



FAIR WORK
COMMISSION

3 June 2015

Ms Carolyn Smith
Secretary, Western Australian Branch
United Voice

sent to: carolyn.smith@unitedvoice.org.au

Dear Ms Smith

Re: Lodgement of Financial Statements and Accounts - United Voice, Western Australian Branch - for year ended 30 June 2014 (FR2014/93)

I acknowledge receipt of the amended financial report of the Western Australian Branch of United Voice. The documents comprising the amended report were lodged with the Fair Work Commission on 2 June 2015. The financial report has now been filed. You do not have to take any further action in respect of the report lodged.

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, although the amended report addressed various additional matters raised in my correspondence dated 11 February 2015.

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

I make the following comment to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The Fair Work Commission will confirm this matter has been addressed prior to filing next year's report.

Disclosure of employee expenses to office holders and other employees

The employee expenses Note 4 did not separately disclose an expense balance for 'leave and other entitlements' for either office-holders or for other employees. The Reporting Guidelines (refer to items 16(f) and 16(g) require that all employee and office holder expenses be detailed separately.

Please note that Reporting Guideline 17 states that if any activities identified in item 16 have not occurred in the reporting period, a statement to this effect¹ must be included in the Notes to the financial statements.

¹ Or a nil balance, as per the model financial statements

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you wish to discuss this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (02) 6746 3283 or by email at stephen.kellett@fwc.gov.au.

Yours sincerely

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

cc. Ms Elaine Hudson

United Voice – WA Branch (Federal Union)

General Purpose Financial Statements *(Full Financial Report - Federal)*

As at 30 June 2014

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

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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 2014, the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement of Committee of Management and Statement by Secretary.

The Committee of Management's Responsibility for the Financial Report

The Committee of Management of the union is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and 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 gives a true and fair view and 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 union's preparation of the financial report that gives a true and fair view 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 union'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.



Opinion

In our opinion:

- (a) the financial report of United Voice WA Branch (Federal Union) is in accordance with the Fair Work (Registered Organisations) Act 2009, including:
 - (i) giving a true and fair view of the union's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009.

Report on Other Legal and Regulatory Requirements

In accordance with the Reporting Guidelines for the purpose of Section 253, the following declarations are made in reference to the auditor:

- a) Is a registered company auditor and a director of BDO Audit (WA) Pty Ltd;
- b) Is a member of the Institute of Chartered Accountants in Australia, and holds a current Public Practice Certificate;

In accordance with the Fair Work (Registered Organisations) Act 2009 the financials have been prepared on a going concern basis.

BDO Audit (WA) Pty Ltd

BDO

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

Chris Burton

Director

Perth, 22 April 2015

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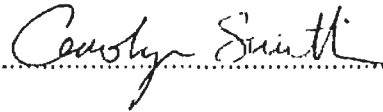
CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 30 June 2014

I Carolyn Smith being the Secretary of United Voice - WA Branch certify:

- that the documents lodged with the Fair Work Commission on 22 / 04 / 2015 in respect of the year ended 30 June 2014 are a copy of the full report (as amended), referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the amended full report was provided and made available to members of the reporting unit by being posted to the Branch's website on 30th April 2015, and a notice will be included in the Branch journal issued on and from 30th April 2015;
- that the amended full report was presented, for the purposes of section 266, to a second meeting of the Committee of Management on 22 / 04 / 2015.

Signature of prescribed designated officer:



Name of prescribed designated officer• Carolyn SMITH

Title of prescribed designated officer: Branch Secretary

Dated: 22/4/15

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COMMITTEE OF MANAGEMENT STATEMENT

for the period ended 30 June 2014

On the 2nd of April 2015 the Committee of Management of United Voice - WA Branch passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30 June 2014:

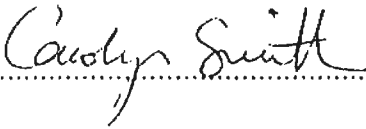
The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
 - (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
 - (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
 - (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
 - (e) during the financial year to which the GPRF 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 a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
 - (f) where the reporting unit has not derived revenue from undertaking recovery of wages activity, include the statement 'no revenue has been derived from undertaking recovery of wages activity during the reporting period' or
 - (g) where the reporting unit has derived revenue from undertaking recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and
 - (ii) the committee of management instructed the auditor to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered
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- from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
- (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

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

Signature of designated officer: 

Name and title of designated officer: Carolyn SMITH, Branch Secretary

Dated 22 APRIL 2015

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OPERATING REPORT

for the period ended 30 June 2014

The committee presents its report on the reporting unit for the financial year ended 30 June 2014.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

As per Section 254(2)(a) of the Fair Work (Registered Organisations) Act 2009, the principal activity of United Voice - WA Branch, remains that of a Trade Union.

Significant changes in financial affairs

As per Section 254(2)(b) of the Fair Work (Registered Organisations) Act 2009, 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 for the premises at 54 Cheriton Street, Perth.

Current payables have increased in relation to trade creditors and accrued annual leave expenses as at the end of the year. Overall current payables have reduced slightly in value.

Current Leave Provisions have increased.

Equity

The movement in equity is proportionate to the surplus for year ended 30 June 2014 of \$510,115.

Right of members to resign

As per Section 254(2)(c) of 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.

Officers & employees who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee

As per Section 254(2)(d) of the Fair Work (Registered Organisations) Act 2009, during 2013/2014 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.

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Number of members

As per Section 254(2)(f) and regulation 159(a) of the Fair Work (Registered Organisations) Act 2009 the total membership as at 30 June 2014 was 21,677 (2013: 22,622).

Number of employees

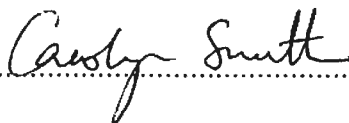
As per Section 254(2)(f) and regulation 159(a) of the Fair Work (Registered Organisations) Act 2009 during the 2013/2014 financial year there was a decrease in the number of staff employed. As a consequence the overall number of employees of the Union (full time, part time & casual) as at 30th June 2014 was 92 FTE (2013: 111 FTE).

Names of Committee of Management members and period positions held during the financial year

As per regulation 159(c) of the Fair Work (Registered Organisations) Act 2009 the Executive of the union is also the Committee of Management. As at the 30th June 2014 the members of the Committee of Management were:

Name	Position	Period that positions were held	
DEVLIN, Georgina Wendy	Branch President	01/07/2013	30/06/2014
NUGENT, Matthew	Vice President	01/07/2013	30/06/2014
GATICA-LARA, Leo	Vice President	01/07/2013	30/06/2014
SMITH, Carolyn	Branch Secretary	01/07/2013	30/06/2014
SHAY, Kelly	Assistant Secretary	01/07/2013	30/06/2014
O'DONNELL, Patrick	Assistant Secretary	01/07/2013	30/06/2014
BIDDLE, Angelita	Executive Member	01/07/2013	30/06/2014
BLAGDANIC, Jackie	Executive Member	01/07/2013	30/06/2014
DEGOIS, Phyllis	Executive Member	01/07/2013	30/06/2014
GOINDEN, Alain	Executive Member	01/07/2013	30/06/2014
GODFREY, Brian George	Executive Member	01/07/2013	30/06/2014
LUSH, Jenni	Executive Member	01/07/2013	30/06/2014
PRESCOTT-BROWN Kim	Executive Member	01/07/2013	30/06/2014
ROSE, Malcolm	Executive Member	01/07/2013	30/06/2014
WRIGHT, Brian	Executive Member	01/07/2013	30/06/2014

Signature of designated officer:



Name and title of designated officer: Carolyn SMITH, Branch Secretary

Dated:

22/4/15

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**UNITED VOICE - WA BRANCH
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STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2014

	Notes	2014 \$	2013 \$
Revenue			
Membership subscription		11,485,317	10,899,679
Capitation (sustentation) fees	3A	0	0
Conferences		13,931	30,477
Levies	3B	87,510	264,553
Interest	3C	31,642	90,374
Rental revenue	3D	134,728	133,471
Salary reimbursements		105,118	104,890
Sponsorships		54,182	41,000
Other revenue		86,019	81,641
Total revenue		11,998,447	11,646,085
Other Income			
Grants and/or donations	3E	0	0
Share of net profit from associate	6E	0	0
Net gains from sale of assets	3F	1,296,647	655,010
Total other income		1,296,647	655,010
Total income		13,295,094	12,301,095
Expenses			
Employee expenses	4A	8,039,797	7,539,151
Capitation (sustentation) fees	4B	1,180,607	1,349,376
Affiliation fees	4C	275,253	244,750
Administration expenses	4D	1,852,763	2,691,889
Grants or donations	4E	128,954	36,520
Depreciation and amortisation	4F	397,240	304,194
Finance costs (including bank charges)	4G	801,460	141,540
Legal costs	4H	69,203	28,929
Audit fees	14	39,702	36,670
Share of net loss from associate	6E	0	0
Write-down and impairment of assets	4I	0	0
Net losses from sale of assets	4J	0	0
Other expenses	4K	0	0
Total expenses		12,784,979	12,373,019
Profit or loss for the year		510,115	(71,924)
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss		0	0
Gain on revaluation of land & buildings		0	0
Total comprehensive income for the year		510,115	(71,924)

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

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**STATEMENT OF FINANCIAL POSITION
as at 30 June 2014**

	Notes	2014 \$	2013 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	870,049	1,041,004
Trade and other receivables	5B	906,888	765,767
Inventories		4,628	3,767
Non-current assets held for sale	5C	1,142,447	117,707
Total current assets		2,924,012	1,928,245
Non-Current Assets			
Land and buildings	6A	9,074,291	12,221,206
Plant and equipment	6B	865,898	743,248
Investment Property	6C	4,376,144	0
Intangibles	6D	0	0
Investments in associates	6E	0	0
Other investments	6F	0	0
Other non-current receivables	6G	259,000	0
Total non-financial assets		14,575,333	12,964,454
Total assets		17,499,345	14,892,699
LIABILITIES			
Current Liabilities			
Trade payables	7A	189,715	0
Other payables	7B	592,604	137,728
Employee provisions	8A	947,871	777,672
Total current liabilities		1,730,190	915,400
Non-Current Liabilities			
Employee provisions	8A	188,331	151,354
Other financial liabilities	9A	9,935,433	8,690,669
Total non-current liabilities		10,123,764	8,842,023
Total liabilities		11,853,954	9,757,423
Net assets		5,645,391	5,135,276
EQUITY			
Reserve Funds	10A	510,115	(71,924)
Retained earnings		5,135,276	5,207,200
Total equity		5,645,391	5,135,276

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

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**STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2014**

	Notes	Reserve Funds \$	Retained earnings \$	Total equity \$
Opening balance as at 1 July 2012		5,207,200	0	5,207,200
Profit or loss for the year		(71,924)	71,924	0
Other comprehensive income for the year			0	0
Net transfers to / (from) funds	10A	0	(71,924)	(71,924)
Closing balance as at 30 June 2013		<u>5,135,276</u>	<u>0</u>	<u>5,135,276</u>
Profit or loss for the year		510,115	(510,115)	0
Other comprehensive income for the year		0	0	0
Net transfers to / (from) funds	10A	0	510,115	510,115
Closing balance as at 30 June 2014		<u>5,645,391</u>	<u>0</u>	<u>5,645,391</u>

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

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CASH FLOW STATEMENT
for the period ended 30 June 2014

	Notes	2014 \$	2013 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units	11B	876,045	695,964
Interest received		31,890	87,004
Other		10,658,747	11,086,715
Cash used			
Payments to suppliers and employees		(8,808,488)	(9,979,012)
Interest paid		(484,525)	(34,580)
Payment to other reporting units	11B	(2,239,818)	(2,349,891)
Net cash from (used by) operating activities	11A	33,851	(493,800)
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of property, plant and equipment		4,831,182	1,003,616
Cash used			
Purchase of property, plant and equipment		(6,280,751)	(6,646,014)
Net cash from (used by) investing activities		(1,449,569)	(5,642,398)
FINANCING ACTIVITIES			
Cash received			
Proceeds from borrowings		6,005,939	6,196,684
Cash used			
Repayment of borrowings		(4,761,176)	(984,091)
Net cash from (used by) financing activities		1,244,763	5,212,593
Net increase (decrease) in cash held		(170,955)	(923,605)
Cash & cash equivalents at the beginning of the reporting period		1,041,004	1,964,609
Cash & cash equivalents at the end of the reporting period	5A	870,049	1,041,004

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

RECOVERY OF WAGES ACTIVITY

United Voice – WA Branch did not derive any revenue from undertaking recovery of wages activity during the reporting period.

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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 – WA Branch* is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with historical cost. 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

No 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.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

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

The accounting policies adopted are consistent with those of the previous financial year.

Future Australian Accounting Standards Requirements

There is no 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 *United Voice – WA Branch*.

1.5 Investment in associates

An associate is an entity over which *United Voice - WA Branch* has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

WA Branch of United Voice (State Union) is an associate of *United Voice – WA Branch (Federal Union)*. The State Union's trade receivables and payables are disclosed in the financial statements.

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Note 1.5 Summary of significant accounting policies (continued)

United Voice – WA Branch did not invest in its associate, *WA Branch of United Voice (State Union)* - in the reporting period.

1.6 Business combinations

The acquisition method of accounting is used to account for all business combinations, except for those identified in the *Fair Work Commissions reporting guidelines* under item 12.

United Voice – WA Branch did not engage in any business acquisition combination activity.

1.7 Acquisition of assets and or liabilities that do not constitute a business combination

The net book value of assets and or liabilities transferred for no consideration is used to account for an amalgamation under Part 2 of Chapter 3 of the *Fair Work (Registered Organisations) Act 2009* for a restructure of the branches, a determination by the General Manager under subsections 245(1) of the *Fair Work (Registered Organisations) Act 2009*, and for a revocation by the General Manager under subsection 249(1) of the *Fair Work (Registered Organisations) Act 2009*.

The assets and liabilities are recognised as at the date of transfer.

United Voice – WA Branch has not engaged in any business acquisition amalgamation activity.

1.8 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. *United Voice – WA Branch* did not sell goods except for stock sale of tee shirts and shirts, etc. such items predominantly to staff.

Donation income is recognised when it is received. *United Voice – WA Branch* did not receive any donation.

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.

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Note 1.8 Summary of significant accounting policies (continued)

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. *United Voice – WA Branch* did not receive any revenue from an operating lease.

1.9 Government grants

United Voice – WA Branch did not receive any government grant.

1.10 Gains

Sale of assets

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

1.11 Capitation (sustentation) fees and levies

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

1.12 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 not 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.

United Voice – WA Branch did not make any provision for separation and redundancy benefit payments for its employees.

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease

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Note 1.13 Summary of significant accounting policies (continued)

payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

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

United Voice – WA Branch did not have any lease payments during the reporting period.

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.

Refer to note 3D for rental revenue earned during the reporting period.

1.14 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred. Title to all properties, except for Unit 2, 101 Spencer Street, Bunbury are held by United Voice, New South Wales (Federal Union) in accordance with Federal Policy concerning all new acquisitions of property.

1.15 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 consolidated statement of financial position.

1.16 Financial (instruments) assets and liabilities

Financial assets and financial liabilities are recognised when the reporting entity 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.

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1.17 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 remeasurement 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.

Held-to-maturity investments

United Voice – WA Branch did not have any financial investments that were held-to-maturity.

Available-for-sale

United Voice – WA Branch did not have any financial investments that were available for sale.

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Note 1.17 Summary of significant accounting policies (continued)

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.

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.

**UNITED VOICE - WA BRANCH
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Note 1.17 Summary of significant accounting policies (continued)

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.

Derecognition of financial assets

A financial asset is derecognised 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.

1.18 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.

**UNITED VOICE - WA BRANCH
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Note 1.18 Summary of significant accounting policies (continued)

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

Other financial liabilities

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

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

Derecognition of financial liabilities

A financial liability is derecognised when, and only when, the 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.

1.19 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.

1.20 Land, buildings, 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

**UNITED VOICE - WA BRANCH
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Note 1.20 Summary of significant accounting policies (continued)

are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

Depreciable property, 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:

	Depreciation rate
Buildings	2 to 5%
Plant and equipment	15 to 20%
Motor Vehicles	10%

Derecognition

An item of land, buildings, 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.

1.21 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

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

1.22 Intangibles

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible

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Note 1.22 Summary of significant accounting policies (continued)

assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

United Voice - WA Branch did not recognise an intangible asset.

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit and loss when the asset is derecognised.

United Voice - WA Branch did not derecognise an intangible asset.

1.23 Impairment for 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 *United Voice - WA Branch* were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

1.24 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at cost.

1.25 Taxation

United Voice - WA 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.

**UNITED VOICE - WA BRANCH
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Note 1.25 Summary of significant accounting policies (continued)

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 cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is

recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.26 Fair value measurement

Fair value measures financial instruments such as, financial asset at fair value through the profit and loss and available for sale financial assets at fair value at each balance date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16A.

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. 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.

United Voice - WA Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value.

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.

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.

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1.27 Going concern

United Voice – WA Branch is not reliant on the agreed financial support of any entity to continue on a going concern basis.

United Voice – WA Branch (Federal Union) has not provided *United Voice Legal – WA (State Union)* with any financial support in the reporting period.

1.28 New, revised or amending Standards and Interpretations

United Voice – WA Branch has adopted all of the new, revised or amending Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are relevant and effective for the current reporting period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted and do not have an impact on the entity.

Any significant impact on the accounting policies of the entity from the adoption of these accounting standards and interpretations are disclosed in the relevant accounting policy.

1.29 Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- Estimation of useful lives of assets

United Voice – WA Branch's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. The useful lives could change significantly as a result of use or some other event. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write off assets that have been abandoned or sold.

- Long service leave provision

As discussed in note 8A, the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date.

**UNITED VOICE - WA BRANCH
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Note 2 Events after the reporting period

United Voice – WA Branch's investment property held for sale at 61 Thomas St, Subiaco WA 6008 was subsequently sold in September 2014 to pay down debt on the loan facility. There are no other subsequent events.

Note 3 Income

Note 3A: Capitation (sustentation) fees

United Voice WA Branch does not earn sustentation fees.

Note 3B: Levies

Education Levy (compulsory)	0	158,759
Government Health Levy (compulsory)	87,510	105,794
Total levies	87,510	264,553

Note 3C: Interest

Deposits	31,642	90,374
Loans	0	0
Total interest	31,642	90,374

Note 3D: Rental revenue

Properties	134,728	133,471
Other	0	0
Total rental revenue	134,728	133,471

Note 3E: Grants or donations

Grants	0	0
Donations	0	0
Total grants or donations	0	0

Note 3F: Net gains from sale of assets

Land and buildings	1,321,211	599,093
Plant and equipment	(24,564)	55,917
Intangibles	0	0
Total net gain from sale of assets	1,296,647	655,010

**UNITED VOICE - WA BRANCH
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	2014	2013
	\$	\$
Note 4 Expenses		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	275,938	250,199
Leave and other entitlements	61,826	134,362
Separation and redundancies	0	16,609
Superannuation & Salary Continuance	39,338	45,921
Other employee expenses	(9,612)	1,379
Subtotal employee expenses holders of office	367,490	448,470
Employees other than office holders:		
Wages and salaries	4,935,331	4,675,297
Leave and other entitlements	976,085	906,744
Separation and redundancies	106,861	143,981
Superannuation & Salary Continuance	739,794	679,234
Other employee expenses	914,236	685,425
Subtotal employee expenses employees other than office holders	7,672,307	7,090,681
Total employee expenses	8,039,797	7,539,151
Note 4B: Capitation (sustentation) fees		
United Voice – National Council	1,180,607	1,349,376
Total capitation(sustentation) fees	1,180,607	1,349,376
Note 4C: Affiliation fees		
Australian Labor Party	149,014	131,025
Unions WA	126,239	113,725
Total affiliation fees/subscriptions	275,253	244,750

**UNITED VOICE - WA BRANCH
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	2014	2013
	\$	\$
Note 4D: Administration expenses		
Advertising, publications and subscriptions	44,054	491,575
Consideration to employers for payroll deductions	10,192	10,149
Campaigns (other than compulsory levies)	139,701	19,089
Compulsory levies		
<i>Education Levy</i>	13,974	252,991
<i>Health Levy</i>	11,386	223,956
Fees/allowances - meeting and conferences	179,603	163,396
Conference and meeting expenses	43,406	44,952
Contractors/consultants	3,345	6,208
Property expenses	269,827	226,018
Office expenses	508,342	731,154
Information communications technology	31,744	37,192
Other	597,189	485,209
Subtotal administration expense	1,852,763	2,691,889
 Operating lease rentals:		
Minimum lease payments	0	0
Total administration expenses	1,852,763	2,691,889

Note 4E: Grants or donations

Donations paid that exceeded \$1,000:

Australian Labor Party - Cowan	5,000	0
Australian Labor Party - Stirling	5,000	0
Australian Labor Party (via United Voice National Council)	83,333	0
APHEDA – cyclone ‘Haiyan’ appeal	5,000	0
Labour Movement Work Experience program	2,000	0
WA School Gardeners Handyperson association	1,500	0
WA Labor	25,621	2,000
Perth Netball Association	0	1,273
Unions WA – ‘May Day’ contribution	0	3,000
Total donations paid that exceeded \$1,000	127,454	6,273

Grants:

Total paid that were \$1,000 or less	0	0
Total paid that exceeded \$1,000	0	0

Donations:

Total paid that exceeded \$1,000 as above	127,454	6,273
Total paid that were \$1,000 or less	1,500	30,247
Total grants or donations	128,954	36,520

**UNITED VOICE - WA BRANCH
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	2014	2013
	\$	\$
Note 4F: Depreciation and amortisation		
Depreciation		
Land & buildings	141,420	42,263
Chattels, plant and equipment	152,780	261,931
Other	103,040	0
Total depreciation	397,240	304,194
Amortisation		
Intangibles	0	0
Total amortisation	0	0
Total depreciation and amortisation	397,240	304,194

Note 4G: Finance costs

Finance leases	0	0
Overdrafts/loans	801,460	141,540
Unwinding of discount	0	0
Total finance costs	801,460	141,540

Note 4H: Legal costs

Litigation	0	0
Arbitration	10,562	19,931
Other legal matters	58,641	8,998
Total legal costs	69,203	28,929

Note 4I: Write-down and impairment of assets

United Voice – WA Branch did not carry any asset written down nor impaired. At each reporting period, the Union 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.

Note 4J: Net losses from sale of assets

Net loss from sale of motor vehicles in 2013-14 has been off-set against net gain on sale of assets in note 3F.

Note 4K: Other expenses

Penalties - via RO Act or RO Regulations	0	0
Total other expenses	0	0

**UNITED VOICE - WA BRANCH
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	2014	2013
	\$	\$
Note 5 Current assets		
Note 5A: Cash and cash equivalents		
Cash at bank	866,849	1,040,804
Cash on hand	3,200	200
Short term deposits	0	0
Other	0	0
Total cash and cash equivalents	870,049	1,041,004
Note 5B: Trade and other receivables		
Receivables from other reporting units		
<i>WA Branch of United Voice (State Union)</i>	355,323	428,416
<i>United Voice National Council</i>	23,193	21,690
Total receivables from other reporting units	378,516	450,106
Less provision for doubtful debts	0	0
Total provision for doubtful debts	0	0
Receivable from other reporting unit[s] (net)	378,516	450,106
Other receivables:		
GST receivable from the Australian Taxation Office*	0	0
Trade receivables	76,733	0
Provision for Doubtful Debts	0	0
Property Rent Receivable	57,998	0
Prepaid and other Expenses	86,666	36,349
Vendor Finance Receivable**	306,975	279,312
Total other receivables	528,372	315,661
Total trade and other receivables (net)	906,888	765,767

* The net GST receivable from the Australian Taxation Office in 2012-13 is classified under Other payables in note 5B.

** Relates to an amount which is secured against guarantees from the purchasers of properties sold by the Union.

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	2014	2013
	\$	\$
Note 5C: Non-current assets held for sale		
Assets Held for Sale		
61 Thomas St Subiaco		
Land at cost	127,944	0
Buildings at cost	1,930,342	0
Accumulated depreciation	(1,027,950)	0
Subtotal assets held for sale Subiaco	1,030,336	0
Lot 100 Dhu St, Guilderton		
Land at cost	37,129	37,129
Buildings at cost	131,542	131,542
Accumulated depreciation	(57,608)	(54,978)
Subtotal assets held for sale Guilderton	111,063	113,693
Chattels Lot 100 Dhu St, Guilderton		
Cost	18,428	17,424
Accumulated depreciation	(17,380)	(13,410)
Subtotal chattels held for sale Guilderton	1,048	4,014
Total assets held for sale	1,142,447	117,707

Note 6 Non-current assets

Note 6A: Land and buildings

Land and buildings and chattel:

61 Thomas St Subiaco:

Land at cost	0	127,944
Building at cost	0	2,056,111
Accumulated Depreciation	0	(1,027,950)

Subtotal land and building Subiaco	0	1,156,105
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54 Cheriton St Perth:

Land at cost	2,645,567	2,645,567
Building at cost	4,958,315	8,374,080
Fit out at cost	1,566,375	0
Accumulated Depreciation	(140,688)	0

Subtotal land and building Perth	9,029,569	11,019,647
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U2 101 Spencer St Bunbury:

Land at cost	20,000	20,000
Building at cost	36,543	36,543
Accumulated Depreciation	(11,821)	(11,089)

Subtotal land and buildings Bunbury	44,722	45,454
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Total land and buildings	9,074,291	12,221,206
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**UNITED VOICE - WA BRANCH
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	2014	2013
	\$	\$
Reconciliation of the opening and closing balances of land and buildings		
As at 1 July		
Gross book value - at cost	12,221,206	5,854,136
Accumulated depreciation and impairment	0	0
Net book value 1 July	12,221,206	5,854,136
Additions:		
By purchase	6,031,960	6,409,333
From acquisition of entities (including restructuring)	0	0
Revaluations	0	0
Impairments	0	0
Depreciation expense	(141,420)	(42,263)
Other movement – <i>transfers out of PPE</i>	(5,502,920)	0
Disposals:	(3,534,535)	0
From disposal of entities (including restructuring)	0	0
Other	0	0
Net book value 30 June	9,074,291	12,221,206
Net book value as of 30 June represented by:		
Gross book value	9,226,800	13,260,245
Accumulated depreciation and impairment	(152,509)	(1,039,039)
Net book value 30 June	9,074,291	12,221,206

Note 6B: Chattels, plant and equipment

Plant and equipment:

Chattels U2 101 Spencer St Bunbury:

Cost	29,298	29,251
Accumulated Depreciation	(27,098)	(25,922)
Subtotal chattels Bunbury	2,200	3,329

Furniture and fittings Thomas St Subiaco

Cost	323,176	288,021
Accumulated Depreciation	(280,115)	(234,220)
Subtotal furniture and fittings Subiaco	43,061	53,801

Office Equipment

Cost	723,472	619,718
Accumulated Depreciation	(619,765)	(560,801)
Subtotal office equipment	103,707	58,917

Library

Cost	101,445	101,445
Accumulated Depreciation	(101,445)	(100,326)
Subtotal library	0	1,119

Motor vehicles

Cost	879,755	743,281
Accumulated Depreciation	(162,825)	(117,199)
Subtotal motor vehicles	716,930	626,082

Total plant and equipment

	865,898	743,248
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**UNITED VOICE - WA BRANCH
(FEDERAL UNION)**

Reconciliation of the opening and closing balances of plant and equipment

As at 1 July		
Gross book value	2,081,554	1,933,709
Accumulated depreciation and impairment	(1,338,306)	(1,076,376)
Net book value 1 July	743,248	857,333
Additions:		
By purchase	441,630	236,681
From acquisition of entities (including restructuring)	0	0
Impairments	0	0
Depreciation expense	(152,780)	(261,930)
Other movement	0	0
Disposals:		
From disposal of entities (including restructuring)	0	0
Sale of Plant and Equipment	(166,200)	(88,836)
Other	0	0
Net book value 30 June	865,898	743,248
Net book value as of 30 June represented by:		
Gross book value	2,057,146	2,081,554
Accumulated depreciation and impairment	(1,191,248)	(1,338,306)
Net book value 30 June	865,898	743,248

Note 6C: Investment property

Property available for lease 54 Cheriton St Perth

Building at cost allocation	4,472,584	0
Accumulated Depreciation	(96,440)	0
Total investment property	4,376,144	0

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.

Additions during the year relate to floor levels for lease at 54 Cheriton St., Perth 6000.

Rental income earned and received from the investment properties during the year was \$134,728 (2013: \$101,858).

Note 6D: Intangibles

United Voice – WA Branch did not carry an intangible asset during the reporting period.

Note 6E: Investments in associates

United Voice – WA Branch has not acquired any investment in any associated entity.

Note 6F: Other investments

United Voice – WA Branch did not acquire any other investment in the reporting period.

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	2014	2013
	\$	\$
Note 6G: Other non-current receivables		
Prepayments	0	0
Vendor Finance (The Perth Trade Hall)	259,000	0
Total other non-current receivables	259,000	0

Note 7 Current liabilities

Note 7A: Trade payables

Trade creditors	189,715	0
Operating lease rentals	0	0
Subtotal trade creditors	189,715	0
Payables to other reporting unit	0	0
Total trade payables	189,715	0

Settlement is usually made within 30 days.

Note 7B: Other payables

Wages and salaries Accrual	181,778	118,246
Superannuation	2,701	0
Consideration to employers for payroll deductions	0	0
Legal costs	0	0
Prepayments received/unearned revenue	70,398	76,781
GST payable	337,727	(57,299)
Other	0	0
Total other payables	592,604	137,728

Total other payables are expected to be settled in:

No more than 12 months	592,604	137,728
More than 12 months	0	0
Total other payables	592,604	137,728

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	2014	2013
	\$	\$
Note 8 Provisions		
Note 8A: Employee provisions		
Office Holders:		
Annual leave	56,654	56,630
Long service leave	67,939	53,752
Separations and redundancies	0	0
Other	0	0
Subtotal employee provisions—office holders	124,593	110,382
Employees other than office holders:		
Annual leave	656,497	550,940
Long service leave	355,112	267,704
Separations and redundancies	0	0
Other	0	0
Subtotal employee provisions—employees other than office holders	1,011,609	818,644
Total employee provisions	1,136,202	929,026

Employee provisions is classified into:

Current liability:

Annual leave	713,151	607,570
Long service leave	234,720	170,102
Subtotal current liability - employee provisions	947,871	777,672

Non-current liability:

Annual leave	0	0
Long service leave	188,331	151,354
Non-current liability - employee provisions	188,331	151,354
Total employee provisions	1,136,202	929,026

Note 9 Non-current liabilities

Note 9A: Other non-current liabilities

Motor vehicle unsecured loan – United Voice Victoria Branch	514,433	582,052
Cheriton St building loan	9,421,000	8,108,617
Total other non-current liabilities	9,935,433	8,690,669

The branch has a loan from the Victorian branch of United Voice 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 6th of July 2007. The loan is repayable in two years from the drawdown date. The branch pays interest only on the amount advanced calculated at the interest rate monthly in arrears. An interest rate of 7.5% is applicable on loans advanced prior to November 2007. Loans advanced after the 1st November 2007 had an interest rate of 8%.

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

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building at Cheriton Street. The term of the loan has been extended for a period of 20 years and commenced on 14 March 2014. Repayments are made monthly and are interest only for two years. The interest rate applicable as at 30 June 2014 was 5.37% (2013:6.60%).

Note 10 Equity

Note 10A: Reserve funds

General fund

Balance as at start of year	4,122,782	4,194,706
Transfer to general fund	1,505,173	0
Transferred from general fund	0	(71,924)
Balance as at end of year	5,627,955	4,122,782

Building fund

Balance as at start of year	337,939	337,939
Transfer to building fund	0	0
Transfer from building fund	(337,939)	0
Balance as at end of year	0	337,939

Election fund

Balance as at start of year	674,555	674,555
Transferred to election fund	0	0
Transferred from election fund	(657,119)	0
Balance as at end of year	17,436	674,555

Total equity as at start of year	5,135,276	5,207,200
Net transfers to / (from) funds	510,115	(71,924)
Total equity as at end of year	5,645,391	5,135,276

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	2014	2013
	\$	\$
Note 11 Cash flow		
Note 11A: Cash flow reconciliation		
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	870,049	1,041,004
Statement of Financial Position	870,049	1,041,004
Difference	0	0

Reconciliation of profit/(deficit) to net cash from operating activities:

Profit/(deficit) for the year	510,115	(71,924)
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Adjustments for non-cash items

Depreciation/amortisation	397,240	304,194
Net write-down of non-financial assets	0	0
Fair value movements in investment property	0	0
Gain on disposal of assets	(1,296,647)	(655,010)

Changes in assets/liabilities

(Increase)/decrease in net receivables	(391,794)	39,252
(Increase)/decrease in prepayments	(9,267)	(4,894)
Increase/(decrease) in supplier payables	750,252	(63,959)
Increase/(decrease) in other payables	0	0
Increase/(decrease) in employee provisions	73,952	(41,459)
Increase/(decrease) in other provisions	0	0

Net cash from (used by) operating activities	33,851	(493,800)
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Note 11B: Cash flow information – associated and other reporting entities

Cash inflows		
WA Branch of United Voice (State Union)	782,779	655,122
United Voice National Office	93,266	40,842
Total cash inflows	876,045	692,964

Cash outflows		
WA Branch of United Voice (State Union)	709,690	583,967
United Voice National Office	1,420,512	1,724,942
United Voice Victoria Branch	109,616	40,982
Total cash outflows	2,239,818	2,349,891

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2014 2013
\$ \$

Note 12 Contingent liabilities, assets and commitments

Note 12A: Commitments and contingencies

Credit Stand-By Arrangements

United Voice – WA Branch has a bank overdraft facility of \$20,000 (2013: \$20,000). At 30 June 2014 and 30 June 2013 this facility was not in use. Overdraft facility is currently with the Commonwealth Bank.

The branch also has a contingent liability facility of \$300,000 (2013: \$300,000). As at 30 June 2014 and 30 June 2013 \$100,000 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.

The branch has no further Capital Commitments as the Cheriton St building project has been finalised (2013: \$6,400,000).

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 13 Related party disclosures

Note 13A: Related party transactions for the reporting period

Per the Related Party Register, *United Voice – WA Branch* did not have any related party transactions for the reporting period.

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

The holders of office of *United Voice – WA Branch*, who are paid salaries in Note 4A, are also its key management personnel.

Holders of office (key management personnel):

Wages and salaries	275,938	250,199
Leave and other entitlements	61,826	134,362
Separation and redundancies	0	16,609
Superannuation & Salary Continuance	39,338	45,921
Other employee expenses	(9,612)	1,379
Subtotal employee expenses holders of office	367,490	448,470

Note 13C: Transactions with key management personnel and their close family members

United Voice – WA Branch did not have any other transactions with its key management personnel 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.

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2014 2013
\$ \$

Note 14 Remuneration of Auditors

Value of the services provided

Financial statement audit services	39,702	36,670
Other services	0	0
Total remuneration of auditors	39,702	36,670

The auditors of *United Voice – WA Branch* did not provide any other service to the branch than those related to audit services.

Note 15 Financial instruments

United Voice – WA Branch'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 branch'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:

Note 15A: Categories of financial instruments

Financial assets

Cash and receivables:

Cash – floating interest rate	870,049	1,041,004
Receivables – interest bearing	565,975	279,312
Receivables – non-interest bearing	513,247	450,106
Total	1,949,271	1,770,422

Carrying amount of financial assets

1,949,271 1,770,422

Financial liabilities

Fair value through profit or loss 0 0

Other financial liabilities:

Payables – non-interest bearing	374,194	141,102
Business loan – interest bearing	9,421,000	8,108,617
Motor vehicle loan – interest bearing	514,433	582,052
Total	10,309,627	8,831,771
Carrying amount of financial liabilities	10,309,627	8,831,771

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	2014	2013
	\$	\$
Note 15B: Net income and expense from financial assets		
Held-to-maturity Interest revenue	0	0
Cash and receivables		
Interest revenue	31,642	90,374
Exchange gains/(loss)	0	0
Impairment	0	0
Gain/(loss) on disposal	0	0
Net gain/(loss) from cash and receivables	31,642	90,374
Available for sale	0	0
Fair value through profit and loss	0	0
Net gain/(loss) from financial assets	31,642	90,374

Note 15C: Net income and expense from financial liabilities

At amortised cost	0	0
Fair value through profit and loss		
Held for trading	0	0
Other financial liabilities:		
Change in fair value	0	0
Interest expense	801,460	141,540
Total designated as fair value through profit and loss	0	0
Net gain/(loss) other financial liabilities	801,460	141,540
Net gain/(loss) from financial liabilities	801,460	141,540

The net income/expense from financial liabilities at cost.

Note 15D: Credit risk

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements.

Financial assets		
Cash	870,049	1,041,004
Receivables	1,165,888	729,418
Total	1,949,271	1,770,422

In relation to the entity's gross credit risk, *United Voice – WA Branch* pledged the property at 61 Thomas St as collateral against the building loan for Cheriton St.

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.

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The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as summarised above. The receivables balance includes two private organisations which do not have a formal credit rating.

As at 30 June 2014 current trade receivables of the organisation with a nominal value of \$284,328 (2013: \$nil) were past due but not impaired.

Note 15E: Liquidity risk

Prudent liquidity risk management involves maintaining sufficient cash reserves. *United Voice – WA Branch* manages liquidity risk by continuously monitoring forecast and actual cash flows. Surplus funds are generally only deposited in savings accounts with high interest rate.

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

Contractual maturities for financial liabilities 2014

	On Demand	< 1 year \$	1– 2 years \$	>3 years \$	Total \$
Payables	0	374,194	0	0	1,918,521
Business Loan	0	5,619,759	0	3,801,241	9,421,000
Motor Vehicle Loan	0	0	50,000	464,433	514,433
Total maturities for financial liabilities	0	5,993,953	50,000	4,265,674	11,853,954

Maturities for financial liabilities 2013

	On Demand	< 1 year \$	1– 2 years \$	>3 years \$	Total \$
Payables	0	151,254	0	0	151,254
Business Loan	0	8,624,784	4,823,543	4,079,491	17,527,818
Motor Vehicle Loan	0	621,978	578,616	578,617	1,779,211
Total maturities for financial liabilities	0	9,398,016	5,402,159	4,658,108	19,458,283

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Note 15F: Market risk

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

	Weighted average interest rates	Floating interest rate	Fixed interest	Non- interest bearing	Total
As at 30 June 2014					
(i) Financial assets					
Cash	2.50%	870,049	-	-	870,049
Receivables		-	565,975	513,247	1,109,302
Total financial assets		870,049	565,975	513,247	1,949,271
(ii) Financial liabilities					
Payables		-	-	374,194	374,194
Business loans	5.37%	9,421,000	-	-	9,421,000
Motor Vehicle Loan		514,433	-	-	514,433
Total financial liabilities		9,935,433	-	374,194	10,309,627

	Weighted average interest rates	Floating interest rate	Fixed interest maturing within one year	Non- interest bearing	Total
As at 30 June 2013					
(i) Financial assets					
Cash	3.80%	1,041,004	-	-	1,041,004
Receivables	8.00%	-	279,312	450,106	729,418
Total financial assets		1,041,004	279,312	450,106	1,770,422
(ii) Financial liabilities					
Payables		-	-	141,102	141,102
Business loan	7.32%	8,108,617	-	-	8,108,617
Motor Vehicle Loan	8.00%	582,052	-	-	582,052
Total financial liabilities		8,690,669	-	141,102	8,831,771

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Sensitivity analysis of the risk that the entity is exposed to for 2014

30 June 2014	Carrying Amount	Interest Rate Risk	
		+100/-100 bps	
		Profit	(Profit)
	\$	\$	\$
Financial Assets			
Cash and cash equivalents	870,049	8,700	(8,700)
Financial Liabilities			
Borrowings	9,935,433	(99,354)	99,354
Total increase/ (decrease)		(90,654)	90,654

30 June 2013	Carrying Amount	Interest Rate Risk	
		+100/-100 bps	
		Profit	(Profit)
	\$	\$	\$
Financial Assets			
Cash and cash equivalents	1,041,004	10,410	(10,410)
Financial Liabilities			
Borrowings	8,690,669	(86,907)	86,907
Total increase/ (decrease)		(76,497)	76,497

Note 15G: Asset pledged/or held as collateral

United Voice – WA Branch pledged the property at 61 Thomas St as collateral against the building loan for Cheriton St – as in Note 15D Credit risk..

Note 16 Fair value measurement

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.

Note 16A: Financial assets and liabilities

Management of the reporting unit assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values for borrowings:

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's

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Note 16A: Financial assets and liabilities (continued)

borrowing rate as at the end of the reporting period. The own performance risk as at 30 June 2014 was assessed to be insignificant.

- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 30 June, the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

Note 16B: Fair value hierarchy

Not applicable to *United Voice – WA Branch*.

Note 17: Business combinations -subsidiaries acquired

United Voice – WA Branch does not have acquired subsidiaries.

Note 18: Segment reporting

United Voice – WA Branch operates predominantly in one business and geographical segment in its capacity to provide services to its members throughout Western Australia.

Note 19 Administration of financial affairs by a third party

United Voice – WA Branch's financial affairs has not been administered by another entity.

Note 20 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 General Manager:

- (1) A member of a reporting unit, or the General Manager, 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) with an application made under subsection (1).

Note 21 Geographical locations

United Voice – WA Branch operates from 54 Cheriton St. Perth (previously at 61 Thomas St., Subiaco) in the state of Western Australia.



FAIR WORK
COMMISSION

11 February 2015

Ms Carolyn Smith
Secretary, Western Australian Branch
United Voice

sent to: carolyn.smith@unitedvoice.org.au

Dear Ms Smith

Re: Lodgement of Financial Statements and Accounts - United Voice, Western Australian Branch - for year ended 30 June 2014 (FR2014/93)

I acknowledge receipt of the financial report of the Western Australian Branch of United Voice. The documents comprising the report were lodged with the Fair Work Commission on 17 December 2014.

The financial report has not been filed. I have examined the financial report and identified a number of matters, the details of which are set out below, that you are required to address before the report can be filed.

Non compliance with previous request

While we filed last year's financial report¹, we raised the following issues for the reporting unit to address in the preparation of future financial reports. I notice that the same errors appeared in part in the 2014 report, namely,

- (i) the reporting of membership contributions on a cash receipts basis (instead of an accruals basis)
- (ii) the failure to separately disclose the various categories (including nil balance disclosure) of employee benefits expenses and employee benefits provisions by office-holders and by 'other' employees, as per reporting guidelines 16(f), 16(g), 20(c) and 20(d).²

In addition, the report contains errors previously identified in FWC correspondence³ in relation to the 2012 report, namely:

- (iii) the failure of the operating report to report the number of employees, as measured on a full-time equivalent basis, as per regulation 159(b);
- (iv) the failure of the operating report to specify the period for which each listed member of the committee of management held his or her position, as per regulation 159(c);

¹ See letter 8 July 2014 attached

² Nb. The disclosure of the category of salaries by elected officers and by employees on page 31 is not a satisfactory disclosure because it is not included in the audited part of the report.

³ See letter 28 March 2013 attached

- (v) the failure of the operating report to indicate whether or not there had been any significant changes in the nature of the Branch's principal activities, or to indicate any results (of a non-financial nature) of its activities, as per subsection 254(2)(a);
- (vi) the failure of the committee of management statement to specify the date of the resolution, as per reporting guideline 36(c);
- (vii) the continued reference in the committee of management statement to "the Industrial Registrar" instead of to "the General Manager";
- (viii) the omission of the declaration that the records have been kept consistent with other reporting units within the organisation, as required by reporting guideline 36(e)(iv).

In addition to the replication of previous errors, the report contains the following omissions or errors:

Other omissions

- (ix) The operating report was not separately dated by each of the two officers who signed it, as required by reporting guideline 33(c);
- (x) the committee of management statement did not include a declaration that the reporting unit had not derived revenue from undertaking wage recovery activity, as required by reporting guideline 35(f).

Auditor's Statement - qualifications

Item 38 of the Reporting Guidelines requires that in the Auditor's Statement, the auditor must declare they are either an approved auditor or a member of a firm where at least one member is an approved auditor and must specify that the auditor is a person who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the Institute of Public Accountants, and holds a current Public Practice Certificate. This information was not included in the Auditor's Statement.

The Auditor's statement did not include a declaration, that as part of the audit of the financial statements, he has concluded that management's use of the going concern basis of accounting in the preparation of the financial statement is appropriate.

For-profit or not-for profit entity

Australian Accounting Standard *AASB 1054 Australian Additional Disclosures* paragraph 8(b) requires that the entity disclose whether, for the purposes of preparing the financial statements, it is a for-profit or not-for-profit entity. This information has not been provided.

Accounting judgments and estimates

Australian Accounting Standard *AASB 101 Presentation of Financial Statements* paragraph 122 requires that the notes to the financial statements include a discussion on the significant accounting judgments and estimates applied. No such discussion has been included in the Notes.

New and Future Australian Accounting Standards

Australian Accounting Standard *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors* paragraphs 14 and 28 require that the entity disclose:

- Australian Accounting Standards adopted during the period; and
- Australian Accounting Standards issued but not yet effective with an assessment of the future impact of the standard on the entity.

This information has not been provided.

Key management personnel

Australian Accounting Standard *AASB 124 Related Party Disclosures* paragraph 17 requires the General Purpose Financial Report to disclose within the statements or the notes compensation paid to key management personnel.

This normally includes a listing of the key management personnel for the organisation, the total amount of compensation paid to all key management personnel, and then totals for each of the following categories:

- Short term employee benefits
- Post employment benefits
- Other long term employee benefits
- Termination benefits
- Any share based payments.

The definition for these categories can be found within accounting standard *AASB 119: Employee Benefits*. The remuneration of elected officials disclosure at note 17 does not appear to reflect this standard.

Activities under Reporting Guidelines not disclosed

Paragraphs 13, 15, 17, 19, 21, 23 and 25 of the Reporting Guidelines state that if any activities identified in paragraphs 10, 11, 12, 14, 16, 18, 20, 22 or 24 respectively did not occur in the reporting period, a statement to this effect (or a nil balance) must be included in the notes to the GPFR. I note that for the following items no such disclosure was made:

- 10 financial support received from another reporting unit to enable it to continue as a going concern
- 11 financial support provided to another reporting unit to enable it to continue as a going concern basis
- 12 an asset or liability acquired due to a restructure of the branches of an organisation, a determination under s245 or revocation by the General Manager under s249
- 14(c) amounts (etc) of revenue raised by compulsory levies or appeals for voluntary contributions
- 14(d) income from grants or donations⁴
- 14(e) financial support received [i.e. other than financial support mentioned in RG10, or capitation income mentioned in RG14(b)]
- 16(a) expenses related to payroll deductions of membership subscriptions
- 16(d) amounts paid in expense for compulsory levies imposed or voluntary contributions
- 16(e) total amounts paid in (a) grants \$1,000 or less, and greater than \$1,000
- 16(f) employee benefits expenses in respect of office-holders (where they did not occur - see my comment above)
- 16(g) employee benefits expenses in respect of other employees (where they did not occur - see my comment above)
- 16(h) fees or allowances paid to persons to attend a conferences or other meeting as a representative of the reporting unit
- 16(k) penalties imposed by the RO Act on the organisation
- 18(a) receivable from another reporting unit within the organisation
- 20(a) payables in relation to payroll deductions of membership subscriptions
- 20(b) payables in respect of legal costs and other expenses related to litigation or other legal matters
- 20(c) payables (provisions) in respect of employee benefits for office-holders (where they did not occur - see my comment above)

⁴ It is not clear whether the item "sponsorships" at Note 4 represents either of these revenue categories

- 20(d) payables (provisions) in respect of employee benefits for other employees (where they did not occur - see my comment above)
- 22(a) fund or account operated in respect to compulsory levies or voluntary contributions
- 22(c) fund or account (other than General Fund) operated as required by the rules
- 22(d) transfers or withdrawals to a fund, account or controlled entity operated for a special purpose
- 24 cash flows to/from other reporting units and/or controlled entity to be reported in Cash Flow Statement or in the notes to the GPFR

The Fair Work Commission aims to assist reporting units in complying with their obligations under the RO Act and Reporting Guidelines, by providing advice about errors identified in financial reports. Failure to address issues may lead to the General Manager exercising her powers under section 330 of the RO Act.

The general purpose financial report, the operating report and the auditor's report will therefore require amendment. The amended reports must be presented to a meeting of the Branch's committee of management, republished on the Branch's website and lodged with FWC at the earliest practicable opportunity.

The matters identified should be read in conjunction with the *Fair Work (Registered Organisations) Act 2009* (the RO Act), *Fair Work (Registered Organisations) Regulations 2009* (the RO Regs), Reporting Guidelines (RG) made under section 255 of the RO Act and Australian Accounting Standards. A 'Model financial statements' is also available on the FWC website to assist organisations in preparing returns.

Actions

The reporting unit should re-pass and present amended financial statements, and make a fresh Committee of Management Statement which specifies the date of resolution (separately from the date of signature), and which includes all the required declarations. The Committee of Management statement should also include a statement that no revenue was obtained from recovery of wages activity. The notes to the general purpose financial report should include the statements or disclosures required by the Accounting Standards and Reporting Guidelines identified above. The amended financial statements and the amended auditor statement should be provided to members after the revised audit report is made.

The lodgement of the amended financial statements should be accompanied by a Designated Officer's Certificate certifying the date the amended report was provided to the members and the date it was presented to the Committee of Management.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (02) 6746 3283 or 0429 462 979 or by email at stephen.kellett@fwc.gov.au

Yours sincerely



Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

cc. Ms Elaine Hudson



16 December, 2014

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 Western Australian Branch for the year ended 30 June 2014. Enclosed is the full Financial Report including:

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

The financial reports were sent to the Branch Executive on the 12th November, 2014. 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 the 10th December, 2014 and was adopted. Also enclosed is a copy of the Branch Secretary's certificate dated 10th

December, 2014.

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 'D O'Byrne', with a horizontal line extending from the middle of the signature.

DAVID O'BYRNE
NATIONAL SECRETARY

UNITED VOICE NATIONAL COUNCIL

FINANCIAL REPORTS FOR THE YEAR ENDED 30 JUNE 2014

CERTIFICATE BY SECRETARY OR PRESCRIBED OFFICER

I, Carolyn Smith, being the Branch Secretary of the United Voice, West 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 23 November 2014 and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 10th December, 2014 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signed

Carolyn Smith

Date:

10 December 2014.



31 July 2014

Mr David Kelly
United Voice - Western Australian Branch
Sent by email: dave.kelly@unitedvoice.org.au

Dear Mr Kelly,

**Re: Lodgement of Financial Report - [FR2014/93]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Western Australian Branch of the United Voice (the reporting unit) ended on 30 June 2014.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 January 2015 (being the expiry date of 6 months and 14 days from the end of the financial year), under s.268 of the RO Act.

The 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. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Further, the General Manager's updated Reporting Guidelines, that apply to all financial reports prepared on or after 30 June 2014, are also available on the website. For your convenience, our webinar video and slides on the Reporting Guidelines have also been placed on the website.

The Fair Work Commission has also developed a model set of financial statements. There is no requirement to use this model but it may be a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. All of the above information can be accessed through our website under [Financial Reporting](#).

The financial report and any statement of loans, grants or donations made during the financial year (statement must be lodged within 90 days of end of financial year) can be emailed to orgs@fwc.gov.au. A sample statement of loans, grants or donations is available at [sample documents](#).

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$51,000 for a body corporate and \$10,200 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at robert.pfeiffer@fwc.gov.au .

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
<p>(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.</p> <p>(b) A # designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).</p>	/ /	As soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	<p>Within a reasonable time of having received the GPFR</p> <p>(NB: Auditor's report must be dated on or after date of Committee of Management Statement</p>
<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	/ /	<p>(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,</p> <p>or</p> <p>(b) in any other case including where 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.</p>
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of 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.