2 June 2014

FairWork Commission

Mr Matthew Gardiner
NT Branch Secretary
United Voice - Northern Territory Branch
matthew.gardiner@unitedvoice.org.au

Dear Mr Gardiner,

**United Voice - Northern Territory Branch**
**Financial Report for the year ended 30 June 2013 - [FR2013/154]**

I acknowledge receipt of the financial report of the United Voice - Northern Territory Branch. The documents were lodged with the Fair Work Commission on 7 May 2014.

The financial report has now been filed. 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 Fair Work Commission will confirm these concerns have been addressed prior to filing next year's report:

Disclosure of employee benefits to office holders and other employees

The Reporting Guidelines require reporting units to disclose in the income statement or in the notes to the financial statements employee benefits to holders of office (item 11(g)) and employee benefits to other employees (item 11(h)).

I note that the income statement does not distinguish between employee benefits for office holders and other employees. Employee benefits for office holders and other employees should be separately disclosed. The Reporting Guidelines also require either the balance sheet or the notes to disclose any liability for employee benefits in respect of office holders and other employees (items 14(c) and 14 (d)).

The financial statements have disclosed wages and superannuation provisions separately for officers and employees, but do not separately disclose annual leave or long service leave provided for officers and employees. The Reporting Guidelines requires that all employee and officer benefits, not merely wages, are reported separately.

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

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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 2014 may be subject to an advanced compliance review.

If you have any queries regarding this letter, please contact me on (03) 8661 7812 or via email at nick.salzberg@fwc.gov.au.

Yours sincerely

Nick Salzberg
Regulatory Compliance Branch
Fair Work Commission

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6 May, 2014

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

Dear Ms O'Neill

**RE: NORTHERN TERRITORY BRANCH FINANCIAL REPORTS**

I am writing to lodge the financial reports for the United Voice NT Branch for the year ended 30 June 2013. Enclosed is the full Financial Report including:

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

The financial reports were sent to the Branch Executive on the 15 October, 2013. The Executive resolved:

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

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

Unfortunately an error was picked up in the financial report but the auditor was unable to provide the amended report. While we have used the audit firm KPMG in other states, we have experienced significant difficulties with the Darwin Branch of this firm as noted in our earlier correspondence with you.

This report has finally been provided to the Committee of Management of the Northern Territory Branch on 7 April, 2014 and was adopted. Also enclosed is a copy of the Branch Secretary's certificate.

We have determined that in future the Northern Territory Branch accounts will be audited by our National Office auditor to ensure that this type of delay does not occur again.

If you have any questions please contact me.

Yours faithfully

LOUISE TARRANT
NATIONAL SECRETARY

**UNITED VOICE NT BRANCH**

**FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2013**

**CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER**

I, Matthew Gardiner, being the Branch Secretary of the United Voice, NT Branch certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- That the full report was provided to members on 27 November 2013 and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 7 April 2014 ~~December, 2013~~ in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signed ______________________

Date: 7 April 2014

UNITED VOICE NORTHERN TERRITORY BRANCH

**OPERATING REPORT**

*United Voice is a union of workers organising to win better jobs, stronger communities, a fairer society and a sustainable future.*

This Operating Report covers the activities of United Voice Northern Territory Branch for the financial year ended 30 June 2013.

1. Principal Activities of the Northern Territory Branch

The principal activities of the Northern Territory Branch of the Union, as conducted through the Branch Office, during the past year fell into the following categories:

- Implementation of the decisions of the National Executive and Northern Territory Branch Council.
- Implementation of the National Plan as endorsed by the Northern Territory Branch.
- Implementation of the union's organising agenda, including direct assistance and strategic advice on particular industry or site organising projects, the training and development of officials and assistance to branches on planning and resourcing campaigns.
- Coordination of campaigns undertaken by the union. This particularly focussed the child care, aged care, hotels and cleaning industries.
- Industrial support including representation of individual member grievances, advice on legal and legislative matters and responding to other unions' rules applications where they impact on membership of United Voice.
- The administration of awards and initiating and responding to variations to awards.
- Participation in campaigns and other work conducted by the ACTU and Unions NT.
- Media and communications to members and to the broader community via media and public comment, video and film development, websites and social media and targeted publications, including the national magazine.
- Bargaining in key industries.
- Implementation of the union's policies and the priorities established by the Northern Territory Branch and National Executive.
- Lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to United Voice members.
- Advocacy to bodies set up by government to enquire into policy areas affecting United Voice Members.
- Participation in Industry Skills Councils where United Voice members are affected by decisions of those bodies.

2. The Northern Territory Branch's Financial Affairs

Membership numbers and fees increased resulting in an overall total income increase of 7.5%.

In the same period the total level of expenditure increased by 11.4%. This led to an operating deficit of $131,773.32.

During the 2012-13 financial year, the National Office provided ongoing operational support to the Northern Territory Branch.

3. Rights of Members to Resign

All Members of the Union have the right to resign from the Union in accordance with Rule 10 of the Union Rules, and Section 174 of the Fair Work (Registered Organisations) Act 2009.

In accordance with Section 174(1) of the Fair Work (Registered Operations) Act 2009 a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a Branch of the organisation.

4. Membership of the Union

There were 3068 members of the union as at 30 June 2013.

5. Employees of the Northern Territory Branch

As at 30 June 2013 the Northern Territory Branch employed 8 full time employees and 4 part time employees with a total number of 12 employees.

6. Branch Executive

The following were members of the National Executive, during the year ending 30 June 2012:

| *Name* | *Period of appointment* |
|---|---|
| Matthew Gardiner | 1.7.12 to 30.6.13 |
| Martine Tulloch | 1.7.12 to 30.6.13 |
| Denise Ah Sam | 1.7.12 to 30.6.13 |
| Patricia Michels | 1.7.12 to 30.6.13 |
| Manuel Koulakis | 1.7.12 to 30.6.13 |
| Graham Lyons | 1.7.12 to 30.6.13 |
| Phillip Tillbrook | 1.7.12 to 30.6.13 |
| Donald Henwood | 1.7.12 to 30.6.13 |

For the NT Branch Executive

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**Matthew Gardiner**

07 April 2014

# United Voice Northern Territory Branch

ABN 45 554 619 631

## Annual General Purpose Financial Report

## 30 June 2013

## Contents

## Statement of financial position
### As at 30 June 2013

| | Note | 2013 $ | 2012 $ |
|---|---|---|---|
| **Current assets** | | | |
| Cash and cash equivalents | 7 | 53,844 | 67,823 |
| Trade and other receivables | | 5,528 | 7,216 |
| Prepayments | | 13,788 | 14,097 |
| **Total current assets** | | 73,160 | 89,136 |
| **Non-current assets** | | | |
| Property, plant and equipment | 9 | 1,026,356 | 1,049,641 |
| **Total non-current assets** | | 1,026,356 | 1,049,641 |
| **Total assets** | | 1,099,516 | 1,138,777 |
| **Current liabilities** | | | |
| Trade and other payables | 8 | 235,461 | 172,899 |
| Employee benefits | | 102,679 | 39,886 |
| **Total current liabilities** | | 338,140 | 212,785 |
| **Non-current liabilities** | | | |
| Employee benefits | | 62,595 | 95,438 |
| **Total non-current liabilities** | | 62,595 | 39,886 |
| **Total liabilities** | | 400,735 | 308,223 |
| **Net assets** | | 698,781 | 830,554 |
| **Reserves** | | | |
| Asset revaluation reserves | | 965,650 | 965,650 |
| Accumulated funds | | (266,869) | (135,096) |
| **Total reserves** | | 698,781 | 830,554 |

*The notes on pages 5 to 17 are an integral part of these financial statements.*

## Statement of Profit and loss and other comprehensive income
### For the year ended 30 June 2013

| | Note | 2013 $ | 2012 $ |
|---|---|---|---|
| **Income** | | | |
| Total income for the period | 6 | 1,525,103 | 1,418,465 |
| | | 1,525,103 | 1,418,465 |
| **Expenditure** | | | |
| Staff costs | | (1,066,452) | (973,859) |
| Depreciation | 9 | (23,285) | (23,285) |
| Other expenses | | (543,549) | (473,220) |
| Legal expenses | | (17,894) | (4,600) |
| Grant and donations | | (1,455) | (1,200) |
| Sponsorships | | (5,574) | (11,727) |
| **Deficit for the period** | | (133,106) | (69,426) |
| Financial income | | 1,333 | 1,629 |
| **Net finance income** | | 1,333 | 1,629 |
| **Deficit for the period** | | (131,773) | (67,797) |
| **Other comprehensive income** | | - | - |
| **Other comprehensive income for the period** | | - | - |
| **Total comprehensive income for the period** | | (131,773) | (67,797) |

*The notes on pages 5 to 17 are an integral part of these financial statements.*

## Statement of changes in equity
## For the year ended 30 June 2013

| | Reserves<br>$ | Retained Earnings<br>$ | Total Equity<br>$ |
|---|---|---|---|
| Balance at 1 July 2011 | 987,142 | (67,299) | 919,843 |
| **Total comprehensive income for the period** | | | |
| Deficit for the period | - | (67,797) | (67,797) |
| Write-offs | (21,492) | - | (21,492) |
| Total other comprehensive income | - | - | - |
| Balance at 30 June 2012 | 965,650 | (135,096) | 830,554 |
| | | | |
| Balance at 1 July 2012 | 965,650 | (135,096) | 830,554 |
| **Total comprehensive income for the period** | | | |
| Deficit for the period | - | (131,773) | (131,773) |
| Total other comprehensive income | - | - | - |
| Balance at 30 June 2013 | 965,650 | (266,869) | 698,781 |

*The notes on pages 5 to 17 are an integral part of these financial statements.*

## Statement of cash flows
## For the year ended 30 June 2013

| | Note | 2013 $ | 2012 $ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash receipts from customers | | 1,525,857 | 1,205,475 |
| Cash payments to suppliers and employees | | (1,541,169) | (1,204,195) |
| Interest received | | 1,333 | 1,629 |
| **Net cash from operating activities** | 10 | (13,979) | 2,909 |
| **Cash flows from investing activities** | | - | - |
| **Net cash used in investing activities** | | - | - |
| **Net (decrease)/increase in cash and cash equivalents** | | (13,979) | 2,909 |
| Cash and cash equivalents at 1 July | | 67,823 | 64,914 |
| **Cash and cash equivalents at 30 June** | | 53,844 | 67,823 |

*The notes on pages 5 to 17 are an integral part of these financial statements.*

**Notes to the financial statements**
**For the year ended 30 June 2013**

## 1. Reporting entity

United Voice-Northern Territory Branch (the "Branch") is a trade union domiciled in Australia. The address of the Branch's registered office is Unit 1, 38 Woods Street, Darwin NT 0800. The Branch is a not-for-profit entity and primarily is involved in the provision of industrial representation and services for members.

The financial report of the Branch has been drawn up as general purpose financial report for distribution to the members.

## 2. Basis of preparation

### (a) Statement of Compliance

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, 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.

Australian Accounting Standards require a statement of compliance with International Financial Reporting Standards (IFRS) to be made where the financial report complies with these standards. Some Australian Equivalents to IFRS and other Australian Accounting Standards contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements. The Branch is a not-for-profit entity and has applied these requirements, so while this financial report complies with Australian Accounting Standards including Australian Equivalents to International Financial Reporting Standards it cannot make this statement. There has been no accounting standards issued which will have a financial impact on the financial report in the future periods and which are not yet effective.

The following is a summary of the significant accounting policies adopted by the entity in the preparation of the financial statements. The accounting policies have been consistently applied unless otherwise stated.

The Branch has net current liabilities and this may give rise to going concern issues. The parent entity the United Voice National Office has confirmed financial support for the Branch to meet its financial obligations when they fall due. On this basis, the Management Committee have prepared the financial statements on the going concern basis.

The financial statements were approved by the Management Committee on xxx

**Notes to the financial statements**
**For the year ended 30 June 2013**

## 2. Basis of preparation (continued)

### (b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

- Contributions from members are recognised on a cash basis
- Revaluation of certain items of property, plant and equipment.

### (c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Branch's functional currency.

### (d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

**Notes to the financial statements**
**For the year ended 30 June 2013**

## 3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### (a) Foreign currency transactions

Transactions in foreign currencies are translated at foreign exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

### (b) Financial instruments

#### *(i) Non-derivative financial assets*

The Branch initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Branch becomes a party to the contractual provisions of the instrument.

The Branch derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Branch is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Branch has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Branch has the following non-derivative financial assets: loans and receivables, cash and cash equivalents and financial assets at fair value through profit or loss.

*Loans and receivables*

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

**Notes to the financial statements**
**For the year ended 30 June 2013**

## 3. Significant accounting policies (continued)

### (b) Financial instruments

#### *(i) Non-derivative financial assets*

Loans and receivables comprise trade and other receivables.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Branch's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

*Financial assets at fair value through profit or loss*

An instrument is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial assets are designated at fair value through profit or loss if the Branch manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Branch's documented risk management or investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein are recognised in profit or loss.

#### *(ii) Non-derivative financial liabilities*

The Branch initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Branch becomes a party to the contractual provisions of the instrument. The Branch derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Branch has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Branch has the following non-derivative financial liabilities: trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest rate method.

**Notes to the financial statements**
**For the year ended 30 June 2013**

## 3. Significant accounting policies (continued)

### (c) Property, plant and equipment

#### (i) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

All other costs are accounted as repairs and maintenance and are recognised in the statement of comprehensive income as incurred. Buildings are carried at a revalued amount based upon independent valuations.

#### (ii) Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the cost of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Branch will obtain ownership by the end of the lease term.

Depreciation on property, plant and equipment is calculated on the straight line method and is charged against income so as to provide for the write down of cost over the estimated life of the asset of the Branch:

- Buildings 2% (2012: 2%)

**Notes to the financial statements**
**For the year ended 30 June 2013**

## 3. Significant accounting policies (continued)

### (d) Impairment

#### (i) Non derivative financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset

An impairment loss in respect of the financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit and loss. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to profit and loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

#### (ii) Non-financial assets

The carrying amounts of the Branch's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. Goodwill and indefinite life intangible assets are tested annually for impairment. An impairment loss is recognised if the carrying amount of an asset or cash-generating-unit (CGU) exceed its recoverable amount.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU's.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the financial statements
For the year ended 30 June 2013

## 3. Significant accounting policies (continued)

### (e) Employee benefits

#### (i) Long-term employee benefits

The Branch's net obligation in respect of long-term employee benefits other than defined benefit plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on AA credit-rated or government bonds that have maturity dates approximating the terms of the Branch's obligations.

#### (ii) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Branch has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### (iii) Termination benefits

Termination benefits are recognised as an expense when the Company is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

### (f) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Notes to the financial statements
For the year ended 30 June 2013

3. **Significant accounting policies (continued)**

**(g) Income**

Income is recognised to the extent that it is probable that the economic befits will flow to the Branch and the income can be reliably measured. The following specific recognition criteria must also be met before income is recognised

Member contributions and grants are recognised when they are receivable. Rent income is recognised on accrued basis. All income is stated net of the amount of goods and service tax (GST). Interest income is recognised as interest accrues using the effective interest method.

**(h) Taxation**

The Branch is exempt from all forms of taxation except for fringe benefits tax and the goods and services tax (GST). Income, expenses, and assets are recognised net of GST except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO) and receivables and payables.

**(m) Goods and services tax**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**(n) Finance income and finance costs**

Finance income comprises interest income on funds invested (including available-for-sale financial assets), dividend income, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at fair value through profit or loss, gains on the remeasurement to fair value of any pre-existing interest in an acquiree in a business combination, gains on hedging instruments that are recognised in profit or loss and reclassifications of net gains previously recognised in other comprehensive income. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, and deferred consideration losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities, fair value losses on financial assets at

**Notes to the financial statements**
**For the year ended 30 June 2013**

## 3. Significant accounting policies (continued)

### (n) Finance income and finance costs

fair value through profit or loss and contingent consideration, impairment losses recognised on financial assets (other than trade receivables), losses on hedging instruments that are recognised in profit or loss and reclassifications of net losses previously recognised in other comprehensive income.

| | 2013 $ | 2012 $ |
|---|---|---|
| **4. Finance income** | | |
| Interest income on bank deposits | 1,333 | 1,629 |
| Finance income | 1,333 | 1,629 |
| **5. Auditors' remuneration** | | |
| *Audit services* | | |
| KPMG | 9,000 | 8,000 |
| **6. Income** | | |
| Membership fee | 1,258,530 | 1,153,643 |
| Small branch support | 209,568 | 207,132 |
| Sponsorship | 16,273 | 17,182 |
| Rent income | 22,391 | 20,863 |
| Others | 18,341 | 19,645 |
| | 1,525,103 | 1,418,465 |
| **7. Cash and cash equivalents** | | |
| Bank balances | 53,644 | 67,623 |
| Petty cash | 200 | 200 |
| Cash and cash equivalents in the statement in the statement of cash flows | 53,844 | 67,823 |
| **8. Trade and other payables** | | |
| Trade creditors | 200,789 | 156,960 |
| Other payables | 34,672 | 15,939 |
| | 235,461 | 172,899 |

## 9. Property, plant and equipment

| | Buildings $ | Revaluation $ | Total $ |
|---|---|---|---|
| Balance at 1 July 2011 | 251,250 | 987,142 | 1,238,392 |
| Acquisitions | - | - | - |
| Revaluation | | (21,492) | (21,492) |
| Balance at 30 June 2012 | 251,250 | 965,650 | 1,216,900 |
| Balance at 1 July 2012 | **251,250** | **965,650** | **1,216,900** |
| Acquisitions | - | - | - |
| Disposals | - | - | - |
| Balance at 30 June 2013 | **251,250** | **965,650** | **1,216,900** |
| **Depreciation and impairment losses** | | | |
| Balance at 1 July 2011 | 84,747 | 59,227 | 143,974 |
| Depreciation for the year | 3,543 | 19,742 | 23,285 |
| Disposals | - | - | - |
| Balance at 30 June 2012 | 88,290 | 78,969 | 167,259 |
| Balance at 1 July 2012 | **88,290** | **78,969** | **167,259** |
| Depreciation for the year | **3,543** | **19,742** | **23,285** |
| Disposals | - | - | - |
| Balance at 30 June 2013 | **91,833** | **98,711** | **190,544** |
| **Carrying amounts** | | | |
| At 30 June 2012 | 162,960 | 886,681 | 1,049,641 |
| At 1 July 2012 | 162,960 | **886,681** | **1,049,641** |
| At 30 June 2013 | 159,417 | **866,939** | **1,026,356** |

| | 2013 $ | 2012 $ |
|---|---|---|
| **10. Reconciliation of Cash Flows from operating activities** | | |
| Deficit for the period | **(131,773)** | (67,797) |
| Adjustments: | | |
| Depreciation | **23,285** | 23,285 |
| | **(108,488)** | (44,512) |
| Changes in trade and other receivables | **1,688** | (2,937) |
| Changes in prepayments | **309** | (2,921) |
| Changes in provisions | **29,950** | 42,476 |
| Changes in prepayments | **62,562** | 10,803 |
| **Net cash from operating activities** | **(13,979)** | 2,909 |

## 11. Related parties

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

| | | |
|---|---|---|
| Branch President | Martine Tulloch | 1.7.12 to 30.6.13 |
| Branch Vice President | Denise Ah Sam | 1.7.12 to 30.6.13 |
| Branch Secretary | Matthew Gardiner | 1.7.12 to 30.6.13 |
| Executive Members | Donald Henwood | 1.7.12 to 30.6.13 |
| | Manny Koulakis | 1.7.12 to 30.6.13 |
| | Graham Lyons | 1.7.12 to 30.6.13 |
| | Patricia Michels | 1.7.12 to 30.6.13 |
| | Phil Tilbrook | 1.7.12 to 30.6.13 |

(b) The aggregate amount of remuneration paid to officers during the financial year is disclosed

(c) There have been no other transactions between the officers and the Union other than those relating to their membership of the Union and the reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

(d) Other related parties
There are no staff members that work at the union who are close members of the family of key management personnel.

| **Transactions relating to officers** | 2013 $ | 2012 $ |
|---|---|---|
| *Current* | | |
| Wages and allowances | **113,410** | 111,580 |
| Superannuation - SGC | **9,912** | 10,100 |
| Superannuation – SCI & Super extra | **3,273** | 3,367 |
| | **126,595** | 125,047 |

## 11. Related parties (continued)

| Other related parties transactions | 2013 $ | 2012 $ |
| --- | --- | --- |
| *Income* | | |
| Small Branch Support from the National Office | **209,568** | 207,132 |
| *Expenses* | | |
| Sustentation fee payments to the National Office | **183,421** | 160,127 |
| Affiliation fee payments to Australia Labour Party | **10,627** | 10,059 |
| Affiliation fee payment to NT Trade & Labor Council | **5,417** | 5,614 |

**Branch Executive's Statement**

On 07 APR 14, the Management Committee of United Voice Northern Territory Branch, passed the following resolution in relation to the general purpose financial report ("GPFR") of the reporting unit for the financial year ended 30 June 2013:

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

a) The financial statements and notes comply with the Australian Accounting Standards;

b) The financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia (FWA);

c) The financial statements and notes give a 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 Northern Territory Branch will be able to pay its debts as and when they become due and payable;

e) During the financial year to which the GPFR relates and since the end of that year:

   i) Meetings of the management committee were held in accordance with the rules of the organisation and the rules of the Branch; and
   ii) The financial affairs of the Northern Territory Branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and
   iii) The financial records of the Northern Territory Branch have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
   iv) The financial records of the Northern Territory Branch have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
   v) No information has been sought in any request of a member of the Northern Territory Branch or the general manager of FWA under section 272 of the Fair Work (Registered Organisations) Act 2009; and
   vi) No order for inspection of the financial records has been made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009.

f) During the financial year ended 30 June 2013 the Northern Territory Branch did not participate in any recovery of wages activity.

For the Branch Executive:

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MATTHEW GARDINER

Date: 07 APR 14

## Independent audit report to the members of United Voice – Northern Territory Branch

### Report on the financial report

We have audited the accompanying financial report, being a general purpose financial report, of United Voice – Northern Territory Branch, which comprises the statement of financial position as at 30 June 2013, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes 5 to 17 comprising a summary of significant accounting policies and other explanatory information.

*Management Committee's responsibility for the financial report*

The Management Committee is responsible for the preparation and fair presentation of the financial report and has determined that the basis of preparation described in Notes 2 and 3 to the financial report is appropriate to meet the requirements of the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009 and are appropriate to meet the needs of the members. The Management Committee's responsibility also includes such internal control as determined necessary to enable the preparation of a financial report that is free from material misstatement whether due to fraud or error.

*Auditor's responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Notes 2 and 3, are appropriate to meet the needs of members We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the reasonableness of accounting estimates made by the Management Committee, as well as evaluating the overall presentation of the financial report.

These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the basis of accounting described in Notes 2 to the financial statements so as to present a view which is consistent with our understanding of the Branch's financial position, and of its performance and cash flows.

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

The financial report has been prepared for distribution to members for the purpose of fulfilling the Management Committee's financial reporting obligations under the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

*Independence*

In conducting our audit, we have complied with the independence requirements of the Accounting Professional and Ethical Standards Board, the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009.

*Auditor's Opinion*

In our opinion:

(a) the financial report presents fairly, in all material respects, the financial position of United Voice – Northern Territory Branch as of 30 June 2013 and of its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Notes 2 to 3 to the financial statements; and

(b) the financial report also complies with Australian Accounting Standards to the extent described in Note 2, the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009.

## Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Branch's financial reporting responsibilities under the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009. As a result, the financial report may not be suitable for another purpose.

KPMG

KPMG

Clive Garland
*Partner*

Darwin

7 April 2014