1,326,406) 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) or other market factors (other price risk).

UNITED VOICE NSW BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

13. FINANCIAL RISK MANAGEMENT (CONT'D)

(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 2016	Floating	Fixed		Non-interest	Total
		< 1 year	Over 1 to		
Financial Assets	\$	\$	\$	\$	\$
Cash	1,475,674			9,357	1,485,031
Term deposits		9,696,948			9,696,948
Financial assets				9,037	9,037
	1,475,674	9,696,948		18,394	11,191,016
Weighted average interest rate	3%	3.67%			
Payables				965,386	965,386
Net financial assets	1,475,674	9,696,948		(946,992)	10,25,630

30 June 2015	Floating	Fixed		Non-interest	Total
		< 1 year	Over 1 to 5		
Financial Assets	\$	\$	\$	\$	\$
Cash	1,317,656			8,750	1,326,406
Term deposits		9,580,676			9,580,676
Financial assets				8,600	8,600
	1,317,656	9,580,676		17,350	10,915,682
Weighted average interest rate	.5%	4.3%			
Payables	-	-	-	889,391	889,391
Net financial assets	1,317,656	9,580,676		(872,041)	10,026,291

## UNITED VOICE NSW BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

	Carrying Amount \$	+1% Profit \$	-0.25% Loss \$
<b>Sensitivity Analysis</b>			
<b>30 June 2016</b>			
Cash at Bank	1,475,674	14,756	3,689
Term deposits	9,696,948	96,969	24,242
<b>30 June 2015</b>			
Cash at Bank	1,317,656	13,177	3,294
Term deposits	9,580,676	95,807	23,951

(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

### SYDNEY

Level 40  
2 Park Street  
Sydney NSW 2000  
Australia

GPO Box 3555  
Sydney NSW 2001

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

### Report to the Members of United Voice, 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 2016, the statement of profit or loss and other comprehensive income, the statement of changes in accumulated funds and cash flow statement 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 the Branch Secretary for the Financial Report

The Committee of Management and the 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 and all requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 and for such internal control as the 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 the 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) Act 2009 and the Industrial Relations Act 1996.

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

**Auditor's Opinion**

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

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

- (i) giving a true and fair view of the entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) the Fair Work (Registered Organisations) Regulations 2009 and all requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

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

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

*Hall Chadwick*

Hall Chadwick  
Level 40, 2 Park Street  
Sydney, NSW

*Graham Webb*

**Graham Webb**  
Partner  
Date: 11 October 2016





8 December 2016

Ms Melanie Gatfield  
Branch Secretary  
United Voice - New South Wales Branch

Sent via email: [mel.gatfield@unitedvoice.org.au](mailto:mel.gatfield@unitedvoice.org.au)

Dear Ms Gatfield,

### **Lodgement of Financial Report - Reminder to lodge**

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

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

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

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

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

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

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

Telephone : (03) 8661 7777  
Email : [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)  
Internet : [www.fwc.gov.au](http://www.fwc.gov.au)

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

Yours sincerely,



Sam Gallichio  
Adviser  
Regulatory Compliance Branch



15 July 2016

Ms Melanie Gatfield  
NSW Branch Secretary  
United Voice - New South Wales Branch  
By email: [mel.gatfield@unitedvoice.org.au](mailto:mel.gatfield@unitedvoice.org.au)

Dear Ms Gatfield,

**Re: Lodgement of Financial Report - [FR2016/252]  
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the United Voice - New South Wales Branch (the reporting unit) ended on 30 June 2016.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date under s.268 of the RO Act, that being within 14 days after the meeting referred to in s.266 of the RO Act.

### **Timelines**

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

### **Fact sheets, guidance notes and model statements**

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

### **Loans, grants and donations: our focus this year**

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

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

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

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

Telephone : (03) 8661 7777  
Email : [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)  
Internet : [www.fwc.gov.au](http://www.fwc.gov.au)

## Civil penalties may apply

**It should be noted that s.268 is a civil penalty provision.** Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

## Contact

Should you wish to seek any clarification in relation to the above, email [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au).

Yours sincerely,

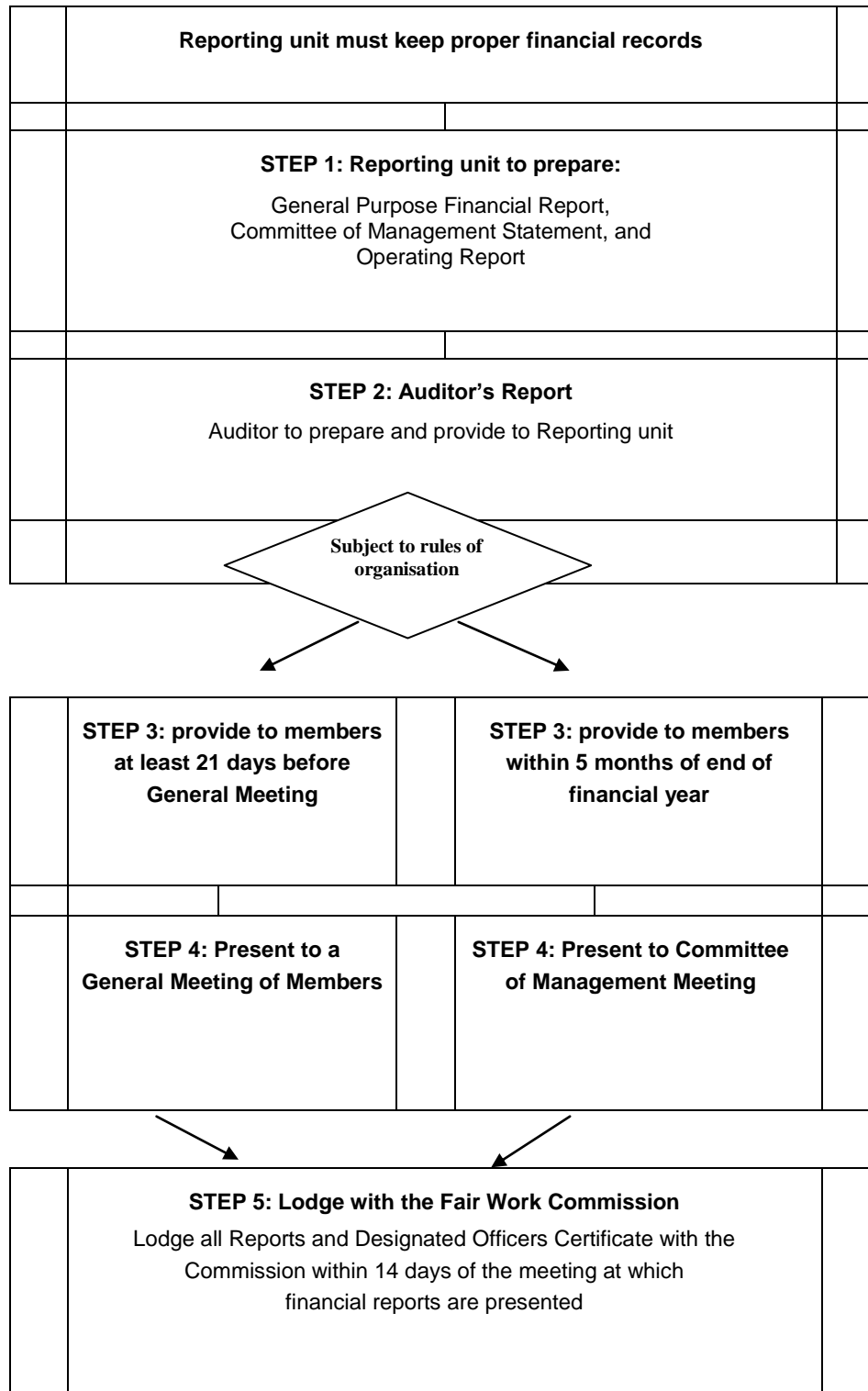


Anastasia Kyriakidis  
Adviser  
Regulatory Compliance Branch

# Financial reporting timelines

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

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



# Fact Sheet - Loans, Grants & Donations

## The Loans, Grants & Donations Requirements

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

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

## The Loans, Grants & Donations Statement

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

the amount,

the purpose,

the security (if it is a loan),

the name and address of the person to whom it was made,\* and







the arrangements for repaying the loan.\*

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

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

## Common misconceptions

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

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

## Grants & Donations within the Financial Report

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

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

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

### Note 4E: Grants or donations\*

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

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

### Implications for filing the Financial Report

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

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

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

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

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

### Further information

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