



20 December 2018

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

By e-mail: mel.gatfield@unitedvoice.org.au

CC: gkent@mgisq.com.au

Dear Ms Gatfield,

United Voice - New South Wales Branch

Financial Report for the year ended 30 June 2018 - [FR2018/195]

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

The financial report has now been filed.

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

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

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

General Purpose Financial Report (GPFR)

Nil activities disclosure

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

- Having another entity administer the financial affairs of the reporting unit; and
- Making a payment to a former related party of the reporting unit.

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

I also note that the notes includes the following nil activity disclosures for which there was already an equivalent form of disclosure in the financial statements:

- "Receiving capitation fees from another reporting unit" is disclosed in both the Statement of Comprehensive Income and Note 3A;
- "Receiving donations or grants" is disclosed in the Statement of Comprehensive Income, Note 3D and Note 3F; and
- "Receiving revenue from undertaking recovery of wages activity" is disclosed in the Recovery of Wages Activity statement, the committee of management statement and the operating report.

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

Auditor's statement

Officer's declaration statement

Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report* paragraph 24(c) requires the auditor's statement to list the elements of the GPFR. In the lodged auditor's report reference is made to an officer's declaration statement, however an officer's declaration statement was not included in the copy of the documents lodged with the ROC.

Please ensure in future years that only those statements which formed part of the auditor's scope are identified in the auditor's report.

Operating report

Officer-Related party remuneration and payment disclosures

In the operating report, information disclosed under the heading, *Disclosure Statements* on page 6 and certain information disclosed under the heading, *Officers or Members who are Superannuation Fund Trustees/ Directors of a Company that is a Superannuation Fund Trustee* is additional to the requirements under section 254 of the RO Act. The additional information relates to payments to particular officers.

Section 293J of Part 2A of Chapter 9 of the RO Act now requires a branch of an organisation to provide its members and lodge with the ROC a copy of an officer and related party disclosure statement in respect of certain remuneration¹ and payments² paid during the relevant financial year. This requirement applied to the financial year ending 30 June 2018. The statement is required to be lodged with the ROC within the period of 6 months starting at the end of the financial year, i.e. in this case, before or by no later than 31 December.

I am aware that the Branch lodged an officer and related party disclosure statement on 11 December 2018.

Please note that the officer and related party disclosure statement is separate from, and does not form part of, the general purpose financial report required under section 253 of Part 3 of Chapter 8.

As some of the information included in the operating report goes beyond the requirements of section 254 of the RO Act and due to the nature of the disclosure, the ROC has decided to redact this information from the copy of the 2018 financial report before publishing it on its website.

Further information about officer and related party statements may be found on the ROC website at the following link [Disclosure Obligations](#).

¹ see section 293BC

² see section 293G

Reporting Requirements

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

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

Yours sincerely

A handwritten signature in black ink, appearing to be 'Kylie', with a long horizontal line extending to the right.

Kylie Ngo
Financial Reporting Assistant
Registered Organisations Commission

UNITED VOICE NEW SOUTH WALES BRANCH

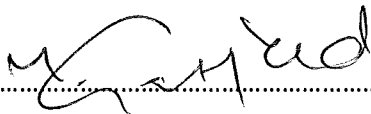
FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2018

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, Melanie Gatfield, being the Secretary of the United Voice New South Wales Branch certify:

- That the documents lodged herewith are copies of the full report and the Officers and Related Party transactions report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- That both reports were provided to members on the 24 November, 2018; and
- That the full reports were presented to a meeting of the committee of management of the reporting unit on the 7 December, 2018 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signed



Melanie Gatfield

Date 7 December 2018

UNITED VOICE – NEW SOUTH WALES BRANCH

ABN 94 006 539 878

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

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UNITED VOICE – NEW SOUTH WALES BRANCH
COMMITTEE OF MANAGEMENT'S OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2018

Operating Report

The Committee of Management presents its report on the operation of United Voice – New South Wales Branch (the Branch) for the financial year ended 30 June 2018.

Principal Activities

The principal activities of the Branch during the year fell in 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 Branch.
- Representing members in work related grievances or other matters
- Undertaking training and development for delegates of the Branch.

Over the year the Branch negotiated many Collective Agreements delivering improvements in wages and conditions to United Voice members. The Branch has also worked with the NSW Government to secure ongoing employment and important conditions for school cleaners in the net NSW Whole of Government Facility Management Services (Asset Maintenance and Cleaning Contract).

There have been no changes in the principal activities of the Branch during the year.

Operating Result

The Branch ended the 2017-18 year with an operating deficit of \$217,106 (2016-17: Surplus of \$164,195).

The income of the Branch decreased in 2017-18 by 4.02% to \$11,624,994. This decline was primarily driven by a fall in membership income as the number of financial members of the Branch declined during the year.

Expenses decreased in 2017-18 by 0.88% to \$11,842,100, which was predominately driven by a reduction in employee expenses of \$666,874, however this was partially offset by an increase in costs associated with the properties held by the Branch with an increase of \$360,907.

Significant Changes in Financial Affairs

There was no significant change to the financial affairs of the Branch during the year.

UNITED VOICE – NEW SOUTH WALES BRANCH

COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

After Balance Date Events

With the exception of the sale of the Thomas Street Investment property (refer Note 2), no matters have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Branch, the results of those operations or the state of affairs of the Branch in future financial years.

Future Developments

Likely developments in the operations of the Branch or the expected result of those operations in future financial years have not been included in this report as such information is likely to result in unreasonable prejudice to the Branch.

Environmental Issues

The Branch's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Members Right to Resign

All members have the right to resign from the Branch in accordance with National Rule 10 - Resignation of the Union Rules (and Section 174 of the Act); namely, by providing written notice addressed and delivered to the Secretary of the Branch of which they are a member.

Membership of the Branch

Total number of members as at 30 June 2018: 16,256 (2017: 17,533)

Employees of the Branch

The number of persons who were, at the end of the period to which the report relates, employees of the Branch, where the number of employees includes both full-time and part-time employees measured on a full-time equivalent basis is 56.0 (2017: 60.6).

UNITED VOICE – NEW SOUTH WALES BRANCH

COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

Members of the Committee of Management

The name of each person who has been a member of the Committee of Management of the Branch at any time during the reporting period, and the period for which he or she held such a position is as follows:

Name	Period of Appointment	Position
Judith Barber	1/7/17 – 30/6/18	Committee member
Amy Bell	1/7/17 – 30/6/18	Branch Honorary President
Dale Buckmaster	1/7/17 – 30/6/18	Committee member
Robert Crawford	1/7/17 – 30/6/18	Committee member
Sharon Eurlings	1/7/17 – 30/6/18	Branch Vice President
Melanie Gatfield	1/7/17 – 30/6/18	Branch Secretary
Lilian Grogan	1/7/17 – 30/6/18	Committee member
Jane Grundy	1/7/17 – 30/6/18	Committee member
John Hawker	1/7/17 – 30/6/18	Branch Vice President LHD
Jeff Higgins	1/7/17 – 30/6/18	Committee member
David Holder	1/7/17 – 30/6/18	Divisional Assistant Secretary LHD
Wesley Inglis	1/7/17 – 30/6/18	Committee member
Julie Korlevska	1/7/17 – 30/6/18	Branch Assistant Secretary
Vanessa McGrath	1/7/17 – 30/6/18	Committee member
Tara Moriarty	1/7/17 – 30/6/18	Divisional Secretary LHD
Ian Pandilovski	1/7/17 – 30/6/18	Committee member
David Perkins	1/7/17 – 30/6/18	Committee member
Ruth Sorbello	1/7/17 – 30/6/18	Committee member
Jan Tuiach	1/7/17 – 30/6/18	Committee member
Robyn Weate	1/7/17 – 30/6/18	Committee member

UNITED VOICE – NEW SOUTH WALES BRANCH

COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Indemnifying Officers or Auditors

The Branch has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor:

- indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against liability for the costs or expenses to defend legal proceedings.

Wages Recovery Activity

The Branch has not undertaken any recovery of wages activity for the financial years ended 30 June 2018 and 30 June 2017.

UNITED VOICE – NEW SOUTH WALES BRANCH

COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

Officers or Members who are Superannuation Fund Trustees/ Directors of a Company that is a Superannuation Fund Trustee

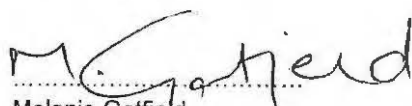
The following Officers/ Member/ Employees of the organisation are Directors of companies that are trustees of superannuation funds where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation

Officer/ Member/ Employee	Trustee Company	Entity/ Scheme	Position	Period position held for
Tara Moriarty	Club Plus Superannuation Pty Ltd	Club Plus	Director	Current
John Hawker	Club Plus Superannuation Pty Ltd	Club Plus	Director	Current

Auditor's Independence Declaration

A copy of the auditor's independence declaration is set out on page 8.

This report is made in accordance with a resolution of the Committee of Management and is signed for and on behalf of the Committee of Management by:


Melanie Gatfield
Branch Secretary

9 October 2018

Sydney

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE COMMITTEE OF MANAGEMENT OF
UNITED VOICE – NEW SOUTH WALES BRANCH**

As lead auditor for the audit of United Voice – New South Wales Branch for the year ended 30 June 2018; I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

M. C. I

MGI Audit Pty Ltd



G I Kent

Director – Audit & Assurance

Sydney

9 October 2018

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/2

UNITED VOICE – NEW SOUTH WALES BRANCH
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

On 9 October 2018, the Committee of Management of the Branch passed the following resolution to the General Purpose Financial statements (GPFR) of the reporting unit for the financial year ended 30 June 2018.

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

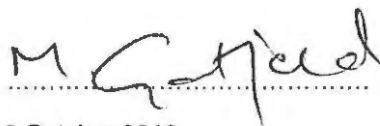
- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the 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 organisation and the rules of the Branch concerned; and
 - ii. the financial affairs of the Branch have been managed in accordance with the rules of the organisation;
 - iii. the financial records of the Branch have been kept and maintained in accordance with the RO Act;
 - iv. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation;
 - v. where information has been sought in any request of a member of the reporting unit or Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or Commissioner; and
 - vi. there have been no orders for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act during the year.
- (f) No revenue has been derived from undertaking recovery of wages activity during the reporting year.

This declaration is made in accordance with a resolution of the Committee of Management.

Name of Designated Officer: Melanie Gatfield

Title of Designated Officer: Branch Secretary

Signature:



Date: 9 October 2018

UNITED VOICE – NEW SOUTH WALES BRANCH

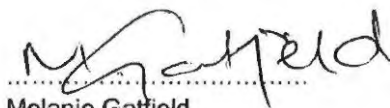
ACCOUNTING OFFICER'S CERTIFICATE

FOR THE YEAR ENDED 30 JUNE 2018

I, Melanie Gatfield, being the officer responsible for keeping the accounting records of United Voice – New South Wales Branch (the Union), certify that at 30 June 2018, the number of members of the Union was 16,256.

In my opinion:

- (i) The attached accounts show a true and fair view of the financial affairs of the Union as at 30 June 2018.
- (ii) A record has been kept of all monies paid by, or collected from members and all monies paid or collected have been credited to the bank account to which those monies 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 Union.
- (vi) The register of members of the Union was maintained in accordance with the *NSW Industrial Relations Act 1996*.



Melanie Gatfield
Branch Secretary

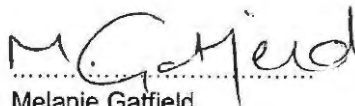
9 October 2018

Sydney

UNITED VOICE – NEW SOUTH WALES BRANCH
COMMITTEE OF MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 30 JUNE 2018

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

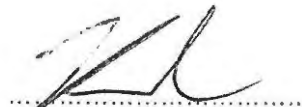
- (i) In the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the Union as at 30 June 2018.
- (ii) In the opinion of the Committee of Management, meetings of the Committee were held in the year ended 30 June 2018 in accordance with the Rules of the Union
- (iii) To the knowledge of any members 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*, the Regulations thereto, or the rules of the Union.
- (iv) The Union has complied with 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 2018 and the Auditor's Report thereon.



Melanie Gatfield
Branch Secretary

9 October 2018

Sydney



Julie Korlevska
Branch Assistant Secretary

9 October 2018

Sydney

Independent Audit Report to the Members of United Voice – New South Wales Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of United Voice – New South Wales Branch (the Branch), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the United Voice – New South Wales Branch as at 30 June 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

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

We declare that management's use of the going concern basis in the preparation of the financial statements of the Branch is appropriate.

Basis for Opinion

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

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

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

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

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Declaration

I declare that I am an approved auditor, a member of Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

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

Opinion on the recovery of wages activity financial report

The scope of my work extended to the recovery of wages activity and we have audited the recovery of wages activity financial report for the year ended 30 June 2018

In our opinion, the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the Commissioner, including:

- a) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- b) any donations or other contributions deducted from recovered money.

Responsibilities

The Committee of Management is responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with the reporting guidelines of the Commission. Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards.

M.G.T.

MGI Audit Pty Ltd



G I Kent

Director – Audit & Assurance

Sydney

9 October 2018

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/2

UNITED VOICE – NEW SOUTH WALES BRANCH

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	2018 \$	2017 \$
Revenue			
Membership subscription		8,097,404	8,720,436
Gain on sale of property, plant and equipment		3,783	45,294
Capitation fees	3A	-	-
Levies	3B	452,884	498,849
Interest	3C	256,040	356,638
Grants or donations	3D	-	-
Property revenue	3E	2,590,837	2,396,585
Other revenue	3F	224,046	93,637
Total revenue		11,624,994	12,111,439
Expenses			
Employee expenses	4A	(6,605,138)	(7,272,012)
Indirect employment costs	4B	(171,800)	(222,535)
Affiliation fees	4C	(218,516)	(226,782)
Administration expenses	4D	(278,952)	(258,186)
Depreciation and amortisation	4E	(260,849)	(672,732)
Grants and donations	4F	(25,760)	(35,579)
Finance costs	4G	(169,291)	(166,553)
Legal costs	4H	(144,112)	(78,281)
Audit and professional fees	4I	(119,682)	(129,397)
Meeting & conference costs	4J	(370,369)	(245,794)
Campaign costs	4K	(31,691)	(30,191)
Communication costs	4L	(166,780)	(56,510)
IT costs	4M	(58,528)	(61,072)
Property costs	4N	(1,572,790)	(1,211,883)
Research costs	4O	(33,557)	(34,656)
Sustentation fees	4P	(1,070,121)	(1,152,427)
Member service costs	4Q	(544,164)	(92,654)
Other expenses	4R	-	-
Total expenses		(11,842,100)	(11,947,244)
Operating (deficit)/ surplus for the year		(217,106)	164,195
Fair value gain on revaluation on investment properties		46,238,814	-
Surplus for the year		46,021,708	164,195
Other comprehensive income (net of income tax)		1,487,296	-
Total comprehensive income for the year		47,509,004	164,195

The above statement should be read in conjunction with the notes.

UNITED VOICE – NEW SOUTH WALES BRANCH

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	Notes	2018 \$	2017 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	1,924,912	1,508,193
Trade and other receivables	5B	225,971	112,387
Investments	5C	8,553,023	9,725,566
Long service leave fund	5D	646,319	618,294
Other current assets	5E	180,790	283,157
Non-current assets held for sale	5F	72,208,754	-
Total current assets		83,739,769	12,247,597
Non-Current Assets			
Financial assets	6A	15,534	11,764
Intangibles	6B	112,924	125,603
Investment property	6C	-	25,118,338
Land and buildings	6D	3,686,126	2,235,224
Leasehold improvements	6E	520,688	532,106
Computers	6F	73,170	114,807
Office furniture and equipment	6G	85,084	116,919
Motor Vehicles	6H	225,807	290,242
Library	6I	-	-
Total non-current assets		4,719,333	28,545,003
Total assets		88,459,102	40,792,600
LIABILITIES			
Current Liabilities			
Trade payables	7A	812,742	541,831
Other payables	7B	247,530	341,107
Employee provisions	8A	1,736,978	1,804,717
Total current liabilities		2,797,250	2,687,655
Non-Current Liabilities			
Employee provisions	8A	93,605	45,702
Total non-current liabilities		93,605	45,702
Total liabilities		2,890,855	2,733,357
Net assets		85,568,247	38,059,243
EQUITY			
Reserves	9	3,217,619	11,718,745
Retained earnings		82,350,628	26,340,498
Total equity		85,568,247	38,059,243

The above statement should be read in conjunction with the notes.

UNITED VOICE – NEW SOUTH WALES BRANCH

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	Reserves \$	Retained earnings \$	Total equity \$
Balance as at 1 July 2016		11,718,745	26,176,303	37,895,048
Surplus for the year		-	164,195	164,195
Other comprehensive income		-	-	-
Closing balance as at 30 June 2017		11,718,745	26,340,498	38,059,243
Surplus for the year		-	46,021,708	46,021,708
Other comprehensive income		1,487,296	-	1,487,296
Transfer to/ from reserves		(9,988,422)	9,988,422	-
Closing balance as at 30 June 2018		3,217,619	82,350,628	85,568,247

The above statement should be read in conjunction with the notes.

UNITED VOICE – NEW SOUTH WALES BRANCH

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	2018 \$	2017 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	10B	42,104	88,812
Receipts from members and other customers		12,342,230	12,829,426
Interest		363,828	380,745
		<u>12,748,162</u>	<u>13,298,983</u>
Cash used			
Employees and suppliers		(11,118,161)	(11,135,455)
Payment to other reporting units	10B	(1,447,530)	(1,448,576)
		<u>(12,565,691)</u>	<u>(12,584,031)</u>
Net cash provided by operating activities		<u>182,471</u>	<u>714,952</u>
INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		21,471	87,970
Payments for property, plant and equipment		(80,139)	(132,010)
Proceeds/ (payments) on acquisition of investments		1,144,518	(646,912)
Payments for investment property		(851,602)	(838)
Net cash provided by/ (used in) investing activities		<u>234,248</u>	<u>(691,790)</u>
FINANCING ACTIVITIES			
		<u>-</u>	<u>-</u>
Net increase in cash held		<u>416,719</u>	<u>23,162</u>
Cash & cash equivalents at the beginning of the reporting period		1,508,193	1,485,031
Cash & cash equivalents at the end of the reporting period	10A	<u>1,924,912</u>	<u>1,508,193</u>

The above statement should be read in conjunction with the notes.

UNITED VOICE – NEW SOUTH WALES BRANCH

**RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2018**

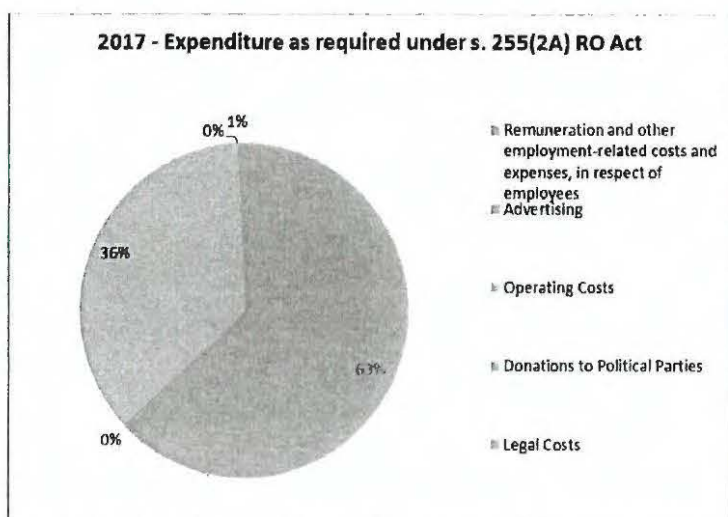
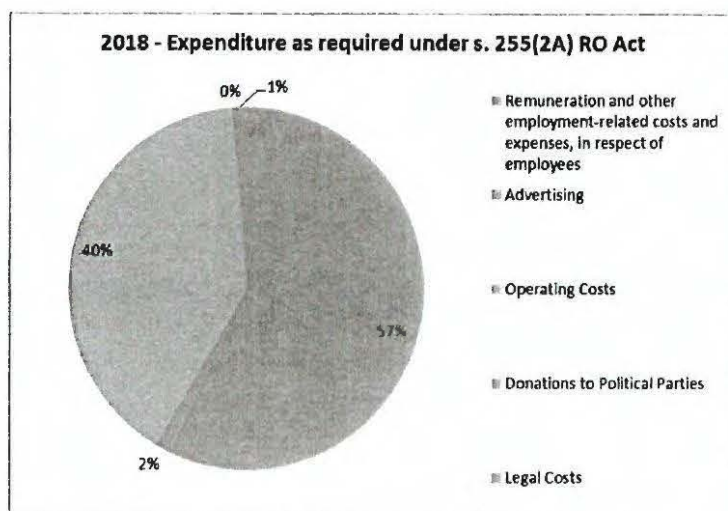
	2018	2017
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash assets in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
Fund or account operated for recovery of wages	-	-

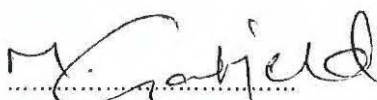
The above statement should be read in conjunction with the notes.

UNITED VOICE – NEW SOUTH WALES BRANCH

REPORT REQUIRED UNDER SUBSECTION 255(2A) OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009 FOR THE YEAR ENDED 30 JUNE 2018

The Committee of Management presents the expenditure report as required under subsection 255(2A) of the *Fair Work (Registered Organisations) Act 2009* on the Branch for the year ended 30 June 2018:




Melanie Gatfield
Branch Secretary

9 October 2018

Sydney

UNITED VOICE – NEW SOUTH WALES BRANCH

REPORT REQUIRED UNDER SUBSECTION 255(2A) OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009 FOR THE YEAR ENDED 30 JUNE 2018

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

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

Costs comprise of:

- Salaries and wages
- Superannuation
- Payroll tax
- Fringe benefits tax
- Clothing and motor vehicle allowances
- Workers compensation and other employment insurances
- All other employment associated costs (for example, staff amenities, training etc.).

Donations to Political Parties

Donations comprise of:

- Cash donations
- In-kind donations (such as printing costs, postage costs etc.).

Legal Costs

Legal costs comprise of all costs associated with the engaging external legal services as well as any court fees and charges. In house industrial staff costs are disclosed in remuneration and other employment costs and expenses.

Operating Costs

All costs associated with the Branch pursuing the objects of the Union were deemed by the Committee of Management to be an operating cost (unless disclosed elsewhere within the subsection 255(2A) Statement).

Advertising Costs

Advertising costs include any costs incurred by the Branch for the promotion of a product, service or idea. Advertising costs include paid advertising space in print or online, broadcast and/or radio and direct mail advertising.

UNITED VOICE – NEW SOUTH WALES BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

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UNITED VOICE – NEW SOUTH WALES BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

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

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Key Estimates

Impairment – general

The Branch assesses impairment at each reporting period by evaluation of conditions and events specific to the Branch that may be indicative of impairment triggers. Recoverable amounts of relevant assets are assessed using value-in-use calculations which incorporate various key assumptions.

No impairment has been recognised in respect of the current year.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

Key Judgements

Useful lives of plant and equipment

Plant and equipment are depreciated over the useful life of the asset and the depreciation rates are assessed when the asset are acquired or when there is a significant change that affects the remaining useful life of the asset.

Provision for impairment of receivables

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

On-cost for employee entitlement provision

The Branch revised its estimate for on-costs for employee provision during the year to include superannuation, workers compensation and payroll tax.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year

- AASB 2016-2 *Amendment to Australian Accounting Standards – Disclosure Initiative Amendments to AASB 107*, which amends AASB 107 *Statement of Cash Flows* (August 2015) to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and no-cash changes.

The Branch has provided the information for both current and comparative period in Note 10E & 10F.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on the Branch include:

- AASB 9: Financial Instruments and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting.

The key changes that may affect the Branch on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, 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 hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of this Standard, the application of such accounting would be largely prospective.

The Committee of Management does not believe the effects of AASB 9 will significant affect the Branch.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

1.4 New Australian Accounting Standards (Continued)

Future Australian Accounting Standards Requirements (continued)

- AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods beginning on or after 1 January 2018, as deferred by AASB 2015-8: Amendments to Australian Accounting Standards – Effective Date of AASB 15).

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 customers.

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.

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

The Committee of Management does not believe the effects of AASB 15 will significant affect 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: Accounting Policies, Changes in Accounting Estimates and Errors 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 – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

1.5 Revenue

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

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.6 Gains

Sale of assets

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

1.7 Capitation fees and levies

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

1.8 Employee benefits

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

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

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

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

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

1.9 Leases

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

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

1.10 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

1.11 Financial instruments

Financial assets and financial liabilities are recognised when the Branch becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.12 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Available-for-sale

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

Derecognition of financial assets

The Branch 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 the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

1.13 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

Derecognition of financial liabilities

The Branch derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.14 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.15 Plant and Equipment

Asset Recognition Threshold

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

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

Depreciation

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

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

	2018	2017
Buildings/ leasehold improvements	40 years	40 years
Investment properties	66.6 years	66.6 years
Computers	3.3 years	3.3 years
Office equipment	5 - 10 years	5 - 10 years
Motor vehicles	4 – 6 years	4 – 6 years

Derecognition

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

1.16 Interest 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.

Joint operations represent arrangement whereby joint operations maintain direct interest in each asset and exposure to each liability of the arrangement. The Branch's interest in the assets, liabilities, revenues and expenses of joint operations are included in the respective line items of the financial statements. Details of the Branch's interest are disclosed in Note 6J.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

1.17 Investment Property

Investment properties are initially recognised at cost including any acquisition costs and subsequently stated at fair value at each balance date. Fair value is based on the latest independent valuation adjusting for capital expenditure and capitalisation and amortisation of lease incentives since the date of the independent valuation report. Any gain or loss arising from a change in fair value is recognised in the profit or loss in the period. The valuation of investment properties is a key area of accounting estimation and judgement for the Branch.

Subsequent costs

Subsequent costs are recognised in the carrying amount of an investment property if it is probable that the future economic benefits embodied within the item will flow to the Branch and the cost can be measured reliably. All other costs are recognised in the profit or loss as an expense as incurred.

Derecognition of investment property

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 the profit or loss in the period in which the property is derecognised.

1.18 Impairment of non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.19 Intangible Assets

United Voice – New South Wales 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.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

1.20 Taxation

The Branch is exempt from income tax under section 50.1 of the *Income Tax Assessment Act 1997* however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.21 Fair value measurement

The Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 15.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

1.21 Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Branch determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.22 Going concern

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

The Branch has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

1.23 Government Grants

Government grants are not recognised until there is reasonable assurance that the Branch will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Branch recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Branch should purchase, construct otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Branch with no future related costs are recognised in profit or loss in the period in which they become receivable.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 1 Summary of significant accounting policies (Continued)

1.24 Principles of Aggregation

These aggregated financial statements of United Voice – New South Wales Branch comprise of the Branch's head office in Haymarket and the Liquor and Hospitality Division in Parramatta. All intergroup transactions and balances have been eliminated.

Note 2 Events after the reporting period

On 5 October 2018, the investment property held by the Branch (located at 187 Thomas Street, Haymarket) was sold for \$145,800,000 (of which the Branch holds a 50% ownership in the building). The Branch has reflected the value of the investment property at 30 June 2018, as it has accounted for the asset as a non-current asset held for sale in accordance with AASB 5 – refer Note 5F.

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

	2018	2017
	\$	\$
Note 3 Income		
Note 3A: Capitation fees	-	-
Total capitation fees	-	-
Note 3B: Levies	452,884	498,849
Total levies	452,884	498,849
<u>Levies</u>		
Levies are raised on Liquor and Hospitality Division members to assist in funding the operations of the Division.		
Note 3C: Interest		
Deposits	256,040	356,638
Total interest	256,040	356,638
Note 3D: Grants or donations		
Grants	-	-
Donations	-	-
Total grants or donations	-	-
Note 3E: Property income		
Rental income from joint arrangements	2,590,387	2,396,135
Other rental income	450	450
Total property income	2,590,837	2,396,585

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Note 3F: Other revenue		
Grant income	-	-
Sponsorship	40,636	53,364
Director fees	127,640	6,000
Other income	55,770	34,273
Financial Support from another reporting unit	-	-
Total other revenue	224,046	93,637

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Note 4 Expenses		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	495,605	480,989
Superannuation	64,069	57,719
Leave and other entitlements	87,892	81,130
Separation and redundancies	-	-
Other employee expenses	62,437	81,740
Subtotal employee expenses holders of office	710,003	701,578
Employees other than office holders:		
Wages and salaries	3,557,611	4,109,195
Superannuation	712,558	804,033
Leave and other entitlements	689,747	698,636
Separation and redundancies	147,366	186,622
Other employee expenses	787,853	771,948
Subtotal employee expenses employees other than office holders	5,895,135	6,570,434
Total employee expenses	6,605,138	7,272,012
Note 4B: Indirect employment costs		
Removal/ relocation expenses	540	415
Education and staff training	31,179	36,964
Staff amenities	6,484	7,764
Motor vehicle expenses	133,597	177,392
Total indirect employment costs	171,800	222,535
Note 4C: Affiliation fees		
Australian Labor Party (New South Wales)	77,011	82,007
Unions NSW	72,021	74,547
Welfare Rights	13,838	13,838
Newcastle Trades and Labour Council	6,352	9,819
Sydney Alliance	41,511	40,657
Community Sport and Workers Club	2,564	2,890
Workers Health	2,219	1,524
NSW Council of Social Service	900	900
Sydney May Day	500	500
Prison Officers Association of Australia	1,000	-
First Workers Alliance	500	
Combined Retired Union Members Association	100	100
Total affiliation fees	218,516	226,782

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Note 4D: Administration expenses		
General administration expenses	30,502	13,235
Postage & freight	52,222	43,548
Printing & stationery	66,622	47,956
Office equipment	12,932	14,107
Telephone	116,674	139,340
Total administration expenses	278,952	258,186
Note 4E: Depreciation and amortisation		
Depreciation		
Buildings	36,333	20,000
Investment property	-	382,500
Leasehold improvements	11,418	11,418
Computers	56,690	49,375
Office furniture and equipment	34,583	34,490
Motor vehicles	109,146	162,271
Total depreciation	248,170	660,054
Amortisation		
Holiday units license	4,339	4,338
Website	8,340	8,340
Total amortisation	12,679	12,678
Total depreciation and amortisation	260,849	672,732
Note 4F: Grants or donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	7,487	6,879
Total paid that exceeded \$1,000	18,273	28,700
Total grants or donations	25,760	35,579
Note 4G: Finance costs		
Bank charges	45,193	44,216
Consideration to employers for payroll deductions	18,786	24,107
Insurance premiums	105,312	98,230
Total finance costs	169,291	166,553

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Note 4H: Legal costs		
Litigation	51,111	24,348
Other legal matters	93,001	53,934
Total legal costs	<u>144,112</u>	<u>78,281</u>
Note 4I: Audit and professional costs		
Audit fees	61,500	60,582
Professional services	58,182	68,815
Total audit and professional services	<u>119,682</u>	<u>129,397</u>
Note 4J: Meeting and conference costs		
Accommodation	54,461	51,644
Airfares	49,127	38,537
Travel allowance	116,963	73,693
Parking and cab charges	27,727	29,347
Other meeting costs	42,206	13,219
Conference costs	79,885	39,324
Total meeting and conference costs	<u>370,369</u>	<u>245,794</u>
Note 4K: Campaign costs		
Campaign costs	31,691	30,191
Total campaign costs	<u>31,691</u>	<u>30,191</u>
Note 4L: Communication costs		
Advertising	158,536	47,245
Promotions	8,244	9,265
Total communication costs	<u>166,780</u>	<u>56,510</u>
Note 4M: IT costs		
IT maintenance and support	31,553	30,044
Internet and website costs	26,975	31,028
Total IT costs	<u>58,528</u>	<u>61,072</u>
Note 4N: Property costs		
Electricity	37,106	31,357
Repairs and maintenance	89,244	29,436
Thomas street building running expenses	1,426,477	1,129,758
Other property expenses	19,963	21,332
Total property costs	<u>1,572,790</u>	<u>1,211,883</u>
Note 4O: Research costs		
Subscriptions and journals	33,557	34,656
Total research costs	<u>33,557</u>	<u>34,656</u>

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Note 4P: Sustentation		
United Voice – National Council	1,070,121	1,152,427
Total sustentation	1,070,121	1,152,427
Note 4Q: Member service costs		
Publication union news	-	-
Workers compensation journey cover	193,964	92,654
Hardship payments	350,200	-
Total member service costs	544,164	92,654
Note 4R: Other expenses		
Penalties - via RO Act or Fair Work Act 2009	-	-
Compulsory levies	-	-
Fees/ allowances	-	-
Total other expenses	-	-
Note 5 Current Assets		
Note 5A: Cash and Cash Equivalents		
Cash at bank	1,918,762	1,502,557
Cash on hand	6,150	5,636
Total cash and cash equivalents	1,924,912	1,508,193
Note 5B: Trade and Other Receivables		
Receivables from other reporting units		
United Voice – Queensland Branch	857	-
Less provision for doubtful debts (reporting units)	-	-
Receivable from other reporting units (net)	857	-
Trade receivables		
Membership subscription receivable	-	77,570
Less provision for doubtful debts	-	-
	-	77,570
Other receivables:		
Property debtors	197,723	30,612
Other trade receivables	27,391	4,205
Total trade and other receivables (net)	225,971	112,387

Provision for Doubtful Debts

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

UNITED VOICE – NEW SOUTH WALES BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$
Note 5C: Investments		
Short term bank deposits	5,966,023	4,700,222
Short term bank bills	1,118,258	1,113,646
Thomas Street invested funds	1,468,742	3,911,698
Total investments	<u>8,553,023</u>	<u>9,725,566</u>

Note 5D: Long service leave fund		
Short term bank deposits	646,319	618,294
Total long service leave fund	<u>646,319</u>	<u>618,294</u>

Note 5E: Other current assets		
Prepayments	103,783	98,362
Accrued interest	72,282	180,070
Deposits	4,725	4,725
Total other current assets	<u>180,790</u>	<u>283,157</u>

Note 5F: Non-current assets held for sale

Investment Property – 187 Thomas Street, Haymarket	72,208,754	-
Total non-current assets held for sale	<u>72,208,754</u>	<u>-</u>

The Branch entered into a sales contract in April 2018 for the sale of its investment property located at 187 Thomas Street, Haymarket.

The terms of the agreement are as follows:

1. Settlement to occur on 5 October 2018
2. Sales price of \$145,800,000

In accordance with AASB 5 – Non-current Assets Held for Sale and Discontinued Operations, the Branch has valued the asset at its fair value less costs to sell. The amount listed in the financial statements represents the 50% ownership of the building by the Branch.

Note 6 Non-current Assets

Note 6A: Financial assets

Shares in listed entity (IAG) – at market value	15,534	11,764
Total financial assets	<u>15,534</u>	<u>11,764</u>

UNITED VOICE – NEW SOUTH WALES BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Note 6B: Intangibles		
Holiday apartments license		
at cost	216,935	216,935
accumulated amortisation	(127,880)	(123,541)
total holiday apartment licences	<u>89,055</u>	<u>93,394</u>
Website		
at cost	41,700	41,700
accumulated amortisation	(17,830)	(9,491)
total holiday apartment licences	<u>23,870</u>	<u>32,209</u>
Total intangibles	<u>112,924</u>	<u>125,603</u>

Reconciliation of Opening and Closing Balances of Intangibles

As at 1 July		
Gross book value	258,635	258,635
Accumulated amortisation and impairment	(133,032)	(120,354)
Net book value 1 July	<u>125,603</u>	<u>138,281</u>
Additions:		
By purchase	-	-
amortisation expense	(12,679)	(12,678)
Disposals:		
By sale	-	-
Net book value 30 June	<u>112,924</u>	<u>125,603</u>
Net book value as of 30 June represented by:		
Gross book value	258,635	258,635
Accumulated amortisation and impairment	(145,711)	(133,032)
Net book value 30 June	<u>112,924</u>	<u>125,603</u>

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Note 6C: Investment property		
Investment property - 187 Thomas Street, Haymarket		
independent valuation 2016	-	25,500,000
accumulated depreciation	-	(382,500)
	-	25,117,500
Building improvements – 187 Thomas Street, Haymarket		
at cost	-	838
accumulated depreciation	-	-
	-	838
Total investment property	-	25,118,338

Reconciliation of Opening and Closing Balances of investment property

As at 1 July		
Gross book value	25,500,838	25,500,000
Accumulated depreciation and impairment	(382,500)	-
Net book value 1 July	25,118,338	25,500,000
Additions:		
By purchase	851,602	838
By valuation	46,238,814	-
Depreciation expense	-	(382,500)
Disposals:		
By sale	-	-
By reclassification to non-current assets held for sale	(72,208,754)	-
Net book value 30 June	-	25,118,338
Net book value as of 30 June represented by:		
Gross book value	-	25,500,838
Accumulated depreciation and impairment	-	(382,500)
Net book value 30 June	-	25,118,338

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Note 6D: Land and buildings		
Land and buildings – 19 Argyle Street, Parramatta		
independent valuation	3,887,683	2,718,333
accumulated depreciation	(201,557)	(483,109)
Total Land and buildings	3,686,126	2,235,224

Reconciliation of Opening and Closing Balances of Land and Buildings

As at 1 July		
Gross book value	2,718,333	2,718,333
Accumulated depreciation and impairment	(483,109)	(463,109)
Net book value 1 July	2,235,224	2,255,224
Additions:		
By purchase	-	-
By independent valuation	1,487,235	-
Depreciation expense	(36,333)	(20,000)
Disposals:		
By sale	-	-
Net book value 30 June	3,686,126	2,235,224
Net book value as of 30 June represented by:		
Gross book value	3,887,683	2,718,333
Accumulated depreciation and impairment	(201,557)	(483,109)
Net book value 30 June	3,686,126	2,235,224

Valuation Details

On 7 December 2017, the land and buildings at 19 Argyle Street, Parramatta were valued by Mr Jason Shore AAPI CPV (Registered Valuers Number: 6320) of Haymans Valuers and Auctioneers. It has been determined that the highest and best use of this property is its current use – being a commercial office building. The value has been determined using the market comparable method, which is based on active market prices, adjusted for the difference in the nature, location or condition of the property.

It was determined that the buildings current use (being a commercial office complex) is currently the assets highest and best use.

UNITED VOICE – NEW SOUTH WALES BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Note 6E: Leasehold improvements		
Computers:		
at cost	570,905	570,905
accumulated depreciation	(50,217)	(38,799)
Total leasehold improvements	520,688	532,106

Reconciliation of Opening and Closing Balances of Leasehold Improvements

As at 1 July		
Gross book value	570,905	570,905
Accumulated depreciation and impairment	(38,799)	(27,381)
Net book value 1 July	532,106	543,524
Additions:		
By purchase	-	-
Depreciation expense	(11,418)	(11,418)
Disposals:		
By sale	-	-
Net book value 30 June	520,688	532,106
Net book value as of 30 June represented by:		
Gross book value	570,905	570,905
Accumulated depreciation and impairment	(50,217)	(38,799)
Net book value 30 June	520,688	532,106

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Note 6F: Computers		
Computers:		
at cost	326,200	331,976
accumulated depreciation	(253,030)	(217,169)
Total computers	73,170	114,807

Reconciliation of Opening and Closing Balances of Computers

As at 1 July		
Gross book value	331,976	292,403
Accumulated depreciation and impairment	(217,169)	(181,272)
Net book value 1 July	114,807	111,131
Additions:		
By purchase	24,433	74,109
Depreciation expense	(56,690)	(49,375)
Disposals:		
By sale	(9,380)	(21,058)
Net book value 30 June	73,170	114,807
Net book value as of 30 June represented by:		
Gross book value	326,200	331,976
Accumulated depreciation and impairment	(253,030)	(217,169)
Net book value 30 June	73,170	114,807

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Note 6G: Office Furniture and Equipment		
Office furniture and equipment		
at cost	690,658	744,271
accumulated depreciation	(605,574)	(627,352)
Total plant and equipment	85,084	116,919

Reconciliation of Opening and Closing Balances of Office Furniture and Equipment

As at 1 July		
Gross book value	689,386	689,386
Accumulated depreciation and impairment	(572,467)	(537,979)
Net book value 1 July	116,919	151,407
Additions:		
By purchase	2,748	-
Depreciation expense	(34,583)	(34,488)
Disposals:		
By sale	-	-
Net book value 30 June	85,084	116,919
Net book value as of 30 June represented by:		
Gross book value	690,658	689,386
Accumulated depreciation and impairment	(605,574)	(572,467)
Net book value 30 June	85,084	116,919

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Note 6H: Motor Vehicles		
Motor Vehicles:		
at cost	439,786	460,020
accumulated depreciation	(213,979)	(169,778)
Total motor vehicles	225,807	290,242

Reconciliation of Opening and Closing Balances of Motor Vehicles

As at 1 July		
Gross book value	460,020	751,583
Accumulated depreciation and impairment	(169,778)	(335,151)
Net book value 1 July	290,242	416,432
Additions:		
By purchase	52,958	57,900
Depreciation expense	(109,146)	(162,271)
Disposals:		
By sale	(8,247)	(21,819)
Net book value 30 June	225,807	290,242
Net book value as of 30 June represented by:		
Gross book value	439,786	460,020
Accumulated depreciation and impairment	(213,979)	(169,778)
Net book value 30 June	(225,807)	290,242

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Note 6I: Library		
Library:		
at cost	218,504	218,504
accumulated depreciation	(218,504)	(218,504)
Total library	<u>-</u>	<u>-</u>

Reconciliation of Opening and Closing Balances of Library

As at 1 July		
Gross book value	-	-
Accumulated depreciation and impairment	-	-
Net book value 1 July	<u>-</u>	<u>-</u>
Additions:		
By purchase	-	-
Depreciation expense	-	-
Disposals:		
By sale	-	-
Net book value 30 June	<u>-</u>	<u>-</u>
Net book value as of 30 June represented by:		
Gross book value	218,504	218,504
Accumulated depreciation and impairment	(218,504)	(218,504)
Net book value 30 June	<u>-</u>	<u>-</u>

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Note 6J: Joint Arrangements – Thomas Street Property		
Detailed below is the Branch's 50% share of the assets, liabilities, revenue and expenses for the joint operation in the property located at 187 Thomas Street, Haymarket. This property is held in partnership with United Voice – National Council for the purpose of earning a rental income		
Summarised Financial Position		
Current Assets		
Cash and cash equivalents	292,850	488,323
Security deposits and sundry debtors	197,723	30,612
Investments	1,468,742	3,911,698
Prepayments	15,567	18,901
Accrued interest	18,516	6,868
Non-current assets held for sale	72,208,754	-
Total current assets	74,202,152	4,456,402
Non-current assets		
Investment property – at fair value	-	25,500,000
accumulated depreciation	-	(382,500)
	-	25,117,500
Building improvements – at cost	-	838
Accumulated depreciation	-	-
	-	838
Total non-current assets	-	25,118,338
Total assets	74,202,152	29,574,740
Current liabilities		
Sundry creditors	241,252	106,925
Non-current liabilities	-	-
Total liabilities	241,252	106,925
Net assets	73,960,900	29,467,815

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Note 6J: Joint Arrangements – Thomas Street Property (continued)		
Summarised Financial Performance		
Income		
Interest income	70,430	96,193
Rental income	2,590,387	2,396,134
Total income	2,660,817	2,492,327
Expenditure		
Building running expenses	(1,040,754)	(709,221)
Property running costs	(50,512)	(40,293)
Depreciation	-	(382,500)
General operational expenses	-	-
Leasing and management fees	(35,866)	(106,113)
Level 9 rent paid to United Voice - National Council	(299,345)	(274,131)
Total expenditure	(1,426,477)	(1,512,258)
Operating surplus for the year	1,234,340	980,069
Gain on revaluation of property	46,238,814	-
Surplus for the year	47,473,154	980,069

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Note 7 Current Liabilities		
Note 7A: Trade payables		
Trade creditors and accruals	451,010	234,637
Subtotal trade creditors	451,010	234,637
Payables to other reporting units		
United Voice – National Council	361,732	307,194
Subtotal payables to other reporting units	361,732	307,194
Total trade payables	812,742	541,831
Settlement is usually made within 30 days.		
Note 7B: Other payables		
Superannuation	13,020	61,798
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	-	-
Other legal matters	-	9,373
ATO payable	234,510	269,936
Total other payables	247,530	341,107
Total other payables are expected to be settled in:		
No more than 12 months	247,530	341,107
More than 12 months	-	-
Total other payables	247,530	341,107

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

	2018 \$	2017 \$
Note 8 Provisions		
Note 8A: Employee Provisions		
Office Holders:		
Annual leave	84,963	50,809
Long service leave	195,084	146,153
Separations and redundancies	-	-
Other	-	-
<i>Subtotal employee provisions—office holders</i>	280,047	196,962
Employees other than office holders:		
Annual leave	732,601	835,965
Long service leave	817,935	817,492
Separations and redundancies	-	-
Other	-	-
<i>Subtotal employee provisions—employees other than office holders</i>	1,550,536	1,653,457
Total employee provisions	1,830,583	1,850,419
 Current	 1,736,978	 1,804,717
Non-Current	93,605	45,702
<i>Total employee provisions</i>	1,830,583	1,850,419

Note 9 Reserves

Note 9A: Asset Revaluation Reserve

The asset revaluation reserve records revaluation of land and buildings.

UNITED VOICE – NEW SOUTH WALES BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018**

	2018 \$	2017 \$
Note 10 Cash Flow		
Note 10A: Cash Flow Reconciliation		
Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	1,924,912	1,508,193
Statement of financial position	1,924,912	1,508,193
Difference	<u>-</u>	<u>-</u>
Reconciliation of surplus to net cash from operating activities:		
Surplus for the year	46,021,708	164,195
Adjustments for non-cash items		
Depreciation/ amortisation	260,849	672,732
(Gain)/ loss on disposal of property, plant and equipment	(3,783)	(45,294)
(Gain)/ loss on revaluation of shares	(3,770)	(2,727)
Fair value gain on investment property	(46,238,814)	-
Changes in assets/liabilities		
(Increase)/ decrease in net receivables	(113,584)	40,227
(Increase)/ decrease in prepayments	(5,421)	(62,751)
(Increase)/ decrease in deposits	-	280
(Increase)/ decrease in accrued interest	107,788	24,107
Increase/ (decrease) in trade and other creditors	177,334	(82,448)
Increase/ (decrease) in employee provisions	(19,836)	6,631
Net cash (used in)/ provided by operating activities	<u>182,471</u>	<u>714,952</u>
Note 10B: Cash flow information		
Cash inflows from other reporting units		
United Voice – National Council	42,104	88,812
Total cash inflows	<u>42,104</u>	<u>88,812</u>
Cash outflows to other reporting units		
United Voice – National Council	(1,434,168)	(1,423,676)
United Voice – Queensland Branch and controlled entities	(11,448)	(16,790)
United Voice – Victoria Branch	(1,914)	(4,820)
United Voice – South Australia Branch	-	(1,792)
United Voice – Western Australia Branch	-	(1,350)
United Voice – Northern Territory Branch	-	(148)
Total cash outflows	<u>(1,447,530)</u>	<u>(1,448,576)</u>

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

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 10C: Credit standby arrangements and loan facilities

The Branch has a credit card facility amounting to \$30,000 (2017: \$30,000). This may be terminated at any time at the option of the bank. The balance of this facility is cleared monthly and interest rates are variable.

Note 10D: Non-cash transactions

There have been no non-cash financing or investing activities during the year (2017: Nil).

	2018	2017
	\$	\$
Note 10E: Net debt reconciliation		
Cash and cash equivalents	1,924,912	1,508,193
Borrowings – repayable within one year	-	-
Borrowings – repayable after one year	-	-
Net debt	<u>1,924,912</u>	<u>1,508,193</u>

Note 10F: Reconciliation of movements of liabilities to cash flows arising from financing activities

	Other Assets	Liabilities from financing activities		
	Cash assets	Finance lease – due within 1 year	Finance lease – due after 1 year	Total
Net debt at 1 July 2016	1,485,031	-	-	1,485,031
Cash flows	23,162	-	-	23,162
Net debt at 30 June 2017	<u>1,508,193</u>	<u>-</u>	<u>-</u>	<u>1,508,193</u>
Cash flows	416,719	-	-	416,719
Net debt at 30 June 2018	<u>1,924,912</u>	<u>-</u>	<u>-</u>	<u>1,924,912</u>

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 11 Contingent Liabilities, Assets and Commitments

Note 11A: Commitments and Contingencies

Capital commitments

At 30 June 2018 the Branch did not have any capital commitments (2017: Nil).

Other contingent assets or liabilities (i.e. legal claims)

	2018	2017
	\$	\$
Guarantees		
Guarantees on leased property	-	352,223

The Branch holds guarantees (which represents approximately 1 months rent) on the office space leased within the investment property (187 Thomas Street, Haymarket)

The Committee of Management is not aware of any other contingent assets or liabilities that are likely to have a material effect on the results of the Branch.

Leasing Commitments

Operating Leases (as a lessee)

Non-cancellable operating leases rentals are receivable as follows.

Receivable – Minimum lease payments

not later than 12 months	673,865	789,268
between 12 months and 5 years	-	262,164
greater than 5 years	-	-
Minimum lease payments	673,865	1,051,432

The Branch leases office space under operating leases. The leases run for a period ranging between 2 to 5 years with an option to renew the lease after that date. Lease payments are reviewed regularly to reflect market rentals. The above discloser represents the Branch's 50% ownership in the investment property located at 187 Thomas Street, Haymarket.

On 5 October 2018, the Branch sold the investment property located at 187 Thomas Street, Haymarket. As a result, the above minimum lease payments represent those non-cancellable operating leases up to settlement date.

Operating Leases (as a lessor)

The Branch does not have any material operating leases as a lessor at year end (2017: Nil).

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 12 Related Party Disclosures

Note 12A: Related Party Transactions for the Reporting Period
Holders of office and related reporting units

For financial reporting purposes, under the *Fair Work (Registered Organisations) Act 2009*, United Voice is divided into the following separate reporting units (and deemed related parties):

United Voice– National Council (UV – National Council – incorporating Tasmania, Northern Territory and Australian Capital Territory Branches)
 United Voice – Queensland Branch (UV – Qld Branch) and controlled entities
 United Voice – Victoria Branch (UV Vic Branch)
 United Voice – South Australia Branch (UV SA Branch)
 United Voice – Western Australia Branch (UV WA Branch)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

	2018	2017
	\$	\$
Revenue received from United Voice – National Council includes the following:		
Reimbursement of office, travel and administration expenses	27,273	30,445
Sponsorship	6,420	40,455
Wage reimbursement	-	10,558
Transfer of membership	4,585	-
Expenses paid to United Voice – National Council includes the following:		
Sustentation fees	1,070,121	1,152,427
Insurance premiums and other costs charged by National Council	117,115	130,525
Media buy	100,000	-
Amounts owed to United Voice – National Council include the following:		
Sustentation fees	290,966	307,194
Pooled redundancy costs	70,766	-

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 12 Related Party Disclosures (Continued)

Note 12A: Related Party Transactions for the Reporting Period
Holders of office and related reporting units (Continued)

	2018	2017
	\$	\$
Revenue received from United Voice – Qld Branch and controlled entities includes the following:		
Merchandise	779	-
Expenses paid to United Voice – Qld Branch and controlled entities includes the following:		
Reimbursement of travel and other expenses	8,808	12,520
Printing expenses	1,600	2,744
Amounts owed to United Voice – Qld Branch and controlled entities include the following:		
Merchandise	857	-
Expenses paid to United Voice – Vic Branch includes the following:		
Transfer of membership	764	2,649
Reimbursement of merchandise costs	368	1,733
Reimbursement of travel and other expenses	608	-
Expenses paid to United Voice – SA Branch includes the following:		
Transfer of membership	-	1,629
Expenses paid to United Voice – WA Branch includes the following:		
Transfer of membership	-	45
Reimbursement of travel costs	-	1,220
Expenses paid to United Voice – NT Branch includes the following:		
Transfer of membership	-	134

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2018, the Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2017: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

UNITED VOICE – NEW SOUTH WALES BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018**

Note 12 Related Party Disclosures (Continued)

Key management personnel comprise those individuals who have the authority and responsibility for planning, directing and controlling the activities of the Branch. The Branch has determined key management personnel comprise of:

- Melanie Gatfield (Branch Secretary)
- Tara Moriarty (Liquor & Hospitality Divisional Secretary)
- Julie Korlevska (Branch Assistant Secretary)
- David Holder (Liquor & Hospitality Divisional Assistant Secretary)
- All remaining members of the Committee of Management.

During the year, key management personnel of the Branch were remunerated as follows:

	2018	2017
	\$	\$
Note 12B: Key Management Personnel Remuneration for the Reporting Period		
Short-term employee benefits		
Salary (including annual leave)	567,086	546,200
Other	62,437	81,740
Total short-term employee benefits	629,523	627,940
Post-employment benefits:		
Superannuation	64,069	57,719
Total post-employment benefits	64,069	57,719
Other long-term benefits:		
Long-service leave	16,411	15,919
Total other long-term benefits	16,411	15,919
Termination benefits	-	-
Total	710,003	701,578

No other transactions occurred during the year with elected officers, close family members or other related parties than those related to their membership or employment and on terms no more favourable than those applicable to any other member of employee.

Note 13 Remuneration of Auditors and Professional fees

Value of the services provided

Financial statement audit services – NSW Branch	35,500	33,077
Financial statement audit services – Liquor and Hospitality Division	26,000	27,505
Financial statement audit services – Thomas Street	-	-
Other services	-	-
Total remuneration of auditors	61,500	60,582
Add: Professional services (not provided by external auditors)	58,182	68,815
Total remuneration of auditors and professional fees	119,682	129,397

No non-audit services were provided by the external auditor to the Branch during the year.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 14 Financial Instruments

Financial Risk Management Policy

The Branch Committee of Management monitors the Branch's financial risk management policies and exposure and approves financial transactions entered into. It also reviews the effectiveness of internal controls relating to the counterparty credit risk, liquidity risk, market risk and interest rate risk. The Branch Committee of Management meets on a regular basis to review the financial exposure of the Branch.

(a) Credit Risk

Exposure to credit risk relating to financial assets arise from the potential non-performance by counterparties of contract obligations that could lead to a financial loss of the Branch. The Branch does not have any material credit risk exposures as its major source of revenue is the receipt of membership fees.

The maximum exposures to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of provisions) as presented in the statement of financial position.

The Branch has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the Branch.

On a geographical basis, the Branch's trade and other receivables are all based in Australia.

The following table details the Branch's trade and other receivables exposed to credit risk. Amounts are considered 'past due' when the debt has not been settled, within the terms and conditions agreed between the Branch and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Branch.

The balance of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 14 Financial Instruments (Continued)

Ageing of financial assets that were past due but not impaired for 2018

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$	\$
Trade and other receivables	225,114	-	-	-	-	225,114
Receivables from other reporting units	-	-	-	-	857	857
Total	225,114	-	-	-	857	225,971

Ageing of financial assets that were past due but not impaired for 2017

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$	\$
Trade and other receivables	112,387	-	-	-	-	112,387
Receivables from other reporting units	-	-	-	-	-	-
Total	112,387	-	-	-	-	112,387

The Branch has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties.

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved policy. Such policy requires that surplus funds are only invested with counterparties with a strong reputation and backed by the Commonwealth Government's bank guarantee. At 30 June 2018, all funds were held by financial institutions backed by the Commonwealth Government's bank guarantee.

Collateral held as security

The Branch does not hold collateral with respect to its receivables at 30 June 2018 (2017: Nil).

UNITED VOICE – NEW SOUTH WALES BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018**

Note 14 Financial Instruments (Continued)

(b) Liquidity Risk

Liquidity risk arises from the possibility that the Branch might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Branch manages this risk through the following mechanisms:

- preparing forward looking cash flow estimates;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The tables below reflect an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Branch does not hold directly any derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Trade payables	812,742	541,831	-	-	-	-	812,742	541,831
Other payables	247,530	341,107	-	-	-	-	247,530	341,107
Total expected outflows	1,060,272	882,938	-	-	-	-	1,060,272	882,938

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 14 Financial Instruments (Continued)

(b) Liquidity Risk (continued)

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets – cash flow receivable								
Cash and cash equivalents	1,924,912	1,508,193	-	-	-	-	1,924,912	1,508,193
Trade and other receivables	225,971	112,387	-	-	-	-	225,971	112,387
Investments	8,553,023	9,725,566	-	-	-	-	8,553,023	9,725,566
Long service leave fund	646,319	618,294	-	-	-	-	646,319	618,294
Shares	-	-	-	-	15,534	11,764	15,534	11,764
Total anticipated inflows	11,350,225	11,964,440	-	-	15,534	11,764	11,365,759	11,976,204
Net (outflow) / inflow on financial instruments	10,289,953	11,081,502	-	-	15,534	11,764	10,305,487	11,093,266

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 14 Financial Instruments (Continued)

(c) Market Risk

i. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Branch is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is managed using a mix of fixed and floating financial instruments. The effective interest rate expenditure to interest rate financial instruments are as follows:

	Weighted Average Effective Interest Rate			
	2018	2017	2018	2017
	%	%	\$	\$
Floating rate instruments				
Cash and cash equivalents	0.02	0.08	1,924,912	1,508,193
Investments	1.99	2.83	8,553,023	9,725,566
Long service leave fund	0.15	0.27	646,319	618,294

ii. Foreign exchange risk

The Branch is not exposed to direct fluctuations in foreign currencies.

iii. Price risk

The Branch is no exposed to any material commodity price risk.

iv. Interest rate risk

The Branch has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 14 Financial Instruments (Continued)

v. Sensitivity Analysis

The following table illustrates sensitivities to the Branch's exposures to changes in interest rates and equity prices. The table indicates the impact of how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit \$	Equity \$
Year ended 30 June 2018		
+2% in interest rates	222,485	222,485
-2% in interest rates	(184,122)	(184,122)
Year ended 30 June 2017		
+2% in interest rates	+227,928	+227,928
-2% in interest rates	-227,928	-227,928

The above calculations have been based on the following cash assets of the Branch

	Note	2018 \$	2017 \$
Cash at bank	5A	1,924,912	1,508,193
Investments	5C	8,553,023	9,725,566
Long service leave fund	5D	646,319	618,294

No sensitivity analysis has been performed on foreign exchange risk as the Branch has no material direct exposures to currency risk. There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

UNITED VOICE – NEW SOUTH WALES BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 15 Fair Value Measurement

Fair Values

Fair value estimation

The fair values of financial assets and liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties at an arm's length transaction.

Fair value may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair values is extracted from the market, with more reliable information available from markets that are actively traded.

In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Branch. Most of these instruments, which are carried at amortised cost (i.e. accounts receivable), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the Branch.

The following table contains the carrying amounts and related fair values for the Branch's financial assets and liabilities:

		2018		2017	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	(i)	1,924,912	1,924,912	1,508,193	1,508,193
Accounts receivable and other debtors	(i)	225,971	225,971	112,387	112,387
Investments	(i)	8,553,023	8,553,023	9,725,566	9,725,566
Long service leave fund	(i)	646,319	646,319	618,294	618,294
Shares	(i)	15,534	15,534	11,764	11,764
Total financial assets		11,365,759	11,365,759	11,976,204	11,976,204
Financial liabilities					
Trade payables	(i)	812,742	812,742	541,831	541,831
Other payables	(i)	247,530	247,530	341,107	341,107
Total financial liabilities		1,060,272	1,060,272	882,938	882,938

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

- (i) Cash and cash equivalents, accounts receivable and other debtors and accounts payable and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 139.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 15 Fair Value Measurement (Continued)

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

- (ii) Cash and cash equivalents, accounts receivable and other debtors and accounts payable and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 139.

Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of the three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

UNITED VOICE – NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018

Note 15 Fair Value Measurement (Continued)

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

Fair value hierarchy – 30 June 2018

	Note	Date of Valuation	Level 1	Level 2	Level 3
		\$	\$	\$	\$
Assets measured at fair value					
Investment Property – 187 Thomas Street, Haymarket	5F & 6J	April 2018	72,208,754	-	-
Land and buildings – 19 Argle Street, Parramatta	6D	7 Dec 2017	-	3,686,126	-
Total			<u>72,208,754</u>	<u>28,120,000</u>	<u>-</u>

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

Fair value hierarchy – 30 June 2017

	Note	Date of Valuation	Level 1	Level 2	Level 3
		\$	\$	\$	\$
Assets measured at fair value					
Investment Property – 187 Thomas Street, Haymarket	6C & 6J	30 June 2016	-	25,500,000	-
Land and buildings – 19 Argle Street, Parramatta	6D	May 2014	-	2,620,000	-
Total			<u>-</u>	<u>28,120,000</u>	<u>-</u>

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

UNITED VOICE – NEW SOUTH WALES BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2018**

Note 16 Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commission:

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

Note 17 Branch Details

The registered office of the Branch is:

Level 1, 187 Thomas Street
Haymarket NSW 2000

Note 18 Segment Information

The Branch operates solely in one reporting segment, being the provision of industrial services in New South Wales.

Note 19 Other Acquisitions of Assets or Liabilities

During the financial year the Branch has not acquired an asset or liability as a result of:

- (a) An amalgamation under Part 2 of Chapter 3 of the *Fair Work (Registered Organisations) Act 2009*.
- (b) A restructure of Branches of the organisation.
- (c) A determination by the General Manager of the Fair Work Commission under subsection 245(1) of the *Fair Work (Registered Organisations) Act 2009* of an alternative reporting structure for the organisation.
- (d) A revocation by the General Manager of the Fair Work Commission under subsection 249(1) of the *Fair Work (Registered Organisations) Act 2009* of a certificate issued to the organisation under subsection 241(1).
- (e) A business combination.



11 December 2018

Ms Melanie Gatfield
Branch Secretary
United Voice - New South Wales Branch
Sent via email: mel.gatfield@unitedvoice.org.au

Dear Ms Gatfield,

Lodgement of Financial Report - Reminder to lodge

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

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

The maximum period of time allowed under the RO Act for the full financial report to be presented to a general meeting of members or a committee of management meeting is six months after the expiry date of its financial year (s.253, s.254, s.265, s.266, s.268). The full report must be lodged with the ROC within 14 days of that meeting.

The ROC encourages your reporting unit to lodge its financial report at the earliest opportunity in order to ensure compliance with its obligations. Failure of a reporting unit to lodge its financial report is a breach of a civil penalty provision of the RO Act. This can result in the Commissioner instituting an inquiry or investigation into a reporting unit's non-compliance under Chapter 11, Part 4 of the RO Act. The actions available to the Commissioner following an investigation include issuing Federal Court legal proceedings for breach of a civil penalty provision. The orders available to the Federal Court include imposition of a pecuniary penalty on the organisation or individual officer, whose conduct led to the contravention, of up to \$105,000 per contravention on the organisation and up to \$21,000 per contravention on an officer whose conduct led to the contravention.

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

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

Yours faithfully,

Sam Gallichio
Registered Organisations Commission



25 September 2018

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

By Email: mel.gatfield@unitedvoice.org.au

Dear Ms Gatfield,

**Re: Lodgement of Financial Report - [FR2018/195]
*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 2018. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

Loans Grants and Donations Statement

The reporting unit is required to 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 of the RO Act requires this statement to be lodged with the Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, namely on or before 28 September 2018.

The attached fact sheet *Loans Grants and Donations* (FS 009) summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our [website](#).

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty. Currently penalties are up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual and may be imposed upon your organisation and/or an officer whose conduct led to the contravention.

Financial report

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines* (FS 008) summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on its rules) no later than 30 December 2018 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported (see attached *Loans Grants and Donations* fact sheet FS 009). The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement.

You can visit our website for more information regarding [financial reporting](#), and fact sheets regarding [financial reporting processes and requirements](#). A model set of financial statements developed by the

ROC is also available on our website. 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.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty, as set out above, being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

Auditor's report

When assessing the financial report we will also focus on the structure and content of the auditor's report to ensure that it complies with the revisions made to the Auditing Standards which came into operation with effect from 15 December 2016. Please find [here](#) a link to guidance note *Illustrative Auditor's Report* (GN 004) relating to these requirements (also available on our website).

REMINDER

YOUR AUDITOR MUST BE REGISTERED (s.256)

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our [website](#).

Contact

Should you require any clarification in relation to the above, please email regorgs@roc.gov.au.

Yours faithfully,



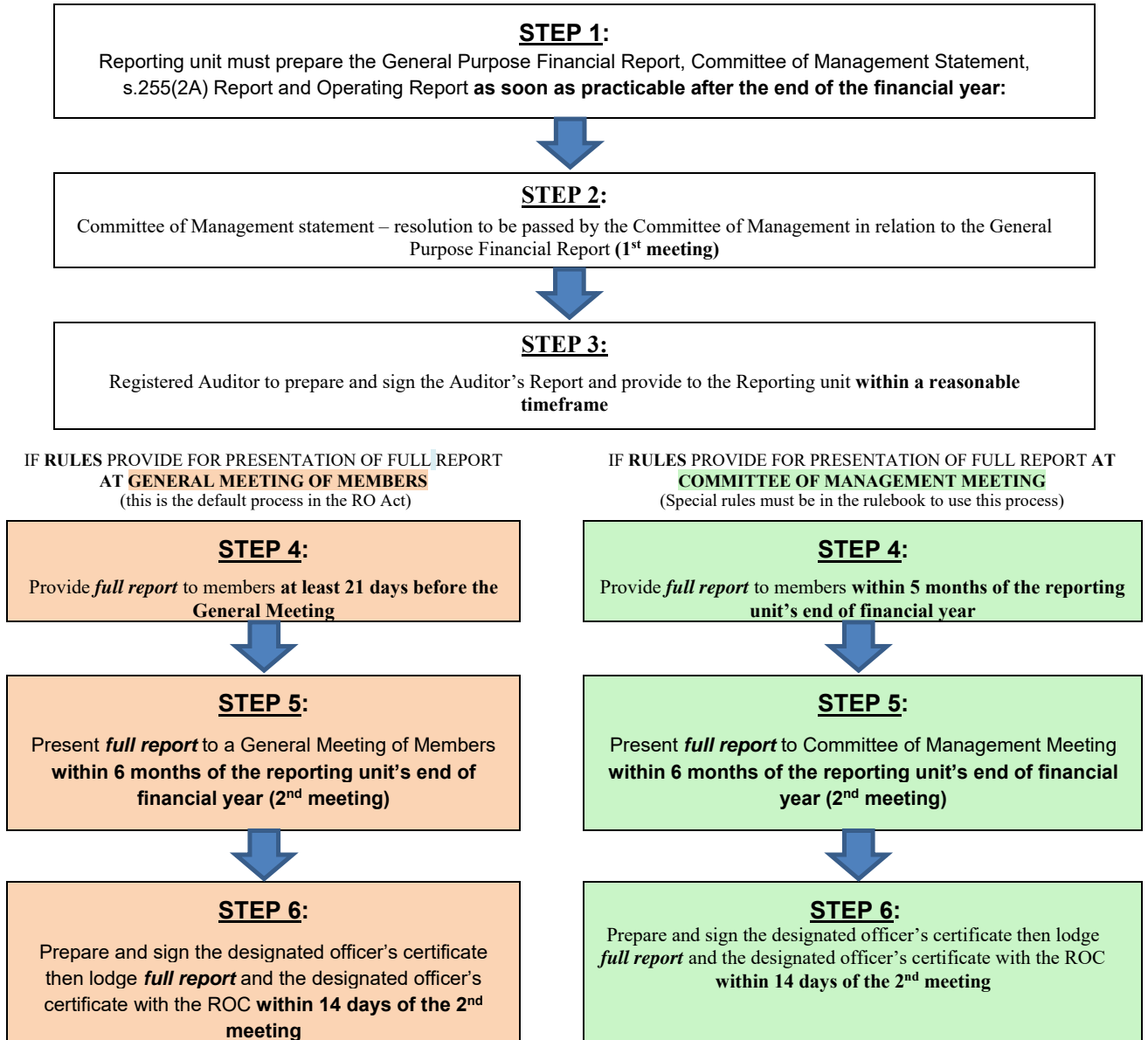
Sarah Wilkin
Registered Organisations Commission

Fact sheet

Summary of financial reporting timelines – s.253 financial reports

General Information:

- The **full report** consists of the General Purpose Financial Report, Committee of Management Statement, Operating report, s.255(2A) Report and signed Auditors' Report
- For an explanation of each of the steps below see our [Fact sheet—financial reporting process](#).



Fact sheet



Australian Government
Registered Organisations Commission

FS 009
(19 June 2017)

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 Commissioner'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 exceeds \$1000. The following information must be supplied to the Registered Organisations Commission (the ROC) 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 ROC has a [Template Loans, Grants and Donations Statement](#) on its website. The ROC 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.
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Grants & Donations within the Financial Report

Item 16(e) of the Commissioner'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 [ROC's Model Statements](#) the note appears as follows:

Note 4E: Grants OR donations*

Grants:	[Current year]	[Previous year]
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-

The Commissioner'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 financial report staff of the ROC may 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 last 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 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 ROC on regorgs@roc.gov.au

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This fact sheet is not intended to be comprehensive. It is designed to assist in gaining an understanding of the Registered Organisations Commission and its work. The Registered Organisations Commission does not provide legal advice