

UNITED VOICE – WESTERN AUSTRALIA BRANCH

ABN 82 525 323 080

FINANCIAL STATEMENTS

FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

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**UNITED VOICE – WESTERN AUSTRALIA BRANCH
COMMITTEE OF MANAGEMENT’S OPERATING REPORT
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019**

Operating Report

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

Principal Activities

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

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

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

Operating Result

The operating result for period 1 July 2019 to 10 November 2019 was a deficit of \$23,590.

Significant Changes in Financial Affairs

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

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

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

UNITED VOICE – WESTERN AUSTRALIA BRANCH
COMMITTEE OF MANAGEMENT’S OPERATING REPORT (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

After Balance Date Events

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Branch, the results of those operations or the state of affairs of the Branch.

Members Right to Resign

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

Membership of the Branch

Total number of members as at 10 November 2019: 19,869.

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 62.0.

Members of the Committee of Management

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

| Name | Period of Appointment | Position |
|----------------------|------------------------------|----------------------------|
| Matthew Nugent | 01/07/19 – 10/11/19 | Branch President |
| Kim Prescott – Brown | 01/07/19 – 10/11/19 | Branch Vice-President |
| Naomi McCrae | 01/07/19 – 19/07/19 | Branch Vice-President |
| Stefania McGrath | 20/07/19 – 10/11/19 | Branch Vice-President |
| Carolyn Smith | 01/07/19 – 10/11/19 | Branch Secretary |
| Karma Lord | 01/07/19 – 10/11/19 | Assistant Branch Secretary |
| Patrick O'Donnell | 01/07/19 – 10/11/19 | Assistant Branch Secretary |
| Malcolm Rose | 01/07/19 – 10/11/19 | Executive Member |
| Phyllis Degois | 01/07/19 – 10/11/19 | Executive Member |
| Judeth Clarke | 01/07/19 – 10/11/19 | Executive Member |
| Sunitha Ranasinghe | 01/07/19 – 10/11/19 | Executive Member |
| Brian Godfrey | 01/07/19 – 10/11/19 | Executive Member |
| Jennifer Lush | 01/07/19 – 10/11/19 | Executive Member |
| Zaytoon Benjamin | 01/07/19 – 10/11/19 | Executive Member |
| Sheridan Toms | 01/07/19 – 10/11/19 | Executive Member |
| Siontuwu Mangawea | 01/07/19 – 10/11/19 | Executive Member |
| Hayden Smallwood | 01/07/19 – 10/11/19 | Executive Member |
| Sarah Hipworth | 01/07/19 – 10/09/19 | Executive Member |

**UNITED VOICE – WESTERN AUSTRALIA BRANCH
 COMMITTEE OF MANAGEMENT’S OPERATING REPORT (CONTINUED)
 FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019**

Wage Recovery Activity

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

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

The following officers/ members/ employees of the organisation are Directors of companies that are trustees of superannuation funds where a criterion for the officer of member being the trustee or director is that the officer or member is an officer or member of a registered organisation

| Officer/Member/Employee | Entity/Scheme | Position | Period position held for |
|--------------------------------|--|-----------------|---------------------------------|
| Naomi McCrae | Government Employees Superannuation Board, Western Australia | Director | 01/07/19 – 10/11/19 |

Auditor’s Independence Declaration

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

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



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

22 May 2020

Sydney

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

As lead auditor for the audit of United Voice – Western Australia Branch for the period 1 July 2019 – 10 November 2019; I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

MGI Audit Pty Ltd



G I Kent

Director – Audit & Assurance

Brisbane
22 May 2020

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

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

On 22 May 2020, the National Executive, being the Committee of Management of the United Workers Union (being the succeeding Committee of Management of the Reporting Unit) passed the following resolution to the General Purpose Financial statements (GPFR) of the reporting unit for the period 1 July 2019 – 10 November 2019.

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

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

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

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



Date: 22 May 2020

Independent Audit Report to the Members of United Voice – Western Australia Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of United Voice – Western Australia Branch (the Branch), which comprises the statement of financial position as at 10 November 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period 1 July 2019 – 10 November 2019, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the United Voice – Western Australia Branch as at 10 November 2019, and its financial performance and its cash flows for the period 1 July 2019 – 10 November in accordance with:

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

Basis for Opinion

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

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

Emphasis of Matter Regarding Liquidation Valuation Basis

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

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

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

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

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

Responsibilities of Committee of Management for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

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

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

Declaration

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

MGI Audit Pty Ltd



G I Kent

Director – Audit & Assurance

Brisbane

22 May 2020

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

UNITED VOICE – WESTERN AUSTRALIA BRANCH
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

| | Notes | 1 July 19 – 10 Nov 19 \$ | 1 July 18 – 30 June 19 \$ |
|---|-------|--------------------------------|---------------------------------|
| Revenue | | | |
| Membership subscription | | 3,637,828 | 9,965,900 |
| Gain on sale of property, plant and equipment | | 34,881 | - |
| Interest income | 3A | 8,333 | 27,808 |
| Rental income | 3B | 85,037 | 186,406 |
| Other revenue | 3C | 7,687 | 111,637 |
| Total revenue | | 3,773,766 | 10,291,751 |
| Expenses | | | |
| Employee expenses | 4A | (2,785,784) | (7,553,315) |
| Sustentation fees | 4B | (265,170) | (1,103,908) |
| Affiliation fees | 4C | (128,632) | (264,971) |
| Administration expenses | 4D | (360,532) | (1,110,394) |
| Grants and donations | 4E | (1,264) | (32,903) |
| Depreciation and impairment | 4F | (181,754) | (514,113) |
| Finance costs | 4G | (18,280) | (99,713) |
| Legal costs | 4H | (397) | (13,293) |
| Impairment of financial assets | 4I | (16,543) | (59,115) |
| Audit fees | 13 | (39,000) | (57,619) |
| Loss on sale of property, plant and equipment | | - | (6,559) |
| Total expenses | | (3,797,356) | (10,815,903) |
| Deficit for the year | | (23,590) | (5,404,534) |
| Other comprehensive income (net of income tax) | | | |
| Fair value gain on revaluation on land and buildings | | - | 341,390 |
| Total comprehensive income for the year | | (23,590) | (182,762) |

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

UNITED VOICE – WESTERN AUSTRALIA BRANCH

STATEMENT OF FINANCIAL POSITION
AS AT 10 NOVEMBER 2019

| | Notes | 10 Nov 19 \$ | 30 June 19 \$ |
|----------------------------------|-------|------------------|------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 5A | 2,427,598 | 1,798,083 |
| Trade and other receivables | 5B | 44,878 | 39,394 |
| Other current assets | 5C | - | 170,913 |
| Non-current assets held for sale | 5D | - | 456,948 |
| Land and buildings | 6A | 3,040,746 | 3,141,857 |
| Investment properties | 6B | 3,135,263 | 3,181,413 |
| Motor vehicles | 6C | 517,358 | 518,618 |
| Furniture and equipment | 6D | 50,727 | 59,786 |
| Total current assets | | 9,216,570 | 9,367,012 |
| Non-Current Assets | | | |
| | | - | - |
| Total assets | | 9,216,570 | 9,367,012 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade payables | 7A | 314,099 | 381,138 |
| Other payables | 7B | 273,154 | 373,048 |
| Interest bearing liabilities | 7C | 3,881,770 | 3,915,103 |
| Employee provisions | 8A | 1,239,288 | 1,165,874 |
| Total current liabilities | | 5,708,311 | 5,835,163 |
| Non-Current Liabilities | | | |
| | | - | - |
| Total liabilities | | 5,708,311 | 5,835,163 |
| Net assets | | 3,508,259 | 3,531,849 |
| EQUITY | | | |
| Reserves | 9 | 341,390 | 341,390 |
| Retained earnings | | 3,166,869 | 3,190,459 |
| Total equity | | 3,508,259 | 3,531,849 |

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

UNITED VOICE – WESTERN AUSTRALIA BRANCH

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019**

| | Notes | Asset Revaluation Reserve \$ | Retained earnings \$ | Total equity \$ |
|---|-------|---------------------------------------|----------------------------|-----------------------|
| Balance as at 1 July 2018 | | - | 3,714,611 | 3,714,611 |
| Deficit for the year | | - | (524,152) | (524,152) |
| Other comprehensive income | | 341,390 | - | - |
| Closing balance as at 30 June 2019 | | 341,390 | 3,190,459 | 3,531,849 |
| Deficit for the year | | - | (23,590) | (23,590) |
| Other comprehensive income | | - | - | - |
| Closing balance as at 10 November 2019 | | 341,390 | 3,166,869 | 3,508,259 |

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

UNITED VOICE – WESTERN AUSTRALIA BRANCH
STATEMENT OF CASH FLOWS
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

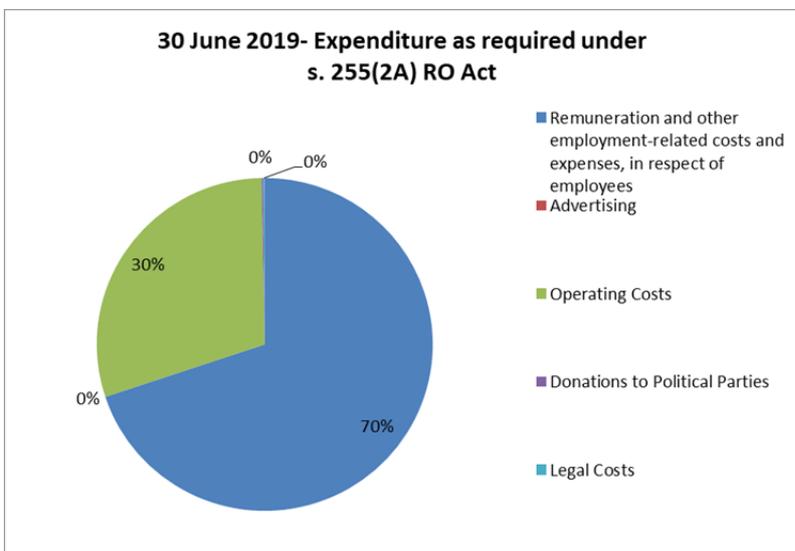
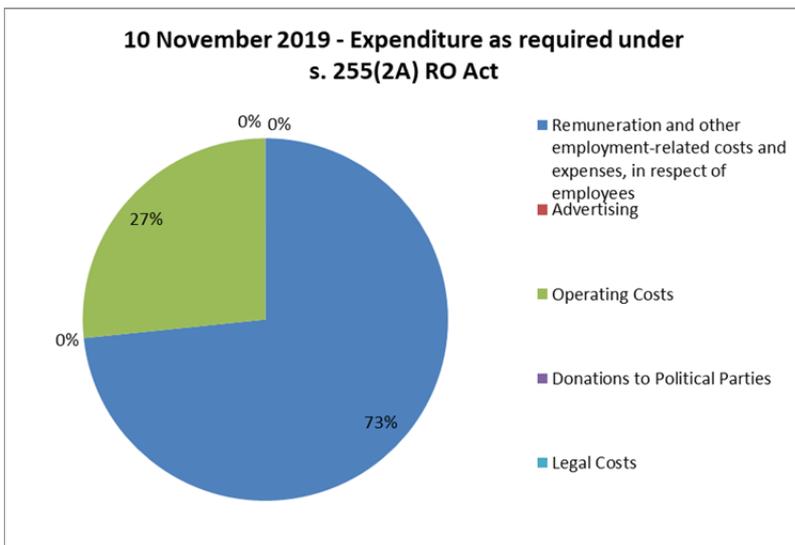
| | Notes | 1 July 19 – 10 Nov 19 \$ | 1 July 18 – 30 June 19 \$ |
|---|-------|--------------------------------|---------------------------------|
| OPERATING ACTIVITIES | | | |
| Cash received | | | |
| Receipts from other reporting units and related parties | 10B | 249,921 | 738,622 |
| Receipts from members and other customers | | 3,989,178 | 10,894,565 |
| Interest received | | 8,333 | 27,808 |
| | | 4,247,432 | 11,660,995 |
| Cash used | | | |
| Employees and suppliers | | (3,723,471) | (10,248,300) |
| Interest paid | | (16,158) | (99,713) |
| Payment to other reporting units and related parties | 10B | (312,610) | (1,247,892) |
| | | (4,052,239) | (11,595,905) |
| Net cash provided by/ (used in) operating activities | | 195,193 | 65,090 |
| INVESTING ACTIVITIES | | | |
| Proceeds from sale of non-current assets held for sale | | 456,948 | - |
| Proceeds from sale of property, plant and equipment | | 64,430 | 80,680 |
| Purchase of property, plant and equipment | | (53,723) | (127,634) |
| Net cash provided by/ (used in) investing activities | | 467,655 | (46,954) |
| FINANCING ACTIVITIES | | | |
| Repayment of Borrowings – ME Bank | | - | (3,162,405) |
| Repayment of Borrowings – UV Vic Branch | 10F | (33,333) | (100,000) |
| Proceeds on refinance of borrowings – UV National Council | | - | 3,750,670 |
| Net cash (used in)/ provided by financing activities | | (33,333) | 488,265 |
| Net increase in cash held | | 629,515 | 506,401 |
| Cash & cash equivalents at the beginning of the reporting period | | 1,798,083 | 1,291,682 |
| Cash & cash equivalents at the end of the reporting period | 10A | 2,427,598 | 1,798,083 |

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

UNITED VOICE – WESTERN AUSTRALIA BRANCH

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

The Committee of Management presents the expenditure report as required under subsection 255(2A) of the *Fair Work (Registered Organisations) Act 2009* on the Branch for the period 1 July 2019 – 10 November 2019:



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

22 May 2020 Sydney

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

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

Note 1 Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, United Voice – Western Australia 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 – WESTERN AUSTRALIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.1 Basis of preparation of the financial statements (Continued)

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

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

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

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

Significant accounting estimates, judgements and assumptions

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

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

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

Note 1 Summary of significant accounting policies (Continued)

1.1 Basis of preparation of the financial statements (Continued)

Liquidation value and liquidation expenses

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

1.2 Comparative amounts

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

1.3 Significant accounting judgements and estimates

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

Key Estimates

Impairment – general

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

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

Key Judgements

Useful lives of plant and equipment

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

Provision for impairment of receivables

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

On-cost for employee entitlement provision

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

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

Note 1 Summary of significant accounting policies (Continued)

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

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

- AASB 15: Revenue from Contracts with Customers, which replaces AASB 118: Revenue and AASB 111: Construction Contracts
- AASB 16 Leases, which replaces AASB 117: Leases
- AASB 1058: Income of Not-for-Profit Entities, which replaces AASB 1004: Contributions

Impact on adoption of New Standards

The adoption of AASB 15, AASB 16 and AASB 1058 has not had a material impact on the Branch for the period 1 July 2019 – 10 November 2019.

Future Australian Accounting Standards Requirements

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

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

Note 1 Summary of significant accounting policies (Continued)

1.5 Revenue

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

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

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

Donation income is recognised when it is received.

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

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

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

1.6 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 – WESTERN AUSTRALIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.8 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 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 – WESTERN AUSTRALIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 1 Summary of significant accounting policies (Continued)

1.10 Leases

Accounting Policy for Leases – Period Ended 10 November 2019

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

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

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

Measurement and recognition of leases as a lessee

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

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

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

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

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

Note 1 Summary of significant accounting policies (Continued)

1.10 Leases (continued)

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

Accounting Policy for Leases – 2019 Financial Year

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

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

1.11 Financial instruments

Initial Recognition and Measurement

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

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

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

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

Note 1 Summary of significant accounting policies (Continued)

1.11 Financial instruments (Continued)

Classification and Subsequent Measurement of Financial Assets

Financial liabilities

Financial liabilities are subsequently measured at:

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

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

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

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

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

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

A financial liability is held for trading if it is:

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

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

Note 1 Summary of significant accounting policies (Continued)

1.11 Financial instruments (continued)

A financial liability is held for trading if it is:

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

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

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

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

A financial liability cannot be reclassified.

Financial guarantee contracts

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

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

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

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

Note 1 Summary of significant accounting policies (Continued)

1.11 Financial instruments (continued)

Financial assets

Financial assets are subsequently measured at:

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

on the basis of the two primary criteria:

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

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

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

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

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

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

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

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

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

Note 1 Summary of significant accounting policies (Continued)

1.11 Financial instruments (continued)

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

Equity instruments

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

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

Derecognition

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

Derecognition of financial liabilities

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

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

Derecognition of financial assets

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

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

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

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

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

Note 1 Summary of significant accounting policies (Continued)

1.11 Financial instruments (continued)

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

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

Impairment

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

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

Loss allowance is not recognised for:

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

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

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

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

General approach

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

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

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

Note 1 Summary of significant accounting policies (Continued)

1.11 Financial instruments (continued)

Simplified approach

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

This approach is applicable to:

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

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

Purchased or originated credit impaired approach

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

Evidence of credit impairment includes:

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

Low credit risk operational simplification approach

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

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

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

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

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

Note 1 Summary of significant accounting policies (Continued)

1.11 Financial instruments (continued)

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

Recognition of expected credit losses in financial statements

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

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

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

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

1.12 Contingent Liabilities and Contingent Assets

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

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

Note 1 Summary of significant accounting policies (Continued)

1.13 Plant and Equipment

Asset Recognition Threshold

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

Revaluations—Land and Buildings

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

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

Depreciation

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

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

| | 10 November 2019 | 30 June 2019 |
|-------------------------|-------------------------|---------------------|
| Buildings | 20 – 50 years | 20 - 50 years |
| Motor vehicles | 10 years | 10 years |
| Furniture and equipment | 5 – 6.5 years | 5 – 6.5 years |

Derecognition

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

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

Note 1 Summary of significant accounting policies (Continued)

1.14 Borrowing Costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred unless they are attributable to a qualifying asset. These costs are then capitalised.

No qualifying asset has been identified during the reporting period.

1.15 Impairment of non-financial assets

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

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

1.16 Taxation

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

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

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

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

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

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

Note 1 Summary of significant accounting policies (Continued)

1.17 Fair value measurement

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

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

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

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

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

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

Note 1 Summary of significant accounting policies (Continued)

1.18 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.

1.19 Non-current assets held for sale

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

Note 2 Events after the reporting period

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

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

| | 1 July 19 – 10 Nov 19 | 1 July 18 – 30 June 19 |
|---|----------------------------------|-----------------------------------|
| | \$ | \$ |
| Note 3 Income | | |
| Note 3A: Interest income | | |
| Interest income of deposits | 8,333 | 27,808 |
| Total interest | 8,333 | 27,808 |
| | | |
| Note 3B: Property income | | |
| Rental income – Cheriton Street | 84,297 | 183,016 |
| Rental income – Guilderton holiday home accommodation | 740 | 3,390 |
| Total property income | 85,037 | 186,406 |
| | | |
| Note 3C: Other revenue | | |
| Conference income | 1,850 | 7,715 |
| Board fees | - | 47,566 |
| Sponsorship income | - | 37,455 |
| Other income | 5,837 | 18,901 |
| | 7,687 | 111,637 |

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

| | 1 July 19 – 10 Nov 19 \$ | 1 July 18 – 30 June 19 \$ |
|---|--------------------------------|---------------------------------|
| Note 4 Expenses | | |
| Note 4A: Employee expenses | | |
| Holders of office: | | |
| Wages and salaries | 169,456 | 408,016 |
| Superannuation, payroll tax and insurances | 39,888 | 105,695 |
| Leave and other entitlements | 17,490 | 87,349 |
| Other employee expenses | 7,181 | 52,117 |
| Subtotal employee expenses holders of office | 234,015 | 653,180 |
| Employees other than office holders: | | |
| Wages and salaries | 801,155 | 4,369,987 |
| Superannuation, payroll tax and insurances | 428,933 | 1,161,535 |
| Leave and other entitlements | 1,149,412 | 1,079,553 |
| Separation and redundancies | - | 69,901 |
| Other employee expenses | 172,269 | 219,159 |
| Subtotal employee expenses employees other than office holders | 2,551,769 | 6,900,135 |
| Total employee expenses | 2,785,784 | 7,553,315 |
| Note 4B: Sustentation fees | | |
| United Voice – National Council | 265,170 | 1,103,908 |
| Total sustentation fees costs | 265,170 | 1,103,908 |
| Note 4C: Affiliation fees | | |
| Australian Labor Party (WA Branch) | 67,167 | 137,416 |
| Unions WA | 61,465 | 127,555 |
| Total affiliation fees | 128,632 | 264,971 |
| Note 4D: Administration expenses | | |
| Advertising, publications and subscriptions | 3,422 | 15,416 |
| Consideration to employers for payroll deductions | 1,504 | 4,950 |
| Campaigns | 27,189 | 45,920 |
| Fees/ allowances – meeting and conferences | - | 49,934 |
| Conference and meeting expenses | 94,720 | 166,370 |
| Contractors/ consultants/ professional fees | 960 | 44,652 |
| Property expenses | 104,083 | 336,126 |
| Other administration expenses | 107,833 | 410,104 |
| Information communication costs | 13,913 | 26,543 |
| Member services | 6,908 | 10,379 |
| Total administration expenses | 360,532 | 1,110,394 |

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

| | 1 July 19 – 10 Nov 19 | 1 July 18 – 30 June 19 |
|---|--------------------------|---------------------------|
| | \$ | \$ |
| Note 4E: Grants and donations | | |
| Donations: | | |
| Total paid that were \$1,000 or less | 1,264 | 12,903 |
| Total paid that exceeded \$1,000 | - | 20,000 |
| Total grants or donations | 1,264 | 32,903 |
| Note 4F: Depreciation and impairment | | |
| Depreciation | | |
| Buildings | 101,111 | 282,134 |
| Investment property | 46,150 | 128,587 |
| Motor vehicles | 24,219 | 68,816 |
| Plant and equipment | 10,274 | 34,576 |
| Total depreciation and impairment | 181,754 | 514,113 |
| Note 4G: Finance costs | | |
| Bank charges | 16,158 | 35,627 |
| Interest – United Voice – Victoria Branch | 2,122 | 9,190 |
| Interest | - | 54,896 |
| Total finance costs | 18,280 | 99,713 |
| Note 4H: Legal costs | | |
| Litigation | 77 | 2,643 |
| Other legal matters | 320 | 10,650 |
| Total legal costs | 397 | 13,293 |
| Note 4I: Impairment of financial assets | | |
| Impairment of related party loan (United Voice – Western Australia (State Union)) | 16,543 | 59,115 |
| Total impairment of financial assets | 16,543 | 59,115 |

In conjunction with Note 5B – Trade and Other Receivables, trade receivables from other related parties (United Voice - Western Australia (State Union)) was reduced by \$16,543 during the period ended 10 November 2019 (30 June 2019: \$59,115). The Branch has determined that 100% of the receivable balance owing from the state union is deemed to be impaired.

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

| | 10 Nov 19 | 30 June 19 |
|--|------------------|------------------|
| | \$ | \$ |
| Note 5 Current Assets | | |
| Note 5A: Cash and Cash Equivalents | | |
| Cash at bank | 2,424,598 | 1,795,083 |
| Cash on hand | 3,000 | 3,000 |
| Total cash and cash equivalents | <u>2,427,598</u> | <u>1,798,083</u> |
| Note 5B: Trade and Other Receivables | | |
| Receivables from other reporting units | | |
| - United Voice – National Council | 15,588 | - |
| Less provision for doubtful debts (reporting units) | - | - |
| Receivable from other reporting units (net) | <u>15,588</u> | <u>-</u> |
| Other receivables | | |
| Receivables from other related parties | | |
| - United Voice – Western Australia (State Union) | 500,775 | 484,232 |
| Less provision for doubtful debts (other related parties) | (500,775) | (484,232) |
| Other trade receivables | - | 9,739 |
| Accrued membership income | 29,290 | 29,655 |
| Total trade and other receivables (net) | <u>44,878</u> | <u>39,394</u> |
| Provision for Doubtful Debts | | |
| A provision is recognised for doubtful debts when amounts owing has been given to a third party for collection or where full recoverability is unlikely. | | |
| Note 5C: Other current assets | | |
| Prepayments | - | 170,913 |
| Total other current assets | <u>-</u> | <u>170,913</u> |
| Note 5D: Non-current assets held for sale | | |
| 10 Dhu St, Guilderton | | |
| Land and buildings | - | 456,948 |
| Accumulated depreciation | - | - |
| Total assets held for sale | <u>-</u> | <u>456,948</u> |

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

| | 10 Nov 19 | 30 June 19 |
|--|--------------------|-------------|
| | \$ | \$ |
| Note 6 Non-current Assets | | |
| Note 6A: Land and buildings | | |
| Land and buildings | | |
| Lot 11, 54 Cheriton Street, Perth | | |
| At fair value | 9,187,259 | 9,187,259 |
| accumulated depreciation and impairment | (6,188,050) | (6,087,201) |
| Total 54 Cheriton Street, Perth | 2,999,209 | 3,100,058 |
| Unit 2, 101 Spencer Street, Bunbury | | |
| At fair value | 56,543 | 56,543 |
| accumulated depreciation | (15,006) | (14,744) |
| Total Unit 2, 101 Spencer Street, Bunbury | 41,537 | 41,799 |
| Total land and buildings | 3,040,746 | 3,141,857 |

Reconciliation of Opening and Closing Balances of Land and Buildings

| | | |
|--|--------------------|-------------|
| As at 1 July | | |
| Gross book value | 9,243,802 | 9,242,659 |
| Accumulated depreciation and impairment | (6,101,945) | (5,819,810) |
| Net book value at beginning of year | 3,141,857 | 3,422,849 |
| Additions: | | |
| By purchase | - | 1,142 |
| Depreciation expense | (101,111) | (282,134) |
| Disposals: | | |
| By sale | - | - |
| Net book value at end of year | 3,040,746 | 3,141,857 |
| Net book value represented by: | | |
| Gross book value | 9,243,802 | 9,243,802 |
| Accumulated depreciation and impairment | (6,203,056) | (6,101,945) |
| Net book value at end of year | 3,040,746 | 3,141,857 |

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

Note 6A: Land and buildings (Continued)

Valuation Details

Lot 11, 54 Cheriton Street, Perth

On 9 July 2018, the land and buildings at Lot 11, 54 Cheriton Street, Perth was valued by Mr James O’Leary AAPI CPV of Colliers International (WA) Pty Ltd. The land and buildings valuation was based on a highest and best use, which was determined as commercial office building held for rental yields (the assets current use).

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

- Capitalisation Rate 7.75%
- Reflective rate/ lettable m² \$2,365

The Committee of Management assessed the key assumptions within the valuation and determined that the fair value of the land and building remains current at 10 November 2019. Therefore the Branch had adopted this value at 10 November 2019.

Unit 2, 101 Spencer Street, Bunbury

The Committee of Management have reviewed recent market sales of similar properties within the Bunbury district and have determined that the written down value materially reflects the fair value of the building at 10 November 2019. Therefore the Branch had adopted this value at 10 November 2019.

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

| | 10 Nov 19 | 30 June 19 |
|--|------------------|------------|
| | \$ | \$ |
| Note 6B: Investment property | | |
| Lot 10, 13 & 14, 54 Cheriton Street, Perth | | |
| At fair value | 3,310,000 | 3,310,000 |
| accumulated depreciation | (174,737) | (128,587) |
| Total investment property | 3,135,263 | 3,181,413 |

Reconciliation of Opening and Closing Balances of investment property

| | | |
|---|------------------|-----------|
| As at 1 July | | |
| Gross book value | 3,310,000 | 3,310,000 |
| Accumulated depreciation and impairment | (128,587) | - |
| Net book value 1 July | 3,181,413 | 3,310,000 |
| Additions: | | |
| By purchase | - | - |
| Depreciation expense | (46,150) | (128,587) |
| Disposals: | | |
| By sale | - | - |
| Net book value at end of year | 3,135,263 | 3,181,413 |
| Net book value represented by: | | |
| Gross book value | 3,310,000 | 3,310,000 |
| Accumulated depreciation and impairment | (174,737) | (128,587) |
| Net book value at end of year | 3,135,263 | 3,181,413 |

Valuation Details

On 9 July 2018, the land and buildings at Lot 10,13 & 14, 54 Cheriton Street, Perth was valued by Mr James O’Leary AAPI CPV of Colliers International (WA) Pty Ltd. The land and buildings valuation was based on a highest and best use, which was determined as commercial office building (the assets current use).

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

Lot 10

- Capitalisation Rate 7.75%
- Reflective rate/ lettable m² \$1,978

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

Note 6B: Investment property (Continued)

Lot 13 & 14

- Capitalisation Rate 6.25%
- Reflective rate/ lettable m² \$3,523 – 3,714

The Committee of Management assessed the key assumptions within the valuation and determined that the fair value of the land and building remains current at 10 November. Therefore the Branch had adopted this value at 10 November 2019.

| | 10 Nov 19 | 30 June 19 |
|--------------------------------|------------------|------------|
| | \$ | \$ |
| Note 6C: Motor Vehicles | | |
| Motor vehicles: | | |
| at cost | 683,441 | 677,295 |
| accumulated depreciation | (166,083) | (158,677) |
| Total motor vehicles | 517,358 | 518,618 |

Reconciliation of Opening and Closing Balances of Motor Vehicles

| | | |
|---|----------------|-----------|
| As at 1 July | | |
| Gross book value | 677,295 | 690,296 |
| Accumulated depreciation and impairment | (158,677) | (135,326) |
| Net book value 1 July | 518,618 | 554,970 |
| Additions: | | |
| By purchase | 52,508 | 119,603 |
| Depreciation expense | (24,219) | (68,816) |
| Disposals: | | |
| By sale | (29,549) | (87,139) |
| Net book value at end of year | 517,358 | 518,618 |
| Net book value represented by: | | |
| Gross book value | 683,441 | 677,295 |
| Accumulated depreciation and impairment | (166,083) | (158,677) |
| Net book value at end of year | 517,358 | 518,618 |

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

| | 10 Nov 19 | 30 June 19 |
|---|---------------|---------------|
| | \$ | \$ |
| Note 6D: Furniture and equipment | | |
| Furniture and Equipment: | | |
| at cost | 248,140 | 246,925 |
| accumulated depreciation | (197,413) | (187,139) |
| Total furniture and equipment | 50,727 | 59,786 |

Reconciliation of Opening and Closing Balances of Furniture and Equipment

| | | |
|---|---------------|---------------|
| As at 1 July | | |
| Gross book value | 246,925 | 242,372 |
| Accumulated depreciation and impairment | (187,139) | (154,799) |
| Net book value 1 July | 59,786 | 87,573 |
| Additions: | | |
| By purchase | 1,215 | 6,789 |
| Depreciation expense | (10,274) | (34,576) |
| Disposals: | | |
| By sale | - | - |
| Net book value at end of year | 50,727 | 59,786 |
| Net book value represented by: | | |
| Gross book value | 248,140 | 246,925 |
| Accumulated depreciation and impairment | (197,413) | (187,139) |
| Net book value at end of year | 50,727 | 59,786 |

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

| | 10 Nov 19 | 30 June 19 |
|---|------------------|------------|
| | \$ | \$ |
| Note 7 Current Liabilities | | |
| Note 7A: Trade payables | | |
| Trade creditors and accruals | 22,412 | 58,748 |
| Subtotal trade creditors | 22,412 | 58,748 |
| Payables to other reporting units | | |
| United Voice – National Council | 291,687 | 322,390 |
| Subtotal payables to other reporting units | 291,687 | 322,390 |
| Total trade payables | 314,099 | 381,138 |
| Settlement is usually made within 30 days. | | |
| Note 7B: Other payables | | |
| GST payable | 105,554 | 134,431 |
| Income received in advance | 165,019 | 236,876 |
| Other | 2,581 | 1,741 |
| Total other payables | 273,154 | 373,048 |
| Total other payables are expected to be settled in: | | |
| No more than 12 months | 273,154 | 373,048 |
| More than 12 months | - | - |
| Total other payables | 273,154 | 373,048 |

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

| | 10 Nov 19 | 30 June 19 |
|---|------------------|------------|
| | \$ | \$ |
| Note 7C: Interest bearing liabilities | | |
| Current liabilities - loans | | |
| Motor vehicle unsecured loan (United Voice – Victoria Branch) | 131,100 | 164,433 |
| Cheriton St building loan (United Voice – National Council) | 3,162,405 | 3,162,405 |
| Growth strategy loan (United Voice National Council) | 588,265 | 588,265 |
| Total loans | 3,881,770 | 3,915,103 |

During the 30 June 2019 financial year, the Branch refinanced the loan with ME Bank through the National Office. The terms of the loan are that it is to be interest free, unsecured and repayable overtime. The Branch determined that this loan from United Voice – National Council being on interest free terms is deemed to be in the form of financial support from another reporting unit, as defined by the reporting guidelines of Section 253 of the RO Act.

Further, the Branch has a loan from United Voice - Victoria Branch for a maximum of \$715k for the purpose of purchasing staff motor vehicles. The loan was for a period of 2 years and commenced on 6 of July 2007, repayable in two years from the drawdown date. The current loan term variation is reduction of the outstanding principal by \$100k per annum payable in monthly instalments of \$8,333 per month commencing January 2016.

There is no change of interest terms - being calculated at the agreed rate monthly in arrears. A rate of 7.5% is applicable on loans redrawn prior to November 2007; 8% from 1 November 2007 and 6% on loans redrawn from 10 June 2012. From July 2018 Victoria Branch has reduced interest rate to 4.34% for both tranches.

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

| | 10 Nov 19 | 30 June 19 |
|--|------------------|------------------|
| | \$ | \$ |
| Note 8 Provisions | | |
| Note 8A: Employee Provisions | | |
| Office Holders: | | |
| Annual leave | 86,617 | 107,938 |
| Long service leave | 105,950 | 107,345 |
| <i>Subtotal employee provisions—office holders</i> | 192,567 | 215,283 |
| Employees other than office holders: | | |
| Annual leave | 626,758 | 468,162 |
| Long service leave | 419,963 | 482,429 |
| <i>Subtotal employee provisions—employees other than office holders</i> | 1,046,721 | 950,591 |
| Total employee provisions | 1,239,288 | 1,165,874 |
| Current | 1,239,288 | 1,165,874 |
| Non-Current | - | - |
| <i>Total employee provisions</i> | 1,239,288 | 1,165,874 |

Note 9 Reserves

Note 9A: Asset Revaluation Reserve

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

| | | |
|---|----------------|----------------|
| Opening balance at beginning of period | 341,390 | - |
| Fair value gain on revaluation land and buildings | - | 341,390 |
| Closing balance at end of period | 341,390 | 341,390 |

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

1 July 19 –
10 Nov 19
\$

1 July 18 –
30 June 19
\$

Note 10 Cash Flow

Note 10A: Cash Flow Reconciliation

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

Cash and cash equivalents as per:

| | | |
|---------------------------------|------------------|-----------|
| Cash flow statement | 2,427,598 | 1,798,083 |
| Statement of financial position | 2,427,598 | 1,798,083 |
| Difference | - | - |

Reconciliation of surplus to net cash from operating activities:

| | | |
|----------------------|-----------------|-----------|
| Deficit for the year | (23,590) | (524,152) |
|----------------------|-----------------|-----------|

Adjustments for non-cash items

| | | |
|---|-----------------|---------|
| Depreciation/ amortisation | 181,754 | 514,113 |
| (Gain)/ loss on disposal of property, plant and equipment | (34,881) | 6,559 |

Changes in assets/ liabilities

| | | |
|---|------------------|----------|
| (Increase)/ decrease in net receivables | (5,484) | (2,577) |
| (Increase)/ decrease in other current assets | 170,913 | 109,581 |
| Increase/ (decrease) in trade and other creditors | (166,933) | (61,530) |
| Increase/ (decrease) in employee provisions | 73,414 | 23,096 |
| Net cash provided by operating activities | 195,193 | 65,090 |

Note 10B: Cash flow information

Cash inflows from other reporting units and related entities

| | | |
|--|----------------|---------|
| United Voice – National Council | 11,625 | 133,572 |
| United Voice – Western Australia (State Union) | 238,296 | 605,050 |
| Total cash inflows | 249,921 | 738,622 |

Cash outflows to other reporting units

| | | |
|---------------------------------|------------------|-------------|
| United Voice – National Council | (310,488) | (1,238,702) |
| United Voice – Victoria Branch | (2,122) | (9,190) |
| Total cash outflows | (312,610) | (1,247,892) |

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

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

Note 10C: Non-cash transactions

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

| | 10 Nov 19 | 30 June 19 |
|--|--------------------|-------------|
| | \$ | \$ |
| Note 10D: Net debt reconciliation | | |
| Cash and cash equivalents | 2,427,598 | 1,798,083 |
| Borrowings – repayable within one year | (3,881,770) | (3,915,103) |
| Borrowings – repayable after one year | - | - |
| Net debt | (1,454,172) | (2,117,020) |

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

| | Other Assets | Liabilities from financing activities | | |
|-------------------------------------|---------------------|--|--------------------------------------|--------------------|
| | Cash assets | Borrowings – due within 1 year | Borrowings – due after 1 year | Total |
| Net debt at 1 July 2018 | 1,291,682 | (100,000) | (3,326,838) | (2,135,156) |
| Cash flows | 506,401 | (3,815,103) | 3,326,838 | 18,136 |
| Net debt at 30 June 2019 | 1,798,083 | (3,915,103) | - | (2,117,020) |
| Cash flows | 629,515 | 33,333 | - | 662,848 |
| Net debt at 10 November 2019 | 2,427,598 | (3,881,770) | - | (1,454,172) |

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

Note 11 Contingent Liabilities, Assets and Commitments

Note 11A: Commitments and Contingencies

Capital commitments

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

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

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

Leasing Commitments

Property leases (as a lessor)

Non-cancellable property leases rentals are receivable as follows.

| | 10 Nov 19 | 30 June 19 |
|--|------------------|------------|
| Receivable – Minimum lease payments | | |
| not later than 12 months | 106,542 | 188,585 |
| between 12 months and 5 years | 85,734 | 85,734 |
| greater than 5 years | - | - |
| Minimum lease payments | 192,278 | 274,319 |

The Branch leases office space at Lots 10, 13 & 14, 54 Cheriton Street, Perth under non-cancellable property leases. The leases run for a period ranging between 2 to 5 years with an option to renew the lease after that date. Lease payments are reviewed regularly to reflect market rentals.

The future lease income from 10 November 2019 is to be that of the United Workers Union. The above disclosure details the non-cancellable leases held by the Branch on reporting date.

Leases (as a lessee)

The Branch does not have any material leases as a lessor at 10 November 2019 (30 June 2019: Nil).

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

Note 12 Related Party Disclosures

Note 12A: Related Party Transactions for the Reporting Period

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

United Voice– National Council (UV – National Council – incorporating Tasmania, Northern Territory and Australian Capital Territory Branches)

United Voice – Queensland Branch and controlled entities (UV – Qld Branch)

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

United Voice – 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.

| | 1 July 19 – 10 Nov 19 | 1 July 18 – 30 June 19 |
|---|----------------------------------|---------------------------|
| | \$ | \$ |
| Revenues received from United Voice – National Council includes the following: | | |
| Reimbursement of office, travel and administration expenses | 10,568 | 77,412 |
| Sponsorship | - | 25,454 |
| Wage reimbursement | - | 20,419 |
| Expenses paid to United Voice – National Council includes the following: | | |
| Sustentation fees | 265,170 | 1,103,908 |
| Insurance premiums and other costs changed by National Council | - | 21,549 |
| Amounts owed to United Voice – National Council include the following: | | |
| Sustentation fees | 291,687 | 310,488 |
| Insurance premiums and other costs changed by National Council | - | 11,902 |
| Loans | 3,750,670 | 3,750,670 |
| Expenses paid to United Voice – VIC Branch includes the following: | | |
| Interest on loan | 2,122 | 9,190 |
| Amounts owed to United Voice – VIC Branch include the following: | | |
| Loans | 131,100 | 164,433 |

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

Note 12 Related Party Disclosures (Continued)

Note 12A: Related Party Transactions for the Reporting Period (Continued)

| | 1 July 19 – 10 Nov 19 | 1 July 18 – 30 June 19 |
|---|----------------------------------|-----------------------------------|
| | \$ | \$ |
| Revenue received from United Voice – Western Australia (State Union) includes the following: | | |
| Reimbursement of office, travel and administration expenses | 231,672 | 659,373 |
| Amounts owed by United Voice – Western Australia (State Union) include the following: | | |
| Related party receivables | 500,775 | 425,117 |

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions (unless otherwise detailed elsewhere in the financial statements). Outstanding balances for sales and purchases at the 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 period ended 10 November 2019, the Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (30 June 2019: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

UNITED VOICE – WESTERN AUSTRALIA BRANCH

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

Note 12 Related Party Disclosures (Continued)

Note 12B: Key Management Personnel Remuneration for the Reporting Period

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

- Carolyn Smith (Branch Secretary)
- Karma Lord (Assistant Branch Secretary)
- Patrick O'Donnell (Assistant Branch Secretary)
- Naomi McCrae (Director Industrial + Branch Vice President)
- All remaining members of the Committee of Management.

| | 1 July 19 – 10 Nov 19 | 1 July 18 – 30 June 19 |
|--|----------------------------------|---------------------------|
| | \$ | \$ |
| Short-term employee benefits | | |
| Salary (including annual leave accrued) | 182,687 | 475,688 |
| Other | 7,181 | 52,180 |
| Total short-term employee benefits | 189,868 | 527,868 |
| Post-employment benefits: | | |
| Superannuation, payroll tax and insurances | 39,888 | 105,695 |
| Total post-employment benefits | 39,888 | 105,695 |
| Other long-term benefits: | | |
| Long-service leave | 4,259 | 19,617 |
| Total other long-term benefits | 4,259 | 19,617 |
| Termination benefits | - | - |
| Total | 234,015 | 653,180 |

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.

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

| | 1 July 19 – 10 Nov 19 | 1 July 18 – 30 June 19 |
|---|----------------------------------|---------------------------|
| | \$ | \$ |
| Note 13 Remuneration of Auditors | | |
| Value of the services provided | | |
| Financial statement audit services – current year | 34,000 | 30,000 |
| Financial statement audit services – prior year | - | 27,619 |
| Other services | 5,000 | - |
| Total remuneration of auditors | 39,000 | 57,619 |

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

Note 14 Financial Instruments (Continued)

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

| | Within trading terms | 0 to 30 days | 31 to 60 days | 61 to 90 days | 90+ days | Total |
|---|-----------------------------|---------------------|----------------------|----------------------|-----------------|---------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Trade and other receivables | - | - | - | - | - | - |
| Receivables from other reporting units | 15,588 | - | - | - | - | 15,588 |
| Total | 15,588 | - | - | - | - | 15,588 |

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

| | Within trading terms | 0 to 30 days | 31 to 60 days | 61 to 90 days | 90+ days | Total |
|---|-----------------------------|---------------------|----------------------|----------------------|-----------------|---------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Trade and other receivables | 39,394 | - | - | - | - | 39,394 |
| Receivables from other reporting units | - | - | - | - | - | - |
| Total | 39,394 | - | - | - | - | 39,394 |

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

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved policy. Such policy requires that surplus funds are only invested with counterparties with a strong reputation and backed by the Commonwealth Government's bank guarantee. At 10 November 2019, all funds were held by financial institutions backed by the Commonwealth Government's bank guarantee.

Collateral held as security

The Branch does not hold collateral with respect to its receivables at 10 November 2019 (30 June 2019: Nil).

UNITED VOICE – WESTERN AUSTRALIA BRANCH

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 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 maximized 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 | |
|--|--------------------|--------------------|----------------|-----------------|----------------|-----------------|--------------------|--------------------|
| | 10 Nov 2019 | 30 June 2019 | 10 Nov 2019 | 30 June 2019 | 10 Nov 2019 | 30 June 2019 | 10 Nov 2019 | 30 June 2019 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Financial liabilities due for payment | | | | | | | | |
| Trade payables | (314,099) | (381,138) | - | - | - | - | (314,099) | (381,138) |
| Other payables | (273,154) | (373,048) | - | - | - | - | (273,154) | (373,048) |
| Loans | (3,881,770) | (3,915,103) | - | - | - | - | (3,881,770) | (3,915,103) |
| Total expected outflows | (4,469,023) | (4,669,289) | - | - | - | - | (4,469,023) | (4,669,289) |

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

Note 14 Financial Instruments (Continued)

(b) Liquidity Risk (continued)

| | Within 1 Year | | 1 to 5 Years | | Over 5 Years | | Total | |
|--|--------------------|-------------|--------------|---------|--------------|---------|--------------------|-------------|
| | 10 Nov | 30 June | 10 Nov | 30 June | 10 Nov | 30 June | 10 Nov | 30 June |
| | 2019 | 2019 | 2019 | 2019 | 2019 | 2019 | 2019 | 2019 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Financial assets – cash flow receivable | | | | | | | | |
| Cash and cash equivalents | 2,427,598 | 1,798,083 | - | - | - | - | 2,427,598 | 1,798,083 |
| Trade and other receivables | 44,878 | 39,394 | - | - | - | - | 44,878 | 39,394 |
| Total anticipated inflows | 2,472,476 | 1,837,477 | - | - | - | - | 2,472,476 | 1,837,477 |
| Net outflow on financial instruments | (1,996,547) | (2,831,812) | - | - | - | - | (1,996,547) | (2,831,812) |

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

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 | | | |
|--|---|---------------------|--------------------|---------------------|
| | 10 Nov 2019 | 30 June 2019 | 10 Nov 2019 | 30 June 2019 |
| | % | % | \$ | \$ |
| Floating rate instruments | | | | |
| Cash and cash equivalents | 1.33 | 1.49 | 2,427,598 | 1,798,083 |
| Loan – United Voice – National Council | - | - | 3,750,670 | 3,750,670 |
| Fixed rate instruments | | | | |
| Loan – United Voice – Victoria Branch | 4.34 | 4.34 | 131,100 | 164,433 |

- 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 – WESTERN AUSTRALIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 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.

| <u>Interest rates</u> | Profit \$ | Equity \$ |
|--------------------------------------|---------------------|---------------------|
| Period ended 10 November 2019 | | |
| +1% in interest rates | (14,542) | (21,465) |
| -1% in interest rates | (14,542) | (21,465) |
| Year ended 30 June 2019 | | |
| +1% in interest rates | (21,170) | (21,170) |
| -1% in interest rates | (16,200) | (16,200) |

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 – WESTERN AUSTRALIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 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 | 10 November 2019 | | 30 June 2019 | |
|------------------------------------|----------|------------------|------------------|------------------|------------------|
| | | Carrying value | Fair value | Carrying value | Fair value |
| | | \$ | \$ | \$ | \$ |
| Financial assets | | | | | |
| Cash and cash equivalents | (i) | 2,427,598 | 2,427,598 | 1,798,083 | 1,798,083 |
| Trade and other receivables | (i) | 44,878 | 44,878 | 39,394 | 39,394 |
| Total financial assets | | 2,472,476 | 2,472,476 | 1,837,477 | 1,837,477 |
| Financial liabilities | | | | | |
| Trade payables | (i) | 314,099 | 314,099 | 381,138 | 381,138 |
| Other payables | (i) | 273,154 | 273,154 | 373,048 | 373,048 |
| Loans | | 3,881,770 | 3,881,770 | 3,915,103 | 3,915,103 |
| Total financial liabilities | | 4,469,023 | 4,469,023 | 4,669,289 | 4,669,289 |

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

- (i) Cash and cash equivalents, accounts receivable, other debtors, term deposits, loans 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 – WESTERN AUSTRALIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 2019

Note 15 Fair Value Measurement (Continued)

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 maximized 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 maximize, 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 – WESTERN AUSTRALIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 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 – 10 November 2019

| | Note | Date of Valuation | Level 1 \$ | Level 2 \$ | Level 3 \$ |
|--|------|-------------------|----------------|------------------|---------------|
| Assets measured at fair value | | | | | |
| Land and Buildings – Lot 11, 54 Cheriton St, Perth | 6A | 9 July 2018 | - | 2,475,000 | - |
| Land and Buildings - Unit 2, 101 Spencer Street, Bunbury | 6A | 30 June 2019 | - | 41,799 | - |
| Investment Property – Lot 10, 13 + 14, 54 Cheriton St, Perth | 6B | 9 July 2018 | - | 3,310,000 | - |
| Total | | | <u>456,948</u> | <u>5,826,799</u> | <u>-</u> |

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

Fair value hierarchy – 30 June 2019

| | Note | Date of Valuation | Level 1 \$ | Level 2 \$ | Level 3 \$ |
|---|------|-------------------|----------------|------------------|---------------|
| Assets measured at fair value | | | | | |
| Non-current assets held for sale - Lot 100 Dhu St, Guilderton | 5D | 30 June 2019 | 456,948 | - | - |
| Land and Buildings – Lot 11, 54 Cheriton St, Perth | 6A | 9 July 2018 | - | 2,475,000 | - |
| Land and Buildings - Unit 2, 101 Spencer Street, Bunbury | 6A | 30 June 2019 | - | 41,799 | - |
| Investment Property – Lot 10, 13 + 14, 54 Cheriton St, Perth | 6B | 9 July 2018 | - | 3,310,000 | - |
| Total | | | <u>456,948</u> | <u>5,826,799</u> | <u>-</u> |

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

UNITED VOICE – WESTERN AUSTRALIA BRANCH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD 1 JULY 2019 - 10 NOVEMBER 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 2, 54 Cheriton Street
Perth WA 6000

Note 18 Segment Information

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

UNITED VOICE – WESTERN AUSTRALIA BRANCH

OFFICER DECLARATION STATEMENT

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

The reporting unit did not:

- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation 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 payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a separation and redundancy provision in respect of holders of office
- have other employee provisions in respect of holders of office
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have other employee provisions in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity

**UNITED VOICE – WESTERN AUSTRALIA BRANCH
OFFICER DECLARATION STATEMENT (CONTINUED)**

- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit



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

22 May 2020

Sydney