



3 July 2020

Paul Richardson
Director - Finance, Governance and Administration
United Voice - Queensland Branch
Sent via email: paul.richardson@unitedworkers.org.au
CC: gkent@mgisq.com.au

Dear Paul Richardson,

**United Voice - Queensland Branch
Financial Report for the year ended 10 November 2019 – (FR2019/284)**

I acknowledge receipt of the financial report for the year ended 10 November 2019 for the United Voice – Queensland Branch (**reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 22 June 2020. I also acknowledge receipt of the amended designated officer's certificate and the statement of loans, grants and donations which were lodged with the ROC on 3 July 2020. The financial report was the final report for the reporting unit and covered the period up to its amalgamation with the National Union of Workers on 11 November 2019.

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.

You are not required to take any further action in respect of the report lodged.

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

Yours sincerely,

**Kylie Ngo
Registered Organisations Commission**

REGISTERED ORGANISATIONS COMMISSION

s 268 - Fair Work (Registered Organisations) Act 2009

United Voice – Queensland Branch

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

I, Timothy John Kennedy being the National Secretary of the United Workers' Union (**the Union**) certify:

1. That the document lodged with the Registered Organisations Commission on 22 June 2020 is the full report of the former **United Voice – Queensland Branch (the Branch)** referred to in section 268 of the *Fair Work (Registered Organisations) Act 2009*.
2. That the full report was provided to members of the Branch on 28 May 2020.
3. That the full report was presented to the National Executive of the Union on 28 May 2020 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

A handwritten signature in black ink, appearing to read 'TJ Kennedy', written over a horizontal line.

TIMOTHY JOHN KENNEDY
NATIONAL SECRETARY
UNITED WORKERS' UNION

Dated this 22nd day of June 2020

UNITED VOICE - QUEENSLAND BRANCH
ABN 69 844 574 256
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 10 NOVEMBER 2019

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UNITED VOICE - QUEENSLAND BRANCH
COMMITTEE OF MANAGEMENT'S OPERATING REPORT
FOR THE PERIOD ENDED 10 NOVEMBER 2019

Operating Report

The Committee of Management presents its report on the operations of United Voice – Queensland Branch (the Branch) for the period 1 July 2019 – 10 November 2019.

Principal Activities

The principal activities of the Branch during the course of the period 1 July 2019 – 10 November 2019 were providing industrial representation and service for members.

Operating Results

The consolidated deficit for the period 1 July 2019 to 10 November 2019 amounted to \$1,009,667.

Significant Changes in Financial Affairs

On 30 August 2019, members of both the National Union of Workers and United Voice voted to amalgamate and create the United Workers Union. A copy of the declarations of the amalgamation ballot conducted by the Australian Electoral Commission are available at www.fwc.gov.au/cases-decisions-orders/major-cases/united-voice-national-union-workers-proposed-amalgamation

The Fair Work Commission (FWC) at the conclusion of a hearing on 1 October 2019 to determine an amalgamation date for the United Workers Union pursuant to s73 of the *Fair Work (Registered Organisations) Act 2009* fixed the date as 11 November 2019 [2019 FWC 6756].

As a result, these financial statements have been prepared on a liquated basis, as the reporting unit ceases to exist after 10 November 2019 as all assets and liabilities have transferred to the United Workers Union.

After Balance Date Events

No matters or circumstances have arisen since the end of the reporting period 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.

Members Right to Resign

All members had the right to resign from the Branch in accordance with National Rule 10 - Resignation of the Union (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.

UNITED VOICE - QUEENSLAND BRANCH

COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)

FOR THE PERIOD ENDED 10 NOVEMBER 2019

Members of the Branch

Total number of members as at 10 November 2019: 29,704.

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 was 99.66.

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
Sharron Caddie	01/07/19 – 10/11/19	Branch President
Gary Bullock	01/07/19 – 10/11/19	Branch Secretary
Sheila Hunter	01/07/19 – 10/11/19	Assistant Branch Secretary
Heather Jackson	01/07/19 – 10/11/19	Committee Member
Desmond Hardman	01/07/19 – 10/11/19	Committee Member
Maria Halwood	01/07/19 – 10/11/19	Committee Member
Wesley Cockburn	01/07/19 – 10/11/19	Committee Member
Leah Malzard	01/07/19 – 10/11/19	Committee Member
Dianne Koubek	01/07/19 – 10/11/19	Committee Member
Juanita Booth	01/07/19 – 10/11/19	Committee Member
Michael Formica	01/07/19 – 10/11/19	Committee Member
Dean Anglem	01/07/19 – 04/07/19	Committee Member
Joel Dowden	01/07/19 – 10/11/19	Committee Member
Angela Beatson	15/07/19 – 10/11/19	Committee Member
Barbara Turomsza	19/07/19 – 10/11/19	Committee Member

Wages Recovery Activity

The Branch continuously undertook recovery of wages on behalf of members. It is Branch policy that any successful wage recovery from employers is paid directly to those effected members. As a result, no wage recovery activity is accounted through via the Branch's bank accounts and therefore is not reflected in these financial statements.

UNITED VOICE - QUEENSLAND BRANCH

COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)

FOR THE PERIOD ENDED 10 NOVEMBER 2019

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

Officers/ members/ employees of the organisation who 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 include:

Name	Position	Superannuation Fund
Sharron Caddie	Director	Club Super (ceased upon the merger with Hostplus on 1 November 2019)
Sheila Hunter	Director	Club Super (ceased upon the merger with Hostplus on 1 November 2019)
Gary Bullock	Director	Intrust Super
Fiona Scalon	Director	Intrust Super

Auditor's Independence Declaration

A copy of the auditor's independence declaration is set out on page 6.

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:



.....
Jo-anne Schofield
United Workers Union President
(Former United Voice National Secretary)

28 May 2020

Sydney

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE COMMITTEE OF MANAGEMENT OF
UNITED VOICE – QUEENSLAND BRANCH**

As lead auditor for the audit of United Voice – Queensland Branch for the period 1 July 2019 – 10 November 2019; 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.

MGI Audit Pty Ltd



G I Kent

Director – Audit & Assurance

Brisbane

28 May 2020

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

UNITED VOICE - QUEENSLAND BRANCH
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE PERIOD 1 JULY 2019 – 10 NOVEMBER 2019

On 28 May 2020, the National Executive, being the Committee of Management of the United Workers Union (being the succeeding Committee of Management of the Reporting Unit) passed the following resolution to the General Purpose Financial statements (GPFR) of the reporting unit for the period 1 July 2019 – 10 November 2019.

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 of the Branch 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, including the rules of the branch concerned; and
 - iii. the financial records of the Branch have been kept and maintained in accordance with the RO Act; and
 - 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; and
 - 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. where any order for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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

Name of Designated Officer: Jo-anne Schofield
Title of Designated Officer: United Workers Union President
(Former United Voice National Secretary)



Date: 28 May 2020

Independent Audit Report to the Members of United Voice – Queensland Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of United Voice – Queensland Branch (the Branch), which comprises the statement of financial position as at 10 November 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period 1 July 2019 – 10 November 2019, 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 – Queensland Branch as at 10 November 2019, and its financial performance and its cash flows for the period 1 July 2019 – 10 November 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).

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.

Emphasis of Matter Regarding Liquidation Valuation Basis

Without qualifying the opinion expressed above, attention is drawn to Note 1 in the financial report which states that the report of the Branch has been prepared on a liquidation basis, given the members of both the National Union of Workers and United Voice have agreed to amalgamate to form the United Workers Union. The assets and liabilities of the Branch therefore have been measured at their estimated net realisable value and expected settlement amounts respectively.

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.

Auditor's Responsibilities for the Audit of the Financial Report (continued)

- 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.

MGI Audit Pty Ltd



G I Kent

Director – Audit & Assurance

Brisbane

28 May 2020

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

UNITED VOICE - QUEENSLAND BRANCH
**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019**

	Notes	Consolidated		Parent	
		1 July 19 – 10 Nov 19	1 July 18 – 30 June 19	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19
		\$	\$	\$	\$
Revenue					
Membership subscription		6,206,757	16,521,398	6,206,757	16,521,398
Interest	3A	2,855	6,369	2,849	6,337
Rental revenue	3B	283,279	812,804	283,279	812,804
Other revenue	3C	88,893	1,025,302	21,374	481,561
Net gain from sale of assets		21,732	1,007	21,732	1,007
Total income		6,603,516	18,366,880	6,535,991	17,823,107
Expenses					
Employee expenses	4A	(4,509,262)	(11,149,016)	(4,469,910)	(10,890,256)
Indirect employment expenses	4B	(349,832)	(916,559)	(349,832)	(915,708)
Capitation fees	4C	(529,675)	(1,978,500)	(529,675)	(1,978,500)
Affiliation fees	4D	(211,665)	(467,166)	(211,665)	(467,166)
Administrative expenses	4E	(262,267)	(1,201,007)	(843,071)	(939,686)
Grants and donations	4F	(25,570)	(44,850)	(25,570)	(44,850)
Depreciation and amortisation	4G	(383,055)	(514,865)	(383,055)	(514,865)
Finance costs	4H	(140,302)	(333,054)	(140,302)	(333,054)
Legal and professional costs	4I	(297,612)	(400,457)	(296,499)	(400,457)
Audit fees	4J	(39,551)	(43,278)	(39,500)	(43,278)
Campaign cost	4K	(8,430)	(211,902)	(8,430)	(211,902)
Communication costs	4L	(839)	(83,351)	(195)	(83,351)
IT costs	4M	(17,691)	(82,724)	(17,691)	(82,211)
Meeting and conference costs	4N	(482,687)	(860,191)	(482,357)	(860,045)
Member services	4O	(63,510)	(332,706)	(63,510)	(332,706)
Property costs	4P	(273,244)	(682,480)	(247,738)	(663,327)
Research	4Q	(17,991)	(45,101)	(16,939)	(42,131)
Total expenses		(7,613,183)	(19,347,207)	(8,125,939)	(18,803,493)
Deficit for the period		(1,009,667)	(980,327)	(1,589,948)	(980,386)
Other comprehensive income					
Fair value gain on revaluation on land and buildings		-	7,638,990	-	7,638,990
Total comprehensive income for the period		(1,009,667)	6,658,663	(1,589,948)	6,658,604

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

UNITED VOICE - QUEENSLAND BRANCH
**STATEMENT OF FINANCIAL POSITION
AS AT 10 NOVEMBER 2019**

		Consolidated		Parent	
		10 Nov 19	30 June 19	10 Nov 19	30 June 19
	Notes	\$	\$	\$	\$
ASSETS					
Current Assets					
Cash and cash equivalents	5A	389,075	582,420	369,232	551,004
Trade and other receivables	5B	33,576	465,736	27,073	1,033,938
Other investments	5C	602,188	602,188	602,188	602,188
Other current assets	5D	99,882	162,071	99,882	162,071
Land and buildings	6A	16,533,278	16,531,680	16,533,278	16,531,680
Building improvements	6B	-	-	-	-
Investment properties	6C	2,212,889	2,222,655	2,212,889	2,222,655
Office furniture and equipment	6D	1,271,481	124,907	1,271,481	124,907
Library	6E	-	-	-	-
Motor vehicles	6F	461,443	529,395	461,443	529,395
Total current assets		21,603,812	21,221,052	21,577,466	21,757,838
Non-Current Assets		-	-	-	-
Total assets		21,603,812	21,221,052	21,577,466	21,757,838
LIABILITIES					
Current Liabilities					
Trade payables	7A	1,522,982	1,275,237	1,522,982	1,275,237
Other payables	7B	309,653	570,267	293,879	537,344
Employee provisions	8A	2,454,474	2,240,906	2,454,474	2,240,906
Borrowings	9A	5,500,000	5,500,000	5,500,000	5,500,000
Lease liabilities	9B	1,191,728	-	1,191,728	-
Total current liabilities		10,978,837	9,586,410	10,963,063	9,553,487
Non-Current Liabilities		-	-	-	-
Total liabilities		10,978,837	9,586,410	10,963,063	9,553,487
Net assets		10,624,975	11,634,642	10,614,403	12,204,351
EQUITY					
Retained earnings		2,985,985	3,995,652	2,975,413	4,565,361
Asset revaluation reserve	10A	7,638,990	7,638,990	7,638,990	7,638,990
Total equity		10,624,975	11,634,642	10,614,403	12,204,351

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

UNITED VOICE - QUEENSLAND BRANCH
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Consolidated		Asset Revaluation Reserve	Retained earnings	Total equity
	Notes	\$	\$	\$
Balance as at 1 July 2018		-	4,975,979	4,975,979
Deficit for the year		-	(980,327)	(980,327)
Other comprehensive income		7,638,990	-	7,638,990
Closing balance as at 30 June 2019		7,638,990	3,995,652	11,634,642
Deficit for the period		-	(1,009,667)	(1,009,667)
Other comprehensive income		-	-	-
Closing balance as at 10 November 2019		7,638,990	2,985,985	10,624,975

Parent		Asset Revaluation Reserve	Retained earnings	Total equity
	Notes	\$	\$	\$
Balance as at 1 July 2018			5,545,747	5,547,747
Deficit for the year		-	(980,386)	(980,386)
Other comprehensive income		7,638,990	-	7,638,990
Closing balance as at 30 June 2019		7,638,990	4,565,361	12,204,351
Deficit for the period		-	(1,589,948)	(1,589,948)
Other comprehensive income		-	-	-
Closing balance as at 10 November 2019		7,638,990	2,975,413	10,614,403

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

UNITED VOICE - QUEENSLAND BRANCH
**STATEMENT OF CASH FLOWS
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019**

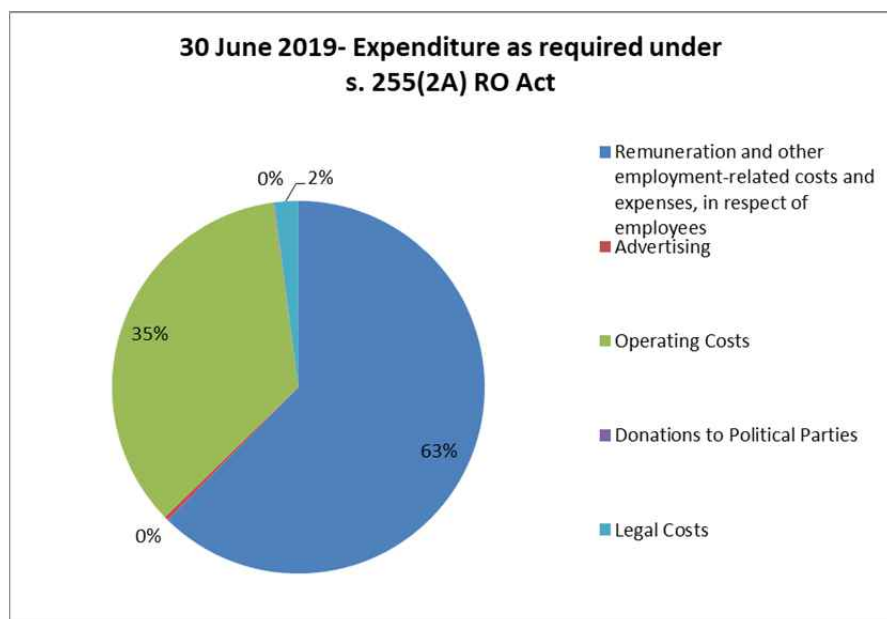
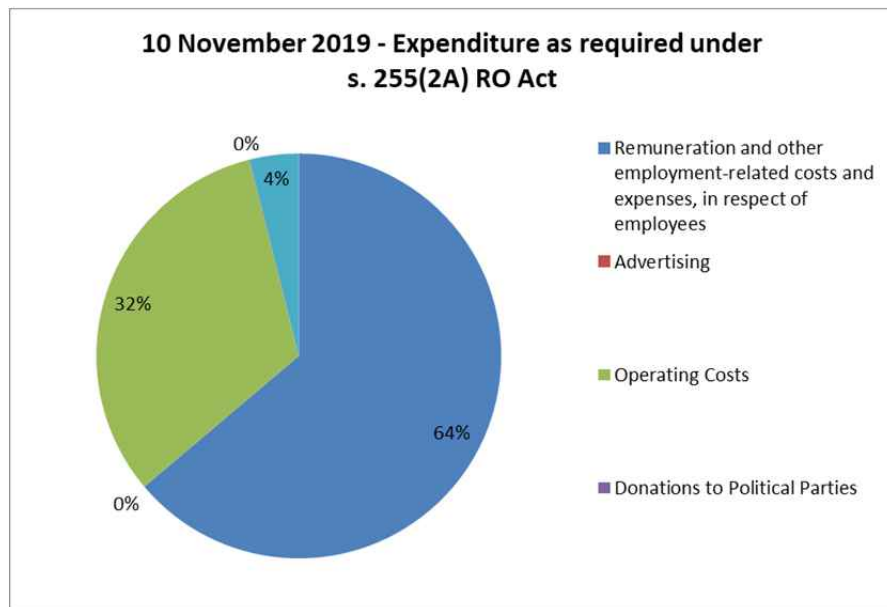
	Notes	Consolidated		Parent	
		1 July 19 – 10 Nov 19	1 July 18 – 30 June 19	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19
		\$	\$	\$	\$
OPERATING ACTIVITIES					
Cash received					
Receipts from other reporting units	11B	87,329	161,743	87,163	154,871
Receipts from members and other customers		7,831,011	20,273,388	7,495,921	19,702,587
Interest received		2,855	6,369	2,849	6,337
Investment income		18,406	49,875	18,406	49,875
		7,939,601	20,491,375	7,604,339	19,913,670
Cash used					
Employees and suppliers		(7,520,353)	(18,081,937)	(7,173,518)	(17,529,742)
Payment to other reporting units	11B	(351,403)	(2,585,386)	(351,403)	(2,585,386)
		(7,871,756)	(20,667,323)	(7,524,921)	(20,115,128)
Net cash provided by/ (used in) operating activities	11A	67,845	(175,948)	79,418	(201,458)
INVESTING ACTIVITIES					
Proceeds from sale of plant and equipment		48,910	30,986	48,910	30,986
Purchase of plant and equipment		(167,373)	(234,802)	(167,373)	(234,802)
Net cash used in investing activities		(118,463)	(203,816)	(118,463)	(203,816)
FINANCING ACTIVITIES					
Proceeds of loan –United Voice – NSW Branch		-	3,000,000	-	3,000,000
Repayment of loan – United Voice – Victoria Branch		-	(2,351,191)	-	(2,351,191)
Repayment of borrowings and leasing liabilities		(142,727)	-	(142,727)	-
Net cash provided by/ (used in) financing activities	11E	(142,727)	648,809	(142,727)	648,809
Net increase/ (decrease) in cash held		(193,345)	269,045	(181,772)	243,535
Cash & cash equivalents at the beginning of the reporting period		582,420	313,375	551,004	307,469
Cash & cash equivalents at the end of the reporting period	5A	389,075	582,420	369,232	551,004

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

UNITED VOICE – QUEENSLAND BRANCH

REPORT REQUIRED UNDER SUBSECTION 255(2A) OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009 FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

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 period 1 July 2019 – 10 November 2019:



Jo-anne Schofield
United Workers Union President
(Former United Voice National Secretary)

28 May 2020

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

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UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

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 – Queensland Branch (the Branch) is a not-for-profit entity.

Liquidated Basis of Preparation

As referred to in the Operating Report, on 30 August 2019, members of both the National Union of Workers and United Voice voted to amalgamate and create the United Workers Union.

Due to the intention to amalgamate and therefore no longer operate out of the Branch, the Committee of Management have determined that the going concern basis of preparation (as applied in previous years) is no longer appropriate. Accordingly the financial statements are not prepared on a going concern basis. The Committee of Management have applied the requirements of paragraph 25 of AASB 101 Presentation of Financial Statements which states that *'when the financial report is not prepared on a going concern basis, that fact shall be disclosed, together with the basis on which the financial report is prepared and the reason why the entity is not regarded as a going concern'*.

Impact of adopting the liquidation basis of preparation on measurement, classification of assets and liabilities, and disclosures in the financial report

Under the liquidation basis of preparation, assets and liabilities are measured at their liquidation value. The liquidation value of assets is their net realisable value. Net realisable value is based on the proceeds receivable on disposal less restructure and liquidation costs as detailed in the accounting policies noted below. The liquidation value of liabilities is their expected settlement amount as detailed in the accounting policies noted below. Any gains or losses resulting from measuring assets and liabilities to the liquidation value are recognised in profit or loss.

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.1 Basis of preparation of the financial statements (Continued)

Under the liquidation basis of accounting, all assets and liabilities are classified as current. In adopting the liquidation basis, the Committee of Management have continued to apply the disclosure requirements of Australian Accounting Standards, to the extent they are relevant to the liquidation basis, and have modified them where this is considered appropriate. In particular, the financial report does not include all of the disclosures required by the following standards on the basis that the disclosures are not considered relevant for decision-making by users as described below:

- **AASB 5 Non-current Assets Held for Sale and Discontinued Operations**
Given that the entire reporting unit is to be discontinued, the disclosures under AASB 5 that separate between continuing and discontinuing operations are not considered relevant to users.
- **AASB 7 Financial Instruments: Disclosures**
The information on exposures to financial risks are not considered relevant to users given that the financial risk exposures are not representative of the risks that will exist going forward.

The accounting policies adopted are consistent with those of the previous financial year except for changes specified related to the adoption of the liquidation basis of preparation.

Comparative information has not been restated, and is measured and presented on a going concern basis.

Significant accounting estimates, judgements and assumptions

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the reporting unit's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in below:

The preparation of financial statements requires estimates and assumptions concerning the application of accounting policies to be made by the reporting unit. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

UNITED VOICE – QUEENSLAND BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.1 Basis of preparation of the financial statements (Continued)

Liquidation value and liquidation expenses

Under the liquidation basis of accounting, assets and liabilities are measured at liquidation value. The liquidation value of assets and liabilities is the estimated value for which assets are realised and liabilities settled.

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.

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.

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

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 16 Leases

The adoption of this new Standard has resulted in the Branch recognising a right-of-use asset and related lease liability in connection with all former operating leases, except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application.

The new Standard has been applied using the modified retrospective approach. Prior periods have not been restated.

On transition to AASB 16 the weighted average incremental borrowing rate applied to lease liabilities recognised under AASB 16 was 2.73% for property leases and 5.18% for equipment leases (for a weighted average of 4.83%). Please refer to Note 1.10 for further details.

The following is a reconciliation of the financial statement line items from AASB 17 to AASB 16 at 1 July 2019:

	Carrying Amount at 30 June 2019	Impact of AASB 16	AASB 16 carrying amount at 1 July 2019
Land and buildings	16,531,680	187,250	16,718,930
Office furniture and equipment	124,907	1,126,064	1,250,971
Lease liabilities	-	1,313,314	1,313,314

AASB 15 Revenue from Contracts from Customers

The adoption of this standard has not had a material impact on the Branch for the period ended 10 November 2019.

AASB 1058 Income of Not for Profit Entities

The adoption of this standard has not had a material impact on the Branch for the period ended 10 November 2019.

Future Australian Accounting Standards Requirements

At the date of authorisation of these financial statements, no new Standards and amendments to existing Standards, and Interpretations have been published by the Australian Accounting Standards Board (AASB).

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.5 Basis of Consolidation

The consolidated financial statements comprise the financial statements of United Voice – Queensland Branch and entities controlled by the Branch (its subsidiaries). Control is achieved where the Branch is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the entity

Specifically, the Branch controls an investee if and only if it has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

When the Branch has less than a majority of the voting or similar rights of an investee, the Branch considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- Relevant activities of the investee and who has control over them
- Existing or future administrative or statutory arrangements that may give rise to rights/control (or change the previous control assessment)
- Whether rights are substantive or protective in nature and whether rights presently exercisable or will be exercisable when decisions about relevant activities are being made
- Exposure or rights to financial and non-financial returns (direct or indirect) and the ability to influence those returns
- Whether the investor is exercising its decision-making abilities as a principal or agent
- Rights arising from other contractual arrangements

The Branch re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Branch obtains control over the subsidiary and ceases when it loses control of the subsidiary.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Branch gains control until the date it ceases to control the subsidiary.

Income and expense of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Branch and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Branch.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.5 Basis of Consolidation (continued)

Changes in the Branch's ownership interests in subsidiaries that do not result in the Branch losing control are accounted for as equity transactions. The carrying amounts of the Branch's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Branch.

When the Branch loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Branch had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 139 *'Financial Instruments: Recognition and Measurement'* or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

1.6 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 leases is recognised on a straight-line basis over the term of the relevant lease.

1.7 Gains

Sale of assets

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

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.8 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.

1.9 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.

1.10 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 – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.11 Leases

Accounting Policy for Leases – Period Ended 10 November 2019

For any new contracts entered into on or after 1 July 2019, the Branch considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Branch assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Branch;
- The Branch has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract;
- The Branch has the right to direct the use of the identified asset throughout the period of use.
- The Branch assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Branch recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Branch, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Branch depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Branch also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Branch measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Branch's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.11 Leases (continued)

The Branch has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term. On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in trade and other payables.

Accounting Policy for Leases – 2019 Financial Year

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to:

- Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, that are transferred to the Branch are classified as finance leases.
- Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased asset or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.
- Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Branch will obtain ownership of the asset or over the term of the lease.
- Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

1.12 Financial instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Branch becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Branch commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

UNITED VOICE – QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019**

Note 1 Summary of significant accounting policies (Continued)

1.12 Financial instruments (Continued)

Classification and Subsequent Measurement of Financial Assets

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit or loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability, that is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.12 Financial instruments (continued)

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are initially measured at fair value (if not designated as at fair value through profit or loss and do not arise from a transfer of a financial asset) and subsequently measured at the higher of:

- the amount of loss allowance determined in accordance to AASB 9.3.25.3; and
- the amount initially recognised less accumulative amount of income recognised in accordance with the revenue recognition policies.

UNITED VOICE – QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019**

Note 1 Summary of significant accounting policies (Continued)

1.12 Financial instruments (continued)

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss

on the basis of the two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost if it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income if it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit or loss.

The Branch initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance to the documented risk management or investment strategy and information about the groupings was documented appropriately, so as the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.12 Financial instruments (continued)

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the Branch made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investments will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Branch's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All the following criteria need to be satisfied for the derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Branch no longer controls the asset (i.e. it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.12 Financial instruments (continued)

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The Branch recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amount due from customers under contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Branch use the following approaches to impairment, as applicable under AASB 9:

- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the Branch assessed whether the financial instruments are credit impaired, and if:

- the credit risk of the financial instrument increased significantly since initial recognition, the Branch measured the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- there was no significant increase in credit risk since initial recognition, the Branch measured the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

UNITED VOICE – QUEENSLAND BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.12 Financial instruments (continued)

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables or contract assets that results from transactions that are within the scope of AASB 15: Revenue from Contracts with Customers, that contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (i.e. diversity of its customer base, appropriate groupings of its historical loss experience, etc.).

Purchased or originated credit impaired approach

For a financial asset that is considered to be credit impaired (not on acquisition or originations), the Branch measured any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- a breach of contract (e.g. default or past due event);
- where a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- it is probable the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the Branch assumed that the credit risk has not increased significantly since initial recognition and, accordingly, can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such determination that the financial asset has low credit risk, the Branch applied its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.12 Financial instruments (continued)

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or lower than the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the Branch recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

1.13 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.

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.14 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.

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:

	10 November 2019	30 June 2019
Buildings	30 years	30 years
Building improvements	25 years	25 years
Investment properties	30 years	30 years
Office furniture and equipment	4 -5 years	4 – 5 years
Library	5 years	5 years
Motor vehicles	4 years	4 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.

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.15 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.

1.16 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.

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.17 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 16.

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.

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.

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.17 Fair value measurement (continued)

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 Borrowing costs

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

Note 2 Events after the reporting period

There were no events that occurred after 10 November 2019, and/ or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19
	\$	\$	\$	\$
Note 3 Income				
Note 3A: Interest				
Deposits	2,855	6,369	2,849	6,337
Total interest	2,855	6,369	2,849	6,337
Note 3B: Rental revenue				
27 Peel Street	245,777	747,809	245,777	747,809
47 Peel Street	37,502	64,995	37,502	64,995
Total rental revenue	283,279	812,804	283,279	812,804
Note 3C: Other revenue				
Sponsorship	-	87,614	-	87,614
Service income	-	193,342	-	193,342
Sentinel investment income	18,406	49,875	18,406	49,875
Printing income	67,519	543,740	-	-
Other income	2,968	150,731	2,968	150,730
Total other revenue	88,893	1,025,302	21,374	481,561

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19
	\$	\$	\$	\$
NOTE 4 Expenses				
Note 4A: Employee expenses				
Holders of office:				
Wages and salaries	134,653	324,824	134,653	324,824
Superannuation	19,787	56,033	19,787	56,033
Leave and other entitlements	22,787	67,063	22,787	67,063
Separation and redundancies	176,704	-	176,704	-
Other employee expenses	10,800	30,600	10,800	30,600
Subtotal employee expenses holders of office	364,731	478,520	364,731	478,520
Employees other than office holders:				
Wages and salaries	2,899,037	7,277,748	2,864,731	7,074,049
Superannuation	460,110	1,216,561	455,494	1,186,118
Leave and other entitlements	561,904	1,566,433	561,475	1,541,815
Other employee expenses	223,480	609,754	223,480	609,754
Subtotal employee expenses employees other than office holders	4,144,531	10,670,496	4,105,179	10,411,736
Total employee expenses	4,509,262	11,149,016	4,469,910	10,890,256
Note 4B: Indirect employment expenses				
Payroll tax	210,231	532,028	210,231	532,028
Workcover	40,555	104,621	40,555	104,621
Staff recruitment	15,642	280	15,642	-
Education and staff training	6,424	26,893	6,424	26,893
Staff amenities	5,631	17,132	5,631	16,561
Motor vehicle expenses	71,349	235,605	71,349	235,605
Total indirect employment expenses	349,832	916,559	349,832	915,708
Note 4C: Capitation fees				
United Voice – National Council	529,675	1,978,500	529,675	1,978,500
Total capitation fees	529,675	1,978,500	529,675	1,978,500

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19
	\$	\$	\$	\$
Note 4D: Affiliation fees				
Australian Labor Party (State of Queensland)	86,595	169,747	86,595	169,747
Queensland Council of Unions	93,844	226,828	93,844	226,828
Union Shopper	16,080	38,591	16,080	38,591
Queensland Community Alliance	6,250	12,000	6,250	12,000
McKell Institute	8,333	20,000	8,333	20,000
Prison Officers Association of Australasia	563	-	563	-
Total affiliation fees	211,665	467,166	211,665	467,166

Note 4E: Administrative expenses

Compulsory levies:

Queensland Council of Unions	-	57,890	-	57,890
General expenses	2,974	15,297	17,497	11,598
Postage and freight	13,313	106,374	8,656	62,035
Printing and stationery	6,698	498,772	776,050	130,651
Telephone	40,868	189,903	40,868	189,752
Repairs and maintenance – office machines	-	13,137	-	-
Bad debts written off:				
Related parties (Poll Printing Limited)	-	-	-	472,614
Other customers	198,414	-	-	-
Equipment rentals (printing machines)	-	319,634	-	15,146
Total administrative expense	262,267	1,201,007	843,071	939,686

The purpose of the above levies are:

Queensland Council of Unions

The Queensland Council of Unions is the peak union body in Queensland who raised a levy to fund various campaigning activities.

Note 4F: Grants or donations

Donations:

Total paid that were \$1,000 or less	1,600	4,372	1,600	4,372
Total paid that exceeded \$1,000	23,970	40,478	23,970	40,478
Total grants or donations	25,570	44,850	25,570	44,850

UNITED VOICE - QUEENSLAND BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19
	\$	\$	\$	\$
Note 4G: Depreciation and amortisation				
<i>Depreciation</i>				
Land and buildings	177,487	330,573	177,487	330,573
Investment properties	9,766	27,345	9,766	27,345
Office furniture and equipment	22,631	43,716	22,631	43,716
Motor vehicles	40,774	113,231	40,774	113,231
Total depreciation	250,658	514,865	250,658	514,865
<i>Amortisation</i>				
Land and buildings	19,155	-	19,155	-
Office furniture and equipment	113,242	-	113,242	-
Total amortisation	132,397	-	132,397	-
Total depreciation and amortisation	383,055	514,865	383,055	514,865
Note 4H: Finance costs				
Bank fees	52,784	113,862	52,784	113,862
Insurance	13,961	35,119	13,961	35,119
Interest – Westpac	24,997	92,600	24,997	92,600
Interest – United Voice – NSW Branch	27,419	29,033	27,419	29,033
Interest – United Voice – Victoria Branch	-	62,440	-	62,440
Interest expense for leasing arrangements	21,141	-	21,141	-
Total finance costs	140,302	333,054	140,302	333,054
Note 4I: Legal and professional costs				
Professional fees	42,152	8,482	42,152	8,482
Legal costs				
Litigation	90,460	291,727	89,347	291,727
Other legal matters	165,000	100,248	165,000	100,248
Total legal and professional costs	297,612	400,457	296,499	400,457
Note 4J: Audit fees				
MGI Audit costs	39,551	43,278	39,500	43,278
Total audit fees	39,551	43,278	39,500	43,278
Note 4K: Campaign costs				
Member campaigns and blitzes	8,430	211,902	8,430	211,902
Total campaign costs	8,430	211,902	8,430	211,902

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19
	\$	\$	\$	\$
Note 4L: Communication costs				
Advertising	195	70,185	195	70,185
Promotion expense	644	13,166	-	13,166
Total communication costs	839	83,351	195	83,351
Note 4M: IT costs				
Computer expenses	17,691	63,582	17,691	63,069
Repairs and maintenance computer	-	19,142	-	19,142
Total IT costs	17,691	82,724	17,691	82,211
Note 4N: Meeting and conference costs				
Catering, venue hire and other meeting expenses	168,994	389,457	168,994	389,457
Travel	281,015	397,366	280,685	397,366
Parking and tolls	32,678	73,368	32,678	73,222
Total meeting and conference costs	482,687	860,191	482,357	860,045
Note 4O: Member services				
Member insurance	63,035	195,317	63,035	195,317
Labour Day expenses	475	137,389	475	137,389
Total member services	63,510	332,706	63,510	332,706
Note 4P: Property costs				
Cleaning	11,562	65,507	5,458	65,507
Electricity	19,467	62,586	11,474	53,452
Rates, water and land tax	138,907	257,367	133,910	248,548
Repairs and maintenance	74,942	165,462	68,530	164,262
Occupancy costs (regional offices)	28,366	131,558	28,366	131,558
Total property costs	273,244	682,480	247,738	663,327
Note 4Q: Research				
Member insurance	4,658	15,101	3,606	12,132
Research project – Griffith University	13,333	30,000	13,333	30,000
Total research	17,991	45,101	16,939	42,132

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$
Note 5 Current Assets				
Note 5A: Cash and Cash Equivalents				
Cash at bank	387,075	580,420	367,232	549,004
Cash on hand	2,000	2,000	2,000	2,000
Total cash and cash equivalents	389,075	582,420	369,232	551,004
Note 5B: Trade and other receivables				
Receivables from other reporting units				
- United Voice – National Council	-	33,895	-	26,796
- United Voice – NSW Branch	-	8,314	-	8,314
- United Voice – Victoria Branch	-	1,126	-	1,126
Less provision for doubtful debts (reporting units)	-	-	-	-
Receivables from other reporting units	-	43,335	-	36,236
Other receivables				
Accrued membership income	7,304	15,782	7,304	15,782
Related party receivables (Poll Printing Limited)	-	-	-	729,585
Other trade and sundry receivables	26,272	406,619	19,769	252,335
Total other receivables	33,576	422,401	27,073	997,702
Total trade and other receivables (net)	33,576	465,736	27,073	1,033,938
Note 5C: Other investments				
Term deposit	15,738	15,738	15,738	15,738
Other financial assets	1,150	1,150	1,150	1,150
QCU Bundaberg Unit Trust	60,000	60,000	60,000	60,000
IS Industry Fund Pty Ltd	300	300	300	300
Sentinel Property investment	525,000	525,000	525,000	525,000
Total other investments	602,188	602,188	602,188	602,188
Note 5D: Other current assets				
Prepayments	99,882	162,071	99,882	162,071
Total other current assets	99,882	162,071	99,882	162,071

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$
Note 6 Non-current assets				
Note 6A: Land and buildings				
Land and buildings				
27 Peel Street, South Brisbane				
at fair value	13,410,990	13,400,000	13,410,990	13,400,000
accumulated depreciation	(164,479)	-	(164,479)	-
	13,246,511	13,400,000	13,246,511	13,400,000
45 Peel Street, South Brisbane				
at fair value	3,168,102	3,168,102	3,168,102	3,168,102
accumulated depreciation	(49,430)	(36,422)	(49,430)	(36,422)
	3,118,672	3,131,680	3,118,672	3,131,680
Right to use asset				
At cost	187,250	-	187,250	-
Accumulated depreciation/ amortisation	(19,155)	-	(19,155)	-
	168,095	-	168,095	-
Total land and buildings	16,533,278	16,531,680	16,533,278	16,531,680

Reconciliation of the Opening and Closing Balances of Land and Buildings

As at 1 July				
Gross book value	16,568,102	9,687,500	16,568,102	9,687,500
Accumulated depreciation and impairment	(36,422)	(2,458,547)	(36,422)	(2,458,547)
Adjustment on transitions of AASB 16	187,250	-	187,250	-
Net book value 1 July	16,718,930	7,228,953	16,718,930	7,228,953
Additions:				
By purchase	10,990	-	10,990	-
By revaluation	-	7,638,990	-	7,638,990
By transfer from building improvements	-	1,875,449	-	1,875,449
Depreciation/ amortisation expense	(196,642)	(211,543)	(196,642)	(211,543)
Disposals				
By sale	-	(169)	-	(169)
Net book value at end of the period	16,533,278	16,531,680	16,533,278	16,531,680
Net book value represented by:				
Gross book value	16,766,342	16,568,102	16,766,342	16,568,102
Accumulated depreciation and impairment	(233,064)	(36,422)	(233,064)	(36,422)
Net book value at end of the period	16,533,278	16,531,680	16,533,278	16,531,680

UNITED VOICE - QUEENSLAND BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 6A: Land and buildings (Continued)

Valuation Details

27 Peel Street, South Brisbane

On 30 June 2019, the land and buildings at 27 Peel Street, South Brisbane was valued by Mr Matthew Buckley AAPI CPV of ACORPP (Qld) Pty Ltd. The land and buildings valuation was based on a highest and best use, which was determined as investment building held for rental yields (the asset current use).

Fair value is the amount for which the assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction as at the valuation date. Fair value is determined by direct reference to recent market transactions on arm's length terms for land and buildings comparable in size and location to those held by the Branch and to market based yields for comparable properties. Key assumptions utilised in the valuation were:

- Capitalisation Rate 7.55%
- CPI Rate (Brisbane CPI) 2.50%
- Net Market Rental m² \$4,561

The Committee of Management assessed the key assumptions within the valuation and determined that the fair value of the land and building remains.

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$
Note 6B: Building improvements				
Building Improvements				
at cost	-	-	-	-
accumulated depreciation	-	-	-	-
Total building improvements	-	-	-	-

Reconciliation of the Opening and Closing Balances of Building Improvements

As at 1 July				
Gross book value	-	2,966,704	-	2,966,704
Accumulated depreciation and impairment	-	(975,290)	-	(975,290)
Net book value 1 July	-	1,991,414	-	1,991,414
Additions:				
By purchase	-	3,065	-	3,065
Depreciation expense	-	(119,030)	-	(119,030)
Disposals				
By sale	-	-	-	-
By transfer to land and buildings	-	(1,875,449)	-	(1,875,449)
Net book value at end of the period	-	-	-	-
Net book value represented by:				
Gross book value	-	-	-	-
Accumulated depreciation and impairment	-	-	-	-
Net book value at the end of the period	-	-	-	-

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$
Note 6C: Investment properties				
Investment Properties				
47 Peel Street, South Brisbane				
at fair value	2,250,000	2,250,000	2,250,000	2,250,000
accumulated depreciation	(37,111)	(27,345)	(37,111)	(27,345)
Total investment properties	2,212,889	2,222,655	2,212,889	2,222,655

Reconciliation of the Opening and Closing Balances of Investment Properties

As at 1 July				
Gross book value	2,250,000	2,250,000	2,250,000	2,250,000
Accumulated depreciation and impairment	(27,345)	-	(27,345)	-
Net book value 1 July	2,222,655	2,250,000	2,222,655	2,250,000
Additions:				
By purchase	-	-	-	-
Depreciation expense	(9,766)	(27,345)	(9,766)	(27,345)
Disposals				
By sale	-	-	-	-
Net book value at end of the period	2,212,889	2,222,655	2,212,889	2,222,655
Net book value represented by:				
Gross book value	2,250,000	2,250,000	2,250,000	2,250,000
Accumulated depreciation and impairment	(37,111)	(27,345)	(37,111)	(27,345)
Net book value at end of the period	2,212,889	2,222,655	2,212,889	2,222,655

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$
Note 6D: Office furniture and equipment				
Office furniture and equipment				
at cost	1,923,897	641,450	1,923,897	641,450
accumulated depreciation/ amortisation	(652,416)	(516,543)	(652,416)	(516,543)
Total office furniture and equipment	1,271,481	124,907	1,271,481	124,907

Reconciliation of the Opening and Closing Balances of Office Furniture and Equipment

As at 1 July				
Gross book value	641,450	585,347	641,450	585,347
Accumulated depreciation and impairment	(516,543)	(472,826)	(516,543)	(472,826)
Adjustment on transitions of AASB 16	1,126,064	-	1,126,064	-
Net book value 1 July	1,250,971	112,521	1,250,971	112,521
Additions:				
By purchase	156,383	56,102	156,383	56,102
Depreciation/ amortisation expense	(135,873)	(43,716)	(135,873)	(43,716)
Disposals				
By sale	-	-	-	-
Net book value at end of the period	1,271,481	124,907	1,271,481	124,907
Net book value represented by:				
Gross book value	1,923,897	641,450	1,923,897	641,450
Accumulated depreciation and impairment	(652,416)	(516,543)	(652,416)	(516,543)
Net book value at end of the period	1,271,481	124,907	1,271,481	124,907

Included in the net carrying amount of plant and equipment are right to use assets as follows:

Right of use asset				
At cost	1,126,064	-	1,126,064	-
Accumulated depreciation/ amortisation	(113,242)	-	(113,242)	-
Total right of use asset – office furniture and equipment	1,012,822	-	1,012,822	-

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$
Note 6E: Library				
Library				
at cost	176,219	176,219	176,219	176,219
accumulated depreciation	(176,219)	(176,219)	(176,219)	(176,219)
Total library	-	-	-	-

Reconciliation of the Opening and Closing Balances of Library

As at 1 July				
Gross book value	176,219	176,219	176,219	176,219
Accumulated depreciation and impairment	(176,219)	(176,219)	(176,219)	(176,219)
Net book value 1 July	-	-	-	-
Additions:				
By purchase	-	-	-	-
Depreciation expense	-	-	-	-
Disposals				
By sale	-	-	-	-
Net book value at end of the period	-	-	-	-
Net book value represented by:				
Gross book value	176,219	176,219	176,219	176,219
Accumulated depreciation and impairment	(176,219)	(176,219)	(176,219)	(176,219)
Net book value at end of the period	-	-	-	-

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$
Note 6F: Motor vehicles				
Motor vehicles				
at cost	722,072	834,519	722,072	834,519
accumulated depreciation	(260,629)	(305,124)	(260,629)	(305,124)
Total motor vehicles	461,443	529,395	461,443	529,395

Reconciliation of the Opening and Closing Balances of Motor Vehicles

As at 1 July				
Gross book value	834,519	1,233,741	834,519	1,233,741
Accumulated depreciation and impairment	(305,124)	(736,940)	(305,124)	(736,940)
Net book value 1 July	529,395	496,801	529,395	496,801
Additions:				
By purchase	-	175,635	-	175,635
Depreciation expense	(40,774)	(113,231)	(40,774)	(113,231)
Disposals				
By sale	(27,178)	(29,810)	(27,178)	(29,810)
Net book value at end of the period	461,443	529,395	461,443	529,395
Net book value represented by:				
Gross book value	722,072	834,519	722,072	834,519
Accumulated depreciation and impairment	(260,629)	(305,124)	(260,629)	(305,124)
Net book value at end of the period	461,443	529,395	461,443	529,395

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$
Note 7 Current Liabilities				
Note 7A: Trade Payables				
Trade creditors and accruals	540,724	518,996	540,724	518,996
Subtotal trade creditors	540,724	518,996	540,724	518,996
Payables to other reporting units				
United Voice – National Council	982,258	756,241	982,258	756,241
Subtotal payables to other reporting units	982,258	756,241	982,258	756,241
Total trade payables	1,522,982	1,275,237	1,522,982	1,275,237

Settlement is usually made within 30 days.

Note 7B: Other payables

Superannuation	-	103,564	-	103,564
Payroll tax	22,676	26,057	22,676	26,057
Legal costs				
Litigation	-	1,815	-	1,815
Other legal matters	165,000	13,927	165,000	13,927
GST payable	121,977	286,376	106,203	253,453
PAYG withholding	-	138,528	-	138,528
Total other payables	309,653	570,267	293,879	537,344

Total other payables are expected to be settled in:

No more than 12 months	309,653	570,267	293,879	537,344
More than 12 months	-	-	-	-
Total other payables	309,653	570,267	293,879	537,344

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$
Note 8 Provisions				
Note 8A: Employee Provisions				
Office Holders:				
Annual leave	59,392	59,666	59,392	59,666
Long service leave	37,655	56,121	37,655	56,121
<i>Subtotal employee provisions—office holders</i>	97,047	115,787	97,047	115,787
Employees other than office holders:				
Annual leave	1,254,043	1,075,230	1,254,043	1,075,230
Long service leave	1,103,384	1,049,889	1,103,384	1,049,889
<i>Subtotal employee provisions—employees other than office holders</i>	2,357,427	2,125,119	2,357,427	2,125,119
Total employee provisions	2,454,474	2,240,906	2,454,474	2,240,906
Current	2,454,474	2,240,906	2,454,474	2,240,906
Non-Current	-	-	-	-
<i>Total employee provisions</i>	2,454,474	2,240,906	2,454,474	2,240,906

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$
Note 9 Financial Liabilities				
Note 9A: Borrowings				
Related party loans – United Voice NSW Branch (unsecured)	3,000,000	3,000,000	3,000,000	3,000,000
Bank Loans – Westpac Banking Corporation (secured)	2,500,000	2,500,000	2,500,000	2,500,000
Total borrowings	5,500,000	5,500,000	5,500,000	5,500,000

The carrying amounts of current assets pledged for security (Westpac Banking Corporation loan) are:

Land and buildings (45 Peel Street, South Brisbane)	3,118,672	3,131,680	3,118,672	3,131,680
Investment properties (47 Peel Street, South Brisbane)	2,212,889	2,222,655	2,212,889	2,222,655
Total assets pledged for security	5,331,561	5,354,335	5,331,561	5,354,335

Total borrowings are expected to be settled in:

No more than 12 months	5,500,000	5,500,000	5,500,000	5,500,000
More than 12 months	-	-	-	-
Total borrowings	5,500,000	5,500,000	5,500,000	5,500,000

Borrowing terms and conditions:

Westpac Banking Corporation

The bank debt is secured by a first registered mortgage over the real property located at 45 and 47 Peel Street, South Brisbane.

There are no covenants imposed by the bank with the loan facility being for a 3 year period (due to expire in February 2021) with an interest rate of 2.65%. The facility is currently interest only.

United Voice – NSW Branch

The terms of the loan from United Voice – NSW Branch are as follows:

- Interest only repayments for 2 years (due to expire in May 2021)
- Principal and interest repayments renegotiated at the end of 2 years (May 2021)
- Interest rate is the higher of 2.7% or 10bps above the highest term deposit rate
- Unsecured and no covenants imposed by United Voice – NSW Branch.

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$

Note 9B: Lease Liabilities

Lease liabilities are presented on the statement of financial position as follows:

Current	1,191,728	-	1,191,728	-
Non-Current	-	-	-	-
Total lease liabilities	1,191,728	-	1,191,728	-

The Branch has adopted AASB 16 – Leases from 1 July 2019 (refer Note 1.4). Upon transition the Committee of Management has elected to utilise the modified retrospective transition method, which allows for the lease liability and the right to use asset (classified as land and buildings + office furniture and equipment – refer Note 6A + Note 6D) to be recorded from 1 July 2019. As a result, no comparative amounts are required to be recorded in these financial statements.

The Branch has multiple leases that comprise of:

- Regional property leases
- Equipment leases, including printing equipment, photocopies etc.

With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the statement of financial position as a right-of-use asset and a lease liability. The Branch classifies its right-of-use assets in a consistent manner to its property, plant and equipment (refer Note 6A + Note 6D).

Each lease generally imposes a restriction that, unless there is a contractual right for the Branch to sublet the asset to another party, the right-of-use asset can only be used by the Branch. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Branch is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings, the Branch must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Branch must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

The table below describes the nature of the Branch's leasing activities by type of right-of-use asset recognised on the statement of financial position:

Right of use asset	No of right of use assets leased	Range of remaining term ¹	Average remaining term	No of leases with extension options	No of leases with options to purchase	No of leases with variable payments linked to index	No of leases with termination options
Photocopiers/ IT equipment	7	4.5 years	2.7 years	-	-	-	-
Regional Properties	3	3.6 years	2.0 years	-	-	-	-

¹ The Branch holds leases that have up to 4.5 years remaining at 10 November 2019. Upon all assets and liabilities transferring to the United Workers Union, the responsibility of the lease has also transferred to the United Workers Union. Therefore these financial statements reflect the lease liability attributable to the former United Voice – Queensland Branch.

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 9B: Lease Liabilities (continued)

Future minimum lease payments at 10 November 2019 were as follows:

Consolidated

	Minimum lease payments due						Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	
10 November 2019							
Lease payments	1,284,412	-	-	-	-	-	1,284,412
Finance charges	(92,684)	-	-	-	-	-	(92,684)
Net present value	1,191,728	-	-	-	-	-	1,191,728

30 June 2019

Lease payments	-	-	-	-	-	-	-
Finance charges	-	-	-	-	-	-	-
Net present value	-	-	-	-	-	-	-

Parent

	Minimum lease payments due						Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	
10 November 2019							
Lease payments	1,284,412	-	-	-	-	-	1,284,412
Finance charges	(92,684)	-	-	-	-	-	(92,684)
Net present value	1,191,728	-	-	-	-	-	1,191,728

30 June 2019

Lease payments	-	-	-	-	-	-	-
Finance charges	-	-	-	-	-	-	-
Net present value	-	-	-	-	-	-	-

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$

Note 10 Reserves

Note 10A: Asset Revaluation Reserve

The asset revaluation reserve records revaluation of land and buildings held by the Branch.

Opening balance at beginning of period	7,638,990	-	7,638,990	-
Fair value gain on revaluation land and buildings	-	7,638,990	-	7,638,990
Closing balance at end of period	7,638,990	7,638,990	7,638,990	7,638,990

Note 11 Cash flow

Note 11A: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:

Cash and cash equivalents as per:

Cash flow statement	389,075	582,420	369,232	551,004
Balance sheet	389,075	582,420	369,232	551,004
Difference	-	-	-	-

Reconciliation of deficit to net cash from operating activities:

Deficit for the period	(1,009,667)	(980,327)	(1,589,948)	(980,386)
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Adjustments for non-cash items

Depreciation/ amortisation	383,055	514,865	383,055	514,865
Gain on disposal of property, plant and equipment	(21,732)	(1,007)	(21,732)	(1,007)
Interest expense on leases	21,141	-	21,141	-

Changes in assets/liabilities

(Increase)/decrease in net receivables	432,160	57,866	1,006,865	54,027
(Increase)/decrease in prepayments	62,189	(7,685)	62,189	(7,685)
Increase/(decrease) in trade and other payables	(12,869)	(61,069)	4,280	(82,683)
Increase/(decrease) in employee provisions	213,568	301,410	213,568	301,411
Net cash used by/ (provided by) operating activities	67,845	(175,947)	79,418	(201,458)

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19
	\$	\$	\$	\$

Note 11B: Cash flow information

Cash inflows

United Voice – National Council	166	35,760	-	28,888
United Voice – NSW Branch	86,037	125,983	86,037	125,983
United Voice – Victoria Branch	1,126	-	1,126	-
Total cash inflows	87,329	161,743	87,163	154,871

Cash outflows

United Voice – National Council	(323,984)	(2,485,363)	(323,984)	(2,485,363)
United Voice – Victoria Branch	-	(70,990)	-	(70,990)
United Voice – NSW Branch	(27,419)	(29,033)	(27,419)	(29,033)
Total cash outflows	(351,403)	(2,585,386)	(351,403)	(2,585,386)

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

Note 11C: Credit standby agreements and loan facilities

Loan facilities

Used facility	5,500,000	5,500,000	5,500,000	5,500,000
Unused facility	-	-	-	-
Total facility	5,500,000	5,500,000	5,500,000	5,500,000

Note 11D: Non-cash transactions

There have been no non-cash financing or investing activities during the period ended 10 November 2019 (30 June 2019: Nil).

Note 11E: Net debt reconciliation

Cash and cash equivalents	389,075	582,420	369,232	551,004
Borrowings – repayable within one year	(5,500,000)	(5,500,000)	(5,500,000)	(5,500,000)
Borrowings – repayable after one year	-	-	-	-
Lease liabilities – repayable within one year	(1,191,728)	-	(1,191,728)	-
Lease liabilities – repayable after one year	-	-	-	-
Net debt	(6,302,653)	(4,917,580)	(6,322,496)	(4,948,996)

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 11F: Reconciliation of movements of liabilities to cash flows arising from financing activities

Consolidated

	Other Assets	Liabilities from financing activities		
	Cash assets	Borrowings – due within 1 year	Borrowings – due after 1 year	Total
Net debt at 1 July 2018	313,375	(357,143)	(4,494,048)	(4,537,816)
Cash flows	269,045	(5,142,857)	4,494,048	(379,764)
Net debt at 30 June 2019	582,420	(5,500,000)	-	(4,917,580)
Cash flows	(193,345)	142,727	-	(50,618)
Non-cash interest on leases	-	(21,141)	-	(21,141)
Adjustment on transition of AASB 16	-	(1,313,314)	-	(1,313,314)
Net debt at 10 November 2019	389,075	(6,691,728)	-	(6,302,653)

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 11F: Reconciliation of movements of liabilities to cash flows arising from financing activities (Continued)

Parent

	Other Assets	Liabilities from financing activities		
	Cash assets	Borrowings – due within 1 year	Borrowings – due after 1 year	Total
Net debt at 1 July 2018	307,469	(357,143)	(4,494,048)	(4,543,722)
Cash flows	243,535	(5,142,857)	4,494,048	(405,274)
Net debt at 30 June 2019	551,004	(5,500,000)	-	(4,948,996)
Cash flows	(181,772)	142,727	-	(39,045)
Non-cash interest on leases	-	(21,141)	-	(21,141)
Adjustment on transition of AASB 16	-	(1,313,314)	-	(1,313,314)
Net debt at 10 November 2019	369,232	(6,691,728)	-	(6,322,496)

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 12 Contingent Liabilities, Assets and Commitments

Note 12A: Commitments and Contingencies

Capital commitments

At 10 November 2019 the Branch did not have any capital commitments (30 June 2019: Nil).

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

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

Property leases (as a lessor)

Non-cancellable property leases rentals are receivable as follows.

	Consolidated		Parent	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$
Receivable – Minimum lease receipts				
not later than 12 months	984,123	503,754	984,123	503,754
between 12 months and 5 years	1,834,629	225,248	1,834,629	225,248
greater than 5 years	-	-	-	-
Minimum lease receipts	2,818,752	729,002	2,818,752	729,002

The Branch leases a portion of its business premises at both 27 and 47 Peel Street, South Brisbane under non-cancellable property 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 future lease income from 10 November 2019 is to be that of the United Workers Union. The above disclosure details the non-cancellable leases held by the Branch on reporting date.

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 13 Related Party Disclosures

Note 13A: Related Party Transactions for the Reporting Period

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 and controlled entities (UV – Qld Branch)

United Voice – New South Wales Branch (UV NSW Branch)

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.

	Consolidated		Parent	
	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19
	\$	\$	\$	\$
Revenues received from United Voice – National Council includes the following:				
Staff secondment	-	10,002	-	10,002
Reimbursement of expenses	-	7,385	-	7,385
Printing services	151	6,295	-	-
Sponsorship	-	11,500	-	11,500
Expenses paid to United Voice – National Council includes the following:				
Sustentation fees	529,675	1,978,500	529,675	1,978,500
Queensland Branch share of ADSL, U Organise and software costs	14,536	33,515	14,536	33,515
Reimbursement of expenses	-	56,520	-	56,520
Campaign initiatives expenses	-	22,449	-	22,449
Amounts owed by United Voice – National Council include the following:				
Printing	-	7,099	-	7,099
Amounts owed to United Voice – National Council include the following:				
Sustentation fees	821,758	539,116	821,758	539,116
Queensland Branch share of ADSL, U Organise and software costs	-	7,995	-	7,995
Reimbursement of expenses	160,500	160,500	160,500	160,500
Campaign initiatives expenses	-	48,630	-	48,630

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 13 Related Party Disclosures (Continued)

	Consolidated		Parent	
	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19
	\$	\$	\$	\$
Note 13A: Related Party Transactions for the Reporting Period (Continued)				
Revenues received from United Voice – NSW Branch includes the following:				
Reimbursement of expenses	77,723	117,876	77,723	117,876
Printing services	-	3,967	-	-
Expenses paid to United Voice – NSW Branch includes the following:				
Merchandise	-	87	-	87
Interest expense	27,419	29,033	27,419	29,033
Amounts owed from United Voice – NSW Branch include the following				
Reimbursement of expenses	-	8,314	-	8,314
Amounts owed to United Voice – NSW Branch include the following:				
Loan	3,000,000	3,000,000	3,000,000	3,000,000
Revenues received from United Voice – Victoria Branch includes the following:				
Travel costs reimbursement	-	1,024	-	1,024
Expenses paid to United Voice – Victoria Branch includes the following:				
Interest expense	-	62,440	-	62,440
Transfer of leave entitlements	-	8,550	-	8,550
Amounts owed by United Voice – Victoria Branch include the following:				
Reimbursement of expenses	-	1,126	-	1,126

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 (unless otherwise detailed elsewhere in the financial statements). Outstanding balances for sales and purchases at the period 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 period ended 10 November 2019, the Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (30 June 2019: 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 - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 13B: Key Management Personnel Remuneration for the Reporting Period

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:

- Sharron Caddie (Branch President)
- Gary Bullock (Branch Secretary)
- Shelia Hunter (Assistant Branch Secretary)
- All remaining members of the Committee of Management.

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

	Consolidated		Parent	
	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19
	\$	\$	\$	\$
Short-term employee benefits				
Salary (including annual leave taken)	134,653	324,824	134,653	324,824
Annual leave accrued	19,421	54,841	19,421	54,841
Motor vehicle allowance	10,800	30,600	10,800	30,600
Total short-term employee benefits	164,874	410,265	164,874	410,265
Post-employment benefits:				
Superannuation	19,787	56,033	19,787	56,033
Total post-employment benefits	19,787	56,033	19,787	56,033
Other long-term benefits:				
Long-service leave	3,366	12,222	3,366	12,222
Total other long-term benefits	3,366	12,222	3,366	12,222
Termination benefits	176,704	-	176,704	-
Total	364,731	478,520	364,731	478,520

No other transactions occurred during the period 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.

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

	Consolidated		Parent	
	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19	1 July 19 – 10 Nov 19	1 July 18 – 30 June 19
	\$	\$	\$	\$
Note 14 Remuneration of Auditors				
Value of the services provided				
Financial statement audit services	39,000	39,750	39,000	39,750
Other services	551	3,528	500	3,528
Total remuneration of auditors	39,551	43,278	39,500	43,278

Note 15 Financial Instruments

Financial Risk Management Policy

Branch Executive 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 Executive meets on a monthly 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 - QUEENSLAND BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019**

Note 15 Financial Instruments (Continued)

(a) Credit Risk (Continued)

Consolidated

Ageing of financial assets that were past due but not impaired for 10 November 2019

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$	\$
Trade and other receivables	33,576	-	-	-	-	33,576
Receivables from other reporting units	-	-	-	-	-	-
Total	33,576	-	-	-	-	33,576

Ageing of financial assets that were past due but not impaired for 30 June 2019

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$	\$
Trade and other receivables	326,321	-	-	-	96,080	422,401
Receivables from other reporting units	43,335	-	-	-	-	43,335
Total	369,656	-	-	-	-	465,736

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 10 November 2019, 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 10 November 2019 (30 June 2019: Nil).

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 15 Financial Instruments (Continued)

(a) Credit Risk (Continued)

Parent

Ageing of financial assets that were past due but not impaired for 10 November 2019

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$	\$
Trade and other receivables	27,073	-	-	-	-	27,073
Receivables from other reporting units	-	-	-	-	-	-
Total	27,073	-	-	-	-	27,073

Ageing of financial assets that were past due but not impaired for 30 June 2019

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$	\$
Trade and other receivables	171,920	-	-	-	825,782	997,702
Receivables from other reporting units	36,236	-	-	-	-	36,236
Total	208,156	-	-	-	825,782	1,033,938

(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.

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 15 Financial Instruments (Continued)

(b) Liquidity Risk (Continued)

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.

Consolidated

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Trade payables	(1,522,982)	(1,275,237)	-	-	-	-	(1,522,982)	(1,275,237)
Other payables	(309,653)	(570,267)	-	-	-	-	(309,653)	(570,267)
Borrowings	(5,500,000)	(5,500,000)	-	-	-	-	(5,500,000)	(5,500,000)
Lease liabilities	(1,191,728)	-	-	-	-	-	(1,191,728)	-
Total expected outflows	(8,524,363)	(7,345,504)	-	-	-	-	(8,524,363)	(7,345,504)

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 15 Financial Instruments (Continued)

(b) Liquidity Risk (Continued)

Consolidated (Continued)

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$	\$	\$	\$	\$
Cash and cash equivalents	389,075	582,420	-	-	-	-	389,075	582,420
Trade and other receivables	33,576	465,736	-	-	-	-	33,576	465,736
Investments	602,188	602,188	-	-	-	-	602,188	602,188
Total anticipated inflows	1,024,839	1,650,344	-	-	-	-	1,024,839	1,650,344
Net outflow on financial instruments	(7,499,524)	(5,695,160)	-	-	-	-	(7,499,524)	(5,695,160)

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 15 Financial Instruments (Continued)

(b) Liquidity Risk (Continued)

Parent

Financial Instrument Composition and Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Trade payables	(1,522,982)	(1,275,237)	-	-	-	-	(1,522,982)	(1,275,237)
Other payables	(293,879)	(537,344)	-	-	-	-	(293,879)	(537,344)
Borrowings	(5,500,000)	(5,500,000)	-	-	-	-	(5,500,000)	(5,500,000)
Lease liabilities	(1,191,728)	-	-	-	-	-	(1,191,728)	-
Total expected outflows	(8,508,589)	(7,312,581)	-	-	-	-	(8,508,589)	(7,312,581)

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 15 Financial Instruments (Continued)

(b) Liquidity Risk (Continued)

Parent (Continued)

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	10 Nov 19	30 June 19	10 Nov 19	30 June 19	10 Nov 19	30 June 19	10 Nov 19	30 June 19
	\$	\$	\$	\$	\$	\$	\$	\$
Cash and cash equivalents	369,232	551,004	-	-	-	-	369,232	551,004
Trade and other receivables	27,073	1,033,938	-	-	-	-	27,073	1,033,938
Investments	602,188	602,188	-	-	-	-	602,188	602,188
Total anticipated inflows	998,493	2,187,130	-	-	-	-	998,493	2,187,130
Net (outflow) / inflow on financial instruments	(7,510,096)	(5,125,451)	-	-	-	-	(7,510,096)	(5,125,451)

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 15 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:

Consolidated

	Weighted Average Effective Interest Rate			
	10 Nov 2019	30 June 2019	10 Nov 2019	30 June 2019
	%	%	\$	\$
Floating rate instruments				
Cash and cash equivalents	0.35	1.04	389,075	582,420
Term deposits	0.03	0.03	15,738	15,738
Borrowings	2.69	3.20	(5,500,000)	(5,500,000)
Lease liabilities	4.83	-	1,191,728	-

Parent

Floating rate instruments

Cash and cash equivalents	0.35	1.08	369,232	551,004
Term deposits	0.03	0.03	15,738	15,738
Borrowings	2.69	3.20	(5,500,000)	(5,500,000)
Lease liabilities	4.83	-	1,191,728	-

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 – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 – 10 NOVEMBER 2019

Note 15 Financial Instruments (Continued)

(c) Market Risk (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.

Consolidated

<u>Interest rates</u>	Profit \$	Equity \$
Period ended 10 November 2019		
+1% in interest rates	(62,869)	(62,869)
-1% in interest rates	65,549	65,549
Year ended 30 June 2019		
+1% in interest rates	(49,038)	(49,038)
-1% in interest rates	50,710	50,710

Parent

<u>Interest rates</u>	Profit \$	Equity \$
Period ended 10 November 2019		
+1% in interest rates	(63,068)	(63,068)
-1% in interest rates	65,618	65,618
Year ended 30 June 2019		
+1% in interest rates	(49,300)	(49,300)
-1% in interest rates	46,452	46,452

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 - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 16 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:

Consolidated

Unaudited

		10 November 2019		30 June 2019	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	(i)	389,075	389,075	582,420	582,420
Trade and other receivables	(i)	33,576	33,576	465,736	465,736
Investments	(i)	602,188	602,188	602,188	602,188
Total financial assets		1,024,839	1,024,839	1,650,344	1,650,344
Financial liabilities					
Trade payables	(i)	1,522,982	1,522,982	1,275,237	1,275,237
Other payables	(i)	309,653	309,653	570,267	570,267
Borrowings	(i)	5,500,000	5,500,000	5,500,000	5,500,000
Lease liabilities	(i)	1,191,728	1,191,728	-	-
Total financial liabilities		8,524,363	8,524,363	7,345,504	7,345,504

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

Cash and cash equivalents, term deposits, accounts receivable, investments, accounts payable and other payables, borrowings and leases 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 - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 16 Fair Value Measurement (Continued)

Parent

	Footnote	10 November 2019		30 June 2019	
		Carrying value	Fair value	Carrying value	Fair value
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	(i)	369,232	369,232	551,004	551,004
Trade and other receivables	(i)	27,073	27,073	1,033,938	1,033,938
Investments	(i)	602,188	602,188	602,188	602,188
Total financial assets		998,493	998,493	2,187,130	2,187,130
Financial liabilities					
Trade payables	(i)	1,522,982	1,522,982	1,275,237	1,275,237
Other payables	(i)	293,879	293,879	537,344	537,344
Borrowings		5,500,000	5,500,000	5,500,000	5,500,000
Lease liabilities		1,191,728	1,191,728	-	-
Total financial liabilities		8,508,589	8,508,589	7,312,581	7,312,581

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

Cash and cash equivalents, term deposits, accounts receivable, investments, accounts payable and other payables, borrowings and leases 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 – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 16 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.

Consolidated

Fair value hierarchy – 10 November 2019

	Note	Date of Valuation	Level 1	Level 2	Level 3
			\$	\$	\$
Assets measured at fair value					
Land and Buildings – 27 Peel Street, South Brisbane	6A	30 June 2018	-	13,400,000	-
Land and Buildings – 45 Peel Street, South Brisbane	6A	5 Dec 2017*	-	-	3,168,102
Investment Properties – 47 Peel Street, South Brisbane	6C	5 Dec 2017*	-	-	2,250,000
Total			-	13,400,000	5,418,102

* The Branch purchased 45 and 47 Peel Street, South Brisbane on 5 December 2017. The Committee of Management determined that the purchase price continues to reflect the fair value and therefore conducted an internal assessment at 10 November 2019.

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

Fair value hierarchy – 30 June 2019

	Note	Date of Valuation	Level 1	Level 2	Level 3
			\$	\$	\$
Assets measured at fair value					
Land and Buildings – 27 Peel Street, South Brisbane	6A	30 June 2018	-	13,400,000	-
Land and Buildings – 45 Peel Street, South Brisbane	6A	5 Dec 2017*	-	-	3,168,102
Investment Properties – 47 Peel Street, South Brisbane	6C	5 Dec 2017*	-	-	2,250,000
Total			-	13,400,000	5,418,102

* The Branch purchased 45 and 47 Peel Street, South Brisbane on 5 December 2017. The Committee of Management determined that the purchase price continues to reflect the fair value and therefore conducted an internal assessment at 10 November 2019.

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

UNITED VOICE – QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 16 Fair Value Measurement (Continued)

Parent

Fair value hierarchy – 10 November 2019

	Note	Date of Valuation	Level 1	Level 2	Level 3
			\$	\$	\$
Assets measured at fair value					
Land and Buildings – 27 Peel Street, South Brisbane	6A	30 June 2018	-	13,400,000	-
Land and Buildings – 45 Peel Street, South Brisbane	6A	5 Dec 2017*	-	-	3,168,102
Investment Properties – 47 Peel Street, South Brisbane	6C	5 Dec 2017*	-	-	2,250,000
Total			-	13,400,000	5,418,102

* The Branch purchased 45 and 47 Peel Street, South Brisbane on 5 December 2017. The Committee of Management determined that the purchase price continues to reflect the fair value and therefore conducted an internal assessment at 10 November 2019.

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

Fair value hierarchy – 30 June 2019

	Note	Date of Valuation	Level 1	Level 2	Level 3
			\$	\$	\$
Assets measured at fair value					
Land and Buildings – 27 Peel Street, South Brisbane	6A	30 June 2018	-	13,400,000	-
Land and Buildings – 45 Peel Street, South Brisbane	6A	5 Dec 2017*	-	-	3,168,102
Investment Properties – 47 Peel Street, South Brisbane	6C	5 Dec 2017*	-	-	2,250,000
Total			-	13,400,000	5,418,102

* The Branch purchased 45 and 47 Peel Street, South Brisbane on 5 December 2017. The Committee of Management determined that the purchase price continues to reflect the fair value and therefore conducted an internal assessment at 10 November 2019.

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

UNITED VOICE - QUEENSLAND BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 17 Information about Subsidiaries

The consolidated financial statements of the Branch include:

Name of entity	Principal activity	Country of Incorporation	Interest 10 Nov 2019 %	Interest 30 June 2019 %
Poll Printing Limited	Graphic Design and Printing	Australia	100	-

Note 18 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 19 Branch Details

The registered office of the Branch is:

Level 2, 27 Peel Street,
SOUTH BRISBANE QLD 4101

Note 20 Segment Information

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

UNITED VOICE – QUEENSLAND BRANCH

OFFICER DECLARATION STATEMENT

I, Jo-anne Schofield, being the President of the United Workers Union (the succeeding union of the United Voice – Queensland Branch), declare that the following activities did not occur during the reporting period ended 10 November 2019:

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- pay separation and redundancy to employees (other than holders of office)
- incur expenses due to holding a meeting as required under the rules of the organisation
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have a receivable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch

UNITED VOICE – QUEENSLAND BRANCH

OFFICER DECLARATION STATEMENT (CONTINUED)

- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit



.....
Jo-anne Schofield
United Workers Union President
(Former United Voice National Secretary)

28 May 2020

Sydney