



FAIR WORK  
COMMISSION

28 March 2013

Mr David Kelly  
Branch Secretary, Western Australian Branch  
United Voice  
PO Box 414  
SUBIACO WA 6904

Dear Mr Kelly

**Re: Lodgement of Financial Accounts and Statements – United Voice, Western Australian Branch - for year ending 30 June 2012 (FR2012/247)**

I refer to the above financial statements and accounts lodged with Fair Work Australia (now known as the Fair Work Commission - 'the Commission') on 20 December 2012.

I have examined the report closely as well as previous reports and correspondence from the Commission. I have identified the following matters of detail which should be kept in mind when preparing future reports, to more correctly reflect the requirements of the *Fair Work (Registered Organisations) Act 2009* ('the RO Act'). I acknowledge that previous correspondence has not mentioned these matters, and that there may have been some ambiguity or uncertainty in how different provisions should have been interpreted, so I am taking this opportunity to explain the requirements in the interests of accuracy and across the board consistency in reporting standards. The Commission is preparing new Reporting Guidelines which will be consistent with these requirements.

**Prescribed Information - Operating Report**

Regulation 159 of the *Fair Work (Registered Organisations) Regulations 2009* (the RO Regulations) states:

*"For paragraph 254 (2) (f) of the Act, the following information is prescribed:*

*(a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for section 230 of the Act and who are taken to be members of the reporting unit under section 244 of the Act;*

*(b) the number of persons who were, at the end of the financial year to which the report relates, employees of the reporting unit, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis;*

*(c) the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position."*

I note that the Operating Report stated the "overall" total of full-time, part-time and casual employees. This appears in previous years to have been taken to mean a 'full-time equivalent'

total but strictly speaking this was an inference and not certain. In order to remove doubt and ensure the report complies with regulation 159(b), I would ask that future operating reports specify the total number employees as a full-time equivalent.

I also note that, as in previous years, the Operating report referred to the period within which positions were held during the financial year as "as at 30th June 2012" which is not a period but a point-in-time. The phrase "during the year" is used at Note 15(a) on page 31 and might be interpreted as equivalent to "for the whole year", but this is also an inference and is not part of the operating report. Future operating reports must specify the actual period within which positions were held during the financial year, in accordance with regulation 159(c) above.

### **Meaning of 'Results of principal activities'**

Sub-section 254(2)(a) requires an operating report to include, in its review of the reporting unit's principal activities, the results of those activities. Sub-section 254(2)(b) requires the operating report to describe any significant changes in its financial affairs.

There appears to have been some differences in the way the requirement of s254(2)(a) has been interpreted by different reporting units and by officers within FWC's predecessors. The Commission's advice is that the results of a reporting unit's principal activities are more correctly to be understood as results which follow directly from those activities, rather than financial results derived from the financial activities and transactions incidental to the principal activities.

The 2012 operating report is consistent with previous years and has described the principal activity as "that of a Trade Union". Then the operating report goes on to describe "an operating surplus", "an increase in the value of cash etc", an increase in "interest bearing liabilities" and decreases in "current payables" and "Leave provisions".

These items the Branch's operating reports have described are in fact of a 'financial' character and appear to represent changes in financial affairs which complies with sub-section 254(2)(b). However they do not strictly represent the results of the activity of being a trade union which is 'industrial' in character and involves such essential things as protecting and improving members' conditions of employment and wages, effective negotiations and representations and the like.

The extent of detail that describing results in the sense intended by subsection 254(2)(a) might include is not prescribed by the Act or the regulations. It would however be sufficient to include a brief description of any industrial improvements, successes or developments the organization considers relevant and appropriate in the context of an operating report.

### **Statement of the Committee of Management - Date of resolution**

The Statement of the Committee of Management on page 5 states that the statement is "In accordance with a resolution of the Committee of Management...". It is signed 21 November 2012. Paragraph 26(b) of the Reporting Guidelines requires that the Statement "specify the date of passage of the resolution". It might be thought reasonable to infer that the date of the resolution was 21 November 2012, but this does not strictly follow as the date of resolution and date of signature may differ, and readers ought not to have to rely on inference. To avoid doubt, I suggest that in future years the date of the passage of the resolution be specified by inserting the words "passed on (... date...)" after the phrase "in accordance with a resolution of the Committee of Management".

### **Statement of the Committee of Management - Required Declaration**

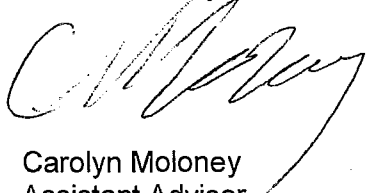
Paragraph 25(e)(iv) of the Reporting Guidelines sets out one of the declaratory statements which should be included where it applies, namely where a reporting unit is one of several within an organization. Since the Branch is one of several reporting units of United Voice, it should declare whether the records of the Branch were, as far as practicable, kept in a manner that is consistent with that of the other reporting units.

**Statement of the Committee of Management - References to current legislation**

The Committee of Management statement refers in places to former legislation, including the RAO Act and Regulations, or to the "Registrar". References should be to the current legislation, being the RO Act and Regulations, and to the Delegate or General Manager of the Commission.

The documents have been filed. There is no further action required in respect of this return. If you wish to discuss any aspect of the financial reporting requirements, please do not hesitate to contact Mr Stephen Kellett on (02) 6723 7237.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Carolyn Moloney', written in a cursive style.

Carolyn Moloney  
Assistant Adviser  
Regulatory Compliance Branch



United Voice National Office  
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20 December, 2012

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

Dear Ms O'Neill

**RE: WESTERN AUSTRALIAN BRANCH FINANCIAL REPORTS**

I am writing to lodge the financial reports for the United Voice WA Branch for the year ended 30 June 2012. Enclosed is the full Financial Report including:

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

The financial reports were sent to the Branch Executive on 21 November. The Executive resolved:

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

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

A full report was provided to the Committee of Management on 13 December, 2012 and was adopted. Also enclosed is a copy of the Branch Secretary's certificate dated 13

December, 2012.

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

Yours faithfully

A handwritten signature in black ink, appearing to read 'Louise Tarrant', written in a cursive style.

LOUISE TARRANT  
NATIONAL SECRETARY

**UNITED VOICE  
WESTERN AUSTRALIAN BRANCH**

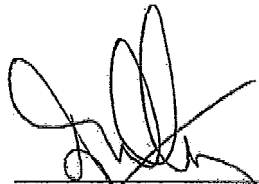
**FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2012**

**CERTIFICATE BY SECRETARY**

I, David Kelly, being the Branch Secretary of the United Voice, Western Australian Branch certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- That the full report was provided to members on 30 November 2012 and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 12 December, 2012 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

**Signed:**

  
\_\_\_\_\_

**Date:**

13.12.12.  
\_\_\_\_\_

## **UNITED VOICE**

### **WA BRANCH**

## **OPERATING REPORT**

**2012**

The principal activity of United Voice WA Branch, remains that of a Trade Union.

During the 2011/2012 financial year there was an increase in the number of staff employed. As a consequence the overall number of employees of the Union (full time, part time & casual) as at 30th June 2012 was 110 (2011: 106) and the total membership at that date was 22,130 (2011: 22,061).

The financial year ended with an operating surplus of \$557,062 (2011 surplus: \$325,126).

#### **Assets**

- There has been an increase in the value of the cash & cash equivalents and prepayments held by the Branch. Depreciation has been applied to property, plant & equipment.

#### **Liabilities**

- Interest bearing liabilities have increased, due to the loan taken out from the Victorian Branch of United Voice, for motor vehicles.
- Current payables have reduced in relation to trade creditors, accrued annual leave expenses as at the end of the year. Overall current payables have reduced slightly in value.
- Leave Provisions have slightly decreased.

#### **Equity**

- The movement in equity is proportionate to the surplus for year ended 30 June 2012 \$557,062.

#### **Resignation of Membership**

- As per the Fair Work (Registered Organisations) Act 2009 a member of the union may resign from membership by written notice or by electronic message to the Branch to which the member is attached. Resignation from membership of the union takes effect:
  - On the day on which the notice is received by the union
  - On the day specified in the notice
  - At the end of two (2) weeks after the notice is received by the union, whichever is later.

During 2011/12 the union had two staff members who sat on the Board of a superannuation entity. They are:

- Robert Lewtas, Finance and Administration Manager, is a Director of the Government Employees Superannuation Board, Western Australia, which is an exempt public sector superannuation scheme.
- Kelly Shay, Assistant Branch Secretary, is a Director of H.E.S.T.A Australia Ltd which is a company that is a trustee of a superannuation fund.

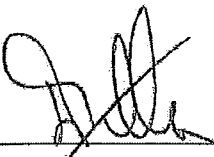
The Executive of the union is also the Committee of Management. As at the 30th June 2012 the members of the committee of management were:

#### Office Held

DEVLIN, Georgina Wendy	Branch President
SNOW, Irene Edith	Vice President
GATICA-LARA, Leo	Vice President
KELLY, David Joseph	Secretary
SMITH, Caroline	Assistant Secretary
SHAY, Kelly	Assistant Secretary
BIDDLE, Angelita	Executive Member
BLAGDANIC, Jackie	Executive Member
DE GOIS, Phyllis	Executive Member
GOINDEN, Alain	Executive Member
GODFREY, Brian George	Executive Member
LUSH, Jenni	Executive Member
NUGENT, Matthew	Executive Member
PARNELL, JO	Executive Member
PRESCOTT-BROWN Kim	Executive Member
ROSE, Malcolm	Executive Member
WRIGHT, Brian	Executive Member

Signed on behalf of the Committee of Management

Signed at SUBIACO this 21<sup>ST</sup> day of NOVEMBER 2012

  
\_\_\_\_\_  
DAVID KELLY

  
\_\_\_\_\_  
GEORGINA WENDY DEVLIN



**UNITED VOICE**

**WA BRANCH**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 JUNE 2012**

**UNITED VOICE  
WA BRANCH**

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITED VOICE WA BRANCH (FEDERAL UNION)

### Report on the Financial Report

We have audited the accompanying financial report of United Voice WA Branch (Federal Union), which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Committee of Management' declaration.

### The Committee of Management' Responsibility for the Financial Report

The Committee of Management are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards the Fair Work (Registered Organisations) Act 2009, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

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

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

### Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO (Australia) Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO (Australia) Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.



## Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of United Voice WA Branch (Federal Union) as at 30 June 2012, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009.

## Report on Other Legal and Regulatory Requirements

In accordance with the Industrial Relations Act 1979 (the Act), we also report that:

- a) There are no matters indicating that any person contravened or failed to comply with *s74-Duties of officers of organizations of the Act.*

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'C Burton'.

Chris Burton  
Director

Perth, Western Australia  
Dated this 21<sup>st</sup> day of November 2012



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38 Station Street  
Subiaco, WA 6008  
PO Box 700 West Perth WA 6872  
Australia

21 November 2012

The Branch Executive Committee  
United Voice WA Branch (Federal Union)  
PO Box  
Subiaco WA 6904

Dear Members,

**DECLARATION OF INDEPENDENCE BY CHRIS BURTON TO THE BRANCH EXECUTIVE COMMITTEE OF THE UNITED VOICE WA BRANCH (FEDERAL UNION).**

As lead auditor of United Voice WA Branch (Federal Union) for the year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Australian professional accounting bodies in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect of United Voice WA Branch (Federal Union).

Chris Burton  
Director

BDO Audit (WA) Pty Ltd  
Perth, Western Australia

UNITED VOICE  
WA BRANCH

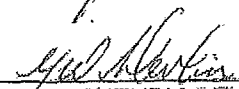
STATEMENT OF THE COMMITTEE OF MANAGEMENT

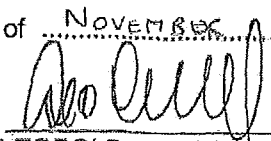
The Committee of Management have determined that the organisation is a reporting entity. In accordance with a resolution of the Committee of Management, we state that in the opinion of the Committee:

- (a) The accompanying financial statements and notes comply with the Australian Accounting Standards;
- (b) The financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (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;
- (e) During the financial year to which the general purpose financial report 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 including the rules of the branch concerned; and
  - (ii) The financial affairs of the branch have been managed in accordance with the rules of the organisation including the rules of the branch concerned; and
  - (iii) The financial records of the branch have been kept and maintained in accordance with Schedule 1B of the Workplace Relations Act 1986 (The RAO Schedule) and the Workplace Relations Amendment Regulations 2003 (The RAO Regulations); and
  - (iv) The information sought in any request of a member of the branch or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
  - (v) There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

Signed on behalf of the Committee of Management...

Signed At <sup>Subiaco</sup> ~~Perth~~ Subiaco..... this <sup>21<sup>st</sup></sup> ~~21<sup>st</sup>~~ day of <sup>NOVEMBER</sup> ~~NOVEMBER~~..... 2012.

  
\_\_\_\_\_  
GEORGINA WENDY DEVLIN

  
\_\_\_\_\_  
LEOPOLD GATICA-LARA

**UNITED VOICE  
WA BRANCH**

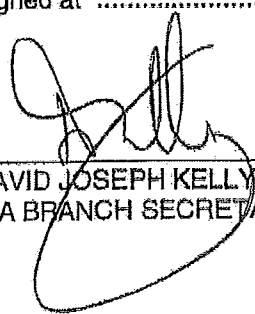
**STATEMENT BY SECRETARY**

I, DAVID JOSEPH KELLY, being the officer responsible for keeping the accounting records of the UNITED VOICE - WA Branch, certify that as at 30 June 2012 the number of members of the Union was 22,130 (2011: 22,061).

In my opinion,

- (i) The attached accounts show a true and fair view of the financial affairs of the organisation as at 30 June 2012 and the result of operations for the period then ended;
- (ii) A register of members has, during the immediately preceding calendar year, been kept and maintained as required by section 230(1)(a) and section 230(2) of the Workplace Relations Act 1996;
- (iii) A copy of the records required to be kept under sections 230(1)(b), (c) and (d) of the Workplace Relations Act 1996, have been provided to the Industrial Registry as required by section 233 of the Workplace Relations Act 1996.

Signed at Subiaco this 21<sup>st</sup> day of November 2012.

  
\_\_\_\_\_  
DAVID JOSEPH KELLY  
WA BRANCH SECRETARY

**UNITED VOICE  
WA BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED  
30 JUNE 2012**

	Notes	2012 \$	2011 \$
<b>Movements in Value:</b>			
Revenues from continuing operations	4	11,154,253	10,537,139
Administration expenses		(750,439)	(911,857)
Affiliation fees	5	(194,313)	(149,287)
Employee costs		(6,942,264)	(6,378,964)
Campaigns		(2,894)	(52,129)
Depreciation	5	(218,518)	(264,002)
Donations		(29,664)	(92,684)
Interest paid		(210,628)	(201,838)
Occupancy costs		(308,684)	(298,773)
Other property expenses		(68,832)	(58,163)
Organisers expenses		(129,314)	(139,277)
Sustentation fees	5	(1,272,847)	(1,163,814)
Other expenses from ordinary activities		(468,794)	(503,277)
Surplus from continuing operations		<u>557,062</u>	<u>325,126</u>
<b>Surplus attributable to the Branch</b>		<u><u>557,062</u></u>	<u><u>325,126</u></u>



**Other Comprehensive Income for the Year**

Total comprehensive income for the year attributable to the members of United Voice WA Branch

**Attributable to:**

General Fund	275,017	540,330
Building Fund	139,111	(271,401)
Election Fund	142,934	56,197
	<u>557,062</u>	<u>325,126</u>

**UNITED VOICE  
WA BRANCH**

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2012**

	Note	2012 \$	2011 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	1,964,609	1,536,054
Trade and other receivables	7	520,415	527,911
Inventories		3,768	3,768
Assets Held for Sale	9	657,188	653,279
<b>Total Current Assets</b>		<b>3,145,980</b>	<b>2,721,012</b>
<b>Non-current Assets</b>			
Property, plant and equipment	8	6,711,469	5,713,879
<b>Total Non-Current Assets</b>		<b>6,711,469</b>	<b>5,713,879</b>
<b>Total Assets</b>		<b>9,857,449</b>	<b>8,434,891</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	10	809,257	1,050,179
Borrowings	11	209,364	182,637
Provisions	12	146,727	126,455
<b>Total Current Liabilities</b>		<b>1,165,348</b>	<b>1,359,271</b>
<b>Non-current Liabilities</b>			
Borrowings	11	3,268,712	2,222,018
Provisions	12	216,189	203,464
<b>Total Non-current Liabilities</b>		<b>3,484,901</b>	<b>2,425,482</b>
<b>Total Liabilities</b>		<b>4,650,249</b>	<b>3,784,753</b>
<b>Net Assets</b>		<b>5,207,200</b>	<b>4,650,138</b>
<b>Equity</b>			
Retained surplus	13	5,207,200	4,650,138
<b>Total Equity</b>		<b>5,207,200</b>	<b>4,650,138</b>

**UNITED VOICE  
WA BRANCH**

**STATEMENTS OF CHANGE IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2012**

	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>Total Equity at the beginning of the financial year</b>		
General Fund	3,919,689	3,876,607
Building Fund	198,828	59,717
Election Fund	531,621	388,688
	<hr/>	<hr/>
<b>Total Recognised Surplus at the beginning of the Financial year</b>	4,650,138	4,325,012
 Surplus for the Year		
General Fund	275,017	540,330
Building Fund	139,111	(271,401)
Election Fund	142,934	56,197
	<hr/>	<hr/>
<b>Total Recognised Surplus for the Year</b>	557,062	325,126
 <b>Total equity at the end of the Financial year</b>	 <hr/> 13    5,207,200	 <hr/> 4,650,138
	<hr/> <hr/>	<hr/> <hr/>

**UNITED VOICE  
WA BRANCH**

**STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED  
30 JUNE 2012**

	Note	2012 \$	2011 \$
<b>Cash flows from operating activities</b>			
Contributions (including Goods and Services Tax)		10,685,862	10,171,251
Interest Received		93,549	130,644
Rent Received (including Goods and Services Tax)		143,973	107,482
Other Income (including Goods and Services Tax)		221,818	178,758
Interest Paid		(210,628)	(201,836)
Payments to Suppliers & Employees (including Goods and Services Tax)		(10,256,689)	(9,946,872)
		-----	-----
<b>Net cash inflow from operating activities</b>	14(a)	<b>677,885</b>	<b>439,427</b>
		-----	-----
<b>Cash flows from investing activities</b>			
Proceeds from Sale of PP&E		151,550	117,649
Payment for PP&E		(1,474,301)	(1,113,512)
Payment for Investment Property			
		-----	-----
<b>Net cash (outflow) from investing activities</b>		<b>(1,322,751)</b>	<b>(995,863)</b>
		-----	-----
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		-	-
Repayment of borrowings		1,073,421	(437,788)
		-----	-----
<b>Net cash (inflow) from financing activities</b>		<b>1,073,421</b>	<b>(437,788)</b>
		-----	-----
<b>Net increase/(decrease) in cash held</b>		<b>428,555</b>	<b>(994,224)</b>
Cash at beginning of the financial year		1,536,054	2,530,278
		-----	-----
<b>Cash at the end of the financial year</b>	6	<b>1,964,609</b>	<b>1,536,054</b>
		-----	-----

**UNITED VOICE  
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

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**NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRSs), other authoritative pronouncements of the Australian Accounting Standards Boards, Urgent Issues Group Interpretations and the requirements of the Workplace Relations Act, 1996.

The financial report is prepared for the United Voice - WA Branch. The organisation is the State Branch of a federally registered union, domiciled in Australia.

*Historical Cost Convention*

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money valuations. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the organisation in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**(a) Rules of the Union**

The rules of the Union provide that all property and assets are held in the name of the Union. This particularly applies to property acquired from Branch funds but which are registered in the name of the Union. Branch funds themselves form part of the property of the Union.

The Union policy is for assets and property acquired from Branch funds to be accounted for in the financial statements of the Branch from whose funds the assets were acquired.

Similarly, all income received by a Branch (whether in the form of entrance fees, contributions, fines, fees, levies, dues or penalties or by way of investments and the like) is accounted for in the financial statements of that Branch even though such income is the property of the Union.

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NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012

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**NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)**

- (b) **Membership Contributions**  
Membership contributions are accounted for on a cash receipts basis, except for memberships received in advance, which are recognised as revenue when the service has been provided.
- (c) **Revenue Recognition**  
Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.
- (d) **Goods and Services Tax (GST)**  
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivable and payables in the Statement of Financial Position are shown inclusive of GST.
- (e) **Income Tax**  
No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50-15 of the *Income Tax Assessment Act 1997*.
- (f) **Cash and Cash Equivalents**  
For the purposes of the statement of cash flows, the organisation considers cash and cash equivalents to include cash on hand, at banks or financial institutions and on deposit.
- (g) **Trade and Other Receivables**  
All sundry debtors are recognised at the amounts receivable, as they are due for settlement no more than 90 days. Collectibility of debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectible, are written off.

An allowance account (provision for bad debts) is established when there is objective evidence that the Union will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short term receivables are not discounted as the effect of the discounting is immaterial.

- (h) **Property, Plant and Equipment**  
Each class of property, plant and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation.

**Plant and Equipment**

The carrying amount of plant and equipment is reviewed annually by the organisation to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows, which will

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NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012

**NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)**

be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

**(l) Depreciation**

The depreciation amount of fixed assets is depreciated using the straight-line basis in order to write off the net cost of each fixed asset during its expected useful life to the organisation.

The depreciation rates used for each class of depreciable assets are:

<u>Class of fixed asset</u>	<u>Depreciation rate</u>
Buildings	2 to 5%
Chattels, furniture, fittings and office equipment	15 to 20%
Motor vehicles	22.5%

Motor Vehicles purchased as of July 2007 have an estimated useful life of 2 years and are depreciated at \$1,875 per annum based on the anticipated value of the motor vehicles after 2 years.

**(j) Impairment of Assets**

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

**(k) Trade and Other Creditors**

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

**(l) Employee Entitlements**

Provision is made for the organisation's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year, together with entitlements arising from wages and salaries and annual leave, which will be settled after one year have been measured at their nominal amount.

Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Provision for employee entitlements have been measured to include salary on-costs including superannuation, payroll tax and workers compensation.

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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

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**NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)**

- (m) **Superannuation**  
Contributions are made by the organisation to an employee superannuation fund and are charged as expenses when incurred.
- (n) **Investment Property**  
Investment property, principally comprising freehold buildings, is held for long-term rental yields and is not occupied by the Union. Investment property is carried at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the properties.
- (o) **Assets Held for Sale**  
These amounts represent investment properties which the Branch Executive has decided to dispose of. The investment properties are available for immediate sale in their present condition.
- (p) **Inventories**  
Finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.
- (q) **Borrowings**  
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and redemption amount is recognised in the profit or loss over the period of the borrowing using the effective interest method.
- (r) **Borrowing costs**  
Borrowing costs are directly attributable to the refurbishment of the building at 61 Thomas Street and the acquisition of the motor vehicles. All borrowing costs are expensed as they are incurred.
- (s) **Interest Rate Risk**  
With the exception of the loans from the Victorian Branch (disclosed in Note 3), the organisation's exposure to interest rate risk, which is the risk that financial instruments value will fluctuate as a result of changes in market interest rates, is considered negligible.
- (t) **Credit Risk**  
The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements. The organisation does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the organisation.



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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

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**NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)**

**(u) Net Fair Values**

The net fair value of assets and liabilities approximate their carrying values. No financial assets and financial liabilities are readily traded on organised markets in standardised form. Financial assets where the carrying amount exceeds net fair values have not been written down as the union intends to hold these assets to maturity.

The aggregate net fair value and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes and form part of the financial report.

**(v) Comparatives**

Where required, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**NOTE 2. INFORMATION TO BE PROVIDED TO THE MEMBERS OR REGISTRAR**

In accordance with the requirements of Section 272(5) of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of Sections 272(1) to Section 272(3) of the Act, which reads as, follows:

- (1) A member of the branch, or a Registrar, may apply to the branch for specified prescribed information in relation to the branch 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 branch.
- (3) The branch must comply with an application made under subsection (1).

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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 3. FINANCIAL RISK MANAGEMENT**

The Union's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity risk. The Union's overall risk management program seeks to minimise potential adverse effects on the financial performance of the Union. The Union uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks, and aging analysis for credit risk.

The Union holds the following financial instruments:

	2012	2011
	\$	\$
<b>Financial Assets</b>		
Cash and cash equivalents	1,964,609	1,536,054
Trade and other receivables	520,415	527,911
	<b>2,485,024</b>	<b>2,063,965</b>
<b>Financial Liabilities</b>		
Trade and other payables	809,257	1,050,179
Borrowings	3,478,076	2,404,655
	<b>4,287,333</b>	<b>3,454,834</b>

**(a) Interest Rate Risk**

The Union's main interest rate risk arises from borrowings, which are at fixed and variable rates and denominated in Australian dollars.

As at the year end, the Union had the following fixed and variable rate financial instruments outstanding:

	Weighted average interest rates	Floating interest rate	Fixed interest maturing within one year	Non- interest bearing	Total
<i>As at 30 June 2012</i>					
<b>(i) Financial assets</b>					
Cash	4.28%	1,964,609	-	-	1,964,609
Receivables		-	-	520,415	520,415
<b>Total financial assets</b>		<b>1,964,609</b>	-	<b>520,415</b>	<b>2,485,024</b>
<b>(ii) Financial liabilities</b>					
Payables		-	-	809,257	809,257
Business loans	5.65%	3,478,076	-	-	3,478,076
<b>Total financial liabilities</b>		<b>3,478,076</b>	-	<b>809,257</b>	<b>4,287,333</b>

**UNITED VOICE  
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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 3. FINANCIAL RISK MANAGEMENT (CONT)**

	Weighted average interest rates	Floating interest rate	Fixed interest maturing within one year	Non- Interest bearing	Total
<b>As at 30 June 2011</b>					
<b>(i) Financial assets</b>					
Cash	6.09%	1,536,054	-	-	1,536,054
Receivables		-	-	527,911	527,911
<b>Total financial assets</b>		<b>1,536,054</b>	<b>-</b>	<b>527,911</b>	<b>2,063,965</b>
<b>(ii) Financial liabilities</b>					
Payables		-	-	1,050,179	1,050,179
Business loan	4.93%	2,404,655	-	-	2,404,655
<b>Total financial liabilities</b>		<b>2,404,655</b>	<b>-</b>	<b>1,050,179</b>	<b>3,454,838</b>

An analysis by maturities is provided at (c) below.

**(b) Credit Risk**

Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The credit quality of customers is assessed based on past experience, trading history, and other factors. Individual credit limits are set.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as summarised above.

**(c) Liquidity Risk**

Prudent liquidity risk management involves maintaining sufficient cash reserves. The Union manages liquidity risk by continuously monitoring forecast and actual cash flows. Surplus funds are generally only deposited in savings accounts with high interest rates.

The table below analyses the Union's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contract maturity date.

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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 3. FINANCIAL RISK MANAGEMENT (CONT)**

At 30 June 2012	Between 0 – 12 months	Between 2 and 5 years
Borrowings – variable rate	274,549	3,203,527
<b>At 30 June 2011</b>		
Borrowings – variable rate	182,637	2,222,018

**(d) Sensitivity Analysis**

The following table summarises the sensitivity of the Union's financial assets and financial liabilities to interest rate risk.

30 June 2012	Carrying Amount	Interest Rate Risk			
		-100 bps		+100 bps	
		Profit	Equity	Profit	Equity
	\$	\$	\$	\$	\$
<b>Financial Assets</b>					
Cash and cash equivalents	1,964,609	(19,646)	(19,646)	19,646	19,646
<b>Financial Liabilities</b>					
Borrowings	3,478,076	34,781	34,781	(34,781)	(34,781)
<b>Total increase/ (decrease)</b>		15,135	15,135	(15,135)	(15,135)

**UNITED VOICE  
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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**(e) Capital Risk Management**

The Union's objectives when managing capital are to safeguard their ability to continue as a going concern, so they can continue to provide benefits to members and to maintain an optimal capital structure to reduce the cost of capital.

	2012	2011
	\$	\$
Total borrowings	3,478,076	2,404,655
Less: Cash and cash equivalents	(1,964,609)	(1,536,054)
Net borrowings	1,513,467	868,601
Total equity	(5,207,200)	(4,650,138)
Total Capital	(3,693,733)	(3,781,537)

**(f) Impaired Trade Receivables**

As at 30 June 2012 current trade receivables of the organisation with a nominal value of \$438,740 (2011: \$475,142) were past due but not impaired. These relate to a number of independent clients for whom there is no history of default. The ageing analysis of these trade debtors is as follows:

	2012	2011
	\$	\$
1 to 3 months	403,927	166,814
3 to 6 months	34,813	308,329
	438,740	475,143

**UNITED VOICE  
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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

<b>NOTE 4. REVENUE</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>Operating activities</b>		
Contributions	10,726,505	10,122,955
Rent received	143,973	107,483
Salary reimbursements	112,456	126,430
Sponsorship	50,182	43,955
Conferences	39,664	2,755
Other income	2,170	1,123
Sundry income	17,347	4,568
<b>Non-operating activities</b>		
Interest	93,549	130,644
Loss on sale of assets	(31,593)	(2,774)
	<u>11,154,253</u>	<u>10,537,139</u>

**NOTE 5. SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES**

The net surplus/(deficit) from ordinary activities has been determined after the following:

**Expenses**

Affiliation Fees:		
ALP	99,471	67,168
Trades & Labor Council of WA	94,842	82,119
Total Affiliation Fees	<u>194,313</u>	<u>149,287</u>
Depreciation		
Office Equipment	50,831	50,172
Furniture & Fittings	45,693	30,876
General	(26,781)	-
Library	-	2,445
Motor Vehicles	116,977	106,516
Buildings	31,798	73,993
Total Depreciation	<u>218,518</u>	<u>264,002</u>

**UNITED VOICE  
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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 5. SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES (Continued)**

	2012	2011
	\$	\$
Sustentation Fees – Federal Office*	1,272,847	1,163,814
*Sustentation Fees are paid to the Federal Office of the United Voice Union in support of the Federal Offices' activities and oversight of the branches of the Union.		
Legal Costs	49,789	38,278
Meeting and Conference Expenses	41,889	62,804
Remuneration of Auditor - Audit Services	28,000	25,556

**NOTE 6. CURRENT ASSETS – CASH AND CASH EQUIVALENTS**

**Cash on Hand**

Petty Cash	-	-
<b>Cash at Bank</b>		
General Fund	(128,133)	(234,972)
Secretary's Advance Account	25,491	24,520
Investment Account - GESB	-	-
Motor Vehicle Expense Account at Call	-	-
GST Account	-	-
Members Equity Account - General Reserve	1,173,935	1,261,787
Members Distress Fund	-	(2,936)
Building Fund	198,828	59,717
Education Levy	143,898	
Election Fund	531,621	388,688
Excess Funds	18,969	18,953
National Park Rangers Trust Account	-	-
Property Sold	-	20,297
	-----	-----
	1,964,609	1,536,054
	-----	-----

**NOTE 7. CURRENT ASSETS – TRADE AND OTHER RECEIVABLES**

Sundry Debtors	438,740	475,142
Other Debtors	-	-
Prepayments	81,675	52,769
	-----	-----
	520,415	527,911
	-----	-----

UNITED VOICE  
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NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012

**NOTE 8. PROPERTY, PLANT & EQUIPMENT**

	2012	2011
	\$	\$
<b>61 Thomas Street, Subiaco</b>		
Land – at Cost	127,944	127,944
Buildings – at Cost	2,079,326	2,079,326
Accumulated Depreciation	(1,007,893)	(987,836)
	1,199,377	1,219,434
<b>Cherlton Street, East Perth</b>		
Land – at Cost	2,645,567	2,645,567
Buildings – at Cost	1,963,007	605,317
Accumulated Depreciation	-	-
	4,608,574	3,250,884
<b>Unit 2, 101 Spencer Street, Bunbury</b>		
Land – at Cost	20,000	20,000
Buildings – at Cost	36,543	36,543
Accumulated Depreciation	(10,359)	(9,628)
	46,184	46,915
<b>Chattels – Bunbury Property</b>		
Cost	28,658	25,896
Accumulated Depreciation	(24,357)	(22,840)
	4,301	3,056
<b>Furniture &amp; Fittings, Thomas Street</b>		
Cost	297,246	277,873
Accumulated Depreciation	(221,174)	(187,732)
	76,072	90,141
<b>Office Equipment</b>		
Cost	623,865	585,918
Accumulated Depreciation	(542,363)	(486,088)
	81,502	99,230



**UNITED VOICE  
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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

<b>NOTE 8. PROPERTY, PLANT &amp; EQUIPMENT (Continued)</b>	<b>2012</b>	<b>2011</b>
	<b>\$</b>	<b>\$</b>
<b>Library</b>		
Cost	113,110	113,110
Accumulated Depreciation	(101,325)	(101,325)
	<u>11,785</u>	<u>11,785</u>
<b>Motor Vehicles</b>		
Cost	870,830	1,080,418
Accumulated Depreciation	(187,156)	(189,404)
	<u>683,674</u>	<u>891,014</u>
<b>Total Property, Plant and Equipment</b>	<u><u>6,711,469</u></u>	<u><u>5,812,459</u></u>

Title to all properties, except for Unit 2, 101 Spencer Street, Bunbury are held by the United Voice, New South Wales (Federal Union) in accordance with Federal Policy concerning all new acquisitions of property.

A credit facility of \$270,000 is registered with the Commonwealth Bank of Australia. Security for the loan is an existing mortgage over the property at 61 Thomas Street, Subiaco.

**Reconciliations**

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below:

	Carrying Amount at 1 July 2011	Additions	Disposals	Depreciation	Carrying Amount at 30 June 2012
Land & Buildings	4,618,653	1,256,270		(20,787)	5,854,136
Chattels	3,056	2,762	-	(1,517)	4,301
Furniture & Fittings	90,141	19,373	-	(33,440)	76,074
Office Equipment	99,230	29,034	-	(46,762)	81,502
Library	11,785	-	-	-	11,785
Motor Vehicles	891,014	162,954	(183,140)	(187,157)	683,671
<b>TOTAL</b>	<b>5,713,879</b>	<b>1,470,393</b>	<b>(183,140)</b>	<b>(289,663)</b>	<b>6,711,469</b>

**UNITED VOICE  
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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 9. AVAILABLE FOR SALE ASSETS**

	2012	2011
	\$	\$
<b>Riverside Cottages, Molloy Street, Augusta</b>		
Land – at Cost	269,854	269,854
Buildings – at Cost	418,914	418,914
Accumulated Depreciation	(179,854)	(179,854)
	508,914	508,915
<b>Lot 100 Dhu Street, Guilderton</b>		
Land – at Cost	37,129	37,129
Buildings – at Cost	131,542	131,542
Accumulated Depreciation	(54,978)	(54,978)
	113,693	113,693
<b>Chattels – Augusta Property</b>		
Cost	126,580	123,010
Accumulated Depreciation	(96,518)	(96,518)
	30,062	26,492
<b>Office Equipment</b>		
Cost	-	2,390
Accumulated depreciation	-	(1,327)
	-	1,063
<b>Chattels – Guilderton Property</b>		
Cost	17,929	16,526
Accumulated Depreciation	(13,410)	(13,410)
	4,519	3,116
<b>Total Investment Properties</b>	<b>657,188</b>	<b>653,279</b>

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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**Reconciliations**

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below

	Carrying Amount at 1 July 2011	Additions	Disposals	Depreciation	Carrying Amount at 30 June 2012
Land & Buildings	622,608	-	-		622,608
Chattels	30,671	4,972	(1,063)	(0)	34,580
<b>TOTAL</b>	<b>653,279</b>	<b>4,972</b>	<b>(1,063)</b>	<b>(0)</b>	<b>657,188</b>

**(a) Amounts recognised in profit and loss for investment properties**

Rental Income	143,973	107,482
Direct operating expenses from properties that generated rental income	(64,859)	(104,800)
	-----	-----
	79,114	2,682
	-----	-----

**UNITED VOICE  
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**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 10. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES**

	2012	2011
	\$	\$
<b>Current</b>		
Sundry Creditors	105,483	228,177
Accrued Expenses	-	101,420
Rent received in advance	16,300	5,240
Delegates Convention received in advance	-	20,202
GST	23,513	91,321
Group Tax Payable	-	14,735
Accrued Annual Leave	540,009	425,494
Memberships Paid in Advance	123,952	162,950
Superannuation	-	640
	809,257	1,050,179

**NOTE 11. BORROWINGS**

	2012	2011
	\$	\$
<b>Current</b>		
<b>Unsecured</b>		
Loan from Victorian Branch United Voice	209,364	182,637
	209,364	182,637
<b>Non-current</b>		
<b>Unsecured</b>		
Loans from Victorian Branch United Voice	-	-
Renovation Loan	-	-
Motor Vehicle Loan	534,474	622,115
	534,474	622,115
<b>Non-current</b>		
<b>Secured</b>		
Loan from Members Equity (Cheriton St, East Perth)	2,734,238	1,599,903
Renovation Loan	-	-
	2,734,238	1,599,903

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NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012

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The branch has a loan from the Victorian Branch of United Voice. The loan is for a maximum of \$715,000 for the purpose of purchasing staff motor vehicles. The loan is for a period of 2 years, and commenced on the 6<sup>th</sup> July 2007. The loan is repayable in 2 years from the drawdown date. The branch pays interest only on the amount advanced calculated at the interest rate monthly in arrears from the drawdown date. An interest rate of 7.5% is applicable on loans advanced prior to November 2007. Loans advanced after the 1<sup>st</sup> November 2007 have an interest rate of 8%.

The branch had a loan from Members Equity for the purchase of land at Lots 42 & 46 Cheriton Street, East Perth. This loan was consolidated with a loan for the purchase of the building at Cheriton Street, East Perth.

The loan is for a period of 20 years and commenced on the 14 March 2012. Repayments are made monthly and are interest only for 2 years. The interest rate applicable as at 30 June 2012 was 8.03%.

**NOTE 12. PROVISIONS**

	2012	2011
	\$	\$
<b>Current</b>		
Employee benefits - Long Service Leave	146,727	126,455
	-----	-----
<b>Non-current</b>		
Employee benefits - Long Service Leave	216,189	203,464
	-----	-----

UNITED VOICE  
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NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012

NOTE 13. EQUITY

	Total Equity at the beginning of the financial year	Movement	Total Equity at the end of the financial year
General Fund	4,416,937	275,017	4,691,954
Building Fund	(211,684)	139,111	(72,573)
Election Fund	444,885	142,934	587,819
<b>TOTAL</b>	<b>4,650,138</b>	<b>557,062</b>	<b>5,207,200</b>

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WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

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**NOTE 14. CASH FLOW INFORMATION**

**(a) Reconciliation of profit from ordinary activities to net  
Cash flows from operating activities**

	2012	2011
	\$	\$
Profit from ordinary activities	557,057	325,126
Depreciation	289,663	264,002
Loss on sale of assets	31,599	2,777
Change in assets and liabilities		
(Increase) decrease in sundry debtors	36,403	149,640
(Increase) decrease in prepayments	(28,906)	(101,420)
Increase (decrease) in sundry creditors & accruals	(240,922)	(294,154)
Increase (decrease) in provision for employee entitlements	32,997	93,456
	677,885	439,427
Net cash inflow from operating activities	677,885	439,427

**(b) Credit Stand-By Arrangements**

The branch has a bank overdraft facility of \$20,000 (2011: \$20,000). At 30 June 2012 and 30 June 2010 this facility was not in use. Overdraft facility currently with the Commonwealth Bank.

The branch also has a contingent liability facility of \$350,000 (2011: \$350,000). As at 30 June 2012 and 30 June 2011 \$50,000 of this facility was unused. There is no interest charge on the contingent liability facility. The purpose of the facility is to guarantee the funds for direct debit in relation to Membership Fees.

**UNITED VOICE  
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

**NOTE 15. RELATED PARTY TRANSACTIONS**

(a) The following persons have held office in the WA Branch of the Union during the year:

	<b>Office Held</b>
DEVLIN, Georgina Wendy	Branch President
SNOW, Irene Edith	Vice President
GATICA-LARA, Leo	Vice President
KELLY, David Joseph	Secretary
SMITH, Caroline	Assistant Secretary
SHAY, Kelly	Assistant Secretary
BIDDLE, Angelita	Executive Member
BLAGDANIĆ, Jackie	Executive Member
DE GOIS, Phyllis	Executive Member
GOINDEN, Alain	Executive Member
GODFREY, Brian George	Executive Member
LUSH, Jenni	Executive Member
NUGENT, Matthew	Executive Member
PARNELL, JO	Executive Member
PRESCOTT-BROWN Kim	Executive Member
ROSE, Malcolm	Executive Member
WRIGHT, Brian	Executive Member

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

(b) United Voice WA Branch has a loan payable to the Victorian Branch of United Voice. Details of this loan can be found at Note 11.

(c) The following transactions occurred with related parties:

	2012	2011
	\$	\$
Sustentation fees	1,223,347	1,169,814

**NOTE 16. REMUNERATION OF ELECTED OFFICIALS**

Income paid or payable to officers during the year.	272,283	289,653
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**NOTE 17. SEGMENT REPORTING**

The Union operates predominantly in one business and geographical segment, in its capacity to provide services to members of the Union throughout Western Australia.



**UNITED VOICE  
WA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS  
FOR THE YEAR ENDED 30 JUNE 2012**

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**NOTE 18. CAPITAL COMMITMENTS**

The Union has set up a capital budget of \$97,980 for projects and other requirements as needed. In addition the Union has also set up a capital budget for the Building Project at Cheriton Street, East Perth. The Union has entered into commitments to fund the completion of the Cheriton Street construction project.

**NOTE 19. CONTINGENT LIABILITIES**

At the date of signing this report there are no known contingent liabilities that would have a material effect on the presentation of the annual financial statements.

**NOTE 20. EVENTS OCCURING AFTER BALANCE SHEET DATE**

Both Augusta and Guilderton holiday homes are currently on the market for sale. At the date of signing this report the Union has received an offer for the Augusta holiday homes. The purchaser is currently awaiting approval from the bank. The bank has yet to complete a valuation of the property.

**NOTE 21. GEOGRAPHICAL LOCATIONS**

The Union operates from 61 Thomas Street, Subiaco in the State of Western Australia.

**NOTE 22. EMPLOYEE NUMBERS**

	<b>2012 Numbers</b>	<b>2011 Numbers</b>
Number of employees at the end of the financial year	110	106

**UNITED VOICE  
WA BRANCH  
DISCLAIMER**



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Australia

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**UNITED VOICE WA BRANCH  
(FEDERAL UNION)**

**DISCLAIMER**

The additional financial data presented on the pages 34-35 is in accordance with the books and records of the Union, which have been subjected to the auditing procedures applied in our statutory audit of the Union for the year ended 30 June 2012. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than the United Voice WA Branch (Federal Union)) in respect of such data, including any errors or omissions therein however caused.

BDO Audit (WA) Pty Ltd

BDO

Chris Burton  
Director

Perth, Western Australia  
Dated this 21<sup>st</sup> day of November 2012

**UNITED VOICE  
WA BRANCH**

**INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2012**

	2012	2011
	\$	\$
<b>Revenue</b>		
Members – Contributions	10,726,505	10,122,955
Building Fund Levy	-	-
Interest Received	93,549	130,644
Rent Received	143,973	107,483
Sponsorship	50,182	43,955
Salary reimbursements	112,456	126,431
Sale of Caps/Badges/Clothing	2,170	1,121
Sundry Income	17,347	4,568
Surplus on Disposal of Assets	(31,593)	(2,774)
Delegates Convention	39,664	2,755
	-----	-----
<b>Total Revenue</b>	<b>11,154,253</b>	<b>10,537,138</b>
	-----	-----
<b>Expenditure</b>		
Advertising	143,693	248,520
Affiliation Fees		
ALP	99,471	67,168
Unions WA	94,842	82,119
Airfares	40,071	23,783
Arbitration	4,200	7,889
Attendance Fees	3,252	3,228
Audit Fees	23,427	25,556
Bank Charges	106,514	105,740
Campaigns	2,894	52,129
Cleaning Expenses	7,998	9,590
Commissions	12,064	13,437
Computer Charges	54,098	59,035
Delegate Conference	28,880	1,809
Depreciation	218,518	264,002
Donations	29,664	92,684
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	<b>874,533</b>	<b>1,056,689</b>
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UNITED VOICE  
WA BRANCH

INCOME AND EXPENDITURE STATEMENT (Continued)  
FOR THE YEAR ENDED 30 JUNE 2012

	2012	2011
	\$	\$
<b>Total Brought Forward</b>	874,586	1,056,689
Electricity	72,421	63,849
Freight	1,090	1,604
Fringe Benefits Tax	-	-
Honorarium	4,000	4,135
Insurance - Excluding Vehicles	103,948	13,389
Interest on Loan	210,628	201,836
Journals & Papers Issued (inc. Postage)	40,643	85,612
Lease Payments	43,729	58,995
Legal Costs	49,789	30,966
Meeting & Conference Expenses	41,889	100,419
Motor Vehicle Expenses	312,592	377,011
Organising Expenses	-	-
Payroll Tax	337,059	299,557
Postage	35,986	46,307
Printing & Stationery	79,702	169,876
Property	59,792	44,236
Publications & Subscriptions		
Rates	65,200	59,883
Repairs & Maintenance	0	0
Salaries – Elected Officers	272,283	258,619
Salaries – Employees	5,241,690	4,816,988
Salaries – Annual leave provision	288,071	162,999
Salaries – Long service leave provision	50,751	105,311
Staff Amenities	108,413	156,446
Sundry Expenses (includes Office Costs)	219,461	141,979
Superannuation	674,917	624,467
Sustentation Fees - Federal Office	1,272,847	1,163,814
Telephone	105,771	118,583
Training & Education	29,933	48,642
<b>Total Expenditure</b>	<u>10,597,191</u>	<u>10,212,012</u>
<b>Net Profit from ordinary activities</b>	<u>557,062</u>	<u>325,126</u>



16 July 2012

Mr David Kelly  
Secretary, Western Australian Branch  
United Voice  
PO Box 414  
SUBIACO WA 6904

Dear Mr Kelly

**Lodgement of Financial Documents for year ended 30 June 2012 - Fair Work (Registered Organisations) Act 2009 ("the FW(RO) Act") - United Voice, Western Australian Branch (FR2012/247)**

The financial year of the Western Australian Branch of United Voice (the "reporting unit") has recently ended. This is a courtesy letter to remind you of the obligation to prepare and process the reporting unit's financial documents. The full financial report must be lodged with Fair Work Australia within the prescribed time period of 6 months and 14 days of the end of the financial year.

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

In addition, financial reporting fact sheets and sample documents can be found on the Fair Work Australia website. The information can be viewed at [FWA Registered Organisations Fact Sheets](#). This site also contains the General Manager's Reporting Guidelines which set out mandatory financial disclosures.

I draw your particular attention to section 237 of the FW(RO) Act which provides that where the reporting unit makes individual loans, grants or donations exceeding \$1,000, a separate statement containing prescribed particulars must be lodged within 90 days of the end of the financial year, i.e. by 30 September.

If you need any further information or if you believe you will be unable to lodge the full financial report within the period mentioned above please contact me on (02) 6723 7097 or by email at [stephen.kellett@fwa.gov.au](mailto:stephen.kellett@fwa.gov.au)

Yours sincerely,

Stephen Kellett  
Organisations, Research & Advice  
Fair Work Australia

**TIMELINE/ PLANNER**

Financial reporting period ending:	30/ 06 /2012
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1. Prepare financial statements and Operating Report.
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1(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.	/ /
1(b) A #designated officer must sign the Committee of Management Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).	

*As soon as practicable after end of financial year*

*This step must be completed and the Statement signed at a first meeting*

2. Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /
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*Within a reasonable time of having received the GPFR  
(NB: Auditor's report must be dated on or after date of Committee of Management Statement)*

3. Provide full report free of charge to members – s265  The full report must include: • the General Purpose Financial Report (which includes the Committee of Management Statement); • the Auditor's Report; and • the Operating Report.	/ /
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*(a) if the report is to be presented to a General Meeting the report must be provided to members 21 days before the General Meeting,  
  
or  
(b) if the report is presented to a Committee of Management meeting\*, the report must be provided to members within 5 months of end of financial year.*

4. Present full report to second meeting:  (a) General Meeting of Members - s266 (1),(2); OR  (b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /  / /
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*Presentation occurs at a 'second' Meeting  
  
A second meeting which is a General Meeting must take place within 6 months of end of financial year  
  
A second meeting which is a meeting of the Committee must take place within 6 months of end of financial year*

5. Lodge full report with Fair Work Australia, together with the #Designated Officer's certificate++ – s268	/ /
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*Within 14 days of presentation at second meeting*

\* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

# The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.