



Australian Government  
Registered Organisations Commission

29 January 2019

Ms Jessica Walsh  
Branch Secretary  
United Voice - Victorian Branch

By e-mail: [vic@unitedvoice.org.au](mailto:vic@unitedvoice.org.au)

CC: [gkent@mgisq.com.au](mailto:gkent@mgisq.com.au)

Dear Ms Walsh,

**United Voice - Victorian Branch**

**Financial Report for the year ended 30 June 2018 - [FR2018/201]**

I acknowledge receipt of the financial report of the United Voice - Victorian Branch (**the reporting unit**). The documents were lodged with the Registered Organisations Commission (**the ROC**) on 14 December 2018.

The financial report has now been filed.

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

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

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

**General purpose financial report (GPFR)**

Nil activities disclosure

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

- Having a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch (RG 17(a));
- Transferring to or withdrawing from a fund (other than the general fund), account, asset or controlled entity (RG 17(b));

- Having another entity administer the financial affairs of the reporting unit (RG 19); and
- Making a payment to a former related party of the reporting unit (RG 20).

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

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

- "Receiving capitation fees from another reporting unit" is disclosed in both the statement of comprehensive income and Note 3A;
- "Receiving revenue via compulsory levies" is disclosed in both the statement of comprehensive income and Note 3B; and
- "Receiving revenue from undertaking recovery of wages activity" is disclosed in the recovery of wages activity statement, the committee of management statement and the operating report.

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

#### Officer-Related party remuneration and payment disclosures

In the financial report, certain information disclosed in Note 12C on page 50, has been redacted from the copy of the 2018 financial report by the ROC before publishing it on its website.

Section 293J of Part 2A of Chapter 9 of the RO Act now requires a branch of an organisation to provide its members and lodge with the ROC a copy of an officer and related party disclosure statement in respect of certain remuneration<sup>1</sup> and payments<sup>2</sup> paid during the relevant financial year. This requirement applied to the financial year ending 30 June 2018.

The reporting unit's officer and related party disclosure statement was lodged with the ROC on 14 December 2018.

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

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

The ROC takes its obligations relating to privacy seriously and endeavours to ensure compliance with the requirements under the *Privacy Act 1988* (**Privacy Act**). The redactions have been effected in accordance with the ROC privacy policy to protect the personal information of persons identified in the financial report. A copy of the ROC privacy policy can be found via [this link](#).

#### Recovery of wages disclosure

Please note that under the 5th edition of the RG made under section 255 of the RO Act issued 4 May 2018 a recovery of wages activity statement is no longer required. Furthermore, the RGs no longer require a statement in regard to recovery of wages activity in the committee of management statement.

In place of the former requirements, item 13(e) of the 5<sup>th</sup> edition RGs requires a statement in regard to recovery of wages in either the notes to the financial statements or on the face of the statement of comprehensive income.

In future, please disclose recovery of wages as outlined above.

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<sup>1</sup> see section 293BC

<sup>2</sup> see section 293G

## **Auditor's report**

### Audit scope - officer's declaration statement

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

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

## **Reporting Requirements**

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

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

Yours sincerely,



**Kylie Ngo**  
**Financial Reporting Assistant**  
**Registered Organisations Commission**



14 December, 2018

Mr Mark Bielecki  
Registered Organisations Commission

By email: [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)

Dear Mr Bielecki

**RE: VICTORIAN BRANCH FINANCIAL REPORTS**

I am writing to lodge both the financial reports and the Officer and Related Party Disclosure Statement for the United Voice Vic Branch for the year ended 30 June 2018.

The financial reports were sent to the Branch Executive on 24 October, 2018. The Executive resolved:

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

Both the financial report and the Officer and Related Party Disclosure Statement were then supplied to members through publication on the United Voice website.

A full report was provided to the Committee of Management on 12<sup>th</sup> December, 2018 and was adopted. We enclose is a copy of the Branch Secretary's certificate.

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

Yours faithfully

JO-ANNE SCHOFIELD  
NATIONAL SECRETARY

UNITED VOICE VICTORIA

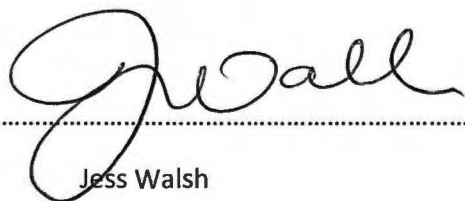
FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2018

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, Jess Walsh, being the Secretary of United Voice Victoria certify:

- That the documents lodged herewith are copies of the full report and the Officers and Related Party transactions report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- That both reports were provided to members on the 24 November, 2018; and
- That the full reports were presented to a meeting of the committee of management of the reporting unit on the 12<sup>th</sup> December, 2018 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signed .....



Jess Walsh

Date .....

12 December 2018

**UNITED VOICE – VICTORIA BRANCH**

**ABN 19 845 840 893**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2018**

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## **UNITED VOICE – VICTORIA BRANCH**

### **COMMITTEE OF MANAGEMENT’S OPERATING REPORT**

**FOR THE YEAR ENDED 30 JUNE 2018**

#### **Operating Report**

The Committee of Management presents its report on the operations of United Voice – Victoria Branch (the Branch) for the financial year ended 30 June 2018.

#### **Principal Activities**

The principal activities of the Branch during the year fell in the following categories:

- Implementation of the decisions of the Branch Executive and the Branch Council.
- Implementation of the union’s agenda, including strategic industry, site organising projects or campaigns.
- Representation of member, site, or industry grievances, disputes, and/ or industrial matters.
- Provision to members of advice and support on legal and legislative matters.
- Provision of training to officials and members on industrial issues and dispute resolution.
- Communication to members through specific and targeted publications.
- Administration of membership system.

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

#### **Operating Result**

The Branch ended the 2017-18 year with a surplus of \$332,451 (2016-17: \$811,875).

#### **Significant Changes in Financial Affairs**

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

#### **After Balance Date Events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Branch, the results of those operations or the state of affairs of the Branch in future financial years.

#### **Members Right to Resign**

All members have 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 – VICTORIA BRANCH**

### **COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2018**

#### **Membership of the Branch**

Total number of members as at 30 June 2018: 16,708 (2017: 15,269)

#### **Employees of the Branch**

The number of persons who were, at the end of the period to which the report relates, employees of the Branch, where the number of employees includes both full-time and part-time employees measured on a full-time equivalent basis is 58.3 (2017: 63.7).

#### **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:

<b>Name</b>	<b>Period of Appointment</b>	<b>Position</b>
Kerrie Devir	01/07/17 – 30/06/18	Branch President
Stephen McGhie	01/07/17 – 30/06/18	Deputy President
Jessica Walsh	01/07/17 – 30/06/18	Branch Secretary
Ben Redford	01/07/17 – 30/06/18	Branch Assistant Secretary
Margarita Murray-Stark	01/07/17 – 30/06/18	Executive Member
Jeanette Shepherd	01/07/17 – 30/06/18	Executive Member
Victor Barrientos	01/07/17 – 30/06/18	Executive Member
Anthony Hayman	01/07/17 – 30/06/18	Executive Member
David Arthur	01/07/17 – 30/06/18	Executive Member
Lucinda Greed	01/07/17 – 30/06/18	Executive Member
Christine Aicken	01/07/17 – 30/06/18	Executive Member
Bracha Rafael	01/07/17 – 30/06/18	Executive Member
Paul Kershaw	01/07/17 – 30/06/18	Executive Member
Sue Szalay	01/07/17 – 30/06/18	Executive Member

#### **Wages Recovery Activity**

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

**UNITED VOICE – VICTORIA BRANCH**

**COMMITTEE OF MANAGEMENT'S OPERATING REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2018**

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

No officers/ members or employees of the organisation are Directors of companies that are trustees of superannuation funds where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation

**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:



.....  
Jessica Walsh  
Branch Secretary

24 October 2018

North Melbourne

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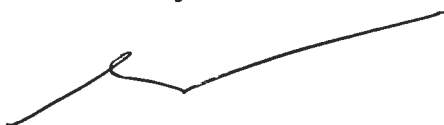
e: [info@mgisq.com.au](mailto:info@mgisq.com.au)  
[www.mgisq.com.au](http://www.mgisq.com.au)

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

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

*M.G.I*

**MGI Audit Pty Ltd**



**G I Kent**

Director – Audit & Assurance

North Melbourne

24 October 2018

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

**UNITED VOICE – VICTORIA BRANCH**  
**COMMITTEE OF MANAGEMENT STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2018**

On 24 October 2018, the Committee of Management of the Branch passed the following resolution to the General Purpose Financial statements (GPFR) of the reporting unit for the financial year ended 30 June 2018.

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


- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - i. meetings of the Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch concerned; and
  - ii. the financial affairs of the Branch have been managed in accordance with the rules of the organisation;
  - iii. the financial records of the Branch have been kept and maintained in accordance with the *RO Act*;
  - iv. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation;
  - v. where information has been sought in any request of a member of the reporting unit or Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or Commissioner; and
  - vi. there have been no orders for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act during the year.
- (f) No revenue has been derived from undertaking recovery of wages activity during the reporting year.

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

**Name of Designated Officer:** Jessica Walsh

**Title of Designated Officer:** Branch Secretary

**Signature:**

  
.....

**Date:** 24 October 2018

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## **Independent Audit Report to the Members of United Voice – Victoria Branch**

### **Report on the Audit of the Financial Report**

#### **Opinion**

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

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

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

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

#### **Basis for Opinion**

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

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

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

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

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

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

## **Responsibilities of Committee of Management for the Financial Report**

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

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

## **Auditor's Responsibilities for the Audit of the Financial Report**

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

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

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

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

**Declaration**

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

**Opinion on the recovery of wages activity financial report**

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

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

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

**Responsibilities**

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

*M.G.F*

**MGI Audit Pty Ltd**



**G I Kent**

Director – Audit & Assurance

North Melbourne

24 October 2018

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

**UNITED VOICE – VICTORIA BRANCH**

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

	Notes	2018 \$	2017 \$
<b>Revenue</b>			
Membership subscription		8,555,476	8,502,662
Gain on sale of property, plant and equipment		-	445,312
Capitation fees	3A	-	-
Levies	3B	-	-
Investment income	3C	899,855	934,230
Grants or donations	3D	462,953	151,112
Property revenue	3E	412,278	367,241
Other revenue	3F	136,201	81,472
<b>Total revenue</b>		<b>10,466,763</b>	<b>10,482,029</b>
<b>Expenses</b>			
Employee expenses	4A	(6,872,559)	(6,505,902)
Indirect employment costs	4B	(105,685)	(97,445)
Affiliation fees	4C	(207,532)	(202,530)
Administration expenses	4D	(90,637)	(163,958)
Campaign costs	4E	(249,400)	(223,016)
Communication costs	4F	(156,160)	(12,010)
Depreciation and amortisation	4G	(206,925)	(206,146)
Finance costs	4H	(74,609)	(65,685)
Grants and donations	4I	(6,974)	(50)
Information technology costs	4J	(62,858)	(62,405)
Legal and professional costs	4K	(268,532)	(301,794)
Loss on sale of property, plant and equipment	4L	-	(3,845)
Meeting and conference costs	4M	(129,814)	(144,800)
Member costs	4N	(21,848)	(63,303)
Property costs	4O	(674,290)	(576,963)
Sustentation fees	4P	(1,006,489)	(1,040,302)
Other expenses	4Q	-	-
<b>Total expenses</b>		<b>(10,134,312)</b>	<b>(9,670,154)</b>
<b>Surplus for the year</b>		<b>332,451</b>	<b>811,875</b>
<b>Other comprehensive income (net of income tax)</b>			
Fair value gain/ (loss) on revaluation on investment portfolio		37,634	(168,196)
<b>Total comprehensive income for the year</b>		<b>370,085</b>	<b>643,679</b>

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



UNITED VOICE – VICTORIA BRANCH

STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2018

		2018	2017
	Notes	\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	385,238	259,042
Trade and other receivables	5B	450,743	619,868
Financial assets	5C	7,314,331	9,279,077
Other current assets	5D	122,972	154,028
<b>Total current assets</b>		<b>8,273,284</b>	<b>10,312,015</b>
<b>Non-Current Assets</b>			
Financial assets	6A	14,190,638	11,950,060
Land and buildings	6B	1,227,794	1,304,396
Investment properties	6C	288,511	297,226
Motor vehicles	6D	20,500	31,305
Furniture and equipment	6E	726,038	550,153
<b>Total non-current assets</b>		<b>16,453,481</b>	<b>14,133,140</b>
<b>Total assets</b>		<b>24,726,765</b>	<b>24,445,155</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	7A	551,620	570,624
Other payables	7B	244,956	282,953
Employee provisions	8A	1,298,911	1,332,198
<b>Total current liabilities</b>		<b>2,095,487</b>	<b>2,185,775</b>
<b>Non-Current Liabilities</b>			
Employee provisions	8A	82,286	80,473
<b>Total non-current liabilities</b>		<b>82,286</b>	<b>80,473</b>
<b>Total liabilities</b>		<b>2,177,773</b>	<b>2,266,248</b>
<b>Net assets</b>		<b>22,548,992</b>	<b>22,178,907</b>
<b>EQUITY</b>			
Reserves	9	(181,642)	(219,276)
Retained earnings		22,730,634	22,398,183
<b>Total equity</b>		<b>22,548,992</b>	<b>22,178,907</b>

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

**UNITED VOICE – VICTORIA BRANCH**

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

	Notes	AFS Reserve \$	Retained earnings \$	Total equity \$
<b>Balance as at 1 July 2016</b>		(51,080)	21,586,308	21,535,228
Deficit for the year		-	811,875	811,875
Other comprehensive income		(168,196)	-	(168,196)
<b>Closing balance as at 30 June 2017</b>		(219,276)	22,398,183	22,178,907
Surplus for the year		-	332,451	332,451
Other comprehensive income		37,634	-	37,634
<b>Closing balance as at 30 June 2018</b>		(181,642)	22,730,634	22,619,651

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

**UNITED VOICE – VICTORIA BRANCH**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	2018 \$	2017 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units	10B	436,999	215,016
Receipts from members and other customers		10,242,657	9,775,607
Interest		916,854	782,193
		<u>11,596,510</u>	<u>10,772,816</u>
<b>Cash used</b>			
Employees and suppliers		(9,554,000)	(9,063,790)
Payment to other reporting units	10B	(1,379,878)	(1,152,885)
		<u>(10,933,878)</u>	<u>(10,216,675)</u>
<b>Net cash provided by operating activities</b>		<u>662,632</u>	<u>556,141</u>
<b>INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		-	599,827
Proceeds on the repayment of loan from United Voice – Western Australia Branch loan		100,000	100,000
Proceeds on the repayment of loan from United Voice – Queensland Branch loan		148,809	-
Proceeds from bank bills and term deposits		2,321,889	7,913,641
Proceeds on the sale of investments		995,610	-
Payments for property, plant and equipment		(286,688)	(217,899)
Payments to United Voice – Queensland Branch (loan)		(2,500,000)	-
Payments on acquisition of investments		(1,316,056)	(9,011,156)
<b>Net cash used in investing activities</b>		<u>(536,436)</u>	<u>(615,587)</u>
<b>FINANCING ACTIVITIES</b>			
		<u>-</u>	<u>-</u>
<b>Net increase/ (decrease) in cash held</b>		<u>126,196</u>	<u>(59,446)</u>
Cash & cash equivalents at the beginning of the reporting period		259,042	318,488
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	10A	<u>385,238</u>	<u>259,042</u>

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

**UNITED VOICE – VICTORIA BRANCH****RECOVERY OF WAGES ACTIVITY  
FOR THE YEAR ENDED 30 JUNE 2018**

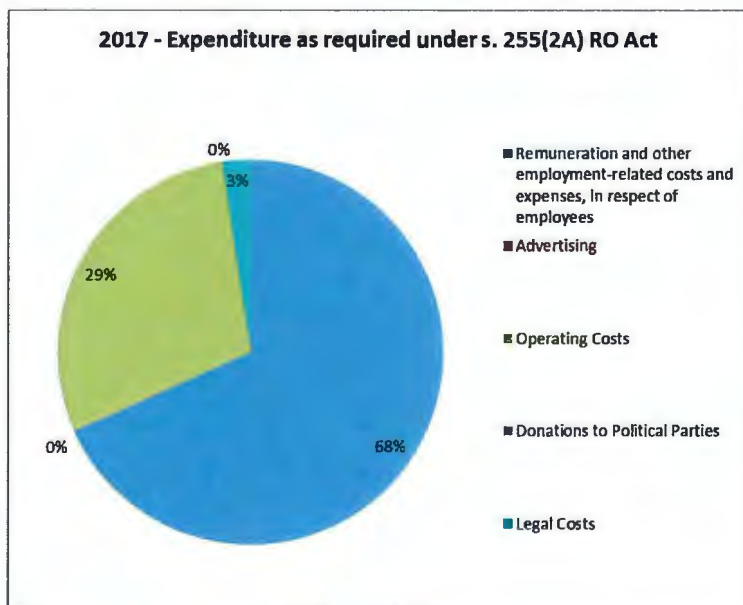
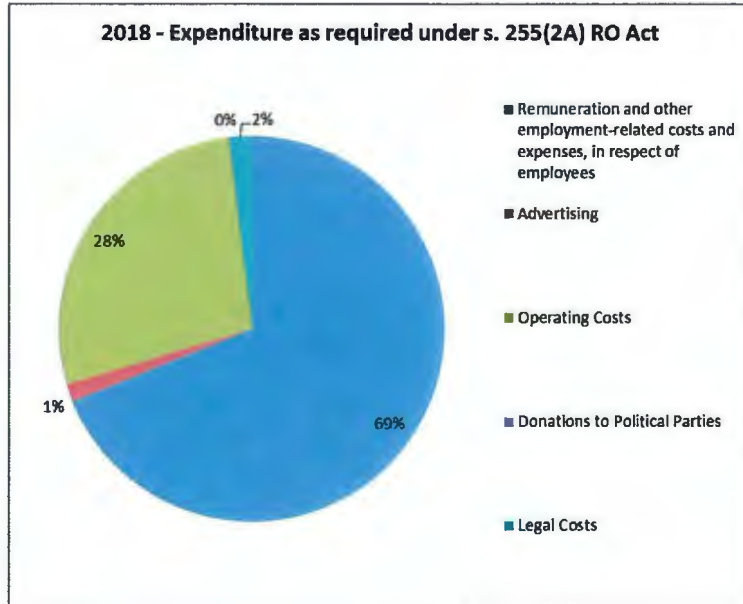
	2018	2017
	\$	\$
<b>Cash assets in respect of recovered money at beginning of year</b>	-	-
<b>Receipts</b>		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
<b>Total receipts</b>	-	-
<b>Payments</b>		
Deductions of amounts due in respect of membership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

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

**UNITED VOICE – VICTORIA BRANCH**

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

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



  
.....  
Jessica Walsh  
Branch Secretary

24 October 2018  
North Melbourne

## **UNITED VOICE – VICTORIA BRANCH**

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

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

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

Costs comprise of:

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

#### Donations to Political Parties

Donations comprise of:

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

#### Legal Costs

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

#### Operating Costs

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

#### Advertising Costs

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

**UNITED VOICE – VICTORIA BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**Index to the Notes of the Financial Statements**

Note 1	Summary of significant accounting policies
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Note 6	Non-current assets
Note 7	Current liabilities
Note 8	Provisions
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Note 16	<i>Section 272 Fair Work (Registered Organisations) Act 2009</i>
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**UNITED VOICE – VICTORIA BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1      Summary of significant accounting policies**

**1.1    Basis of preparation of the financial statements**

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

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

**1.2    Comparative amounts**

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

**1.3    Significant accounting judgements and estimates**

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

Key Estimates

*Impairment – general*

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

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

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 – VICTORIA BRANCH

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

**Note 1      Summary of significant accounting policies (Continued)**

**1.4    New Australian Accounting Standards**

***Adoption of New Australian Accounting Standard requirements***

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

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

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

***Future Australian Accounting Standards Requirements***

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

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

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

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

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

**UNITED VOICE – VICTORIA BRANCH**

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

**Note 1      Summary of significant accounting policies (Continued)**

**1.4    New Australian Accounting Standards (Continued)**

***Future Australian Accounting Standards Requirements (continued)***

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

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

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services.

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

The Committee of Management does not believe the effects of AASB 15 will significantly affect the Branch.

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

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

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

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

The Committee of Management does not believe the effects of AASB 16 will significantly affect the Branch.

**UNITED VOICE – VICTORIA BRANCH**

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

**Note 1      Summary of significant accounting policies (Continued)**

**1.5    Revenue**

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

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

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

Donation income is recognised when it is received.

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

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

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

**1.6    Gains**

***Sale of assets***

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

**1.7    Capitation fees and levies**

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

**UNITED VOICE – VICTORIA BRANCH**

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

**Note 1      Summary of significant accounting policies (Continued)**

**1.8    Employee benefits**

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

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

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

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

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

**1.9    Leases**

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

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

**1.10   Cash**

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

## UNITED VOICE – VICTORIA BRANCH

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

#### Note 1 Summary of significant accounting policies (Continued)

##### 1.11 Financial instruments

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

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

##### 1.12 Financial assets

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

###### *Fair value through profit or loss*

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

A financial asset is classified as held for trading if:

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

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

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

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

**UNITED VOICE – VICTORIA BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**Note 1      Summary of significant accounting policies (Continued)**

**1.12 Financial assets (continued)**

***Held-to-maturity investments***

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

***Available-for-sale***

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

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

***Loan and receivables***

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

***Effective interest method***

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

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

**UNITED VOICE – VICTORIA BRANCH**

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

**Note 1      Summary of significant accounting policies (Continued)**

**1.12 Financial assets (continued)**

***Impairment of financial assets***

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

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

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

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

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

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

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

## UNITED VOICE – VICTORIA BRANCH

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

#### Note 1 Summary of significant accounting policies (Continued)

##### 1.12 Financial assets (continued)

###### *Derecognition of financial assets*

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

##### 1.13 Financial Liabilities

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

###### *Fair value through profit or loss*

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

A financial liability is classified as held for trading if:

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

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

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

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



## UNITED VOICE – VICTORIA BRANCH

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

#### Note 1 Summary of significant accounting policies (Continued)

##### 1.13 Financial Liabilities (continued)

###### *Other financial liabilities*

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

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

###### *Derecognition of financial liabilities*

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

##### 1.14 Contingent Liabilities and Contingent Assets

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

##### 1.15 Plant and Equipment

###### *Asset Recognition Threshold*

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

###### *Revaluations—Land and Buildings*

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

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

UNITED VOICE – VICTORIA BRANCH

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

Note 1 Summary of significant accounting policies (Continued)

1.15 Plant and Equipment (continued)

***Depreciation***

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

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

	2018	2017
Buildings	40 years	40 years
Motor vehicles	4.4 years	4.4 years
Furniture and equipment	2.5 – 40 years	2.5 – 40 years

***Derecognition***

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

1.16 Investment Property

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

Subsequent costs

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

Derecognition of investment property

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

**UNITED VOICE – VICTORIA BRANCH**

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

**Note 1      Summary of significant accounting policies (Continued)**

**1.17 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.

**1.18 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 – VICTORIA BRANCH**

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

**Note 1      Summary of significant accounting policies (Continued)**

**1.19 Fair value measurement**

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

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

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

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

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

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

## **UNITED VOICE – VICTORIA BRANCH**

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

#### **Note 1      Summary of significant accounting policies (Continued)**

##### **1.19 Fair value measurement (continued)**

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

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

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

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

##### **1.20 Going concern**

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

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

##### **1.21 Government Grants**

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

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

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

**UNITED VOICE – VICTORIA BRANCH****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018****Note 2 Events after the reporting period**

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

	2018	2017
	\$	\$
<b>Note 3 Income</b>		
<b>Note 3A: Capitation fees</b>	-	-
<b>Total capitation fees</b>	-	-
<b>Note 3B: Levies</b>	-	-
<b>Total levies</b>	-	-
<b>Note 3C: Investment income</b>		
Interest income of deposits	557,554	554,200
Interest income on loans receivable – United Voice – Western Australia Branch	22,471	29,108
Interest income on loans receivable– United Voice – Queensland	44,183	-
Investment portfolio investment income	275,647	350,922
<b>Total interest</b>	<b>899,855</b>	<b>934,230</b>
<b>Note 3D: Grants or donations</b>		
Grants	462,953	151,112
Donations	-	-
<b>Total grants or donations</b>	<b>462,953</b>	<b>151,112</b>
<b>Note 3E: Property income</b>		
Rental income – Capel Street	331,959	288,109
Rental income – Drummond Street	80,319	53,173
Rental income – Lakes Entrance	-	25,959
<b>Total property income</b>	<b>412,278</b>	<b>367,241</b>
<b>Note 3F: Other revenue</b>		
Sundry income	136,201	81,472
Financial Support from another reporting unit	-	-
	<b>136,201</b>	<b>81,472</b>

**UNITED VOICE – VICTORIA BRANCH**

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

	2018	2017
	\$	\$
<b>Note 4 Expenses</b>		
<b>Note 4A: Employee expenses</b>		
<b>Holders of office:</b>		
Wages and salaries	406,582	398,745
Superannuation	61,227	61,058
Leave and other entitlements	67,760	66,236
Separation and redundancies	-	-
Other employee expenses	37,988	31,672
<b>Subtotal employee expenses holders of office</b>	<b>573,557</b>	<b>557,711</b>
<b>Employees other than office holders:</b>		
Wages and salaries	4,323,236	4,333,944
Superannuation	742,581	714,700
Leave and other entitlements	641,993	561,741
Separation and redundancies	186,331	-
Other employee expenses	404,861	337,806
<b>Subtotal employee expenses employees other than office holders</b>	<b>6,299,002</b>	<b>5,948,191</b>
<b>Total employee expenses</b>	<b>6,872,559</b>	<b>6,505,902</b>
<b>Note 4B: Indirect employment costs</b>		
Advertising	3,495	2,066
Education and staff training	31,268	27,973
Entertainment expenses	8,678	7,193
Motor vehicle expenses	41,045	33,614
Staff amenities	14,755	12,935
Staff uniform	6,444	13,664
<b>Total indirect employment costs</b>	<b>105,685</b>	<b>97,445</b>
<b>Note 4C: Affiliation fees</b>		
Australian Labor Party (Victoria)	78,722	76,654
Victoria Trades Hall Council	116,182	113,454
Ballarat Trades & Labour Council	3,960	3,960
Bendigo Trades & Labour Council	1,136	852
Geelong Trades & Labour Council	3,351	3,293
Gippsland Trades & Labour Council	927	927
Goulburn Valley Trades & Labour Council	546	409
North East Border Trades & Labour Council	1,920	1,680
South West Trades & Labour Council	375	750
Sunraysia Trades & Labour Council	413	551
<b>Total affiliation fees</b>	<b>207,532</b>	<b>202,530</b>

**UNITED VOICE – VICTORIA BRANCH**

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

	2018	2017
	\$	\$
<b>Note 4D: Administration expenses</b>		
General administration expenses	(9,848)	13,305
Office equipment	6,887	16,210
Postage and couriers	19,259	35,755
Printing and stationery	32,543	53,436
Repairs and maintenance	418	4,597
Telephone	41,378	40,655
<b>Total administration expenses</b>	<b>90,637</b>	<b>163,958</b>
<b>Note 4E: Campaign costs</b>		
Campaign costs	249,400	223,016
<b>Total campaign costs</b>	<b>249,400</b>	<b>223,016</b>
<b>Note 4F: Communication costs</b>		
Advertising	147,741	4,661
Publications	8,419	7,349
<b>Total communication costs</b>	<b>156,160</b>	<b>12,010</b>
<b>Note 4G: Depreciation and amortisation</b>		
<b>Depreciation</b>		
Buildings	76,602	85,093
Investment property	9,052	9,052
Motor vehicles	10,805	9,089
Furniture and equipment	110,466	102,912
<b>Total depreciation</b>	<b>206,925</b>	<b>206,146</b>
Amortisation	-	-
<b>Total amortisation</b>	<b>-</b>	<b>-</b>
<b>Total depreciation and amortisation</b>	<b>206,925</b>	<b>206,146</b>
<b>Note 4H: Finance costs</b>		
Bank charges	14,650	17,413
Consideration to employers for payroll deductions	11,511	15,166
Insurance	19,977	14,463
Investment fund charges	28,471	18,643
<b>Total finance costs</b>	<b>74,609</b>	<b>65,685</b>



**UNITED VOICE – VICTORIA BRANCH**

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

	2018	2017
	\$	\$
<b>Note 4I: Grants or donations</b>		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000		-
Donations:		
Total paid that were \$1,000 or less	1,974	50
Total paid that exceeded \$1,000	5,000	-
<b>Total grants or donations</b>	<b>6,974</b>	<b>50</b>

**Note 4J: Information technology costs**

Computer expenses	62,858	62,405
<b>Total information technology costs</b>	<b>62,858</b>	<b>62,405</b>

**Note 4K: Legal and professional costs**

Legal costs:		
- Litigation	188,721	228,584
- Other legal matters	6,488	5,101
Accountancy fees	5,420	177
Audit fees	23,090	21,823
Awards and publications	2,133	3,604
Project management fees	16,020	35,455
Consultancy fees	26,660	7,050
<b>Total legal and professional costs</b>	<b>268,532</b>	<b>301,794</b>

**Note 4L: Loss on sale of property, plant and equipment**

Furniture and equipment	-	3,845
Motor vehicles	-	-
<b>Total loss on sale of property, plant and equipment</b>	<b>-</b>	<b>3,845</b>

**Note 4M: Meeting and conference costs**

Fees/ allowances	13,905	24,451
Conference and meeting expenses	23,744	36,657
Delegate convention expenses	47,972	47,649
Travel expenses	44,193	36,043
<b>Total meeting and conference costs</b>	<b>129,814</b>	<b>144,800</b>

**Note 4N: Member costs**

Education and training expenses	4,039	13,005
Insurance	17,809	50,298
<b>Total member costs</b>	<b>21,848</b>	<b>63,303</b>

**UNITED VOICE – VICTORIA BRANCH**

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

	2018	2017
	\$	\$
<b>Note 4O: Property costs</b>		
Caretaker expenses	-	5,254
Cleaning	70,721	71,166
Electricity	85,139	86,215
Insurance	25,618	15,473
Rates and taxes	240,621	227,319
Repairs and maintenance	216,873	143,244
Sundry expenses	35,318	28,292
<b>Total property costs</b>	<b>674,290</b>	<b>576,963</b>

**Note 4P: Sustentation**

United Voice – National Council	1,006,489	1,040,302
<b>Total sustentation</b>	<b>1,006,489</b>	<b>1,040,302</b>

**Note 4Q: Other expenses**

Penalties - via RO Act or <i>Fair Work Act 2009</i>	-	-
Compulsory levies	-	-
<b>Total other expenses</b>	<b>-</b>	<b>-</b>

**Note 5 Current Assets**

**Note 5A: Cash and Cash Equivalents**

Cash at bank	384,088	257,892
Cash on hand	1,150	1,150
<b>Total cash and cash equivalents</b>	<b>385,238</b>	<b>259,042</b>

**Note 5B: Trade and Other Receivables**

Receivables from other reporting units		
- United Voice – National Council	137,131	56,256
Less provision for doubtful debts (reporting units)	-	-
<b>Receivable from other reporting units (net)</b>	<b>137,131</b>	<b>56,256</b>

**Other receivables:**

Other trade receivables	24,759	112,810
Membership fees receivable	84,660	155,319
Income receivable on investments	204,193	295,483
<b>Total trade and other receivables (net)</b>	<b>450,743</b>	<b>619,868</b>

**Provision for Doubtful Debts**

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

**UNITED VOICE – VICTORIA BRANCH**

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

	2018	2017
	\$	\$
<b>Note 5C: Financial assets</b>		
Short term bank deposits	6,857,188	9,179,077
Held to Maturity investments	-	-
- Floating rate notes	-	-
Loan	100,000	100,000
- United Voice – Western Australia Branch	-	-
- United Voice – Queensland Branch	357,143	-
<b>Total financial assets</b>	<b>7,314,331</b>	<b>9,279,077</b>

**Note 5D: Other current assets**

Deposits	10,225	225
Stock on hand (clothing)	24,347	24,357
Prepayments	644	49,340
Accrued interest	87,756	80,106
<b>Total other current assets</b>	<b>122,972</b>	<b>154,028</b>

**Note 6 Non-current Assets**

**Note 6A: Financial assets**

Held to Maturity investments	8,402,766	8,398,376
- Floating rate notes	-	-
Loan	164,433	264,433
- United Voice – Western Australia Branch	-	-
- United Voice – Queensland Branch	1,994,048	-
Available-for-sale assets	3,629,391	3,275,701
- IFS investment portfolio (IFS)	-	11,550
Security Deposits	-	-
<b>Total financial assets</b>	<b>14,190,638</b>	<b>11,950,060</b>

UNITED VOICE – VICTORIA BRANCH

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

	2018 \$	2017 \$
<b>Note 6B: Land and buildings</b>		
Land and buildings		
At cost	3,801,169	3,801,169
accumulated depreciation	(2,573,375)	(2,496,773)
<b>Total Land and buildings</b>	<b>1,227,794</b>	<b>1,304,396</b>

*Reconciliation of Opening and Closing Balances of Land and Buildings*

<b>As at 1 July</b>		
Gross book value	3,801,169	4,528,658
Accumulated depreciation and impairment	(2,496,773)	(2,686,465)
<b>Net book value 1 July</b>	<b>1,304,396</b>	<b>1,842,193</b>
Additions:		
By purchase	-	-
Depreciation expense	(76,602)	(85,093)
Disposals:		
By sale	-	(146,426)
By transfer to investment properties	-	(306,278)
<b>Net book value 30 June</b>	<b>1,227,794</b>	<b>1,304,396</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	3,801,169	3,801,169
Accumulated depreciation and impairment	(2,573,375)	(2,496,773)
<b>Net book value 30 June</b>	<b>1,227,794</b>	<b>1,304,396</b>

Valuation Details

On 11 July 2-18, the land and buildings at 117- 131 Capel Street, North Melbourne was valued by Mr Thomas Blencowe AAPI CPV and Mr Chris Smirnakos FAPI CPV of Jones Lang LaSalle Advisory Services Pty Ltd. The land and buildings were at \$15,400,000 on a highest and best use, which was determined as commercial office building (the assets current use).

UNITED VOICE – VICTORIA BRANCH

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

	2018 \$	2017 \$
<b>Note 6C: Investment property</b>		
Investment property – 62 Drummond Street, Carlton		
At cost	462,077	462,077
accumulated depreciation	(173,566)	(164,851)
<b>Total investment property</b>	<b>288,511</b>	<b>297,226</b>

*Reconciliation of Opening and Closing Balances of investment property*

<b>As at 1 July</b>		
Gross book value	462,077	-
Accumulated depreciation and impairment	(164,851)	-
<b>Net book value 1 July</b>	<b>297,226</b>	<b>-</b>
Additions:		
By purchase	-	-
By transfer from land and buildings	-	306,278
Depreciation expense	(9,052)	(9,052)
Disposals:		
By sale	-	-
<b>Net book value 30 June</b>	<b>288,511</b>	<b>297,226</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	462,077	462,077
Accumulated depreciation and impairment	(173,566)	(164,851)
<b>Net book value 30 June</b>	<b>288,511</b>	<b>297,226</b>

UNITED VOICE – VICTORIA BRANCH

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

	2018 \$	2017 \$
<b>Note 6D: Motor Vehicles</b>		
Motor vehicles:		
at cost	77,233	77,233
accumulated depreciation	(56,733)	(45,928)
<b>Total motor vehicles</b>	<b>20,500</b>	<b>31,305</b>

*Reconciliation of Opening and Closing Balances of Motor Vehicles*

<b>As at 1 July</b>		
Gross book value	77,233	77,233
Accumulated depreciation and impairment	(45,928)	(36,839)
<b>Net book value 1 July</b>	<b>31,305</b>	<b>40,394</b>
Additions:		
By purchase	-	-
Depreciation expense	(10,805)	(9,089)
Disposals:		
By sale	-	-
<b>Net book value 30 June</b>	<b>20,500</b>	<b>31,305</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	77,233	77,233
Accumulated depreciation and impairment	(56,733)	(45,928)
<b>Net book value 30 June</b>	<b>20,500</b>	<b>31,305</b>

UNITED VOICE – VICTORIA BRANCH

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

	2018 \$	2017 \$
<b>Note 6E: Furniture and equipment</b>		
Furniture and Equipment:		
at cost	1,661,247	1,374,559
accumulated depreciation	(935,209)	(824,406)
<b>Total furniture and equipment</b>	<b>726,038</b>	<b>550,153</b>

*Reconciliation of Opening and Closing Balances of Furniture and Equipment*

<b>As at 1 July</b>		
Gross book value	1,374,559	3,329,273
Accumulated depreciation and impairment	(824,406)	(2,882,173)
<b>Net book value 1 July</b>	<b>550,153</b>	<b>447,100</b>
Additions:		
By purchase	286,351	217,899
Depreciation expense	(110,466)	(102,912)
Disposals:		
By sale	-	(11,934)
<b>Net book value 30 June</b>	<b>726,038</b>	<b>550,153</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	1,661,247	1,374,559
Accumulated depreciation and impairment	(935,209)	(824,406)
<b>Net book value 30 June</b>	<b>726,038</b>	<b>550,153</b>

**UNITED VOICE – VICTORIA BRANCH**

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

	2018 \$	2017 \$
<b>Note 7      Current Liabilities</b>		
<b>Note 7A: Trade payables</b>		
Trade creditors and accruals	269,068	234,014
<b>Subtotal trade creditors</b>	<b>269,068</b>	<b>234,014</b>
<b>Payables to other reporting units</b>		
United Voice – National Council	281,940	336,610
United Voice – Queensland Branch and controlled entities	612	-
<b>Subtotal payables to other reporting units</b>	<b>282,552</b>	<b>336,610</b>
<b>Total trade payables</b>	<b>551,620</b>	<b>570,624</b>
Settlement is usually made within 30 days.		
<b>Note 7B: Other payables</b>		
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	9,193	32,212
Other legal matters	-	-
GST payable	181,215	239,191
Income received in advance	42,998	
Other	11,550	11,550
<b>Total other payables</b>	<b>244,956</b>	<b>282,953</b>
Total other payables are expected to be settled in:		
No more than 12 months	244,956	282,953
More than 12 months	-	-
<b>Total other payables</b>	<b>244,956</b>	<b>282,953</b>



UNITED VOICE – VICTORIA BRANCH

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

	2018 \$	2017 \$
<b>Note 8 Provisions</b>		
<b>Note 8A: Employee Provisions</b>		
<b>Office Holders:</b>		
Annual leave	79,039	114,554
Long service leave	234,505	209,429
Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions—office holders</b>	<b>313,544</b>	<b>323,983</b>
<b>Employees other than office holders:</b>		
Annual leave	503,997	534,561
Long service leave	563,656	554,127
Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions—employees other than office holders</b>	<b>1,067,653</b>	<b>1,088,688</b>
<b>Total employee provisions</b>	<b>1,381,197</b>	<b>1,412,671</b>
Current	1,298,911	1,332,198
Non-Current	82,286	80,473
<b>Total employee provisions</b>	<b>1,381,197</b>	<b>1,412,671</b>

**Note 9 Reserves**

**Note 9A: Available-for-Sale Reserve**

The asset revaluation reserve records revaluation of financial assets.

Opening balance – 1 July	(219,276)	(51,080)
Fair value gain/ (loss) on revaluation of available for sale assets	37,634	(168,196)
<b>Closing balance – 30 June</b>	<b>(181,642)</b>	<b>(219,276)</b>

**UNITED VOICE – VICTORIA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2018**

	2018	2017
	\$	\$

**Note 10 Cash Flow**

**Note 10A: Cash Flow Reconciliation**

**Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement:**

**Cash and cash equivalents as per:**

Cash flow statement	385,238	259,042
Statement of financial position	385,238	259,042
<b>Difference</b>	<b>-</b>	<b>-</b>

**Reconciliation of surplus to net cash from operating activities:**

Surplus for the year	332,451	811,875
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**Adjustments for non-cash items**

Depreciation/ amortisation	206,925	206,146
Gain on disposal of property, plant and equipment	-	(445,312)
Loss on disposal of property, plant and equipment	-	3,845

**Changes in assets/liabilities**

(Increase)/ decrease in net receivables	169,125	(255,357)
(Increase)/ decrease in other current assets	42,606	68,770
Increase/ (decrease) in trade and other creditors	(57,001)	113,790
Increase/ (decrease) in employee provisions	(31,474)	52,384
<b>Net cash provided by/ (used in) operating activities</b>	<b>662,632</b>	<b>556,141</b>

**Note 10B: Cash flow information**

Cash inflows from other reporting units		
United Voice – National Council	367,853	180,413
United Voice – Western Australia Branch	22,471	29,108
United Voice – South Australia Branch	450	675
United Voice – Queensland Branch and controlled entities	44,311	-
United Voice – New South Wales Branch	1,914	4,820
<b>Total cash inflows</b>	<b>436,999</b>	<b>215,016</b>

Cash outflows to other reporting units

United Voice – National Council	(1,379,878)	(1,148,947)
United Voice – Queensland Branch and controlled entities	-	(201)
United Voice – South Australia Branch	-	(3,737)
<b>Total cash outflows</b>	<b>(1,379,878)</b>	<b>(1,152,885)</b>

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

**UNITED VOICE – VICTORIA BRANCH**

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

**Note 10C: Credit standby arrangements and loan facilities**

The Branch has a credit card facility amounting to \$49,000 (2017: \$49,000). This may be terminated at any time at the option of the bank. The balance of this facility is cleared monthly and interest rates are variable.

**Note 10D: Non-cash transactions**

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

	2018 \$	2017 \$
<b>Note 10E: Net debt reconciliation</b>		
Cash and cash equivalents	385,238	259,042
Borrowings – repayable within one year	-	-
Borrowings – repayable after one year	-	-
Net debt	<u>385,238</u>	<u>259,042</u>

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

	Other Assets	Liabilities from financing activities		
	Cash assets	Borrowings – due within 1 year	Borrowings – due after 1 year	Total
<b>Net debt at 1 July 2016</b>	318,488	-	-	318,488
Cash flows	(59,446)	-	-	(59,446)
<b>Net debt at 30 June 2017</b>	259,042	-	-	259,042
<b>Cash flows</b>	126,196	-	-	126,196
<b>Net debt at 30 June 2018</b>	385,238	-	-	385,238

**UNITED VOICE – VICTORIA BRANCH**

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

**Note 11      Contingent Liabilities, Assets and Commitments**

**Note 11A: Commitments and Contingencies**

**Capital commitments**

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

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

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

**Leasing Commitments**

**Operating Leases (as a lessor)**

Non-cancellable operating leases rentals are receivable as follows.

	2018	2017
<b>Receivable – Minimum lease payments</b>		
not later than 12 months	394,485	268,105
between 12 months and 5 years	679,241	279,720
greater than 5 years	-	-
<b>Minimum lease payments</b>	<b>1,073,726</b>	<b>547,825</b>

The Branch leases office space at both 62 Drummond Street, Carlton and 117-131 Capel Street, North Melbourne buildings under operating leases. The leases run for a period ranging between 2 to 5 years with an option to renew the lease after that date. Lease payments are reviewed regularly to reflect market rentals.

**Operating Leases (as a lessee)**

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

**UNITED VOICE – VICTORIA BRANCH****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018****Note 12 Related Party Disclosures****Note 12A: Related Party Transactions for the Reporting Period**

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 – South Australia Branch (UV SA Branch)

United Voice – Western Australia Branch (UV WA Branch)

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

	2018	2017
	\$	\$
<b>Revenues received from United Voice – National Council includes the following:</b>		
Reimbursement of office, travel and administration expenses	48,798	75,829
Sponsorship	27,272	40,455
Wage reimbursement	61,576	72,774
Redundancy reimbursement	36,737	-
Legal fees reimbursement	90,909	-
Hospo Voice funding	154,473	-
<b>Expenses paid to United Voice – National Council includes the following:</b>		
Sustentation fees	1,006,489	1,040,302
Insurance premiums and other costs changed by National Council	147,585	58,770
Campaign costs recoveries	100,000	-
<b>Amounts owed to United Voice – National Council include the following:</b>		
Sustentation fees	281,940	292,336
Insurance premiums and other costs changed by National Council	-	44,274
<b>Amounts owed by United Voice – National Council include the following:</b>		
Reimbursement of office, travel and administration expenses	27,109	56,256
Hospo Voice funding	110,022	-

**UNITED VOICE – VICTORIA BRANCH****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2018****Note 12 Related Party Disclosures (Continued)****Note 12A: Related Party Transactions for the Reporting Period**

	2018	2017
	\$	\$
<b>Revenues received from United Voice – Qld Branch includes the following:</b>		
Transfer of membership	116	-
Interest on loan	44,170	-
<b>Amounts owed by United Voice – Qld Branch include the following:</b>		
Loans receivable	2,351,191	-
<b>Expenses paid to United Voice – Qld Branch and controlled entities includes the following:</b>		
Printing expenses	-	183
<b>Expenses paid to United Voice – NSW Branch includes the following:</b>		
Transfer of membership	764	2,649
Reimbursement of merchandise costs	368	1,733
Reimbursement of travel and other expenses	608	-
<b>Revenues received from United Voice – SA Branch includes the following:</b>		
Transfer of leave entitlements	-	3,737
<b>Expenses paid to United Voice – SA Branch includes the following:</b>		
Reimbursement of merchandise costs	409	614
<b>Revenues received from United Voice – WA Branch includes the following:</b>		
Interest on loan	22,471	29,108
<b>Amounts owed by United Voice – WA Branch include the following:</b>		
Loans receivable	264,433	364,433

**Terms and conditions of transactions with related parties**

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

**UNITED VOICE – VICTORIA BRANCH**

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

**Note 12 Related Party Disclosures (Continued)**

**Note 12B: 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:

- Jessica Walsh (Branch Secretary)
- Stephen McGhie (Deputy President)
- Ben Redford (Branch Assistant Secretary)
- All remaining members of the Committee of Management.

	2018 \$	2017 \$
<b>Short-term employee benefits</b>		
Salary (including annual leave)	454,361	451,836
Other	37,988	31,672
<b>Total short-term employee benefits</b>	<b>492,349</b>	<b>483,508</b>
<b>Post-employment benefits:</b>		
Superannuation	67,760	61,058
<b>Total post-employment benefits</b>	<b>67,760</b>	<b>61,058</b>
<b>Other long-term benefits:</b>		
Long-service leave	13,448	13,145
<b>Total other long-term benefits</b>	<b>13,448</b>	<b>13,145</b>
<b>Termination benefits</b>	-	-
<b>Total</b>	<b>573,557</b>	<b>557,711</b>

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

**Note 12C: Disclosure Statements – Remuneration and Non-cash Benefits of Highest Paid Officers**

The highest paid officers of the Branch for the disclosure period ended 30 June 2018 and the amounts of relevant remuneration paid to them and the value or form of non-cash benefits received by them is as set out in the table below:

Name of Officer	Salary (including leave)	Allowances	Superannuation	Value and form of non-cash benefits
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

## UNITED VOICE – VICTORIA BRANCH

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

#### Note 12 Related Party Disclosures (Continued)

##### Note 12D: Disclosure Statements – Officers' Material Personal Interests

No officer of the Branch has disclosed any material personal interests that they or a relative of theirs has in a matter that relates to the affairs of the Branch in the year ended 30 June 2018.

##### Note 12 E: Disclosure by Branch of Payments to Related Parties or Declared Persons

The Branch has made no reportable payments to any related party or declared person or body of the Branch in the year ended 30 June 2018.

	2018	2017
	\$	\$
<b>Note 13 Remuneration of Auditors</b>		
<b>Value of the services provided</b>		
Financial statement audit services	22,000	18,000
Other services	6,510	4,000
<b>Total remuneration of auditors</b>	<b>28,510</b>	<b>22,000</b>

#### Note 14 Financial Instruments

##### Financial Risk Management Policy

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

##### (a) Credit Risk

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

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

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

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

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

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



**UNITED VOICE – VICTORIA BRANCH**

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

**Note 14 Financial Instruments (Continued)**

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

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$	\$
Trade and other receivables	313,612	-	-	-	-	313,612
Receivables from other reporting units	137,131	-	-	-	-	137,131
<b>Total</b>	<b>450,743</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>450,743</b>

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

	Within trading terms	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$	\$
Trade and other receivables	563,612	-	-	-	-	563,612
Receivables from other reporting units	56,256	-	-	-	-	56,256
<b>Total</b>	<b>619,868</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>619,868</b>

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

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets held by the Branch. The credit quality of the financial assets is reviewed regularly by the Branch Committee of Management and assessed by reference to external credit ratings as following:

	2018	2017
<b>Cash at bank</b>	<b>\$</b>	<b>\$</b>
A1+ rating	384,088	257,892
<b>Cash at call and term deposits</b>		
A1+ rating	4,041,519	6,974,825
A2 rating	2,815,669	2,204,252
A- rating		-
<b>Floating rate notes</b>		
BBB rating	4,875,300	4,870,910
BBB- rating	3,527,466	3,527,466

***Collateral held as security***

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

**UNITED VOICE – VICTORIA BRANCH**

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

**Note 14 Financial Instruments (Continued)**

**(b) Liquidity Risk**

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

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

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

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

**Financial Instrument Composition and Maturity Analysis**

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial liabilities due for payment</b>								
Trade payables	(551,620)	(570,624)	-	-	-	-	(551,620)	(570,624)
Other payables	(244,956)	(282,953)	-	-	-	-	(244,956)	(282,953)
Total expected outflows	(796,576)	(853,577)	-	-	-	-	(796,576)	(853,577)

UNITED VOICE – VICTORIA BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

Note 14 Financial Instruments (Continued)

(b) Liquidity Risk (continued)

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial assets – cash flow receivable</b>								
Cash and cash equivalents	385,238	259,042	-	-	-	-	385,238	259,042
Trade and other receivables	450,743	619,868	-	-	-	-	450,743	619,868
Short-term deposits	6,857,188	9,179,077	-	-	-	-	6,857,188	9,179,077
Loans receivable	457,143	100,000	1,593,002	264,433	565,479	-	2,615,624	364,433
Financial assets	-	-	12,032,157	11,685,627	-	-	12,032,157	11,685,627
<b>Total anticipated inflows</b>	<b>8,150,312</b>	<b>10,157,987</b>	<b>13,625,159</b>	<b>11,950,060</b>	<b>565,479</b>	<b>-</b>	<b>22,340,950</b>	<b>22,108,047</b>
<b>Net (outflow) / inflow on financial instruments</b>	<b>7,353,736</b>	<b>9,304,410</b>	<b>13,625,159</b>	<b>11,950,060</b>	<b>555,479</b>	<b>-</b>	<b>21,544,374</b>	<b>21,254,470</b>

**UNITED VOICE – VICTORIA BRANCH**

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

**Note 14 Financial Instruments (Continued)**

**(c) Market Risk**

i. Interest rate risk

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

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

	Weighted Average Effective Interest Rate			
	2018	2017	2018	2017
	%	%	\$	\$
<b>Floating rate instruments</b>				
Cash and cash equivalents	0.35	0.35	385,238	259,042
Term deposits	2.55	2.57	521,402	619,868
Loans receivable	4.56	6.76	2,615,624	364,433
Floating rate notes	4.76	4.39	12,032,157	11,685,627

ii. Foreign exchange risk

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

iii. Price risk

The Branch is not 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 – VICTORIA BRANCH

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

**Note 14 Financial Instruments (Continued)**

v. Sensitivity Analysis

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

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

	Profit \$	Equity \$
<u>Interest rates</u>		
<b>Year ended 30 June 2018</b>		
+2% in interest rates	+365,222	+365,222
-2% in interest rates	-358,103	-358,103
<b>Year ended 30 June 2017</b>		
+2% in interest rates	+364,019	+364,019
-2% in interest rates	-359,019,	-359,019,
<u>Units in Managed Funds (IFS)</u>		
<b>Year ended 30 June 2018</b>		
+5% in unit prices	-	181,470
-5% in unit prices	-	-181,470
<b>Year ended 30 June 2017</b>		
+5% in unit prices	-	163,785
-5% in unit prices	-	-163,785

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 – VICTORIA BRANCH

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

### Note 15 Fair Value Measurement

#### Fair Values

##### *Fair value estimation*

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

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

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

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

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

		2018		2017	
	Footnote	Carrying value	Fair value	Carrying value	Fair value
		\$	\$	\$	\$
<b>Financial assets</b>					
Cash and cash equivalents	(i)	385,238	385,238	259,042	259,042
Trade and other receivables	(i)	450,743	450,743	619,868	619,868
Short-term bank deposits	(i)	6,857,188	6,857,188	9,179,077	9,179,077
Loans receivable	(i)	2,615,624	2,615,624	364,433	364,433
Floating rate notes	(i)	8,402,766	8,402,766	8,398,376	8,398,376
Other assets	(i)	-	-	11,550	11,550
Managed investment schemes (IFS portfolio)	(i)	3,629,391	3,629,391	3,275,701	3,275,701
<b>Total financial assets</b>		<b>22,340,950</b>	<b>22,340,950</b>	<b>22,108,047</b>	<b>22,108,047</b>
<b>Financial liabilities</b>					
Trade payables	(i)	551,620	551,620	570,624	570,624
Other payables	(i)	244,956	244,956	282,953	282,953
<b>Total financial liabilities</b>		<b>796,576</b>	<b>796,576</b>	<b>853,577</b>	<b>853,577</b>

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

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

**UNITED VOICE – VICTORIA BRANCH**

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

**Note 15      Fair Value Measurement (Continued)**

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

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

**Fair Value Hierarchy**

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

**Level 1**

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

**Level 2**

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

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

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

**UNITED VOICE – VICTORIA BRANCH**

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

**Note 15 Fair Value Measurement (Continued)**

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

*Fair value hierarchy – 30 June 2018*

	Note	Date of Valuation	Level 1 \$	Level 2 \$	Level 3 \$
<b>Assets measured at fair value</b>					
Available-for-sale financial assets	6A	30 June 2018	3,629,391	-	-
Floating rate notes	6A	30 June 2018	8,402,766	-	-
Total			<u>12,032,157</u>	-	-

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

*Fair value hierarchy – 30 June 2017*

	Note	Date of Valuation	Level 1 \$	Level 2 \$	Level 3 \$
<b>Assets measured at fair value</b>					
Available-for-sale financial assets	6A	30 June 2017	3,275,701	-	-
Floating rate notes	6A	30 June 2017	8,398,376	-	-
Total			<u>11,674,077</u>	-	-

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



**UNITED VOICE – VICTORIA BRANCH**

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

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

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

Information to be provided to members or Commission:

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

**Note 17      Branch Details**

The registered office of the Branch is:

117 – 131 Capel Street  
North Melbourne VIC 3051

**Note 18      Segment Information**

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

**Note 19      Other Acquisitions of Assets or Liabilities**

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

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



13 December 2018

Ms Jessica Walsh  
Branch Secretary  
United Voice - Victorian Branch  
Sent via email: [vic@unitedvoice.org.au](mailto:vic@unitedvoice.org.au)

Dear Ms Walsh,

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

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

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

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

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

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

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

Yours faithfully,

**Sam Gallichio**  
Registered Organisations Commission



25 September 2018

Ms Jessica Walsh  
Branch Secretary  
United Voice - Victorian Branch

By Email: [vic@unitedvoice.org.au](mailto:vic@unitedvoice.org.au)

Dear Ms Walsh,

**Re: Lodgement of Financial Report - [FR2018/201]  
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the United Voice - Victorian Branch (the reporting unit) ended on 30 June 2018. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

### **Loans Grants and Donations Statement**

The reporting unit is required to lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 of the RO Act requires this statement to be lodged with the Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, namely on or before 28 September 2018.

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

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

### **Financial report**

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

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

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

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

ROC is also available on our website. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards.

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

### **Auditor's report**

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

## **REMINDER**

### **YOUR AUDITOR MUST BE REGISTERED (s.256)**

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

### **Contact**

Should you require any clarification in relation to the above, please email [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au).

Yours faithfully,



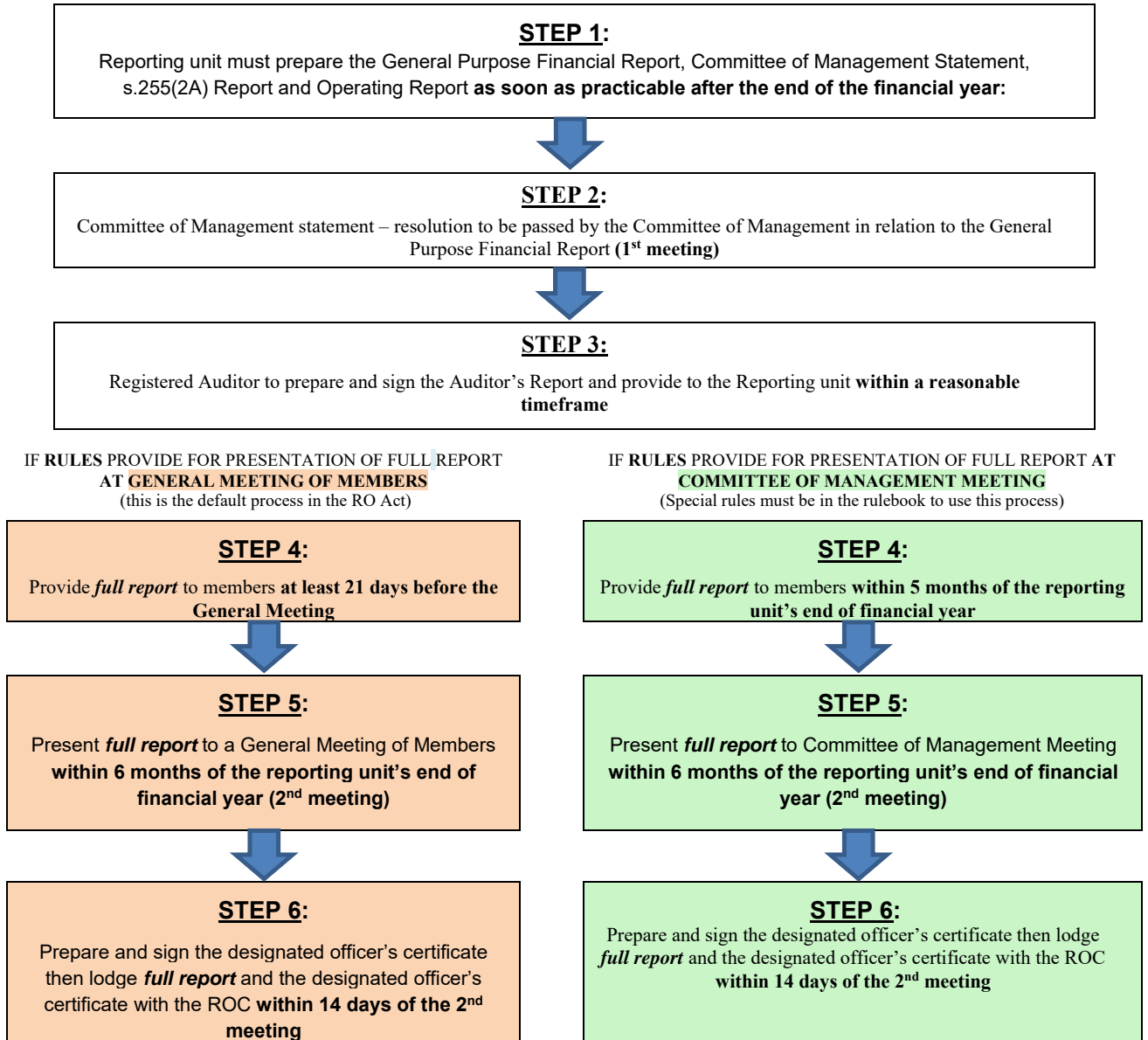
**Sarah Wilkin**  
**Registered Organisations Commission**

# Fact sheet

## Summary of financial reporting timelines – s.253 financial reports

### General Information:

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



# Fact sheet



Australian Government  
Registered Organisations Commission

**FS 009**  
(19 June 2017)

## Fact sheet

### Loans, Grants & Donations

#### The Loans, Grants & Donations Requirements

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

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





#### The Loans, Grants & Donations Statement



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

- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,\* and
- the arrangements for repaying the loan.\*

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

The statement must be lodged within 90 days of the end of the financial year and the ROC has a [Template Loans, Grants and Donations Statement](#) on its website. The ROC encourages branches and organisations to lodge the statement even if all of the figures are NIL. Common misconceptions Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.

	Statements can be lodged with the financial report.		The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.
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### Grants & Donations within the Financial Report

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

As such, the note in the financial report relating to grants and donations will have four lines. In the [ROC's Model Statements](#) the note appears as follows:

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

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

The Commissioner's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

### Implications for filing the Financial Report

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

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

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

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

Previous financial reports and filing letters are available from the website.

### Further information

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

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