

**UNITED VOICE – NEW SOUTH WALES BRANCH**

**ABN 94 006 539 878**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2019**

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**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**COMMITTEE OF MANAGEMENT'S OPERATING REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Operating Report**

The Committee of Management presents its report on the operation of United Voice – New South Wales Branch (the Branch) for the financial year ended 30 June 2019.

**Principal Activities**

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

- Organising existing members and new members
- Bargaining, negotiating and arbitrating for improvements in wages and conditions of employment for members of the Branch.
- Representing members in work related grievances or other matters
- Undertaking training and development for delegates of the Branch.

Over the year the Branch negotiated many Collective Agreements delivering improvements in wages and conditions to United Voice members. The Branch has also worked with the NSW Government to secure ongoing employment and important conditions for school cleaners in the net NSW Whole of Government Facility Management Services (Asset Maintenance and Cleaning Contract).

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

**Operating Result**

The Branch ended the 2018-19 year with an operating deficit of \$143,403 (2017-18: \$217,106).

The income of the Branch decreased in 2018-19 by 5.73% to \$10,959,126. This decline was primarily driven by a fall in membership income as the number of financial members of the Branch declined during the year.

Expenses decreased in 2018-19 by 6.25% to \$11,102,529, which was predominately driven by a reduction property costs of \$538,326 due to the sale of the building located at 187 Thomas Street, Haymarket.

**UNITED VOICE – NEW SOUTH WALES BRANCH  
COMMITTEE OF MANAGEMENT’S OPERATING REPORT  
FOR THE YEAR ENDED 30 JUNE 2019**

**Significant Changes in Financial Affairs**

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

The Fair Work Commission has listed a hearing for 1 October 2019 for the purpose of determining an amalgamation date for the United Workers Union pursuant to s73 of the *Fair Work (Registered Organisations) Act 2009*. The unions will be seeking an amalgamation date of 11 November 2019.

As a result, these financial statements have been prepared on a liquated basis, as the reporting unit will not continue to operate post amalgamation. As a result, the Branch’s assets and liabilities have been recorded at their fair value.

No other significant changes in the financial affairs of the Branch’s operations have occurred during the year.

**After Balance Date Events**

As detailed in Note 2, the members of both the National Union of Workers and United Voice voted to amalgamate and create the United Workers Union (expected to commence from November 2019).

**Future Developments**

Likely developments in the operations of the Branch or the expected result of those operations in future financial years have not been included in this report as such information is likely to result in unreasonable prejudice to the Branch.

## UNITED VOICE – NEW SOUTH WALES BRANCH

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

FOR THE YEAR ENDED 30 JUNE 2019

#### Members Right to Resign

All members have the right to resign from the Branch in accordance with National Rule 10 - Resignation of the Union Rules (and Section 174 of the Act); namely, by providing written notice addressed and delivered to the Secretary of the Branch of which they are a member.

#### Membership of the Branch

Total number of members as at 30 June 2019: 15,489

#### Employees of the Branch

The number of persons who were, at the end of the period to which the report relates, employees of the Branch, where the number of employees includes both full-time and part-time employees measured on a full-time equivalent basis is 65.28.

#### Members of the Committee of Management

The name of each person who has been a member of the Committee of Management of the Branch at any time during the reporting period, and the period for which he or she held such a position is as follows:

<b>Name</b>	<b>Period of Appointment</b>	<b>Position</b>
Judith Barber	01/07/18 – 30/06/19	Committee member
Amy Bell	01/07/18 – 30/06/19	Branch Honorary President
Dale Buckmaster	01/07/18 – 30/06/19	Committee member
Christopher Barnes	03/07/18 – 22/02/19	Committee member
Robert Crawford	01/07/18 – 30/06/19	Committee member
Sharon Eurlings	01/07/18 – 30/06/19	Branch Vice President
Melanie Gatfield	01/07/18 – 30/06/19	Branch Secretary
Lilian Grogan	01/07/18 – 30/06/19	Committee member
Jane Grundy	01/07/18 – 30/06/19	Committee member
John Hawker	01/07/18 – 03/07/18	Branch Executive Vice-President (President LHD)
	03/07/18 – 30/06/19	Branch Assistant Secretary (Secretary LHD)
Jeff Higgins	01/07/18 – 30/06/19	Committee member
David Holder	01/07/18 – 30/06/19	Assistant Branch Secretary (LHD Assistant Secretary)
Wesley Inglis	01/07/18 – 30/06/19	Committee member
Josef Jindra	03/07/18 – 30/06/19	Committee member
Julie Korlevska	01/07/18 – 30/06/19	Branch Assistant Secretary
Vanessa McGrath	01/07/18 – 30/06/19	Committee member
Tara Moriarty	01/07/18 – 03/07/18	Branch Assistant Secretary (Secretary LHD)
	03/07/18 – 30/06/19	Branch Executive Vice-President (President LHD)
Ian Pandilovski	01/07/18 – 30/06/19	Committee member
David Perkins	01/07/18 – 03/07/18	Committee member
Sharon Seddon	03/07/18 – 30/06/19	Committee member
Ruth Sorbello	01/07/18 – 30/06/19	Committee member
Jan Tuiach	01/07/18 – 30/06/19	Committee member
Robyn Weate	01/07/18 – 30/06/19	Committee member

**UNITED VOICE – NEW SOUTH WALES BRANCH**

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

**FOR THE YEAR ENDED 30 JUNE 2019**

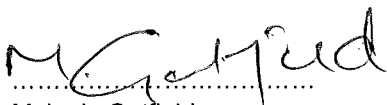
**Wage Recovery Activity**

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

**Auditor's Independence Declaration**

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

This report is made in accordance with a resolution of the Committee of Management and is signed for and on behalf of the Committee of Management by:



Melanie Gatfield  
Branch Secretary

1 October 2019

Sydney

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**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE COMMITTEE OF MANAGEMENT OF  
UNITED VOICE – NEW SOUTH WALES BRANCH**

As lead auditor for the audit of United Voice – New South Wales Branch for the year ended 30 June 2019; I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

**MGI Audit Pty Ltd**

**G I Kent**

Director – Audit & Assurance

Sydney

1 October 2019

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT**

**FOR THE YEAR ENDED 30 JUNE 2019**

On 1 October 2019, the Committee of Management of the Branch passed the following resolution to the General Purpose Financial statements (GPFR) of the reporting unit for the financial year ended 30 June 2019.

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

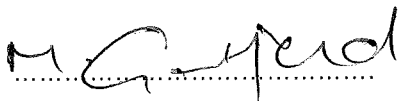
- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - i. meetings of the Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch concerned; and
  - ii. the financial affairs of the Branch have been managed in accordance with the rules of the organisation, including the rules of the branch concerned; and
  - iii. the financial records of the Branch have been kept and maintained in accordance with the RO Act; and
  - iv. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - v. where information has been sought in any request of a member of the reporting unit or Commissioner duly made under section 272 of the RO Act, that information has been provided to the member or Commissioner; and
  - vi. where any order for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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

**Name of Designated Officer:** Melanie Gatfield

**Title of Designated Officer:** Branch Secretary

**Signature:**



**Date:** 1 October 2019

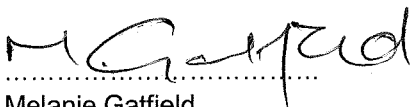


**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**ACCOUNTING OFFICER'S CERTIFICATE**  
**FOR THE YEAR ENDED 30 JUNE 2019**

I, Melanie Gatfield, being the officer responsible for keeping the accounting records of United Voice – New South Wales Branch (the Union), certify that at 30 June 2019, the number of members of the Union was 15,489.

In my opinion:

- (i) The attached accounts show a true and fair view of the financial affairs of the Union as at 30 June 2019.
- (ii) A record has been kept of all monies paid by, or collected from members and all monies paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the Rules of the Union.
- (iii) Before any expenditure was incurred by the Union, approval of the incurring of the expenditure was obtained in accordance with the Rules of the Union.
- (iv) With regard to finds of the Union raised by compulsory levies or voluntary contributions from members, or funds other than the general fund operated in accordance with the Rules, no payments were made out of any such funds for purposes other than those for which the fund was operated.
- (v) No loans or other financial benefits, other than remuneration in respect of their full time employment with the Union, were made to persons holding office in the Union.
- (vi) The register of members of the Union was maintained in accordance with the NSW *Industrial Relations Act 1996*.



Melanie Gatfield  
Branch Secretary

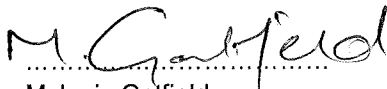
1 October 2019

Sydney

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**COMMITTEE OF MANAGEMENT CERTIFICATE**  
**FOR THE YEAR ENDED 30 JUNE 2019**

We, Melanie Gatfield and Julie Korlevska, being two members of the Committee of Management of United Voice – New South Wales Branch, do state on behalf of the Committee, and in accordance with the resolution passed by the Committee that:

- (i) In the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the Union as at 30 June 2019.
- (ii) In the opinion of the Committee of Management, meetings of the Committee were held in the year ended 30 June 2019 in accordance with the Rules of the Union
- (iii) To the knowledge of any members of the Committee, there have been no instances where records of the Union or other documents (not being documents containing information made available to a member of the Union under sub-section 512(2) of the *Industrial Relations Act 1991* as applied by sub-section 282(3) of the *Industrial Relations Act 1996*) or copies of the rules of the Union, have not been furnished, or made available to members in accordance with the requirements of the *Industrial Relations Act 1996*, there Regulations thereto, or the rules of the Union.
- (iv) The Union has complied with sub-section 517(1) and (5) of the *Industrial Relations Act 1991*, in relation to the financial accounts in respect of the period 30 June 2019 and the Auditor's Report thereon.



Melanie Gatfield  
Branch Secretary

1 October 2019

Sydney



Julie Korlevska  
Branch Assistant Secretary

1 October 2019

Sydney

## **Independent Audit Report to the Members of United Voice – New South Wales Branch**

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

#### **Opinion**

We have audited the financial report of United Voice – New South Wales Branch (the Branch), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the United Voice – New South Wales Branch as at 30 June 2019, and its financial performance and its cash flows for the year ended on that date in accordance with:

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

#### **Basis for Opinion**

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

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

#### **Emphasis of Matter Regarding Liquidation Valuation Basis**

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

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.

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

- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Branch's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Branch to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Branch to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Branch's audit. We remain solely responsible for our audit opinion.

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

### **Declaration**

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

I declare that I am an auditor registered under the RO Act.

**MGI Audit Pty Ltd**

**G I Kent**

Director – Audit & Assurance

Sydney

1 October 2019

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2019**

	Notes	2019 \$	2018 \$
<b>Revenue</b>			
Membership subscription		7,962,144	8,097,404
Gain on sale of property, plant and equipment		467,327	3,783
Levies	3A	413,556	452,884
Interest	3B	1,263,489	256,040
Property revenue	3C	529,461	2,590,837
Other revenue	3D	323,149	224,046
<b>Total revenue</b>		<b>10,959,126</b>	<b>11,624,994</b>
<b>Expenses</b>			
Employee expenses	4A	(6,785,159)	(6,605,138)
Indirect employment costs	4B	(148,237)	(171,800)
Affiliation fees	4C	(209,193)	(218,516)
Administration expenses	4D	(240,166)	(278,952)
Depreciation and amortisation	4E	(226,046)	(260,849)
Grants and donations	4F	(10,428)	(25,760)
Finance costs	4G	(167,007)	(169,291)
Legal costs	4H	(135,656)	(144,112)
Audit and professional fees	4I	(191,832)	(119,682)
Meeting & conference costs	4J	(482,527)	(370,369)
Campaign costs	4K	(83,540)	(31,691)
Communication costs	4L	(56,326)	(166,780)
IT costs	4M	(34,704)	(58,528)
Property costs	4N	(1,034,464)	(1,572,790)
Research costs	4O	(82,442)	(33,557)
Sustentation fees	4P	(1,067,403)	(1,070,121)
Member service costs	4Q	(147,399)	(544,164)
<b>Total expenses</b>		<b>(11,102,529)</b>	<b>(11,842,100)</b>
<b>Operating deficit for the year</b>		<b>(143,403)</b>	<b>(217,106)</b>
Fair value gain on revaluation on investment properties		-	46,238,814
<b>Deficit for the year</b>		<b>(143,403)</b>	<b>46,021,708</b>
<b>Other comprehensive income (net of income tax)</b>		<b>1,146,316</b>	<b>1,487,296</b>
<b>Total comprehensive income for the year</b>		<b>1,002,913</b>	<b>47,509,004</b>

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2019**

	Notes	2019 \$	2018 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	1,505,974	1,924,912
Trade and other receivables	5B	76,741	225,971
Investments	5C	79,575,628	8,553,023
Long service leave fund	5D	13,820	646,319
Other current assets	5E	234,212	180,790
Non-current assets held for sale	5F	-	72,208,754
Financial assets	6A	14,299	-
Intangibles	6B	100,257	-
Land and buildings	6D	4,800,000	-
Leasehold improvements	6E	509,301	-
Computers	6F	46,010	-
Office furniture and equipment	6G	61,624	-
Motor vehicles	6H	126,803	-
Library	6I	-	-
Capital work in progress	6J	2,365,204	-
<b>Total current assets</b>		<b>89,429,873</b>	<b>83,739,769</b>
<b>Non-Current Assets</b>			
Financial assets	6A	-	15,534
Intangibles	6B	-	112,924
Land and buildings	6D	-	3,686,126
Leasehold improvements	6E	-	520,688
Computers	6F	-	73,170
Office furniture and equipment	6G	-	85,084
Motor Vehicles	6H	-	225,807
Library	6I	-	-
<b>Total non-current assets</b>		<b>-</b>	<b>4,719,333</b>
<b>Total assets</b>		<b>89,429,873</b>	<b>88,459,102</b>

**UNITED VOICE – NEW SOUTH WALES BRANCH**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 30 JUNE 2019**

	Notes	2019 \$	2018 \$
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	7A	750,700	812,742
Other payables	7B	141,514	247,530
Employee provisions	8A	1,966,499	1,736,978
<b>Total current liabilities</b>		<b>2,858,713</b>	<b>2,797,250</b>
<b>Non-Current Liabilities</b>			
Employee provisions	8A	-	93,605
<b>Total non-current liabilities</b>		<b>-</b>	<b>93,605</b>
<b>Total liabilities</b>		<b>2,858,713</b>	<b>2,890,855</b>
<b>Net assets</b>		<b>86,571,160</b>	<b>85,568,247</b>
<b>EQUITY</b>			
Reserves	9	4,363,935	3,217,619
Retained earnings		82,207,225	82,350,628
<b>Total equity</b>		<b>86,571,160</b>	<b>85,568,247</b>

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



**UNITED VOICE – NEW SOUTH WALES BRANCH**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2019**

	Notes	Reserves \$	Retained earnings \$	Total equity \$
<b>Balance as at 1 July 2017</b>		11,718,745	26,340,498	38,059,243
Surplus for the year		-	46,021,708	46,021,708
Other comprehensive income		1,487,296	-	1,487,296
Transfer to/ from reserves		(9,988,422)	9,988,422	-
<b>Closing balance as at 30 June 2018</b>		3,217,619	82,350,628	85,568,247
Deficit for the year		-	(143,403)	(143,403)
Other comprehensive income		1,146,316	-	1,146,316
<b>Closing balance as at 30 June 2019</b>		4,363,935	82,207,225	86,571,160

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2019**

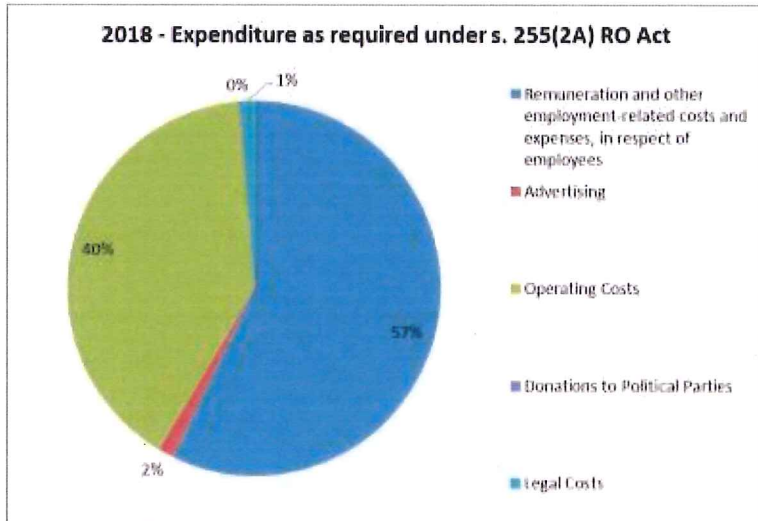
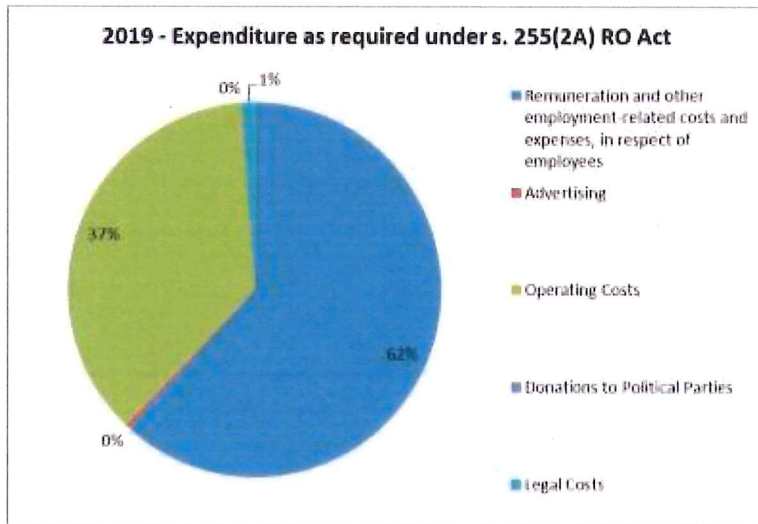
	Notes	2019 \$	2018 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units	10B	143,319	42,104
Receipts from members and other customers		10,236,972	12,342,230
Interest		1,287,450	363,828
		<u>11,667,741</u>	<u>12,748,162</u>
<b>Cash used</b>			
Employees and suppliers		(10,478,500)	(11,118,161)
Payment to other reporting units	10B	(1,402,000)	(1,447,530)
		<u>(11,880,500)</u>	<u>(12,565,691)</u>
<b>Net cash provided by operating activities</b>		<u>(212,759)</u>	<u>182,471</u>
<b>INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		8,359	21,471
Payments for property, plant and equipment		(2,397,320)	(80,139)
Payments to United Voice – Queensland Branch (loan)		(3,000,000)	-
Proceeds/ (payments) on acquisition of investments		(69,392,588)	1,144,518
Proceeds from sale of investment property		74,575,370	
Payments for investment property		-	(851,602)
<b>Net cash provided by/ (used in) investing activities</b>		<u>(206,179)</u>	<u>234,248</u>
<b>FINANCING ACTIVITIES</b>			
		<u>-</u>	<u>-</u>
<b>Net increase in cash held</b>		<u>(418,938)</u>	<u>416,719</u>
Cash & cash equivalents at the beginning of the reporting period		1,924,912	1,508,193
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	10A	<u>1,505,974</u>	<u>1,924,912</u>

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**

**REPORT REQUIRED UNDER SUBSECTION 255(2A) OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009  
FOR THE YEAR ENDED 30 JUNE 2019**

The Committee of Management presents the expenditure report as required under subsection 255(2A) of the *Fair Work (Registered Organisations) Act 2009* on the Branch for the year ended 30 June 2019:



*M. Gatfield*  
Melanie Gatfield  
Branch Secretary

1 October 2019

Sydney

**UNITED VOICE – NEW SOUTH WALES BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2019**

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## UNITED VOICE – NEW SOUTH WALES BRANCH

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 30 JUNE 2019

#### Note 1 Summary of significant accounting policies

##### 1.1 Basis of preparation of the financial statements

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

##### Liquidated Basis of Preparation

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

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

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

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

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

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

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

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

Significant accounting estimates, judgements and assumptions

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

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

Liquidation value and liquidation expenses

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

**1.2 Comparative amounts**

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

**1.3 Significant accounting judgements and estimates**

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

Key Estimates

*Impairment – general*

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

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

Key Judgements

*Useful lives of plant and equipment*

Plant and equipment are depreciated over the useful life of the asset and the depreciation rates are assessed when the asset are acquired or when there is a significant change that affects the remaining useful life of the asset.

*Provision for impairment of receivables*

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

*On-cost for employee entitlement provision*

The Branch revised its estimate for on-costs for employee provision during the year to include superannuation, workers compensation and payroll tax.

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

**1.4 New Australian Accounting Standards**

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

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year

- AASB 9 Financial Instruments and relevant amending standards, which replaces AASB 139 Financial Instruments: Recognition and Measurement.

**Impact on adoption of AASB 9**

**Initial application**

AASB 9 *Financial Instruments (AASB 9)* replaces AASB139 *Financial Instruments: Recognition and Measurement (AASB 139)* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Branch has applied AASB 9 retrospectively, with an initial application date of 1 July 2018.

The adoption of AASB 9 did not have any material impact on the amount disclosed in the comparative financial year.



**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

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

***Future Australian Accounting Standards Requirements***

- AASB 1058 Income of Not-for-Profit Entities (AASB 1058) and AASB 15 Revenue from Contracts with Customers (AASB 15)

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-to-profit (NFP) entities, in conjunction with AASB 15 Revenue from Contracts with Customers. These Standards supersede all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions.

Under AASB 1058, the timing of income recognition depends on whether a NFP transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity.

This standard applies when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. In the latter case, the entity will recognise and measure the asset at fair value in accordance with the applicable Australian Accounting Standard (e.g. AASB 116 Property, Plant and Equipment).

Upon initial recognition of the asset, AASB 1058 requires the entity to consider whether any other financial statement elements (called 'related amounts') should be recognised, such as:

- Contributions by owners;
- Revenue, or a contract liability arising from a contract with a customer;
- A lease liability;
- A financial instrument; or
- A provision.

These related amounts will be accounted for in accordance with the applicable Australian Accounting Standard.

The Branch is yet to undertake a detailed assessment of the impact of AASB 1058 and AASB 15. However, based on the Branch's preliminary assessment, the Standards are not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopts for the year ending 30 June 2020.

**UNITED VOICE – NEW SOUTH WALES BRANCH**

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

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

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

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

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

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

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

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

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

**1.5 Revenue**

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

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

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

Donation income is recognised when it is received.

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

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

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

**1.6 Gains**

***Sale of assets***

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

**1.7 Capitation fees and levies**

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

**1.8 Employee benefits**

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

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

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

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

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

**1.9 Leases**

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

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

**1.10 Cash**

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

**1.11 Financial instruments**

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

**1.12 Financial assets**

**Initial recognition and Measurement**

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Branch initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Branch's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Branch commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

**Financial assets at amortised costs**

The reporting unit measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Branch's financial assets at amortised cost includes trade receivables and loans to related parties.

**Financial assets at fair value through profit or loss (including designated)**

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

**Derecognition**

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Branch has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a) The Branch has transferred substantially all the risks and rewards of the asset, or
  - b) the Branch has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Branch has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Branch continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

**Offsetting**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**Impairment**

**(i) Trade receivables**

For trade receivables that do not have a significant financing component, the Branch applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Branch has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

**(ii) Debt instruments other than trade receivables**

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Branch recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Branch expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Branch considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Branch may also consider a financial asset to be in default when internal or external information indicates that the Branch is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**1.13 Financial Liabilities**

Financial liabilities are classified at initial recognition, at amortised cost unless or at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

***Subsequent Measurement***

**Financial liabilities at fair value through profit or loss (including designated)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 are satisfied.



**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

**Financial liabilities at amortised cost**

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

**1.14 Contingent Liabilities and Contingent Assets**

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

**1.15 Plant and Equipment**

***Asset Recognition Threshold***

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

***Revaluations—Land and Buildings***

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

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

***Depreciation***

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

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

	<b>2019</b>	<b>2018</b>
Buildings/ leasehold improvements	40 years	40 years
Investment properties	66.6 years	66.6 years
Computers	3.3 years	3.3 years
Office equipment	5 - 10 years	5 - 10 years
Motor vehicles	4 – 6 years	4 – 6 years

***Derecognition***

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

**1.16 Interest in Joint Arrangements**

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Joint operations represent arrangement whereby joint operations maintain direct interest in each asset and exposure to each liability of the arrangement. The Branch's interest in the assets, liabilities, revenues and expenses of joint operations are included in the respective line items of the financial statements. Details of the Branch's interest are disclosed in Note 6K.

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

**1.17 Investment Property**

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

Subsequent costs

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

Derecognition of investment property

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

**1.18 Impairment of non-financial assets**

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

**1.19 Intangible Assets**

United Voice – New South Wales Branch has the right to occupy land and buildings at Sussex Inlet and amortise it over the period of its useful life. The Branch controls the current use and future economic benefits embodied in this asset. As such the property has been brought to account at cost as an intangible right to occupy the property.

Website costs have a finite useful life and are amortised on a systematic basis based on the future economic benefits over the useful life of the website.

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

**1.20 Taxation**

The Branch is exempt from income tax under section 50.1 of the *Income Tax Assessment Act 1997* however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

**1.21 Fair value measurement**

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

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

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

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

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

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

**1.21 Fair value measurement (continued)**

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

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

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

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

**1.22 Going concern**

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

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

**1.23 Government Grants**

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

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

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

**1.24 Principles of Aggregation**

These aggregated financial statements of United Voice – New South Wales Branch comprise of the Branch's head office in Haymarket and the Liquor and Hostility Division in Parramatta. All intergroup transactions and balances have been eliminated.

**Note 2 Events after the reporting period**

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

Under the proposed structure, all reporting units of the National Union of Workers (80V) and United Voice (108V) (with the exception of the National Council) are to be abolished. Under the scheme, the following is to occur:

1. All assets and liabilities of the National Union of Workers and United Voice will be consolidated into the United Voice – National Council.
2. United Voice – National Council is to be renamed the United Workers Union
3. Officers of both the former National Union of Workers and United Voice will be translated into the new offices of the United Workers Union
4. Members of the former National Union of Workers and United Voice will become members of the United Workers Union.
5. Employees of the National Union of Workers and United Voice will become employees of the United Workers Union.

A copy of the rules of the United Workers Union which include at Schedule 5 the transitional matters is available at [www.anewunion.org.au/blog/](http://www.anewunion.org.au/blog/)

Upon the amalgamation date the United Workers Union will commence operations, resulting in the existing National Union of Workers and United Voice reporting units to cease operations.

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 3      Income</b>		
<b>Note 3A: Levies</b>	<b>413,556</b>	452,884
<b>Total levies</b>	<b>413,556</b>	452,884
<u>Levies</u>		
Levies are raised on Liquor and Hospitality Division members to assist in funding the operations of the Division.		
<b>Note 3B: Interest</b>		
Deposits	1,234,456	256,040
Interest of loans to related parties – United Voice – Queensland Branch	29,033	-
<b>Total interest</b>	<b>1,263,489</b>	256,040
<b>Note 3C: Property income</b>		
Rental income from joint arrangements	529,461	2,590,387
Other rental income	-	450
<b>Total property income</b>	<b>529,461</b>	2,590,387
<b>Note 3D: Other revenue</b>		
Sponsorship	75,545	40,636
Director fees	216,860	127,640
Other income	30,744	55,770
<b>Total other revenue</b>	<b>323,149</b>	224,046

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 4 Expenses</b>		
<b>Note 4A: Employee expenses</b>		
<b>Holders of office:</b>		
Wages and salaries	512,834	495,605
Superannuation	62,715	64,069
Leave and other entitlements	98,288	87,892
Other employee expenses	28,982	62,437
<b>Subtotal employee expenses holders of office</b>	<u>702,819</u>	<u>710,003</u>
<b>Employees other than office holders:</b>		
Wages and salaries	3,915,879	3,557,611
Superannuation	699,675	712,558
Leave and other entitlements	655,706	689,747
Separation and redundancies	-	147,366
Other employee expenses	811,080	787,853
<b>Subtotal employee expenses employees other than office holders</b>	<u>6,082,340</u>	<u>5,895,135</u>
<b>Total employee expenses</b>	<u>6,785,159</u>	<u>6,605,138</u>
<b>Note 4B: Indirect employment costs</b>		
Removal/ relocation expenses	232	540
Education and staff training	17,110	31,179
Staff amenities	6,986	6,484
Motor vehicle expenses	123,909	133,597
<b>Total indirect employment costs</b>	<u>148,237</u>	<u>171,800</u>
<b>Note 4C: Affiliation fees</b>		
Australian Labor Party (New South Wales)	73,150	77,011
Unions NSW	70,163	72,021
Welfare Rights	13,838	13,838
Newcastle Trades and Labour Council	2,850	6,352
Sydney Alliance	42,300	41,511
Community Sport and Workers Club	2,332	2,564
Workers Health	1,330	2,219
NSW Council of Social Service	2,090	900
Sydney May Day	-	500
Prison Officers Association of Australia	500	1,000
NSW Socialist Left	640	-
First Workers Alliance	-	500
Combined Retired Union Members Association	-	100
<b>Total affiliation fees</b>	<u>209,193</u>	<u>218,516</u>



**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 4D: Administration expenses</b>		
General administration expenses	32,600	30,502
Postage & freight	26,575	52,222
Printing & stationery	37,155	66,622
Office equipment	15,203	12,932
Telephone	128,633	116,674
<b>Total administration expenses</b>	<b>240,166</b>	<b>278,952</b>
<b>Note 4E: Depreciation and amortisation</b>		
<b>Depreciation</b>		
Buildings	32,442	36,333
Leasehold improvements	11,387	11,418
Computers	38,170	56,690
Office furniture and equipment	23,461	34,583
Motor vehicles	107,919	109,146
<b>Total depreciation</b>	<b>213,379</b>	<b>248,170</b>
<b>Amortisation</b>		
Holiday units license	4,327	4,339
Website	8,340	8,340
<b>Total amortisation</b>	<b>12,667</b>	<b>12,679</b>
<b>Total depreciation and amortisation</b>	<b>226,046</b>	<b>260,849</b>
<b>Note 4F: Grants or donations</b>		
Grants:	-	-
Donations:		
Total paid that were \$1,000 or less	6,158	7,487
Total paid that exceeded \$1,000	4,270	18,273
<b>Total grants or donations</b>	<b>10,428</b>	<b>25,760</b>
<b>Note 4G: Finance costs</b>		
Bank charges	42,294	45,193
Consideration to employers for payroll deductions	16,888	18,786
Insurance premiums	107,825	105,312
<b>Total finance costs</b>	<b>167,007</b>	<b>169,291</b>

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 4H: Legal costs</b>		
Litigation	58,566	51,111
Other legal matters	77,090	93,001
<b>Total legal costs</b>	<u>135,656</u>	<u>144,112</u>
<b>Note 4I: Audit and professional costs</b>		
Audit fees	77,535	61,500
Professional services	114,297	58,182
<b>Total audit and professional services</b>	<u>191,832</u>	<u>119,682</u>
<b>Note 4J: Meeting and conference costs</b>		
Accommodation	67,793	54,461
Airfares	80,829	49,127
Travel allowance	91,934	116,963
Parking and cab charges	97,674	27,727
Other meeting costs	17,875	42,206
Conference costs	126,422	79,885
<b>Total meeting and conference costs</b>	<u>482,527</u>	<u>370,369</u>
<b>Note 4K: Campaign costs</b>		
Campaign costs	83,540	31,691
<b>Total campaign costs</b>	<u>83,540</u>	<u>31,691</u>
<b>Note 4L: Communication costs</b>		
Advertising	38,784	158,536
Promotions	17,542	8,244
<b>Total communication costs</b>	<u>56,326</u>	<u>166,780</u>
<b>Note 4M: IT costs</b>		
IT maintenance and support	25,941	31,553
Internet and website costs	8,763	26,975
<b>Total IT costs</b>	<u>34,704</u>	<u>58,528</u>
<b>Note 4N: Property costs</b>		
Electricity	36,864	37,106
Repairs and maintenance	31,544	89,244
Thomas street building running expenses	301,161	1,426,477
Rent	643,624	-
Other property expenses	21,271	19,963
<b>Total property costs</b>	<u>1,034,464</u>	<u>1,572,790</u>
<b>Note 4O: Research costs</b>		
Subscriptions and journals	82,442	33,557
<b>Total research costs</b>	<u>82,442</u>	<u>33,557</u>

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 4P: Sustentation</b>		
United Voice – National Council	1,067,403	1,070,121
<b>Total sustentation</b>	<b>1,067,403</b>	<b>1,070,121</b>
<b>Note 4Q: Member service costs</b>		
Workers compensation journey cover	147,399	193,964
Hardship payments	-	350,200
<b>Total member service costs</b>	<b>147,399</b>	<b>544,164</b>
<b>Note 5 Current Assets</b>		
<b>Note 5A: Cash and Cash Equivalents</b>		
Cash at bank	1,499,824	1,918,762
Cash on hand	6,150	6,150
<b>Total cash and cash equivalents</b>	<b>1,505,974</b>	<b>1,924,912</b>
<b>Note 5B: Trade and Other Receivables</b>		
Receivables from other reporting units		
United Voice – Queensland Branch	-	857
Less provision for doubtful debts (reporting units)	-	-
<b>Receivable from other reporting units (net)</b>	<b>-</b>	<b>857</b>
<b>Trade receivables</b>		
Membership subscription receivable	69,072	-
Less provision for doubtful debts	-	-
	<b>69,072</b>	<b>-</b>
<b>Other receivables:</b>		
Property debtors	-	197,723
Other trade receivables	7,669	27,391
<b>Total trade and other receivables (net)</b>	<b>76,741</b>	<b>225,971</b>

**Provision for Doubtful Debts**

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 5C: Investments</b>		
Short term bank deposits	3,937,903	5,966,023
Short term bank bills	1,022,913	1,118,258
Thomas Street invested funds	-	1,468,742
Morgan Stanley investment	71,614,812	-
Loan receivable		
- United Voice – Queensland Branch	3,000,000	-
<b>Total investments</b>	<b>79,575,628</b>	<b>8,553,023</b>
<b>Note 5D: Long service leave fund</b>		
Short term bank deposits	13,820	646,319
<b>Total long service leave fund</b>	<b>13,820</b>	<b>646,319</b>
<b>Note 5E: Other current assets</b>		
Prepayments	103,175	103,783
Accrued interest	19,288	72,282
Accrued settlement processed from Thomas Street Property sale		
- United Voice – National Council	107,024	-
Deposits	4,725	4,725
<b>Total other current assets</b>	<b>234,212</b>	<b>180,790</b>
<b>Note 5F: Non-current assets held for sale</b>		
Investment Property – 187 Thomas Street, Haymarket	-	72,208,754
<b>Total non-current assets held for sale</b>	<b>-</b>	<b>72,208,754</b>

The Branch entered into a sales contract in April 2018 for the sale of its investment property located at 187 Thomas Street, Haymarket.

The terms of the agreement are as follows:

1. Settlement to occur on 5 October 2018
2. Sales price of \$145,800,000

In accordance with AASB 5 – Non-current Assets Held for Sale and Discontinued Operations, the Branch has valued the asset at its fair value less costs to sell. The amount listed in the financial statements represents the 50% ownership of the building by the Branch.

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 6 Non-current Assets</b>		
<b>Note 6A: Financial assets</b>		
Shares in listed entity (IAG) – at market value	14,299	15,534
<b>Total financial assets</b>	<b>14,299</b>	<b>15,534</b>
<b>Note 6B: Intangibles</b>		
Holiday apartments license		
at cost	216,935	216,935
accumulated amortisation	(132,207)	(127,880)
total holiday apartment licences	<b>84,728</b>	89,055
Website		
at cost	41,700	41,700
accumulated amortisation	(26,171)	(17,830)
total website	<b>15,529</b>	23,870
<b>Total intangibles</b>	<b>100,257</b>	112,924

***Reconciliation of Opening and Closing Balances of Intangibles***

<b>As at 1 July</b>		
Gross book value	258,635	258,635
Accumulated amortisation and impairment	(145,711)	(133,032)
<b>Net book value 1 July</b>	<b>112,924</b>	125,603
Additions:		
By purchase		-
amortisation expense	(12,667)	(12,679)
Disposals:		
By sale	-	-
<b>Net book value 30 June</b>	<b>100,257</b>	112,924
<b>Net book value as of 30 June represented by:</b>		
Gross book value	258,635	258,635
Accumulated amortisation and impairment	(158,378)	(145,711)
<b>Net book value 30 June</b>	<b>100,257</b>	112,924

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 6C: Investment property</b>		
Investment property - 187 Thomas Street, Haymarket		
independent valuation 2016	-	-
accumulated depreciation	-	-
	<hr/>	<hr/>
Building improvements – 187 Thomas Street, Haymarket		
at cost	-	-
accumulated depreciation	-	-
	<hr/>	<hr/>
<b>Total investment property</b>	<hr/> <hr/>	<hr/> <hr/>

***Reconciliation of Opening and Closing Balances of investment property***

<b>As at 1 July</b>		
Gross book value	-	25,500,838
Accumulated depreciation and impairment	-	(382,500)
<b>Net book value 1 July</b>	<hr/>	<hr/>
Additions:		
By purchase	-	851,602
By valuation	-	46,238,814
Depreciation expense	-	-
Disposals:		
By sale	-	-
By reclassification to non-current assets held for sale	-	(72,208,754)
<b>Net book value 30 June</b>	<hr/>	<hr/>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	-	-
Accumulated depreciation and impairment	-	-
<b>Net book value 30 June</b>	<hr/> <hr/>	<hr/> <hr/>

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 6D: Land and buildings</b>		
Land and buildings – 19 Argyle Street, Parramatta		
independent valuation	3,887,683	3,887,683
accumulated depreciation	(233,999)	(201,557)
<b>Total Land and buildings</b>	<b>3,653,684</b>	<b>3,686,126</b>

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

<b>As at 1 July</b>		
Gross book value	3,887,683	2,718,333
Accumulated depreciation and impairment	(201,557)	(483,109)
<b>Net book value 1 July</b>	<b>3,686,126</b>	<b>2,235,224</b>
Additions:		
By purchase	-	-
By independent valuation	1,146,316	1,487,235
Depreciation expense	(32,442)	(36,333)
Disposals:		
By sale	-	-
<b>Net book value 30 June</b>	<b>4,800,000</b>	<b>3,686,126</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	4,800,000	3,887,683
Accumulated depreciation and impairment	-	(201,557)
<b>Net book value 30 June</b>	<b>4,800,000</b>	<b>3,686,126</b>

Valuation Details

On 12 August 2019 (with an effective date of 30 June 2019), the land and buildings at 19 Argyle Street, Parramatta were valued by Mr Michael McDonald AAPI CPV (Registered Valuers Number: 2205 of Independent Valuations Pty Ltd. It has been determined that the highest and best use of this property is its current use – being a commercial office building. The value has been determined using the market comparable method, which is based on active market prices, adjusted for the difference in the nature, location or condition of the property.

It was determined that the buildings current use (being a commercial office complex) is currently the assets highest and best use.

UNITED VOICE – NEW SOUTH WALES BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
<b>Note 6E: Leasehold improvements</b>		
Computers:		
at cost	570,905	570,905
accumulated depreciation	(61,604)	(50,217)
<b>Total leasehold improvements</b>	<b>509,301</b>	<b>520,688</b>

*Reconciliation of Opening and Closing Balances of Leasehold Improvements*

<b>As at 1 July</b>		
Gross book value	570,905	570,905
Accumulated depreciation and impairment	(50,217)	(38,799)
<b>Net book value 1 July</b>	<b>520,688</b>	<b>532,106</b>
Additions:		
By purchase	-	-
Depreciation expense	(11,387)	(11,418)
Disposals:		
By sale	-	-
<b>Net book value 30 June</b>	<b>509,301</b>	<b>520,688</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	570,905	570,905
Accumulated depreciation and impairment	(61,604)	(50,217)
<b>Net book value 30 June</b>	<b>509,301</b>	<b>520,688</b>



**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 6F: Computers</b>		
Computers:		
at cost	336,608	326,200
accumulated depreciation	(290,598)	(253,030)
<b>Total computers</b>	<b>46,010</b>	<b>73,170</b>

***Reconciliation of Opening and Closing Balances of Computers***

<b>As at 1 July</b>		
Gross book value	326,200	331,976
Accumulated depreciation and impairment	(253,030)	(217,169)
<b>Net book value 1 July</b>	<b>73,170</b>	<b>114,807</b>
Additions:		
By purchase	11,010	24,433
Depreciation expense	(38,170)	(56,690)
Disposals:		
By sale	-	(9,380)
<b>Net book value 30 June</b>	<b>46,010</b>	<b>73,170</b>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	336,608	326,200
Accumulated depreciation and impairment	(290,598)	(253,030)
<b>Net book value 30 June</b>	<b>46,010</b>	<b>73,170</b>

**UNITED VOICE – NEW SOUTH WALES BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 6G: Office Furniture and Equipment</b>		
Office furniture and equipment		
at cost	690,658	690,658
accumulated depreciation	(629,034)	(605,574)
<b>Total plant and equipment</b>	<b>61,624</b>	<b>85,084</b>

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

<b>As at 1 July</b>		
Gross book value	690,658	689,386
Accumulated depreciation and impairment	(605,574)	(572,467)
<b>Net book value 1 July</b>	<b>85,084</b>	116,919
Additions:		
By purchase	-	2,748
Depreciation expense	(23,460)	(34,583)
Disposals:		
By sale	-	-
<b>Net book value 30 June</b>	<b>61,624</b>	85,084
<b>Net book value as of 30 June represented by:</b>		
Gross book value	690,658	690,658
Accumulated depreciation and impairment	(629,034)	(605,574)
<b>Net book value 30 June</b>	<b>61,624</b>	85,084

**UNITED VOICE – NEW SOUTH WALES BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019 \$	2018 \$
<b>Note 6H: Motor Vehicles</b>		
Motor Vehicles:		
at cost	441,592	439,786
accumulated depreciation	(314,789)	(213,979)
<b>Total motor vehicles</b>	<u>126,803</u>	<u>225,807</u>

***Reconciliation of Opening and Closing Balances of Motor Vehicles***

<b>As at 1 July</b>		
Gross book value	439,786	460,020
Accumulated depreciation and impairment	(213,979)	(169,778)
<b>Net book value 1 July</b>	<u>225,807</u>	<u>290,242</u>
Additions:		
By purchase	21,106	52,958
Depreciation expense	(107,919)	(109,146)
Disposals:		
By sale	(12,191)	(8,247)
<b>Net book value 30 June</b>	<u>126,803</u>	<u>225,807</u>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	441,592	439,786
Accumulated depreciation and impairment	(314,789)	(213,979)
<b>Net book value 30 June</b>	<u>126,803</u>	<u>225,807</u>

**UNITED VOICE – NEW SOUTH WALES BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 6I: Library</b>		
Library:		
at cost	218,504	218,504
accumulated depreciation	(218,504)	(218,504)
<b>Total library</b>	<u>-</u>	<u>-</u>

***Reconciliation of Opening and Closing Balances of Library***

<b>As at 1 July</b>		
Gross book value	-	-
Accumulated depreciation and impairment	-	-
<b>Net book value 1 July</b>	-	-
Additions:		
By purchase	-	-
Depreciation expense	-	-
Disposals:		
By sale	-	-
<b>Net book value 30 June</b>	-	-
<b>Net book value as of 30 June represented by:</b>		
Gross book value	218,504	218,504
Accumulated depreciation and impairment	(218,504)	(218,504)
<b>Net book value 30 June</b>	<u>-</u>	<u>-</u>

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 6J: Capital Work in Progress</b>		
Capital work in progress:		
at cost	2,365,204	-
accumulated depreciation	-	-
<b>Total capital work in progress</b>	<u>2,365,204</u>	<u>-</u>

***Reconciliation of Opening and Closing Balances of Capital Work in Progress***

<b>As at 1 July</b>		
Gross book value	-	-
Accumulated depreciation and impairment	-	-
<b>Net book value 1 July</b>	<u>-</u>	<u>-</u>
Additions:		
By purchase	2,365,204	-
Depreciation expense	-	-
Disposals:		
By sale	-	-
<b>Net book value 30 June</b>	<u>2,365,204</u>	<u>-</u>
<b>Net book value as of 30 June represented by:</b>		
Gross book value	-	-
Accumulated depreciation and impairment	-	-
<b>Net book value 30 June</b>	<u>2,365,204</u>	<u>-</u>

During the year the Branch (in conjunction with United Voice – National Council) made a 10% deposit for the purchase of land and buildings located at 37 Greek Street, Glebe NSW 2037. The above amount represents the Branch's 50% share of the deposit (refer Note 11 for further details regarding capital commitments).

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 6K: Joint Arrangements – Thomas Street Property</b>		
Detailed below is the Branch's 50% share of the assets, liabilities, revenue and expenses for the joint operation in the property located at 187 Thomas Street, Haymarket. This property was held in partnership with United Voice – National Council for the purpose of earning a rental income. In October 2018, the property was sold and the net proceeds were distributed between both the Branch and United Voice – National Council.		
<b>Summarised Financial Position</b>		
Current Assets		
Cash and cash equivalents	-	292,850
Security deposits and sundry debtors	-	197,723
Investments	-	1,468,742
Prepayments	-	15,567
Accrued interest	-	18,516
Non-current assets held for sale	-	72,208,754
<b>Total current assets</b>	<b>-</b>	<b>74,202,152</b>
Non-current assets		
Investment property – at fair value	-	-
accumulated depreciation	-	-
	-	-
Building improvements – at cost	-	-
Accumulated depreciation	-	-
	-	-
<b>Total non-current assets</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>-</b>	<b>74,202,152</b>
Current liabilities		
Sundry creditors	-	241,252
<b>Non-current liabilities</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>-</b>	<b>241,252</b>
<b>Net assets</b>	<b>-</b>	<b>73,960,900</b>

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 6K: Joint Arrangements – Thomas Street Property (continued)</b>		
<b>Summarised Financial Performance</b>		
Income		
Interest income	40,343	70,430
Rental income	529,461	2,590,387
Gain on sale of building	471,158	-
<b>Total income</b>	<b>1,040,962</b>	<b>2,660,817</b>
Expenditure		
Building running expenses	(208,340)	(1,040,198)
Property running costs	(7,815)	(50,512)
General operational expenses	(1,725)	(556)
Leasing and management fees	(6,200)	(35,866)
Level 9 rent paid to United Voice - National Council	(77,081)	(299,345)
<b>Total expenditure</b>	<b>(301,161)</b>	<b>(1,426,477)</b>
Operating surplus for the year	<b>739,801</b>	<b>1,234,340</b>
Gain on revaluation of property	-	46,238,814
<b>Surplus for the year</b>	<b>739,801</b>	<b>47,473,154</b>

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 7 Current Liabilities</b>		
<b>Note 7A: Trade payables</b>		
Trade creditors and accruals	404,414	451,010
<b>Subtotal trade creditors</b>	<u>404,414</u>	<u>451,010</u>
<b>Payables to other reporting units</b>		
United Voice – National Council	337,972	361,732
United Voice – Queensland Branch	8,314	-
<b>Subtotal payables to other reporting units</b>	<u>346,286</u>	<u>361,732</u>
<b>Total trade payables</b>	<u>750,700</u>	<u>812,742</u>
Settlement is usually made within 30 days.		
<b>Note 7B: Other payables</b>		
Superannuation	11,905	13,020
Legal costs		
Litigation	1,153	-
Other	12,650	-
ATO payable	115,806	234,510
<b>Total other payables</b>	<u>141,514</u>	<u>247,530</u>
Total other payables are expected to be settled in:		
No more than 12 months	141,514	247,530
More than 12 months	-	-
<b>Total other payables</b>	<u>141,514</u>	<u>247,530</u>



**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 8</b>		
<b>Provisions</b>		
<b>Note 8A: Employee Provisions</b>		
<b>Office Holders:</b>		
Annual leave	109,564	84,963
Long service leave	141,378	195,084
<b><i>Subtotal employee provisions—office holders</i></b>	<b>250,942</b>	<b>280,047</b>
<b>Employees other than office holders:</b>		
Annual leave	769,095	732,601
Long service leave	946,462	817,935
<b><i>Subtotal employee provisions—employees other than office holders</i></b>		<b>1,550,536</b>
<b>Total employee provisions</b>	<b>1,966,499</b>	<b>1,830,583</b>
Current	1,966,499	1,736,978
Non-Current	-	93,605
<b><i>Total employee provisions</i></b>	<b>1,966,499</b>	<b>1,830,583</b>

**Note 9**      **Reserves**

**Note 9A: Asset Revaluation Reserve**

The asset revaluation reserve records revaluation of land and buildings.

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
<b>Note 10 Cash Flow</b>		
<b>Note 10A: Cash Flow Reconciliation</b>		
<b>Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement:</b>		
<b>Cash and cash equivalents as per:</b>		
Cash flow statement	1,505,974	1,924,912
Statement of financial position	1,505,974	1,924,912
<b>Difference</b>	<u>-</u>	<u>-</u>
<b>Reconciliation of (deficit)/ surplus to net cash from operating activities:</b>		
(Deficit)/ surplus for the year	(143,403)	46,021,708
<b>Adjustments for non-cash items</b>		
Depreciation/ amortisation	226,046	260,849
(Gain)/ loss on disposal of property, plant and equipment	(467,327)	(3,783)
(Gain)/ loss on revaluation of shares	1,235	(3,770)
Fair value gain on investment property	-	(46,238,814)
<b>Changes in assets/liabilities</b>		
(Increase)/ decrease in net receivables	149,230	(113,584)
(Increase)/ decrease in prepayments	608	(5,421)
(Increase)/ decrease in accrued interest	52,994	107,788
Increase/ (decrease) in trade and other creditors	(168,058)	177,334
Increase/ (decrease) in employee provisions	135,916	(19,836)
<b>Net cash (used in)/ provided by operating activities</b>	<u>(212,759)</u>	<u>182,471</u>
<b>Note 10B: Cash flow information</b>		
Cash inflows from other reporting units		
United Voice – National Council	113,235	42,104
United Voice – Queensland Branch and controlled entities	29,986	
United Voice – Victoria Branch	98	
<b>Total cash inflows</b>	<u>143,319</u>	<u>42,104</u>
Cash outflows to other reporting units		
United Voice – National Council	(1,263,659)	(1,434,168)
United Voice – Queensland Branch and controlled entities	(125,983)	(11,448)
United Voice – Victoria Branch	(12,358)	(1,914)
<b>Total cash outflows</b>	<u>(1,402,000)</u>	<u>(1,447,530)</u>

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

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

The Branch has a credit card facility amounting to \$30,000 (2018: \$30,000). This may be terminated at any time at the option of the bank. The balance of this facility is cleared monthly and interest rates are variable.

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

There have been no non-cash financing or investing activities during the year (2018: Nil).

	2019	2018
	\$	\$
<b>Note 10E: Net debt reconciliation</b>		
Cash and cash equivalents	1,505,974	1,924,912
Borrowings – repayable within one year	-	-
Borrowings – repayable after one year	-	-
Net debt	<u>1,505,974</u>	<u>1,924,912</u>

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

	Other Assets	Liabilities from financing activities		
	Cash assets	Finance lease – due within 1 year	Finance lease – due after 1 year	Total
<b>Net debt at 1 July 2017</b>	1,508,193	-	-	1,508,193
Cash flows	416,719	-	-	416,719
<b>Net debt at 30 June 2018</b>	<u>1,924,912</u>	-	-	<u>1,924,912</u>
<b>Cash flows</b>	<b>(418,938)</b>	-	-	<b>(418,938)</b>
<b>Net debt at 30 June 2019</b>	<u>1,505,974</u>	-	-	<u>1,505,974</u>

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

**Note 11A: Commitments and Contingencies**

	2019	2018
	\$	\$
<b>Capital Commitments</b>		
During the year, the Branch (in conjunction with United Voice – National Council), entered into a purchase contract for the land and buildings located at 19-37 Greek Street, Glebe NSW 2037		
It has been agreed by both the Branch and United Voice – National Council to jointly purchase the building. The terms of the agreement are:		
Purchase consideration	42,963,975	-
Less: 10% deposit	(4,296,397)	-
Remaining capital commitment	<u>38,667,578</u>	-
Total capital commitment of the Branch (representing 50%)	<u>19,333,789</u>	-

It is anticipated that the building will be settled during the 2020 financial year.

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

**Guarantees**

Guarantees on leased property	-	352,223
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The Branch previously held guarantees (which represents approximately 1 months rent) on the office space leased within the investment property (187 Thomas Street, Haymarket)

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 11 Contingent Liabilities, Assets and Commitments (Conitnued)**

**Note 11A: Commitments and Contingencies (continued)**

	2019	2018
	\$	\$
<b>Leasing Commitments</b>		
<b>Operating Leases (as a lessee)</b>		
Non-cancellable operating leases rentals are receivable as follows.		
<b>Receivable – Minimum lease payments</b>		
not later than 12 months		673,865
between 12 months and 5 years		-
greater than 5 years		-
<b>Minimum lease payments</b>		<u>673,865</u>

The Branch leased office space under operating leases. The leases ran for a period ranging between 2 to 5 years with an option to renew the lease after that date. Lease payments are reviewed regularly to reflect market rentals. The above discloser represents the Branch's former 50% ownership in the investment property located at 187 Thomas Street, Haymarket.

On 5 October 2018, the Branch sold the investment property located at 187 Thomas Street, Haymarket. As a result, the above minimum lease payments represent those non-cancellable operating leases up to settlement date.

**Operating Leases (as a lessor)**

Non-cancellable operating leases rentals are receivable as follows

<b>Payable – Minimum lease payments</b>		
not later than 12 months	287,029	-
between 12 months and 5 years		-
greater than 5 years		-
<b>Minimum lease payments</b>		<u>-</u>

The Branch leases Level 1, 187 Thomas Street, Haymarket. The lease was for a 12 month period expiring on 4 October 2019, with a 6 month extension, which the Committee of Management have exercised.

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 12 Related Party Disclosures**

**Note 12A: Related Party Transactions for the Reporting Period**  
**Holders of office and related reporting units**

For financial reporting purposes, under the *Fair Work (Registered Organisations) Act 2009*, United Voice is divided into the following separate reporting units (and deemed related parties):

United Voice– National Council (UV – National Council – incorporating Tasmania, Northern Territory and Australian Capital Territory Branches)  
 United Voice – Queensland Branch (UV – Qld Branch) and controlled entities  
 United Voice – Victoria Branch (UV Vic Branch)  
 United Voice – South Australia Branch (UV SA Branch)  
 United Voice – Western Australia Branch (UV WA Branch)

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

	2019	2018
	\$	\$
<b>Revenue received from United Voice – National Council includes the following:</b>		
Reimbursement of office, travel and administration expenses	60,862	27,273
Sponsorship	37,727	6,420
Transfer of membership	4,352	4,585
<b>Expenses paid to United Voice – National Council includes the following:</b>		
Sustentation fees	1,067,403	1,070,121
Insurance premiums and other costs charged by National Council	26,478	117,115
Media buy	-	100,000
<b>Amounts owed to United Voice – National Council include the following:</b>		
Sustentation fees	291,468	290,966
Pooled redundancy costs	-	70,766
Property costs associated with Greek Street property	46,504	

**UNITED VOICE – NEW SOUTH WALES BRANCH**

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

**FOR THE YEAR ENDED 30 JUNE 2019**

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

**Note 12A: Related Party Transactions for the Reporting Period  
Holders of office and related reporting units (Continued)**

	2019	2018
	\$	\$
<b>Revenue received from United Voice – Qld Branch and controlled entities includes the following:</b>		
Merchandise	87	779
Interest income	29,033	-
<b>Expenses paid to United Voice – Qld Branch and controlled entities includes the following:</b>		
Reimbursement of travel, professional services and other operating expenses	117,876	8,808
Printing expenses	3,967	1,600
<b>Amounts owed to United Voice – Qld Branch and controlled entities include the following:</b>		
Reimbursement of travel, professional services and other operating expenses	8,314	-
<b>Amounts owed by United Voice – Qld Branch and controlled entities include the following:</b>		
Loan	3,000,000	-
<b>Revenue received from United Voice – Vic Branch and controlled entities includes the following:</b>		
Transfer of membership	98	-
<b>Expenses paid to United Voice – Vic Branch includes the following:</b>		
Transfer of membership	119	764
Reimbursement of merchandise costs	-	368
Reimbursement of travel and other expenses	-	608
Payment of long service leave	12,239	-

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

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

Key management personnel comprise those individuals who have the authority and responsibility for planning, directing and controlling the activities of the Branch. The Branch has determined key management personnel comprise of:

- Melanie Gatfield (Branch Secretary)
- John Hawker (Liquor & Hospitality Divisional Secretary)
- Julie Korlevska (Branch Assistant Secretary)
- David Holder (Liquor & Hospitality Divisional Assistant Secretary)
- All remaining members of the Committee of Management.

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

	2019	2018
	\$	\$
<b>Note 12B: Key Management Personnel Remuneration for the Reporting Period</b>		
<b>Short-term employee benefits</b>		
Salary (including annual leave)	593,701	567,086
Other	28,982	62,437
<b>Total short-term employee benefits</b>	<b>622,683</b>	<b>629,523</b>
<b>Post-employment benefits:</b>		
Superannuation	62,715	64,069
<b>Total post-employment benefits</b>	<b>62,715</b>	<b>64,069</b>
<b>Other long-term benefits:</b>		
Long-service leave	17,421	16,411
<b>Total other long-term benefits</b>	<b>17,421</b>	<b>16,411</b>
<b>Termination benefits</b>		-
<b>Total</b>	<b>702,819</b>	<b>710,003</b>

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

**Note 13 Remuneration of Auditors and Professional fees**

**Value of the services provided**

Financial statement audit services – NSW Branch	44,535	35,500
Financial statement audit services – Liquor and Hospitality Division	33,000	26,000
Other services	-	-
<b>Total remuneration of auditors</b>	<b>77,535</b>	<b>61,500</b>
Add: Professional services (not provided by external auditors)	114,297	58,182
<b>Total remuneration of auditors and professional fees</b>	<b>191,832</b>	<b>119,682</b>

No non-audit services were provided by the external auditor to the Branch during the year.



**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 14 Financial Instruments**

**Financial Risk Management Policy**

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

**(a) Credit Risk**

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

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

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

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

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

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 14 Financial Instruments (Continued)**

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

	Within trading terms/ 0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	76,741	-	-	-	76,741
Receivables from other reporting units	-	-	-	-	-
<b>Total</b>	<b>76,741</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76,741</b>

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

	Within trading terms/ 0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	225,114	-	-	-	225,114
Receivables from other reporting units	-	-	-	857	857
<b>Total</b>	<b>225,114</b>	<b>-</b>	<b>-</b>	<b>857</b>	<b>225,971</b>

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

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved policy. Such policy requires that surplus funds are only invested with counterparties with a strong reputation and backed by the Commonwealth Government's bank guarantee. At 30 June 2019, all funds were held by financial institutions backed by the Commonwealth Government's bank guarantee.

***Collateral held as security***

The Branch does not hold collateral with respect to its receivables at 30 June 2019 (2018: Nil).

**UNITED VOICE – NEW SOUTH WALES BRANCH  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 14 Financial Instruments (Continued)**

**(b) Liquidity Risk**

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

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

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

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

**Financial Instrument Composition and Maturity Analysis**

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
<b>Financial liabilities due for payment</b>	\$	\$	\$	\$	\$	\$	\$	\$
Trade payables	750,700	812,742	-	-	-	-	750,700	812,742
Other payables	141,514	247,530	-	-	-	-	141,514	247,530
Total expected outflows	<b>892,214</b>	<b>1,060,272</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>892,214</b>	<b>1,060,272</b>

**UNITED VOICE – NEW SOUTH WALES BRANCH  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Note 14 Financial Instruments (Continued)**

**(b) Liquidity Risk (continued)**

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Financial assets – cash flow receivable</b>								
Cash and cash equivalents	1,505,974	1,924,912	-	-	-	-	1,505,974	1,924,912
Trade and other receivables	76,741	225,971	-	-	-	-	76,741	225,971
Investments	79,575,628	8,553,023	-	-	-	-	79,575,628	8,553,023
Long service leave fund	13,820	646,319	-	-	-	-	13,820	646,319
Shares	14,299	-	-	-	-	15,534	14,299	15,534
<b>Total anticipated inflows</b>	<b>81,186,462</b>	<b>11,350,225</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,534</b>	<b>81,186,462</b>	<b>11,365,759</b>
<b>Net inflow on financial instruments</b>	<b>80,294,248</b>	<b>10,289,953</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,534</b>	<b>80,294,248</b>	<b>10,305,487</b>

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 14 Financial Instruments (Continued)**

**(c) Market Risk**

i. Interest rate risk

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

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

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

	Weighted Average Effective Interest Rate			
	2019	2018	2019	2018
	%	%	\$	\$
<b>Floating rate instruments</b>				
Cash and cash equivalents	0.02	0.02	1,505,974	1,924,912
Investments	2.47	1.99	79,575,628	8,553,023
Long service leave fund	0.12	0.15	13,820	646,319

ii. Foreign exchange risk

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

iii. Price risk

The Branch is no exposed to any material commodity price risk.

iv. Interest rate risk

The Branch has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk.

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 14 Financial Instruments (Continued)**

v. Sensitivity Analysis

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

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

	<b>Profit</b>	<b>Equity</b>
	<b>\$</b>	<b>\$</b>
<b>Year ended 30 June 2019</b>		
+2% in interest rates	<b>1,621,908</b>	<b>1,621,908</b>
-2% in interest rates	<b>(1,609,484)</b>	<b>(1,609,484)</b>
<b>Year ended 30 June 2018</b>		
+2% in interest rates	222,485	222,485
-2% in interest rates	(184,122)	(184,122)

The above calculations have been based on the following cash assets of the Branch

	<b>Note</b>	<b>2019</b>	<b>2018</b>
		<b>\$</b>	<b>\$</b>
Cash at bank	5A	<b>1,505,974</b>	1,924,912
Investments	5C	<b>79,575,628</b>	8,553,023
Long service leave fund	5D	<b>13,820</b>	646,319

No sensitivity analysis has been performed on foreign exchange risk as the Branch has no material direct exposures to currency risk. There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**Note 15 Fair Value Measurement**

**Fair Values**

*Fair value estimation*

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

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

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

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

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

	Footnote	2019		2018	
		Carrying value	Fair value	Carrying value	Fair value
		\$	\$	\$	\$
<b>Financial assets</b>					
Cash and cash equivalents	(i)	1,505,974	1,505,974	1,924,912	1,924,912
Accounts receivable and other debtors	(i)	76,741	76,741	225,971	225,971
Investments	(i)	79,575,628	79,575,628	8,553,023	8,553,023
Long service leave fund	(i)	13,820	13,820	646,319	646,319
Shares	(i)	14,299	14,299	15,534	15,534
<b>Total financial assets</b>		<b>81,186,462</b>	<b>81,186,462</b>	<b>11,365,759</b>	<b>11,365,759</b>
<b>Financial liabilities</b>					
Trade payables	(i)	750,700	750,700	812,742	812,742
Other payables	(i)	141,514	141,514	247,530	247,530
<b>Total financial liabilities</b>		<b>892,214</b>	<b>892,214</b>	<b>1,060,272</b>	<b>1,060,272</b>

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

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

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

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

**Fair Value Hierarchy**

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

**Level 1**

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

**Level 2**

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

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

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



**UNITED VOICE – NEW SOUTH WALES BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

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

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

*Fair value hierarchy – 30 June 2019*

	<b>Note</b>	<b>Date of Valuation</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets measured at fair value</b>					
Land and buildings – 19 Argle Street, Parramatta	<b>6D</b>	<b>12 Aug 2019</b>	-	<b>4,800,000</b>	-
<b>Total</b>			<b>-</b>	<b>4,800,000</b>	<b>-</b>

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

*Fair value hierarchy – 30 June 2018*

	<b>Note</b>	<b>Date of Valuation</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets measured at fair value</b>					
Investment Property – 187 Thomas Street, Haymarket	<b>5F &amp; 6J</b>	<b>April 2018</b>	<b>72,208,754</b>	-	-
Land and buildings – 19 Argle Street, Parramatta	<b>6D</b>	<b>7 Dec 2017</b>	-	<b>3,686,126</b>	-
<b>Total</b>			<b>72,208,754</b>	<b>3,686,126</b>	<b>-</b>

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

**UNITED VOICE – NEW SOUTH WALES BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2019**

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

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

Information to be provided to members or Commission:

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

**Note 17 Branch Details**

The registered office of the Branch is:

Level 1, 187 Thomas Street  
Haymarket NSW 2000

**Note 18 Segment Information**

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

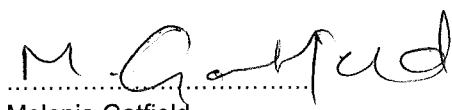
## UNITED VOICE – NEW SOUTH WALES BRANCH

### OFFICER DECLARATION STATEMENT

I, Melanie Gatfield, being the Branch Secretary of United Voice – New South Wales Branch, declare that the following activities did not occur during the reporting period ending 30 June 2019:

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay separation and redundancy to holders of office
- pay separation and redundancy to employees (other than holders of office)
- pay to a person fees or allowances to attend conferences or meetings as a representative of the reporting unit
- pay a penalty imposed under the RO Act or the *Fair Work Act 2009*
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a separation and redundancy provision in respect of holders of office
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

  
.....  
Melanie Gatfield  
Branch Secretary

1 October 2019

Sydney