



WESTERN AUSTRALIAN SHIRE COUNCILS, MUNICIPAL
ROAD BOARDS, PARKS, AND RACECOURSE,
EMPLOYEES' UNION OF WORKERS, PERTH

GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019

WESTERN AUSTRALIAN SHIRE COUNCILS, MUNICIPAL
ROAD BOARDS, PARKS, AND RACECOURSE,
EMPLOYEES' UNION OF WORKERS, PERTH

GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019

Registered office:

Unit 209
396 Scarborough Beach Road
Osborne Park
Western Australia 6017
Telephone: (08) 9242 5158
Facsimile: (08) 9443 6908

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**WESTERN AUSTRALIAN MUNICIPAL, ROAD BOARDS, PARKS
AND RACECOURSE EMPLOYEES' UNION OF WORKERS, PERTH**

**OPERATING REPORT FOR REPORTING
FOR THE YEAR ENDED 30 JUNE 2019**

1. PRINCIPAL ACTIVITIES OF THE UNION

There are no significant changes to the principal activities of the Union.

The Union continued its policies of organising and recruitment of members in the State of Western Australia. This involved continuing site visits by organising staff; representation of members in the process of collective bargaining for new and existing collective bargaining agreements in the local government, cemeteries and racing industries. Significant representations were made in respect of individual members' claims and disputes surrounding recovery of wages and entitlement; alleged unfair terminations and general disciplinary and claims matters. These activities were reinforced by job delegate training courses aimed at developing and improving skills of job delegates in these areas.

2. FINANCIAL ACTIVITIES OF THE UNION

The financial affairs of the union continued its significant improvement due to effective day-to-day management of expenditures of membership income and through tight budgetary controls on expenditures and the finalisation of the interest bearing debt.

3. SUPERANNUATION TRUSTEES

Mrs Andrea Ballantyne was the Union's representative and a director on the board of management of the WA Local Government Superannuation Plan Pty Ltd.

4. COMMITTEE OF MANAGEMENT REPRESENTATIVES

The following persons held the following offices of the Union during the year ended 30 June 2019:

President: Peter Crawford
Vice President: Richard Wilton
General Secretary: Andrew Johnson
Assistant Secretary: Andrea Ballantyne
Treasurer: Vacant

Committee Members:

Martyn Love Bernie Ellerby
Greg Magor Brett Thompson
Dean Stephens Paul Macnamara

Organisers: Vacant

Trustee: Graham Sigglekow

Zone Delegates:

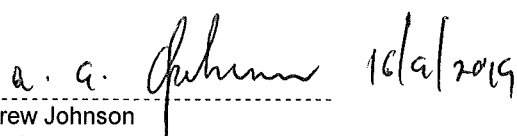
Terry Cooper (Coastal)
Dale Maver (Murchison)

5. ADMINISTRATIVE STAFF AND KEY PERSONNEL EMPLOYED

The Union employed three full time employees and three part time casual employees for the year ended 30 June 2019.

6. MEMBERSHIP OF THE UNION

Membership at 30th June 2019 was 1,080.



Andrew Johnson
Secretary

**WESTERN AUSTRALIAN MUNICIPAL, ROAD BOARDS, PARKS
AND RACECOURSE EMPLOYEES' UNION OF WORKERS, PERTH**

COMMITTEE OF MANAGEMENT STATEMENT

On *16th* of *September* 2019 the Committee of Management of the Western Australian Municipal, Road Boards, Parks, and Racecourse Employees' Union of Workers, Perth ("the Union") passed the following resolution in relation to the general purpose financial report (GPFR) for the reporting unit for the year ended 30 June 2019.

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

- (a.) the financial statements and notes comply with the Australian Accounting Standards;
- (b.) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c.) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Union for the financial year to which they relate;
- (d.) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable;
- (e.) during the financial year to which the GPFR relates and since the end of the financial year:
 - (i.) meetings of the Committee of Management are held in accordance with the rules of the organisation, and
 - (ii.) the financial affairs of the Union have been managed in accordance with the rules of the organisation, and
 - (iii.) the financial records of the have been kept as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and

For the Committee of Management

a. v. Johnson

Andrew Johnson
General Secretary

Dated this *16th* day of *September* 2019.

CARLTON & PARTNERS

CERTIFIED PRACTISING ACCOUNTANTS

Business Address: 18 Sangiorgio Court Osborne Park WA 6017

Telephone: (08) 6165 4000 Fax(08) 6165 4067

Independent auditor's report to the members of the Western Australian Municipal, Road Boards, Parks and Racecourse Employees' Union of Workers, Perth.

I have audited the accompanying financial report of the Western Australian Municipal, Road Boards, Parks and Racecourse Employees' Union of Workers, Perth (the Union), which comprises the statement of financial position as at the 30 June 2019, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Committee of Management's Statement.

Committee of Management's Responsibility for the Financial Report

The Committee of Management of the Union are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting interpretations) and with the Western Australian Industrial Relations Act 1979. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on my judgement, including the assessment of the material risks of misstatement of the financial report, whether due to fraud or error. In making those risk assessments, I consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee Members as well as evaluating overall presentation of the financial report. My audit is not conducted specifically for the purpose of exposing fraud but if in the event it is detected it would be reported to management. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit I have complied with the independence requirements of the Australian professional ethical pronouncements.

Recovery of wages

Based on representations made to me by my client and my audit work undertaken for the year ended 30 June 2019, it appears that no revenue was derived from undertaking recovery of wages activity for the year then ended.

Independent auditor's report to the members of the Western Australian Municipal, Road Boards, Parks and Racecourse Employees' Union of Workers, Perth. (cont'd)

Electronic publication of the audited financial reports

It is my understanding that the Union intends to electronically present the audited financial report and auditor's report on its internet website. Responsibility for the electronic presentation of the financial report on the website is that of Committee of Management. The security and controls over information on the website should be addressed by the Union to maintain the integrity of the data presented. The examination of the controls over the electronic presentation of audited financial report(s) on the Union's website is beyond the scope of the audit of the financial report.

Auditor's Opinion

In my opinion:

- i) no financial officials have breached Section 74 of the Western Australian Industrial Relation Act 1979;
- ii) the committee of management's use of the going concern basis of accounting in the preparation of the Union's financial statements is appropriate, and
- iii) the general purpose financial report of the Union is presented fairly in accordance with applicable accounting standards and other mandatory professional reporting requirements in Australia and the requirements of the Industrial Relations Act.



G. Wovodich
Registered Company Auditor
Carlton & Partners

Dated at Perth this 1ST day of OCTOBER 2019.

WESTERN AUSTRALIAN MUNICIPAL, ROAD BOARDS, PARKS
AND RACECOURSE EMPLOYEES' UNION OF WORKERS, PERTH

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2019**

	2018-2019 \$	2017-2018 \$
Revenue		
Rent Received	-	28,809
Expense		
Audit and accountancy fees	600	600
Building maintenance	-	-
Depreciation	3,902	-
Interest paid	-	24,564
	<u>4,502</u>	<u>25,164</u>
Excess of Expenditure over Income for the year	<u>4,502</u>	<u>(3,645)</u>

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

	2018-2019 \$	2017-2018 \$
CASH FLOW FROM OPERATING ACTIVITIES		
Operating revenue	-	(28,809)
Payments to suppliers and employees	600	600
Net cash used in (provided by) operating activities	<u>600</u>	<u>(28,209)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Other income	-	-
Net cash provided by (used in) investing activities	<u>-</u>	<u>-</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Balance on acquisition of property	378,238	-
Deposit on Property	-	40,000
Contribution made for future employee entitlements	200,000	-
Advances (from) to related entities	96,235	(115,117)
Mortgage repayments	-	515,811
Net Proceeds from sale of property	-	(1,764,963)
Finance costs	-	24,565
Net cash used in (provided by) financing activities	<u>674,473</u>	<u>(1,299,704)</u>
Net decrease (increase) in cash resources	<u>675,073</u>	<u>(1,327,913)</u>
Cash at Bank (Overdraft) at beginning of year	1,341,878	13,965
Cash at Bank at end of year	<u>666,805</u>	<u>1,341,878</u>
Increase (Decrease) in Cash at Bank	<u>(675,073)</u>	<u>1,327,913</u>

The accompanying notes form part of these financial statements

WESTERN AUSTRALIAN MUNICIPAL, ROAD BOARDS, PARKS
AND RACECOURSE EMPLOYEES' UNION OF WORKERS, PERTH

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

	Not	30-6-2019 \$	30-6-2018 \$
CURRENT ASSETS			
Cash and cash equivalents	2.	666,805	1,341,878
Trade and other receivables	4.	481,761	385,526
Deposit	3.	-	40,000
TOTAL CURRENT ASSETS		<u>1,148,566</u>	<u>1,767,404</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5.	<u>414,336</u>	<u>-</u>
TOTAL NON-CURRENT ASSETS		<u>414,336</u>	<u>-</u>
TOTAL ASSETS		<u>1,562,902</u>	<u>1,767,404</u>
NON-CURRENT LIABILITIES			
Mortgage – secured		<u>-</u>	<u>-</u>
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>-</u>	<u>-</u>
NET ASSETS		<u>1,562,902</u>	<u>1,767,404</u>
EQUITY			
Accumulated funds	6.	<u>1,562,902</u>	<u>1,767,404</u>
TOTAL EQUITY (DEFICIENCY)		<u>1,562,902</u>	<u>1,767,404</u>

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

Balance at the beginning of the year		1,767,404	85,212
Add:			
Surplus (deficit) for the year		(4,502)	3,645
Contribution made for future employee entitlements		(200,000)	-
Capital profit on sale of property		-	1,678,547
Balance at the end of the year		<u>1,562,902</u>	<u>1,767,404</u>

The accompanying notes form part of these financial statements

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

Note 1 – Basis of presentation of financial statements.

- a. The membership application form for the Western Australian Municipal Road Boards, Parks and Racecourse Employees' Union of Workers (Perth WA) and the WA Shire Councils, Municipal Road Boards, Health Boards, Parks, Cemeteries and Racecourses, Public Authorities Water Boards Union (WA Division) includes the application for admittance and a pledge to both the aforementioned unions.
- b. Income received from members together with the operating expenses has been accounted for globally. The operational and functioning of both unions is administrated by the W.A. Division at no cost to the Perth Union. The W.A. Division rents the premises from the Perth Union which in turn provides financial support and collateral security to the W.A. Division to enable the administration and operation of both organisations. The officeholders of both bodies are essentially the same. The Federal Body and the W.A. Division participate in financial and operating policy decisions of the Union but they do not have control over the Union's policies.

Note 2 - Statement of significant accounting policies.

- a. **Basis of Preparation**
Except where stated, the accounting procedures and policies set out in these notes are consistent with the accounting procedures and policies used in prior years in the day to day activities of the Unions and in preparing financial statements.
- b. **Recognition of income from membership fees**
Membership fees recoverable in respect of the year ended 30 June 2019 but not received until after that date are brought to account as income of the period ending on that date.
- c. **Income tax**
No provision for income tax is necessary for either Union because both are exempt from income tax under section 50-15 of the Income Tax Assessment Act 1997. Tax effect accounting is therefore neither applicable nor applied in the preparation of these financial statements.
- d. **Freehold Property**
The Executive Committee obtains sworn valuations of freehold properties every three to five years and adjusts the book values of the relevant properties to agree with the sworn valuations.
- e. **Depreciation**
Whilst the Executive Committee believes that, as freehold properties are adjusted to values determined by sworn valuations from time to time, there is no real need to provide for depreciation of the structures erected on those properties, a nominal rate of 1.25% has been provided for in the financial results.
- f. **Borrowing costs**
Borrowing costs are recognised in full in the income statement in the period in which they are incurred.
- g. **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. In these circumstances, the GST is recognised as part of the cost of the asset or the expense. Receivables and payables in the balance sheet are shown exclusive of GST.
- h. **Critical accounting estimates and judgments**
The Executive Committee evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events based on current trends and economic data.
- i. **Comparative figures**
When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current year.

WESTERN AUSTRALIAN MUNICIPAL, ROAD BOARDS, PARKS
AND RACECOURSE EMPLOYEES' UNION OF WORKERS, PERTH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	30-6-2019 \$	30-6-2018 \$
Note 2 – Cash & cash equivalents		
Cash at Bank – cheque account	37,807	1,341,878
Term Deposit	629,000	-
	<u>666,807</u>	<u>1,341,878</u>
Note 3 – Deposit (Subsequent event)		
Deposit paid on new office unit.	-	40,000
	<u>-</u>	<u>40,000</u>
Note 4 – Trade and other receivables		
Owing by W.A. Division	681,761	385,526
	<u>681,761</u>	<u>385,526</u>
Note 5 – Land & buildings		
Freehold land and buildings		
Acquisition of strata office unit - at cost	418,238	-
Less accumulated depreciation	3,902	-
	<u>414,336</u>	<u>-</u>
Movements in the carrying amounts for each class of asset between the beginning and the end of the financial year:		
Freehold land and buildings		
Carrying amount at beginning of year	40,000	-
Balance of acquisition of strata office unit	378,238	-
Depreciation expense	(3,902)	-
Total land & buildings	<u>414,336</u>	<u>-</u>
Note 6 - Accumulated Profits		
Balance at beginning of year	1,767,404	85,212
Contribution made for future employee entitlements	(200,000)	-
Profit on sale of property	-	1,678,547
Add (Deficit) Surplus for the year	4,502	3,645
Balance at end of year	<u>1,562,902</u>	<u>1,767,404</u>

Note 7 - Key Management personnel

Executive Council Members

President:	Peter Crawford
Secretary :	Andrew Johnson
Assistant Secretary:	Andrea Ballantyne

WESTERN AUSTRALIAN MUNICIPAL, ROAD BOARDS, PARKS
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

Note 8 – Contingent Liabilities

There are no contingent liabilities.

Note 9 – Segment reporting

The Union operates in the one business and geographical segment being the industrial relations sector providing services to members of their organisations throughout Western Australia

Note 10 - Financial instruments

Credit Risk: The Union does not have a material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Union.

Note 11 – Organisation details

The registered office and principal place of business is:

Unit 209, 396 Scarborough Beach Road

Osborne Park Western Australia 6017