



FAIR WORK  
AUSTRALIA

25 November 2011

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

By email: [p.marshall@ufuVIC.asn.au](mailto:p.marshall@ufuVIC.asn.au)

Dear Mr Marshall

**Financial report for year ended 30 June 2011 – FR2011/2619  
Fair Work (Registered Organisations) Act 2009 – (RO Act)  
Fair Work (Registered Organisations) Regulations 2009 – (RO Regulations)**

I acknowledge receipt of the financial report for the National Office of the United Firefighters' Union of Australia for the year ended 30 June 2011. The document was lodged with Fair Work Australia (FWA) on 22 November 2011.

The financial report for year ended 30 June 2011 has been filed.

Although the report has been filed, there are several matters to note when preparing for future financial reports. Please ensure these changes are made promptly to the UFUA's financial reporting templates to ensure the amendments are implemented in future financial reports.

**1. Committee of Management Statement (page 5)**

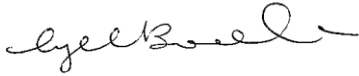
Resolution (e)(iii) of the Committee of Management Statement should state that the *'financial records of the union have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009*. This is a requirement under Guideline 25(e)(iii) of the Reporting Guidelines of the General Manager of Fair Work Australia. The lodged Statement dated 19 October 2011 contains a resolution that only refers to the RO Regulations. Please ensure this is corrected.

**2. Statement of Comprehensive Income (pages 10–11)**

Guideline 11(f) of the Reporting Guidelines requires reporting units to disclose, on the face of the profit and loss statement in accordance with Australian Accounting Standards, grants and donations. Please ensure such information is disclosed in the Statement of Comprehensive Income if grant or donation expenses are incurred during the financial year.

If you wish to discuss any matters contained in this correspondence I may be contacted on (03) 8661 7989 (Tuesday – Friday) or by email at [cynthia.lobooth@fwa.gov.au](mailto:cynthia.lobooth@fwa.gov.au)

Yours sincerely

A handwritten signature in black ink, appearing to read 'Cynthia Lo-Booth', with a stylized flourish at the end.

Cynthia Lo-Booth  
Organisations, Research and Advice

Copy: Ms Stephanie Kolceg  
Supervisor  
Agnostinelli Perlen Pty Ltd  
Chartered Accountants  
[Stephanie@agpe.com.au](mailto:Stephanie@agpe.com.au)

16 November 2011

**Strictly Private and Confidential**

Ms Cynthia Lo-Booth  
Tribunal Services and Organisations  
Fair Work Australia  
GPO Box 1994  
MELBOURNE VIC 3001

Dear Ms Lo-Booth

**United Firefighters Union of Australia  
Designated Officer's Certificate**

I, Peter Marshall, being the Secretary of the United Firefighters Union of Australia certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009 being financial report for the year ended 30 June 2011; and
- that the full report was provided to members on 27<sup>th</sup> October 2011; and
- that the full report was presented to a meeting of the National Committee of Management of the reporting unit on 16 November 2011; in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

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

Yours sincerely



**PETER MARSHALL**  
**Secretary**

Encl  
UFU001 : Ref 144297\_1



**UNITED FIREFIGHTERS UNION  
OF AUSTRALIA**



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**President: Mick Farrell**

**Secretary: Peter Marshall**



**United Firefighters' Union of Australia**

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**General Purpose Financial Reports**

**For the year ended 30 June 2011**

**JOHN AGOSTINELLI - HENRY V PERLEN**

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**UNITED FIREFIGHTERS' UNION OF AUSTRALIA**  
**GENERAL PURPOSE FINANCIAL REPORT FOR THE**  
**YEAR ENDED 30 JUNE 2011**

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## UNITED FIREFIGHTERS' UNION OF AUSTRALIA

### OPERATING REPORT 30 JUNE 2011

In accordance with section 254 of the Fair Work (Registered Organisations) Act 2009, your Committee of Management present their report on the Union for the financial year ended 30 June 2011.

#### **Principal Activities**

The principal activities of United Firefighters' Union of Australia during the financial year was to represent professional firefighters and their safety.

No significant change in the nature of these activities occurred during the year.

#### **Operating result**

The operating surplus of the Union for the financial year amounted to \$1,405 (2010 Deficit: \$63,543). No provision for tax was necessary as the reporting unit is exempt from income tax.

#### **Significant Changes in State of Affairs**

An ongoing dispute between the National Office and one of its State Branches has resulted in the resignation of members from that State Branch and the refusal to pay outstanding dues.

#### **After balance day events**

The legal proceedings between the National Office and a State Branch have continued and as of the date of signing the financial statements remain unresolved.

#### **Rights of Members**

Subject to the rules of the organisation and Sec 174 of the Fair Work (Registered Organisations) Act 2009, members have the right to resign from membership of the organisations by written notice addressed to and delivered to the secretary of the organisations.

#### **Superannuation Officeholders**

No officer or member of the reporting unit:

- a) is a trustee of a superannuation entity or an exempt public sector superannuation scheme;  
or
- b) is a director of a company that is trustee of a superannuation entity or an exempt public sector superannuation scheme.

# UNITED FIREFIGHTERS' UNION OF AUSTRALIA

## OPERATING REPORT 30 JUNE 2011

### Other Prescribed Information

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Act 2009:

- (a) the number of persons that were at the end of the financial year recorded in the register of members for section 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the registered organisations under section 244 of the Fair Work (Registered Organisations) Act 2009 was 9,699.
- (b) the number of persons who were at the end of the financial year employees of the organisation were one full-time and three part-time employees.
- (c) the name of each person who has been a member of the Committee of Management of the organisation at any time during the financial year, and the periods for which they held such a position were:

<b>Branch</b>	<b>Names</b>	<b>Period</b>
National Office	Mick Farrell	1 July 2010 - 30 June 2011
	Peter Marshall	1 July 2010 - 30 June 2011
Representing New South Wales	Darryl Harpley	1 July 2010 – 10 August 2010
	Chris Read	1 July 2010 - 30 June 2011
	Greg Matthews	1 July 2010 – 30 June 2011
Representing Victoria	Peter Marshall	1 July 2010 – 30 June 2011
	David Hamilton	1 July 2010 – 30 June 2011
	Tony Trimble	1 July 2010 – 30 June 2011
	Ken Brown	1 July 2010 – 30 June 2011
Representing Queensland	John Oliver	1 July 2010 – 30 June 2011
	Steve Bunney	1 July 2010 – 30 June 2011
	Bryan Taylor	1 July 2010 – 30 June 2011
	Joe Ryan	1 July 2010 – 30 June 2011
Representing South Australia	Greg Northcot	1 July 2010 – 30 June 2011
	Barry Luke	1 July 2010 – 30 June 2011
Representing Western Australia	Graeme Geer	1 July 2010 – 30 June 2011
	Kevin Jolly	1 July 2010 – 30 June 2011
Representing Aviation	Mick Farrell	1 July 2010 – 30 June 2011
	Joe Stenhouse	1 July 2010 – 30 June 2011
Representing Australian Capital Territory	Jason Jones	1 July 2010 – 30 November 2010
	Dave Livingstone	1 December 2010 – 30 June 2011
Representing Tasmania	Richard Warwick	1 July 2010 – 8 November 2010
	Vincent Males	9 November 2010 – 30 June 2011

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

OPERATING REPORT  
30 JUNE 2011

**Other Relevant Information**

Nil.

Signed for and on behalf of the Committee of Management:

A handwritten signature in black ink, appearing to read 'P. Marshall', written in a cursive style.

**PETER MARSHALL**  
**NATIONAL SECRETARY**

Dated at *FITZROY* this *NINETEENTH* day of *OCTOBER*, 2011.



UNITED FIREFIGHTERS' UNION OF AUSTRALIA

COMMITTEE OF MANAGEMENT CERTIFICATE

On the...~~NINETEENTH~~...day of.....~~OCTOBER~~.....2011.....the Committee of Management of the United Firefighters' Union of Australia passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2011.

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

- (a) the financial statements and notes have been prepared in accordance with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of Fair Work Australia;
- (c) the financial statements and notes show a true and fair view of the financial performance, financial position and cash flows of the reporting unit as at 30 June 2011;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of the year;
  - (i) meetings of the Committee were held during the year ended 30 June 2011, in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the Union have been managed in accordance with the rules of the organisation including the rules of a branch concerned, and
  - (iii) the financial records of the Union have been kept and maintained in accordance with the Fair Work (Registered Organisations) Regulations 2009; and
  - (iv) the union is a sole reporting unit, therefore the financial records of the union have been kept in a consistent manner specifically relating to the union; and
  - (v) no information was sought by any member of the reporting unit or General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and
  - (vi) no orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) In relation to the recovery of wages activity
  - (i) There were no recovery of wages activity for the Union during the year ended 30 June 2011

Signed on behalf of the Committee of Management:



MICK FARRELL  
PRESIDENT

Dated at Fitzroy this Nineteenth day of October 2011.

**UNITED FIREFIGHTERS' UNION OF AUSTRALIA****INDEPENDENT AUDIT REPORT****TO THE MEMBERS OF UNITED FIREFIGHTERS' UNION OF AUSTRALIA****The financial report and Committee of Management's responsibility**

We have audited the financial report of United Firefighters' Union of Australia for the financial year ended 30 June 2011 comprising the Committee of Management report, Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow and accompanying notes to the financial statements as set out on pages 5 and 8 to 20.

The Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. This responsibility includes: designing, implementing and maintaining internal control 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**

We conducted an independent audit in order to express an opinion to the members of the organisation. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Union's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Committee of Management.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

**Independence**

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

The accompanying notes form part of these accounts

**JOHN AGOSTINELLI - HENRY V PERLEN**

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UNITED FIREFIGHTERS' UNION OF AUSTRALIA

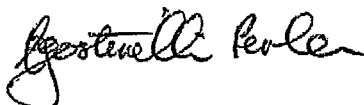
INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF UNITED FIREFIGHTERS' UNION OF AUSTRALIA


**Auditor's Opinion**

In our opinion, the general purpose financial report of the United Firefighters' Union of Australia presents fairly the financial position and results of its operations and its cashflows for the financial year ended 30 June 2011, in accordance with the following that apply in relation to the reporting unit:

- (a) the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.
- (b) Australian Accounting Standards (including the Australian Accounting Interpretations) and
- (c) Other mandatory professional reporting requirements



AGOSTINELLI PERLEN  
CHARTERED ACCOUNTANTS



JOHN AGOSTINELLI  
PARTNER

Dated at Carlton, Victoria

This *Twentieth* day of *October* 2011.

**UNITED FIREFIGHTERS' UNION OF AUSTRALIA**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 30 JUNE 2011**

	<u>Notes</u>	<u>2011</u> \$	<u>2010</u> \$
<b>(DEFICIENCY IN MEMBERS' EQUITY) / MEMBERS' EQUITY</b>		<b>(35,886)</b>	<b>(37,291)</b>
<b>REPRESENTED BY:</b>			
<b>CURRENT ASSETS</b>			
Cash at Bank	5(a)	17,321	-
Subscriptions and Levies in Arrears	4(c)	217,217	182,463
Provision for Doubtful Debts		(211,742)	(146,900)
Other debtors		-	16,075
Prepayments		6,915	6,618
GST receivable		3,416	9,471
<b>Total Current Assets</b>		<b>33,127</b>	<b>67,727</b>
<b>NON-CURRENT ASSETS</b>			
<b>FIXED ASSETS</b>			
Office Furniture & Equipment & Website Design	3	13,473	639
<b>Total Non-Current Assets</b>		<b>13,473</b>	<b>639</b>
<b>TOTAL ASSETS</b>		<b>46,600</b>	<b>68,366</b>
<b>CURRENT LIABILITIES</b>			
Bank Overdraft	5(a)	-	6,282
Trade Creditors		13,676	77,660
Sundry Creditors		46,393	3,175
Provision for Employee Entitlements	6	14,599	12,967
Provision for Flood Relief		1,550	-
<b>Total Current Liabilities</b>		<b>76,218</b>	<b>100,084</b>
<b>NON CURRENT LIABILITIES</b>			
Provision for Employee Entitlements	6	6,268	5,573
<b>Total Non- Current Liabilities</b>		<b>6,268</b>	<b>5,573</b>
<b>TOTAL LIABILITIES</b>		<b>82,486</b>	<b>105,657</b>
<b>EXCESS OF LIABILITIES OVER ASSETS</b>		<b>(35,886)</b>	<b>(37,291)</b>

The accompanying notes form part of these accounts

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF CHANGES IN MEMBERS' EQUITY

FOR THE YEAR ENDED 30 JUNE 2011

	<b>Members' Funds (\$)</b>	<b>Total (\$)</b>
<b>Balance at 1 July 2009</b>	26,252	26,252
Deficit for the year	(63,543)	(63,543)
<b>Balance at 30 June 2010</b>	<u>(37,291)</u>	<u>(37,291)</u>
Surplus for the year	1,405	1,405
<b>Balance at 30 June 2011</b>	<u>(35,886)</u>	<u>(35,886)</u>

**UNITED FIREFIGHTERS' UNION OF AUSTRALIA**

**STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED 30 JUNE 2011**

<b><u>INCOME</u></b>	<b><u>Notes</u></b>	<b><u>2011</u></b> \$	<b><u>2010</u></b> \$
Branch Subscriptions	4(b)	492,278	296,851
Affiliation Fees		30,537	42,873
Magazine Revenue		80,000	106,500
Interest Received		20	1
Other Income		-	2,800
Sponsorship		20,000	5,000
ACTU IR Campaign		10,048	-
		<hr/>	<hr/>
		632,883	454,025
		<hr/>	<hr/>

**Administration and other operating costs**

Affiliation Fees		49,193	32,267
Doubtful Debts		64,842	146,900
Bank Charges		94	491
Computer Expenses		-	337
Consultancy		10,839	-
Depreciation of plant and equipment		48	243
Depreciation of Website Design		681	-
Depreciation of Leasehold Improvement		39	-
Industrial Campaigns		-	200
Interest expense		-	3,158
Legal fees		190,162	51,703
Loss from Sale of Assets		413	-
O H & S Campaigns		500	279
Printing, Postage & Stationery		5,314	2,603
Promotional and magazine expenses		11,466	21,275
Rent and occupancy expenses		24,858	32,305
Sponsorship		1,000	-
Storage		2,568	1,677
Subscriptions		1,354	3,109
Travelling		2,724	3,889
Web Hosting		10,350	3,309
		<hr/>	<hr/>
		376,445	303,745
		<hr/>	<hr/>

The accompanying notes form part of these accounts

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

**STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED 30 JUNE 2011**

	<u>Notes</u>	<u>2011</u> \$	<u>2010</u> \$
<b><u>Audit &amp; Accounting Fees</u></b>		27,750	22,000
<b><u>Employment Costs</u></b>			
Salaries and Benefits – Office Bearers		31,576	45,787
Salaries and Benefits – Other employees		65,836	49,213
Superannuation		12,695	15,190
Workcover		973	1,243
Movement in Employee Entitlements		2,327	883
Honorary		800	800
		<hr/> 114,207	<hr/> 113,116
<b><u>Conference and Meetings</u></b>		113,076	78,707
<b><u>TOTAL EXPENDITURE</u></b>		<hr/> 631,478	<hr/> 517,568
<b>OPERATING SURPLUS / (DEFICIT)</b>		1,405	(63,543)
Accumulated Deficit at 1 July 2010		<hr/> (37,291)	<hr/> 26,252
<b>ACCUMULATED (DEFICIT)/SURPLUS AT 30 JUNE 2011</b>		<hr/> <hr/> <u>(35,886)</u>	<hr/> <hr/> <u>(37,291)</u>

**UNITED FIREFIGHTERS' UNION OF AUSTRALIA**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2011**

	<u>Note</u>	<u>2011</u> \$	<u>2010</u> \$
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Receipts from Branch Subscriptions and Affiliation Fees		614,185	383,118
Payment to Suppliers and employees		(576,586)	(388,237)
Interest received		20	1
Interest paid		--	(3,158)
<b>Net Cash used in Operating Activities</b>	5 (b)	<u>37,619</u>	<u>(8,276)</u>
<b><u>CASH FLOWS FROM INVESTING &amp; FINANCING ACTIVITIES</u></b>			
Payments for Property, Plant & Equipment		(14,016)	--
Proceeds from Sale of Property, Plant & Equipment		--	--
<b>Net cash provided by Investing &amp; Financing Activities</b>		<u>-</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>		23,603	(8,276)
Cash at the Beginning of the Financial Year		(6,282)	1,994
<b>CASH AT THE END OF FINANCIAL YEAR</b>	5 (a)	<u>17,321</u> =====	<u>(6,282)</u> =====



## UNITED FIREFIGHTERS' UNION OF AUSTRALIA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

#### Note 1 – Accounting Policies

This financial report covers United Firefighters' Union of Australia. These financial statements are a general purpose financial report prepared in order to satisfy the requirements of the Fair Work (Registered Organisations) Act 2009.

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

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

(d) Income Tax

No provision for income tax is necessary as Trade Unions are exempt bodies under Division 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.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

## UNITED FIREFIGHTERS' UNION OF AUSTRALIA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

(g) Provisions

Provisions are recognised when the union has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(h) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

#### **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 Fair Work (Registered Organisations) Act 2009.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**UNITED FIREFIGHTERS' UNION OF AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2011**

	<u>2011</u>	<u>2010</u>
	\$	\$
<b>Note 3 - Motor Vehicles, Office Furniture &amp; Equipment</b>		
Office Furniture & Equipment - at Cost	1,667	13,862
Less: Accumulated Depreciation	(246)	(13,223)
	<hr/>	<hr/>
	1,421	639
	=====	=====
Computer Software	48,742	41,641
Less: Accumulated Depreciation	(39,242)	(41,641)
	<hr/>	<hr/>
	9,500	-
	=====	=====
Leasehold Improvements	2,591	-
Less: Accumulated Depreciation	(39)	-
	<hr/>	<hr/>
	2,552	-
	=====	=====
Total Written Down Value	13,473	639
	=====	=====

**Note 4 – Subscriptions**

- (a) Subscriptions are receivable from State Branches based on membership numbers and paid quarterly in arrears.
- (b) Subscription Invoices rendered for the year ended 30 June 2011 are made up as follows:

New South Wales	52,517	101,692
Victoria	169,606	64,543
Queensland	66,547	53,221
South Australia	61,335	20,928
Western Australia	68,128	24,372
Tasmania	21,500	8,323
Australian Capital Territory	10,162	8,141
Australian Government Employees	42,483	15,631
	=====	=====
Total Subscriptions	492,278	296,851
	=====	=====

**UNITED FIREFIGHTERS' UNION OF AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2011**

(c) The total receivables at 30 June 2011 comprises:

<u>Subscriptions:</u>		
New South Wales	211,742	146,899
Tasmania	-	2,564
ACT	475	-
Total Subscriptions and levies in Arrears	<u>212,217</u>	<u>149,463</u>
Other receivables	5,000	33,000
Total Receivables	<u>217,217</u>	<u>182,463</u>

(d) A provision for doubtful debts has been booked in the accounts representing a disputed amount payable by a State Branch which is subject to legal action at balance date.

**Note 5 - 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>2011</u>	<u>2010</u>
	\$	\$
Cash at Bank – Commonwealth Bank	15,769	(6,282)
Cash at Bank – Credit Union	1,552	--
	<u>17,321</u>	<u>(6,282)</u>

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

<u>Operating Surplus/(Deficit)</u>	1,405	(63,543)
Depreciation & Amortisation	768	243
<u>Adjustments for Non-Cash Income and Expense Items:</u>		
Employee Entitlements	2,327	882
Doubtful Debts	64,842	146,900
Loss on sale of assets	413	-
<u>Changes in Operating Assets &amp; Liabilities:</u>		
(Increase)/Decrease in Other Receivables	(297)	(6,440)
(Increase)/Decrease in Subscriptions in Arrears	(18,678)	(86,981)
Increase/(Decrease) in Trade Creditors and Accruals	(19,216)	(9,444)
Increase/(Decrease) in Other Creditors	6,055	10,107
Cash Inflow from Operating Activities	<u>37,619</u>	<u>(8,276)</u>

**UNITED FIREFIGHTERS' UNION OF AUSTRALIA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2011**

	<b>Elected Official</b>	<b>Other Staff</b>	<b>Total Provision</b>
<b>Note 6 – Employee Entitlements Provision</b>			
<b>Annual Leave</b>			
Balance at the beginning of the year	4,770	8,197	12,967
Additional provisions	4,164	5,074	9,238
Amounts used	-	(7,606)	(7,606)
	<hr/>	<hr/>	<hr/>
Balance at the end of the year	8,934	5,665	14,599
	=====	=====	=====
<b>Long Service Leave</b>			
Balance at the beginning of the year	5,573	-	5,573
Additional provisions	696	-	696
Amounts used	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at the end of the year	6,269	-	6,269
	=====	=====	=====
<b>Total Employee Entitlements</b>	<b>15,203</b>	<b>5,665</b>	<b>20,868</b>
	=====	=====	=====
<b>Reconciliation to Movement in Provisions</b>			
Balance at the beginning of the year			18,540
Movement in Provisions			2,328
			<hr/>
Balance at the end of the year			20,868
			=====

**Note 7 – Financial Risk Management**

The Union's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and accounts payable.

The totals for each category of financial instrument are as follows:

**Financial Assets**

Cash and cash equivalents	17,321	-
Trade and other receivables	8,968	61,109
<b>Total Financial Assets</b>	<hr/>	<hr/>
	26,289	61,109

**Financial Liabilities**

Bank overdraft	-	6,282
Trade and other payables	60,069	80,835
<b>Total Financial Liabilities</b>	<hr/>	<hr/>
	60,069	84,100

The main risks the Union is exposed to through its financial instruments are liquidity risk and market risk through interest rate risk.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2011**

**Note 7 – Financial Risk Management (continued)**

**(a) Liquidity risk**

Liquidity risk arises from the possibility that the Union might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Union manages risk through the following mechanisms:

- Comparing the maturity profile of financial liabilities with the realisation profile of financial assets;
- Managing credit risk related to financial assets;
- Maintaining a reputable credit risk profile; and
- Monitoring undrawn credit facilities.

***Financial liability and financial asset maturity analysis***

	Within 1 Year		1-5 Years		Total Contractual Cash Flow	
	2011	2010	2011	2010	2011	2010
	\$	\$	\$	\$	\$	\$
<b>Financial Assets – cash flow realisable</b>						
Cash and cash equivalents	17,321	-	-	-	17,321	-
Trade and other receivables	8,968	61,109	-	-	8,968	61,109
<b>Total anticipated inflows</b>	<b>26,289</b>	<b>61,109</b>	<b>-</b>	<b>-</b>	<b>26,289</b>	<b>61,109</b>
Bank overdrafts	--	6,282	-	-	--	6,282
Trade and other payables	60,069	80,835	-	-	60,069	80,835
<b>Total contractual outflows</b>	<b>60,069</b>	<b>87,117</b>	<b>-</b>	<b>-</b>	<b>60,069</b>	<b>87,117</b>
<b>Net inflow/(outflow) on financial instruments</b>	<b>(33,780)</b>	<b>(26,008)</b>	<b>-</b>	<b>-</b>	<b>(33,780)</b>	<b>(26,008)</b>

**(b) 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 cash flows or the fair value of fixed rate financial instruments.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2011

**Note 8 – Related Party Transactions**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties:

-Trade Receivables	212,217	149,463
-Trade Payables	--	6,771

**Note 9 – Key Management Personnel**

The total remuneration paid to elected officials of the Branch during the period are as follows:

Short-term employee benefits	31,576
Post-employment benefits	4,815
Total	<u>36,391</u>

**Note 10 - Going Concern**

The Union has a working capital deficiency of \$35,886 as at 30 June 2011. This situation indicates the existence of a material uncertainty which may cast doubt on the Union's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The working capital deficiency has resulted from the introduction of a provision for doubtful debts raised against the membership dues receivable balance as at 30 June 2011. The provision has been raised due to the funds receivable being in dispute and subject to legal action at balance date.

Notwithstanding the union's deficiency in net assets, the financial report has been prepared on the going concern basis. This basis has been adopted as the union has increased Union dues in order to cover the shortfall in income. The 2011 results report a small surplus and a review of interim management accounts for the period ended 30 September 2011 indicates that the Union has returned to a surplus position.

**Note 11 - Contingent Liability**

Legal proceedings are ongoing between the National Office and a State Branch and remain unresolved at the date of signing of the audit report. These proceedings relate to membership dues which are in dispute and remain unpaid at year end.

**Note 12 - Events after Balance Date**

There have not been any material events between the balance sheet date and the date of signing of the operating report

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2011**

**Note 13 - Notice Required Under The 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), (2) and (3) of Section 272, which read as follows:

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

**Note 14 - Union Details**

**(a) Registered office**

The registered office of the company is:  
United Firefighters' Union of Australia  
410 Brunswick Street  
Fitzroy VIC 3065

**(b) Principal place of business**

The principal place of business is:  
410 Brunswick Street  
Fitzroy VIC 3065