

20 November 2009

Jason Jones Secretary United Firefighters' Union of Australia ACT Branch PO Box 110 BELCONNEN MALL 2616

Dear Mr Jones,

Re: Financial Reports of the United Firefighters' Union of Australia – ACT Branch for years ended 30 June 2004, 2005, 2006, 2007 and 2008

Fair Work (Registered Organisations) Act 2009 (the RO Act)

I refer to the above financial reports lodged on 2 March 2009. Firstly, I apologise for the lateness of our reply. The Fair Work Legislation introduced in July has certainly had an impact on our normal work load.

Given the amount of years the Branch is in arrears and the changes to the legislation, our examination and comments focus only on the 30 June 2008 financial report. That is not to say that late lodgements of financial reports are acceptable. Financial reports should be prepared, audited, supplied to members, presented to a meeting and then lodged with Fair Work Australia (FWA) within certain timeline requirements. I attach a flowchart for your assistance.

Section 305(2)(ze) of the RO Act is a civil penalty provision. It provides that a failure to meet the requirements of s268 is a contravention of that civil penalty provision. The Federal Court may on application of FWA impose a pecuniary penalty on the person or organisation whose conduct contravened the civil penalty provision. I also draw your attention to the provisions of Chapter 9 of the RO Act which set out the general duties of officers and employees of organisations and their branches in relation to financial management. These provisions may be invoked where inadequate reasons for late lodgements are provided.

In relation to the 30 June 2008 financial report, there are a considerable number of areas the financial documents need to be revisited in order to fully comply with the relevant provisions. It is clear that the report has been prepared under provisions that are no longer applicable and therefore cannot be accepted. Given that the lodgement of the 30 June 2009 financial report is expected shortly, I suggest that the 2008 financial report be done again taking in the requirements of the RO Act and lodged with the 2009 report. This will require the auditor to audit both financial reports because the auditor's report for 30 June 2008 is incorrect.

By way of example, it will be necessary for the auditor to provide an opinion regarding whether the report is 'presented fairly' in accordance with the requirements of the RO Act. The auditor is required to specifically refer to whether the report meets the requirements of both the RO Act and Australian Accounting Standards. An appropriate form of wording for the auditor to use would be:

In my opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements of Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

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The audit report must report on a General Purpose Financial Report. A Special Purpose Financial Report will not be accepted by FWA. Further, it is not clear from the auditor's report whether or not the auditor is an 'approved' auditor. I draw your attention to the definitions of approved auditor in regulation 4 of the Fair Work (Registered Organisations) Regulations 2009 (copy attached). In all likelihood the auditor may be such a person however, it should be made explicit in the Report. I recommend you draw these comments to the attention of your auditor.

Other issues about your report are:

- The Accounting Officer's certificate is no longer required.
- Your Committee of Management Statement contains opinions and information that were once relevant under the Workplace Relations Act 1996. The Committee of Management Statement under the RO Act requires similar and other information.
- There is now a requirement to provide an Operating Report of the Branch. The Operating Report must, among other things, provide a review of the branch's principle activities during the year and any significant changes in the nature of those activities.
- The financial reports must be accompanied by a Designated Officers Certificate, or better known as a Secretary's certificate. This is generally a one page certificate from the secretary stating that the documents so lodged are copies of the auditor's report, accounts and statements which were provided to the members and presented to a meeting. The certificate should contain the date the members were provided a copy and the date on which the meeting was held.

Given the changes to the legislation since the Branch last lodged its financial reports, I have attached, for illustrative purposes, a copy of the 2008 financial report of the Queensland branch of your organisation as a guide to preparing reports that meet the requirements of the RO Act. In addition, the Financial Reporting Guidelines, financial reporting fact sheets and sample documents can be found on our Fair Work Australia website. The information can be viewed at www.fwa.gov.au, click Registered Organisations/Overview/ registered organisations fact sheets.

Every effort should be made by the branch (the reporting unit) to now meet the terms of the reporting requirements and I would be pleased to take any queries you have. The attached flowchart, report of the Queensland branch and the fact sheets should assist you in this matter.

Could you please advise me in writing at your earliest convenience the steps the branch proposes to take in fulfilling the above requirements. You may contact me by email at robert.pfeiffer@fwa.gov.au or by phone (03) 8661 7817.

Yours sincerely,

Robert Pfeiffer

Tribunal Sevices and Organisations

Fair Work Australia



United Firefighters Union Act Branch

Financial Statements
For the year ended 30 June 2006

United Firefighters Union Act Branch

Statement of Financial Performance

For the year ended 30 June 2006

	2006	2005
	\$	\$
Operating profit before income tax	20,674.42	31,189.91
Income tax (credit) attributable to operating profit (loss)		
Operating profit after income tax	20,674.42	31,189.91
Retained profits at the beginning of the financial		
year	309,225.36	278,035.45
Total available for appropriation	329,899.78	309,225.36
Retained profits at the end of the financial year	329,899.78	309,225.36

United Firefighters Union Act Branch Statement of Financial Position As At 30 June 2006

	Note	2006 \$	2005 \$	
Current Assets				
Cash assets		235,506.96	213,128.80	
Total Current Assets		235,506.96	213,128.80	
Non-Current Assets				
Property, plant and equipment		101,146.74	103,665.74	
Total Non-Current Assets		101,146.74	103,665.74	
Total Assets		336,653.70	316,794.54	
Current Liabilities				
Current tax liabilities		6,753.92	7,569.18	
Total Current Liabilities		6,753.92	7,569.18	
Total Liabilities		6,753.92	7,569.18	
Net Assets		329,899.78	309,225.36	
Equity				
Retained profits		329,899.78	309,225.36	
Total Equity		329,899.78	309,225.36	

UNITED FIREFIGHTERS UNION OF AUSTRALIA ACT BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2006

Note 1 - Statement of Accounting Policies

The accounts have been prepared in accordance with Statements of Accounting Concepts and applicable Accounting Standards. The accounts have been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied, unless otherwise stated.

(a) Depreciation

Leasehold Land and buildings have not been depreciated. Fittings and Equipment are written off over the estimated life of each asset using either of the straight line/diminishing value methods. The policy of depreciation of the Strata Office Unit remains under review and no depreciation has been charged as in previous years. Had depreciation been charged at the rate of 2 ½% on the building the additional amount of depreciation written off this year would have been approximately \$2,250.

(b) Employee Benefits

The amount expected to be paid to employees for their pro-rata entitlement to long service, annual and sick leave are accrued annually at current pay rates having regard to experience of employee departures and period of service.

(c) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset are transferred to the entity are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Lease payments under operating leases are charged as expenses in the periods in which they are incurred.

UNITED FIREFIGHTERS UNION OF AUSTRALIA

ACT BRANCH

ACCOUNTING OFFICER'S CERTIFICATE

I, Brett Baulman being the officer responsible for keeping the accounting records of the United firefighters Union of Australia ACT Branch, certify that as at 30 June 2006 the number of members of the Union was 358.

In my opinion:

- (i) The attached accounts show a true and fair view of the financial affairs of the Union as at 30 June 2006.
- (ii) A record has been kept of all monies paid by, or collected from, members and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the Union.
- (iii) Before any expenditure was incurred, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union.
- (iv) With regards to funds of the Union raised by compulsory levies or voluntary contributions from members, or funds other than the General fund operated in accordance with the rules, no payments were made out of any such 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 Union, were made to persons holding office in the Union.
- (vi) The register of members of the Union was maintained in accordance with the Act.

EDBES DBESS	
Brett Baulman	Date
Principal Accounting Officer	

UNITED FIREFIGHTERS UNION OF AUSTRALIA ACT BRANCH

COMMITTEE OF MANAGEMENT'S CERTIFICATE

we, _	and	being two members of the Committee
	of	
state	•	s Union of Australia ACT Branch do in accordance with a resolution passed by
(i)		e of Management, the attached accounts shown incial affairs of the Union as at 30 June 2006.
(ii)		e of Management, meetings of the Committee ccordance with the rules of the Union.
(iii)	instances where records of the documents containing informa under the Workplace Relations documents, or copies of the ru	aber of the Committee there have been note Union or other documents (not being ation made available to a member of the Union is Act - 1996) or copies of those records or alles of the Union, have not been furnished, or accordance with the requirements of the 196, or the rules of the Union.
(iv)	•	the Act in relation to the financial accounts in June 2006 and the Auditors' Report thereon.
Date	×=====	 Date

UNITED FIREFIGHTERS UNION OF AUSTRALIA

ACT BRANCH

AUDITORS' REPORT

To the Members of the United firefighters Union of Australia ACT Branch.

We have inspected and audited the accounting records kept by the ACT Branch in respect of the year ended 30 June 2006 and have received all information and explanation we required for the purposes of our audit.

In our opinion:

- (i) They were kept by the Union in respect of the year, satisfactory accounting records detailing the sources and nature of the income of the organisation (including income from members) and of the nature and purposes of expenditure; and
- (ii) The attached accounts and statements, prepared under the historical cost convention, and in accordance with the industrial Relations Act-1988, are properly drawn up so as to give a true and fair view of:
 - (a) the financial affairs of the union as at 30 June 2006 and
 - (b) the income and expenditure and deficit of the Union for the year ended on that date.

Andrew Maroc
ANDREW MAROC AND ASSOCIATES

Dated:

United Firefighters Union Act Branch

Statement of Cash Flows

For the year ended 30 June 2006

	2006 \$	2005 \$
Cash Flow From Operating Activities		
Receipts from customers	161,215.23	140,011.24
Payments to Suppliers and employees	(138,385.78)	(102,216.00)
Interest received	2.86	
Interest and other costs of finance	(454.15)	
Net cash provided by (used in) operating activities (note 2)	22,378.16	37,795.24
Net increase (decrease) in cash held	22,378.16	37,795.24
Cash at the beginning of the year	213,128.80	175,333.56
Cash at the end of the year (note 1)	235,506.96	213,128.80

United Firefighters Union Act Branch

Statement of Cash Flows

For the year ended 30 June 2006

	2006	2005
Note 1. Reconciliation Of Cash		
For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.		
Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Bank Cheque Account	172,741.38	168,933.70
Bank Creswell Account	62,765.58	44,195.10
	235,506.96	213,128.80

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit

Net cash provided by operating activities	22,378.16	37,795.24
Increase (decrease) in sundry provisions	(815.26)	3,606.33
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
Depreciation	2,519.00	2,999.00
Operating profit (loss) after tax	20,674.42	31,189.91

United Firefighters Union Act Branch Detailed Statement of Financial Performance For the year ended 30 June 2006

	2006 \$	2005 \$		
Income				
Subscriptions	161,215.23	140,011.24		
Interest received	2.86			
Total income	161,218.09	140,011.24		
Expenses				
Accountancy	6,707.84	5,230.00		
Affiliation Fees	6,694.11	27,120.48		
Bank Fees And Charges	357.08	388.78		
Computer Expenses	216.36	231.78		
Depreciation - other	2,519.00	2,999.00		
Donations	5,336.36	200.00		
Fringe benefits tax	1,521.52	4,423.10		
Funeral Expenses	4,727.27			
Hire/rent of Plant & Equipment	828.82			
Insurance	1,735.29	1,647.86		
Interest Paid - ATO	454.15			
Legal fees	34,854.27	2,010.00		
Light & power	606.35	639.10		
Motor Vehicle Expenses	3,933.45	3,644.28		
Office Expenses	980.35	792.02		
Printing & stationery	235.81	311.44		
Rates & land taxes	3,447.42	2,628.64		
Social Functions / Meetings	5,249.39	4,614.19		
Staff training	1,680.76	1,176.36		
Subscriptions	2,843.36	731.10		
Superannuation	2,349.06	3,005.96		
Telephone	6,643.15	7,634.06		
Travel, accom & conference	8,071.26	5,425.27		
Uniforms	388.41			
Wages	37,002.57	33,967.91		
Wages - Officeholders pre 06	1,160.26	<u> </u>		
Total expenses	140,543.67	108,821.33		

United Firefighters Union Act Branch Detailed Statement of Financial Performance For the year ended 30 June 2006

	2006	2005
	\$	\$
Profit from Ordinary Activities before income		
tax	20,674.42	31,189.91

United Firefighters Union Act Branch Detailed Statement of Financial Position As At 30 June 2006

	Note	2006 \$	2005 \$		
Current Assets					
Cash Assets					
Bank Cheque Account		172,741.38	168,933.70		
Bank Creswell Account		62,765.58	44,195.10		
		235,506.96	213,128.80		
Total Current Assets		235,506.96	213,128.80		
Non-Current Assets					
Property, Plant and Equipment					
Buildings - at cost		95,680.00	95,680.00		
Plant & equipment - at cost		29,573.24	29,573.24		
Less: Accumulated depreciation		(27,714.90)	(26,243.90)		
Motor vehicles - at cost		24,597.40	24,597.40		
Less: Accumulated depreciation		(20,989.00)	(19,941.00)		
		101,146.74	103,665.74		
Total Non-Current Assets		101,146.74	103,665.74		
Total Assets		336,653.70	316,794.54		
Current Liabilities					
Current Tax Liabilities					
GST payable control account		4,310.69	14,001.12		
Input tax credit control account		(1,757.77)	(5,919.84)		
GST clearing 2004			(67.15)		
GST Clearing 2005			(6,680.00)		
Amounts withheld from salary and wages		4,201.00	5,477.00		
Wages Accrual			758.05		
		6,753.92	7,569.18		
Total Current Liabilities		6,753.92	7,569.18		

United Firefighters Union Act Branch Detailed Statement of Financial Position As At 30 June 2006

	Note	2006 \$	2005 \$
Total Liabilities		6,753.92	7,569.18
Net Assets		329,899.78	309,225.36
Equity			
Retained profits / (accumulated losses)		329,899.78	309,225.36
Total Equity		329,899.78	309,225.36

United Firefighters Union Act Branch Depreciation Schedule for the year ended 30 June, 2006

				DISP	OSAL	ADDI	TION			DEPRECI	ATION			PROFIT	r	LOS	SS	
		Total	Priv	OWDV	Date	Consid	Date	Cost	Value	Т	Rate	Deprec	Priv	CWDV	Upto +	Above	Total -	Priv
Plant & Equipmen	nt																. – – .	
Furniture & Fittings	8,690.00 01/07/90	8,690	0.00	338		0		0	338	D	15.00	51	0	287	0	0	0	0
Fax Machine	900.00 01/07/90	900	0.00	0		0		0	0	Ρ	20.00	0	0	0	0	0	0	0
Brownbuilt Cupboard	343.00 01/07/90	343	0.00	0		0		0	0	Ρ	20.00	0	0	0	0	0	0	0
Office Equipment	2,400.00 01/07/90	2,400	0.00	202		0		0	202	D	15.00	30	0	172	0	0	0	0
Photocopier	5,126.00 29/08/91	5,126	0.00	542		0		0	542	D	15.00	81	0	461	0	0	0	0
Two Office Chairs	350,00 06/09/91	350	0.00	37		0		0	37	D	15,00	6	0	31	0	0	0	0
Fax machine	845.00 03/03/92	845	0.00	97		0		0	97	D	15,00	15	0	82	0	0	0	0
Kresta Blinds	360.00 04/10/91	360	0.00	39		0		0	39	D	15.00	6	0	33	0	0	0	0
Microwave	259.00 05/08/92	259	0.00	31		0		0	31	D	15,00	5	0	26	0	0	0	0
Vacuum Cleaner	286.00 18/08/92	286	0.00	36		0		0	36	D	15.00	5	0	31	0	0	0	0
Equipment	208.00 15/09/92	208	0.00	26		0		0	26	D	15.00	4	0	22	0	0	0	0
Computer	2,164.00 16/06/93	2,164	0.00	0		0		0	0	Ρ	27.00	0	0	0	0	0	0	0
Bubble jet printer	700.00 19/04/95	700	0.00	0		0		0	0	Ρ	100.00	0	0	0	0	0	0	0
Nest of tables	109.00 03/03/95	109	0.00	0		0		0	0	Ρ	100.00	0	0	0	0	0	0	0
Filing Cabinet	224.00 28/06/95	224	0.00	43		0		0	43	D	15.00	6	0	37	0	0	0	0
Sanyo Radio Cassette	89.00 28/06/95	89	0.00	0		0		0	0	Ρ	100.00	0	0	0	0	0	0	0
Mobile Phone & case	439.00 07/02/96	439	0.00	0		0		0	0	Ρ	33.00	0	0	0	0	0	0	0
Bookshelves	556.00 13/07/99	556	0.00	146		0		0	146	D	20.00	29	0	117	0	0	0	0
Computer	1,593.00 01/07/00	1,593	0.00	0		0		0	0	Р	25.00	0	0	0	0	0	0	0
Carpet	1,232.00 05/07/01	1,232	0.00	250		0		0	250	Ρ	20.00	246	0	4	0	0	0	0
Computer	3,948.00 22/01/03	3,948	0.00	1,542		0		0	1,542	Ρ	25.00	987	0	555	0	0	0	0
		30,821	_	3,329		0	_	0	3,329			1,471		1,858				
								Ded	uct Private	Port	ion	0						

Net Depreciation 1,471

United Firefighters Union Act Branch Depreciation Schedule for the year ended 30 June, 2006

					DISPOSAL		ADDITION		DEPRECIATION					PROFIT		LOSS	
		Total	Priv	OWDV	Date	Consid	Date	Cost	Value T	Rate	Deprec	Priv	CWDV	Upto + ,	Above	Total -	Priv
Motor Vehicles VW Polotrek	24,597.00 08/12/98	24,597	0.00	4,657		0		0	4,657 D	22.50	1,048	0	3,609	0	0	0	о
	_	24,597		4,657	_	0	-	0 Ded	4,657 uct Private Po	-tion	1,048	0	3,609				
									Net Deprecia	ition	1,048						

UFU Meeting 26 November 2008

Apologies:

Saunders

Todd Bourne

Pete Stanley

Scott Young

Peter Jeffs

Russell Goodall

Jim Schlizio

Peter Cartwright

Motion that minutes of previous meeting be accepted.

Moved: Graham Bryce

Second: Pat Brennan

Financials

Have Financials from 2004, 2005, 2006, 2007 and 2008 but only one set of minutes and motions. Documents need to be submitted to Industrial Relations Commission or the Union will be deregistered. Unsure of location of documents however, damage was suffered in office by water and some documents lost.

Table 2004 Financials then move through 2005, 2006 and 2007.

Investment strategy for Union implemented. Currently getting 8.35% on monies invested.

Financial 30 June 2004 moved Gina Kikos. Second Shaun McIntyre

2005 moved Ross Turton seconded Alan Swan

2006 moved Stu Gallop seconded Mick Agius.

No queries on 2008.

Moved Graham Bryce, seconded Alan Swan.

Motion put forward – all in favour.

AGM closed at 1825.

Ordinary General Meeting opened 1825.

Secretary's report.

Union vehicle deemed unserviceable. Vehicle unused by Eric – used personal vehicle but didn't keep log books. Last audit recommendations, buying being deemed the better option financially, however car will not be purchased until there are sufficient funds available. The old vehicle is to be taken to Rae St for training purposes.

Fairbairn and Hume.

Meeting with D Prince and G Kent. Plans have been viewed and will be available for everyone to look at. There are some issues with some supposed Government policies regarding open space, no closed space which raises privacy concerns. There are also issues for Comcen staff and that any level over SOGB has to have own office. Need to have further consultation over plans.

Hume going ahead. Have been allocated the block near the swamp instead of the block between the Helicopter and the Gaol. Construction will be done in stages which will have implications on the movement of areas. Cannot build an enclosed tower due to bird species. There are many issues that need to be discussed so a working group is to be formed. For example workshop not getting six bays only five. The Fairbairn move is to be before middle of next year. Training will be multi-agency training.

Vince – president of Services Club gave thanks for the support of the Union so far. Firefighters to be able to be full members voted unanimously at AGM.

Members on South Coast, private contractors with CIRCO and their CA is due. There is to be a National review. NSW reluctant to take over while review under way. ACTUFU to handle CA negotiations. Started bargaining period for CA, offer from NSW to assist.

National review. National Union has no money. National meeting in Tasmania, to be attended by Jason Jones and Mark Hall.

Finances - \$260,000 in term deposit, \$41,000 in cheque account.

Future direction of Union. Plan for future akin to Tasmania. Union fees currently at \$20 per fortnight whereas other unions charge 1% of wage. More expenses being incurred. Propose that deductions increase with pay rises. Everyone to pay same but increases linked to pay rises. Same figure for everybody fairer so everyone pays equally for same services.

Motion – dues at hourly rate of FB1 per fortnight to increase with pay rise.

Moved: Pat Brennan seconded Gina Kikos.

Motion carried with one vote against.

Payment for Secretary is at 20 hours per fortnight and President at 4 hours.

Motion Secretary to receive 30 hours and President to receive 20 hours to be reviewed twelve months.

Motion put forward by Mick Agius.

Seconded Neil Smith.

Motion carried.

Motion by Mark Hall.

To endorse declaration by Eric Williams that Jason Jones be acknowledged as Secretary of UFU Canberra Branch until elections in May 09. Seconded by Shaun McIntyre.

Motion carried unanimously.

Station relocation – final report was for the seven station model. Objections were raised by the Union over 7 station model. The model is now back up to 9 station model at new locations. No loss of stations but they are to be relocated.

Time frame may be influenced by Westfield Belconnen expansion and change to bus interchange. No concrete time frame as yet.

Day work dispositions. Generic duty statements for Brigade through JaCS HR. Currently 46 staff on day work and should only have 24. Need to ensure that personnel only do the duties assigned.

Training brief. CA put enormous workload on training section. Because of training of SO's there has been a suspension of more strategic training issues. Discussions to be held with CO and Deputy Commissioner on issue. SO's to come out with Diploma's in Firefighting Management. Need to put in place recognition of prior learning for SO's who do not have the official qualifications but have done the study.

Promotions will be linked to benchmarks. Cert IV for SFQ's and Diplomas for SO levels etc.

Website – not kept up to date. Can't put private information on it at the moment. Want to set up forum with list of topics for discussion and have a bulletin board. It will be moderated to ensure comments are kept appropriate. Look at email alerts for new stories. Nominate union delegates for certain portfolios. Website will advise contact officers to take weight off Secretary and President to allow them to concentrate on the bigger issues. Stories to be viewed openly, forums to be password protected.

OH&S – national standards document takes best practice around Australia and puts it in the one document which becomes policy. ACT has very good standards and are in line with the new National standards.

New tankers – old Mercs getting replaced, unsure of time frame. Dual cab, state of the art safety systems. Acquiring three.

New ACT OH&S bill to prepare in advance for National bill. Not enough people doing risk and preplanning.

Club update – new fence put up and side fence to go up when funds received. Memorial garden go be installed as well.

Station cleaning – industrial cleaning of stations. Dispute registered with JaCS. All stations to be done to provide baseline. Tender has gone out.

New BAZ. Union does not know anything about it. Written to Conrad Barr and Brian Parry asking for outline of new arrangement. Change to work practices so need to know what the issues are. Ensure

proper documentation is available. Need to define for Comms operators to ensure proper agencies responded.

General Business

None

Meeting closed at 20:10.