

FR 2003/66

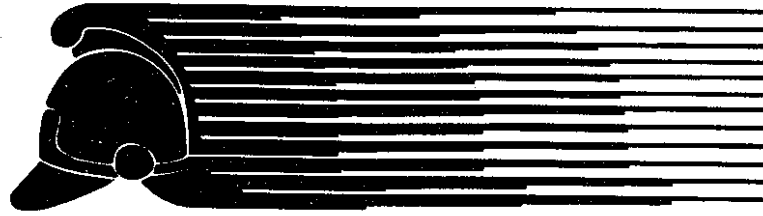
Rec'd 25/3/03?

ABN 51 824 544 079

Email: ufua@bigpond.com.au

Your ref.:

Our ref.:



United Firefighters Union of Australia

21 March 2003

Strictly Private & Confidential

Robert Pfeiffer
Australian Industrial Registry
Research Information and Advice Branch
Level 35
Nauru House
80 Collins Street
MELBOURNE VIC 3000

Dear Mr Pfeiffer,

Re: United Firefighters' Union of Australia
Certificate of the Secretary

I enclose original signed Financial Statements for the year ended 30 June, 2002 which were presented to a meeting of the committee of management on 17 February, 2002 and to the general meeting of delegates on 20 March, 2003.

Should you have any queries in relation to the Financial Statements, please do not hesitate to contact me.

Yours sincerely,

PETER MARSHALL
Secretary

Encl.

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United Firefighters' Union of Australia

Special Purpose Financial Accounts

For the year ended 30 June, 2002

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

FINANCIAL STATEMENTS FOR THE

YEAR ENDED 30 JUNE, 2002

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UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF THE ACCOUNTING OFFICER

I, *Peter Marshall*, being the officer responsible for keeping the accounting records of the United Firefighters' Union of Australia certify that as at 30 June, 2002 the number of members of the organisation was 12501.

In my opinion:

- (i) the attached accounts show a true and fair view of the financial affairs of the organisation as at 30 June, 2002;
- (ii) a record has been kept of all moneys paid by or collected from members of the organisation and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the organisation;
- (iii) before any expenditure was incurred, approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation;
- (iv) with regard to funds of the organisation raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules of the organisation, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- (v) no loans or other financial benefits, other than remuneration in respect of their full-time employment with the organisation, were made to persons holding office in the organisation;
- (vi) the register of members of the organisation was maintained in accordance with the Workplace Relations Act 1996;
- (vii) the attached accounts have been prepared in accordance with Statements of Accounting Concepts and applicable Australian Accounting Standards.

Dated at Fitzroy this Twenty Fourth day of February 2003.


PETER MARSHALL

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF THE COMMITTEE OF MANAGEMENT

We, *Ron Hanna and Mick Doyle*, being two members of the National Committee of Management of the United Firefighters' Union of Australia, do state on behalf of the Committee and in accordance with a resolution passed by the Committee that:

- (i) In the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the Union as at 30 June, 2002;
- (ii) In the opinion of the Committee of Management, the Union has reasonable grounds to believe that the association will be able to pay its debts as they fall due;
- (iii) In the opinion of the Committee of Management, meetings of the Committee were held during the year ended 30 June 2002, in accordance with the rules of the organisation;
- (iv) To the knowledge of any member of the Committee, there have been no instances where records of the organisation or other documents, (not being documents containing information made available to a member of the organisation under Sub-Section 274(2) of the Workplace Relations Act 1996) or copies of those records or other documents, or copies of the rules of the organisation, have not been furnished, or made available to members in accordance with the requirements of the Workplace Relations Act 1996 the Regulations thereto or the rules of the organisation;
- (v) The Union has complied with the Act in relation to the financial accounts in respect of the year ended 30 June 2001 and the auditors' report, thereon.

Signed on behalf of the Committee of Management

Dated at *Fitzroy* this *Twenty Fourth* day of *February* 2003.

R. U. Hanna

RON HANNA

M. Doyle

MICK DOYLE

AUDITORS' REPORT**TO THE MEMBERS OF THE****UNITED FIREFIGHTERS' UNION OF AUSTRALIA**Scope

We have audited the attached accounts, as set out on pages 2 to 3 and 6 to 15, of the United Firefighters' Union of Australia for the year ended 30 June, 2002. The Committee of Management is responsible for the preparation and presentation of the accounts and the information contained therein. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the organisation.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the accounts, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the accounts are presented fairly in accordance with statements of Accounting Concepts and applicable Australian Accounting Standards and the Workplace Relations Act 1996 so as to present a view of the organisation which is consistent with our understanding of its financial position and the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Qualification

The Union's balance sheet and profit and loss accounts for the year ended 30 June 2001 were not audited by us as we were only appointed as auditors of the Union on 17 January 2003. Accordingly, we are unable to express an opinion on the comparative figures contained in these accounts. Further the results of the union for the year ended 30 June 2002 would be affected to the extent of any possible misstatements of the financial information in the 2001 balance sheet.

Audit Opinion

In our opinion, subject to the limitation referred to in the qualification paragraph above, the accounts of the United Firefighters' Union of Australia are properly drawn up and:

- (a) satisfactory accounting records have been kept by the organisation so far as appears from our examination of these books, including:
 - (i) records of the sources and nature of the income of the organisation (including income from members); and
 - (ii) records of the nature and purposes of expenditure of the organisation.

AUDITORS' REPORT
TO THE MEMBERS OF THE
UNITED FIREFIGHTERS' UNION OF AUSTRALIA

(Continued...)

- (b) the accounts and statements required to be prepared under Section 273 of the Workplace Relations Act 1996 have been properly drawn up so as to give a true and fair view of:
 - (i) the financial affairs of the organisation as at 30 June, 2002; and
 - (ii) the income and expenditure and any surplus or deficit of the organisation for the year.
- (c) all the relevant information and explanations required to be furnished by the officers of the organisation were furnished;
- (d) the accounts have been prepared in accordance with Statements of Accounting Concepts and applicable Australian Accounting Standards.

Dated at Carlton this *Twenty fifth* day of *February*, 2003.



AGOSTINELLI PERLEN
CHARTERED ACCOUNTANTS



PARTNER: JOHN AGOSTINELLI
REGISTERED COMPANY AUDITOR

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

BALANCE SHEET

AS AT 30 JUNE, 2002

	<u>Notes</u>	<u>2002</u> \$	<u>2001</u> \$
MEMBERS' FUNDS		92,924	34,906
REPRESENTED BY:			
CURRENT ASSETS			
Cash at Bank	7(a)	11,839	10,099
Subscriptions and Levies in Arrears	4(c)	224,052	87,787
Sundry Debtors and Prepayments		665	6,304
Total Current Assets		236,556	104,190
NON-CURRENT ASSETS			
FIXED ASSETS			
Motor Vehicles, Office Furniture & Equipment	3	4,850	6,790
Total Non-Current Assets		4,850	6,790
TOTAL ASSETS		241,406	110,980

The accompanying notes form part of these accounts.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

BALANCE SHEET

AS AT 30 JUNE, 2002

(Continued...)	<u>Notes</u>	<u>2002</u>	<u>2001</u>
		\$	\$
<u>Less:</u>			
CURRENT LIABILITIES			
Trade Creditors		30,058	13,299
Subscriptions Paid in Advance		105,979	28,856
Accrued Charges		11,696	12,305
Provision for Employee Entitlements		749	13,785
		<hr/>	<hr/>
TOTAL CURRENT LIABILITIES		148,482	68,245
		<hr/>	<hr/>
NON CURRENT LIABILITIES			
Provision for Employee Entitlements		--	7,829
		<hr/>	<hr/>
TOTAL LIABILITIES		148,482	76,074
		<hr/>	<hr/>
NET ASSETS		92,924	34,906
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these accounts.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

MEMBERS' FUNDS

FOR THE YEAR ENDED 30 JUNE, 2002

	<u>2002</u>	<u>2001</u>
	\$	\$
Operating Surplus/(Deficit)	58,018	(16,719)
Accumulated Funds as at 1st July, 2001	34,906	51,625
Accumulated Funds as at 30 June, 2002	<u>92,924</u>	<u>34,906</u>

The accompanying notes form part of these accounts.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF INCOME AND EXPENDITURE

FOR THE YEAR ENDED 30 JUNE, 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
<u>INCOME</u>		\$	\$
Branch Subscriptions	5	206,264	178,211
Other Income	6	10,035	16,073
		<hr/>	<hr/>
		216,299	194,284
		<hr/>	<hr/>
<u>LESS: EXPENDITURE</u>			
<u>Administration and other operating costs</u>			
Affiliation Fees		26,585	24,344
Audit and Accountancy		5,050	5,330
Bank Charges		1,032	1,259
Computer Expenses		235	--
Debts written off		--	26,181
Depreciation of motor vehicles		1,052	1,357
Depreciation of plant and equipment		794	1,342
Entertainment		152	397
Fringe Benefits Tax		2,592	2,752
Insurance		404	756
Internet expense		320	259
Legal fees – general		660	8,408
Loss on disposal of assets		194	--
Motor Vehicle		3,558	5,301
O H & S Campaigns		500	500
O H & S Disbursements		--	205
Printing & Stationery		2,282	3,458
Postage		295	1,641
Promotional and magazine expenses		344	--
Relocation Expenses		373	--
Rent		20,450	20,800
Repairs and Maintenance		144	225
Storage		668	--
Subscriptions and Donations		595	82
Sundry Expenses		54	172
Telephone and facsimile		6,099	6,241
Travelling		241	2,477
		<hr/>	<hr/>
		74,673	113,487
		<hr/>	<hr/>

The accompanying notes form part of these accounts.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF INCOME AND EXPENDITURE

FOR THE YEAR ENDED 30 JUNE, 2002

	<u>Notes</u>	<u>2002</u>	<u>2001</u>
		\$	\$
<u>Employment Costs</u>			
Salaries and benefits – Office Bearers		29,266	27,048
Salaries and Benefits – Other employees		41,730	34,830
Staff Training and other related costs		800	809
Standby Allowance		178	1,277
Superannuation contributions		8,127	9,312
Honorarium		2,496	5,000
Workers compensation insurance		945	1,136
Provision for Leave		749	5,102
Overprovision of leave entitlements		(5,087)	--
		<hr/>	<hr/>
		79,204	84,514
		<hr/>	<hr/>
<u>Conference and Meetings</u>			
Occupational Health and Safety Expenses		--	4,679
National Executive		--	7,454
Federal Conference		--	(394)
National Officers' Travel		3,144	1,263
Training and Conferences		1,260	--
		<hr/>	<hr/>
		4,404	13,002
		<hr/>	<hr/>
<u>Total Expenditure</u>		158,281	211,003
		<hr/>	<hr/>
OPERATING SURPLUS / (DEFICIT)		58,018	(16,719)
Accumulated Surplus at 1 July 2001		34,906	51,625
		<hr/>	<hr/>
ACCUMULATED SURPLUS AT 30 JUNE 2002		<u>92,924</u>	<u>34,906</u>

The accompanying notes form part of these accounts.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE, 2002

	<u>Note</u>	<u>2002</u>	<u>2001</u>
		\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from Branch Subscriptions and Affiliation Fees		162,760	192,543
Payment to Suppliers and employees		(160,956)	(204,519)
Interest received		35	73
Net Cash Inflow/(Outflow) From Operating Activities	7 (b)	<u>1,839</u>	<u>(11,903)</u>
<u>CASH FLOWS FROM INVESTING & FINANCING ACTIVITIES</u>			
Payments for Property, Plant & Equipment		(99)	--
Borrowings		--	(1,249)
Net Cash Inflow/(Outflow) From Investing Activities		<u>(99)</u>	<u>(1,249)</u>
NET INCREASE (DECREASE) IN CASH HELD		1,740	(13,152)
Cash at the Beginning of the Financial Year		10,099	23,251
CASH AT THE END OF FINANCIAL YEAR	7 (a)	<u><u>11,839</u></u>	<u><u>10,099</u></u>

The accompanying notes form part of these accounts.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2002

Note 1 - Accounting Policies

The Union is a non-reporting economic entity. These financial statements are a special purpose financial report prepared in order to satisfy the requirements of the Workplace Relations Act, 1996.

In accordance with generally accepted accounting principles for such organisations, membership contributions are accounted for on an accruals basis. Unless otherwise stated, the accounts are prepared under the historical cost convention and do not take into account changing money values, or except where stated, current valuations of non-current assets. The accounts have been drawn up in accordance with the Accounting Standards jointly issued by the Australian Accounting Bodies and as required by law.

(a) Depreciation

Fixed assets are depreciated over the period of their expected effective lives.

(b) Employee Entitlements

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

Contributions are made by the Union to an employee superannuation fund and are charged as expenses when incurred.

(c) Comparatives

The comparative figures in the accounts are for the twelve months ended 30 June, 2001.

(d) Income Tax

No provision for income tax is necessary as Trade Unions are exempt bodies under Section 50-15 of the Income Tax Assessment Act 1997.

(e) Stock on Hand

All stocks of stationery, printed materials and other consumables are written off immediately on acquisition through the income and expenditure account.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2002

Note 2 – Basis of Preparation

These accounts are the accounts of the national body of the United Firefighters Union of Australia. They do not include the accounts of each of the branches of the Union which are constituted under its rules and in accordance with the provisions of Section 271 of the Workplace Relations Act 1996.

	<u>2002</u>	<u>2001</u>
	\$	\$
Note 3 - Motor Vehicles, Office Furniture & Equipment		
Motor Vehicles - at Cost	28,857	28,857
Less: Accumulated Depreciation	25,233	24,181
	<hr/>	<hr/>
	3,624	4,676
	<hr/>	<hr/>
Office Furniture & Equipment - at Cost	4,718	11,161
Less: Accumulated Depreciation	3,492	9,047
	<hr/>	<hr/>
	1,226	2,114
	<hr/>	<hr/>
Total Written Down Value	4,850	6,790
	<hr/>	<hr/>

Note 4 – Subscriptions

- (a) Subscriptions are receivable from State Branches based on membership numbers and paid quarterly in arrears.
- (b) Subscriptions receivable for the year ended 30 June 2002 are made up as follows:

	<u>2002</u>	<u>2001</u>
	\$	\$
New South Wales	58,303	57,422
Victoria	32,462	32,842
Queensland	30,997	30,643
South Australia	11,469	11,709
Western Australia	14,531	13,935
Tasmania	5,065	5,020
Australian Capital Territory	4,272	4,248
Australian Government Employees	6,715	6,469
	<hr/>	<hr/>
Total Subscriptions	163,814	162,288
	<hr/>	<hr/>

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2002

	<u>2002</u>	<u>2001</u>
	\$	\$
Note 4 – Subscriptions cont..		
(c) The amount of subscriptions and levies in arrears at 30 June 2002 comprises:		
<u>Subscriptions:</u>		
Victoria	51,430	35,621
New South Wales	107,200	43,067
Queensland	14,797	--
Western Australia	6,982	--
South Australia	5,488	--
Tasmania	2,434	--
Australian Government Employees	12,238	4,851
Australian Capital Territory	8,947	4,248
ACTU Affiliation – New South Wales	13,322	--
ACTU Affiliation – Victoria	1,214	--
	<hr/> <hr/>	<hr/> <hr/>
Total Subscriptions and levies in Arrears	224,052	87,787
	<hr/> <hr/>	<hr/> <hr/>

Note 5 – Branch Subscriptions

Branch Subscriptions	163,814	162,288
Affiliation Fees	26,444	15,923
National Levies	16,006	--
	<hr/> <hr/>	<hr/> <hr/>
Total Income from Branches	206,264	178,211
	<hr/> <hr/>	<hr/> <hr/>

Note 6 - Other Income

Magazine Revenue	10,000	15,000
Sundry Income	--	1,000
Interest Received	35	73
	<hr/> <hr/>	<hr/> <hr/>
	10,035	16,073
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE, 2002

Note 7 - Notes To The Statement of Cash Flows

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand, cash at bank and deposits. Cash at the beginning and end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	<u>Note</u>	<u>2002</u>	<u>2001</u>
		\$	\$
Cash at Bank – Commonwealth Bank		11,839	3,259
Fire Service Credit Union		--	6,790
Petty Cash		--	50
		11,839	10,099

(b) Reconciliation of Cash Flow from Operations with Operating Surplus:

<u>Operating Surplus/(Deficit)</u>		58,018	(16,719)
Depreciation & Amortisation		1,846	2,699
(Profit)/Loss on Sale of Non-Current Assets		194	--
 <u>Changes in Operating Assets & Liabilities:</u>			
(Increase)/Decrease in Subscriptions in Arrears		(130,626)	(44,800)
(Increase)/(Decrease) in Sundry debtors		--	(2,762)
Increase/(Decrease) in Trade Creditors and Accruals		16,150	1,519
Increase/(Decrease) in Provisions		(20,865)	5,103
Increase/(Decrease) in Subs Paid in Advance		77,122	43,057
		1,839	(11,903)
Cash Inflow from Operating Activities		1,839	(11,903)



AUSTRALIAN INDUSTRIAL REGISTRY

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9654 6672

Mr Peter Marshall
Secretary
United Firefighters' Union of Australia
410 Brunswick Street
FITZROY VIC 3065

Dear Mr Marshall,

**Re: United Firefighters' Union of Australia
Financial documents for year ended 30 June 2002 - FR2003/66**

Receipt is acknowledged of the financial documents of the United Firefighters' Union of Australia for the year ended 30 June 2002. The documents were lodged in the Industrial Registry on 25 March 2003.

The documents have been filed.

I direct your attention to the following matters concerning the financial reporting requirements of the *Workplace Relations Act 1996*. Please note that these matters are raised for the purpose only of providing assistance in the future preparation of financial documents. No further action is required in respect of the subject documents.

Financial Reporting Timeline

Financial documents are required to be prepared, audited, provided to members, presented to a meeting and lodged in the Industrial Registry in accordance with a prescribed sequence and within certain time limits. It would appear from the information contained in the abovementioned documents that those requirements have not been met with regard to the presentation of the documents to a meeting of the organisation.

In particular, it would appear that the general meeting of delegates held on 20 March 2003 was not a meeting held pursuant to subsection 279(6). Furthermore, given that the auditor's report, the accounting officer's certificate and the certificate of the committee of management are all dated 24 February 2003, the committee meeting held on 17 February 2003 similarly fails to comply with subsection 279(6).

Subsection 279(6) provides for the presentation of the auditor's report and the accounts (including the accounting officer's and the committee of management's certificates) to a general meeting of members or a committee of management meeting.

Clearly, the meeting held on 17 February could not have included all the required documentation whilst the meeting conducted on 20 March does not appear to constitute a meeting within the meaning of subsection 279(6).

I have enclosed a diagrammatic summary of the current financial reporting time limits which may assist your organisation in the preparation of future financial documents. Please note that the financial reporting requirements, including these time limits, will change substantially when the RAO Schedule comes into operation on 12 May 2003. However, in the case of the United Firefighters' Union of Australia, the current legislation will continue to apply to the financial documents required to be lodged in respect of the year ended 30 June 2003.

Auditor's Report

The auditor's report was not completed within the prescribed period in compliance with subsection 276(1) of the Act. Currently, unless an extension of time has been granted pursuant to paragraph (b) of regulation 113 of the *Workplace Relations Regulations*, an auditor's report is required to be made within six months of the financial year to which it relates.

Prescribed Information Notice

As indicated in previous correspondence from this office, there should be included in the accounts a notice drawing attention to the provisions of subsections 274(1), (2) and (3) of the Act under which specified prescribed information is required to be made available to members on request. In addition, subsection 274(4) requires the provisions of each of those subsections to be set out in the accounts. [emphasis added] For your information the statutory provisions read as follows:

(1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.

(2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.

(3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

The required notice may be included in the "Notes to the Accounts".

Should you have any queries concerning these matters or require further information regarding the financial reporting requirements of the Act, I may be contacted on (03) 8661 7775.

Yours sincerely

Ruth Hansen 
Statutory Services Branch

16 April 2003

WORKPLACE RELATIONS ACT 1996 - FINANCIAL REPORTING TIMELINE

An organisation or a branch of an organisation must:

keep accounting records
s.272

as soon as practicable after the end of its financial year:

prepare annual accounts
s.273

including:

- Prescribed accounts - reg. 107
- s.274(4) Notice
- Certificates by Accounting Officer and Committee of Management - reg.109

Committee of Management Certificate must be in accordance with a resolution passed by the Committee (the *first meeting*)

within 6 months of the end of the financial year:

receive Auditor's Report
s.276 and reg. 113

within 56 days of auditor's report:

provide report and accounts free of charge to members - s.279

a *summary* of the report and accounts may be provided instead provided that the requirements of s.279(2) are met

no less than 8 days after circulation and no more than 84 days after auditor's report:

present report and accounts to a meeting - s.279(6)(a)

General meeting of members OR a meeting of Committee of Management (the *second meeting*)

within 14 days of second meeting:

lodge copies of report and accounts in Registry - s.280

With certificate by Secretary confirming that the documents lodged were presented to the second meeting

IMPORTANT NOTE: This timeline is a summary only; Part IX, Division 11 of the *Workplace Relations Act 1996* and Part VII, Division 8 of the *Workplace Relations Regulations* should be consulted for full details of the requirements and further information on issues such as extensions of time for some stages.