

FR 2004/405



**United Firefighters Union of Australia
Aviation Branch**

Registered Office:

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ABN: 96 533 521 914

7th December 2004

Mr Ken Ophel
Statutory Services Branch
Australian Industrial Registry
Level 35 Nauru House
80 Collins Street
MELBOURNE VIC 3000

Dear Ken

Please find enclosed financial documentation relating to our organisation for the financial year period 2003/2004 as required by you on behalf of the United Firefighters Union of Australia – Aviation Branch and in accordance with the Workplace Relations Act 1996.

The required documents are attached as follows:-

- General Purpose Financial Report
- Operating Report
- Auditor's Report
- Committee's Report
- Secretary's Certificate
- Committee of Management Statement

We trust this is acceptable and in accordance with the relevant regulations.

Should you require any further information please feel free to contact me at your convenience.

Yours sincerely

Mick Farrell
Branch Secretary



UNITED FIREFIGHTERS UNION OF AUSTRALIA – AVIATION BRANCH

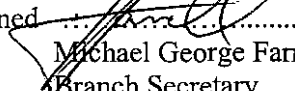
SECRETARY'S CERTIFICATE

S268 of Schedule 1B Workplace Relations Act 1996

FOR THE YEAR ENDED 30 JUNE 2004

I, Michael George Farrell, being the Branch Secretary of the United Firefighters Union of Australia – Aviation Branch, certify:

- (i) that the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- (ii) that the full report was provided to members on 15/10/04.....; and
- (iii) that the full report was presented to a meeting of the United Firefighters Union of Australia – Aviation Branch, on 26.11.04.....in accordance with s266 of the RAO Schedule

Signed .....
Michael George Farrell
Branch Secretary

Dated: 7/12/04

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2004

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH

A.B.N. 96 533 521 914

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UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

COMMITTEE'S REPORT

Your committee members submit the financial report of the United Firefighters Union of Australia - Aviation Branch for the financial year ended 30 June 2004.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Andrew Stenhouse
Michael Farrell
John Hancox
John Miller
Jon Vaughan
Peter Arthurson
Christos Sachlikidis
David Arnott
Dennis Horner
John Gannon
Glen Barker

Principal Activities

The principal activities of the association during the financial year was a Union.

Significant Changes

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

Operating Result

The profit from ordinary activities after providing for income tax amounted to \$10,156.

Resignation From Membership

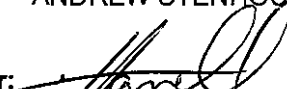
A member of the Union may resign membership under section 174 of Schedule 1B of the Workplace Relations Act 1996 and under Rule 8 of the Union's Rules.

Membership

The number of members in the Union as at #REF was 461.

Signed in accordance with a resolution of the Members of the Committee.

Committee Member: 
ANDREW STENHOUSE

Committee Member: 
MICHAEL FARRELL

Dated this 13th day of September 2004

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 \$	2003 \$
CLASSIFICATION OF EXPENSES BY NATURE			
Revenues from ordinary activities	2	241,373.58	220,242.10
Raw materials and consumables used		(65.73)	(464.97)
Employee benefits expense		(111,212.89)	(82,712.16)
Depreciation and amortisation expenses		(1,394.00)	(2,015.00)
Borrowing costs expense	3	-	(185.69)
Other expenses from ordinary activities		(116,679.28)	(114,358.17)
Profit from ordinary activities before income tax expense	3	10,155.91	20,373.49
Income tax expense relating to ordinary activities		-	-
Net profit from ordinary activities after income tax expense attributable to the association	9	10,155.91	20,373.49
Total changes in equity other than those resulting from transactions with owners as owners		<u>10,155.91</u>	<u>20,373.49</u>

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2004

	Note	2004 \$	2003 \$
CURRENT ASSETS			
Cash assets	4	<u>180,427.75</u>	<u>177,562.21</u>
TOTAL CURRENT ASSETS		<u>180,427.75</u>	<u>177,562.21</u>
NON-CURRENT ASSETS			
Receivables	5	-	100.00
Property, plant and equipment	6	<u>14,482.09</u>	<u>7,355.40</u>
TOTAL NON-CURRENT ASSETS		<u>14,482.09</u>	<u>7,455.40</u>
TOTAL ASSETS		<u>194,909.84</u>	<u>185,017.61</u>
CURRENT LIABILITIES			
Payables	7	2,153.29	3,246.71
Provisions	8	<u>12,095.00</u>	<u>11,265.26</u>
TOTAL CURRENT LIABILITIES		<u>14,248.29</u>	<u>14,511.97</u>
TOTAL LIABILITIES		<u>14,248.29</u>	<u>14,511.97</u>
NET ASSETS		<u>180,661.55</u>	<u>170,505.64</u>
EQUITY			
Retained profits	9	<u>180,661.55</u>	<u>170,505.64</u>
TOTAL EQUITY		<u>180,661.55</u>	<u>170,505.64</u>

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Gross Receipts	260,511.54	237,907.05
Interest Received	4,502.72	4,409.29
Payments to Suppliers & Employees	(252,875.96)	(222,509.53)
Interest & Other Costs of Finance Paid	-	(185.69)
Net cash provided by (used in) operating activities	12,138.30	19,621.12
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for Plant & Equipment	(9,372.76)	(1,499.00)
Net cash provided by (used in) investing activities	(9,372.76)	(1,499.00)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Electricity Deposit	100.00	-
Net cash provided by (used in) financing activities	100.00	-
Net increase (decrease) in cash held	2,865.54	18,122.12
Cash at beginning of financial year	177,562.21	159,440.09
Cash at end of year	180,427.75	177,562.21

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

1 Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with applicable Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Industrial Registrar's reporting guidelines under the Workplace Relations Act.

The financial report covers United Firefighters Union of Australia - Aviation Branch as an individual entity. United Firefighters Union of Australia - Aviation Branch is a union registered under the Commonwealth Industrial Relations Act 1988.

The financial report has been prepared on an accrual basis and is based on historical costs and does not take into account changing money values, or except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant and Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated on straight line basis over their estimated useful lives to the association commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership are transferred to the association 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.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

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

Cash

For purposes of the Statement of Cash Flows, cash includes deposits at call with financial institutions and other highly liquid investments with maturity within less than 3 months which are readily convertible to cash on hand at the investor's opinion and are subject to an insignificant risk of changes in value, and borrowings which are integral to the cash management function and which are not subject to a term facility.

Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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 Statement of Financial Position are shown inclusive of GST.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
2 Revenue		
Operating activities		
Membership Fees	214,990.51	197,059.73
Reimbursements	19,456.17	16,249.90
Sale of goods	446.72	159.63
Interest	4,502.72	4,409.29
Other revenue	1,977.46	2,363.55
	<u>241,373.58</u>	<u>220,242.10</u>
3 Profit from Ordinary Activities		
Profit from ordinary activities before income tax expense has been determined after:		
Expenses:		
Cost of sales	65.73	464.97
Borrowing costs		
Other Persons/Corporations	-	185.69
Total borrowing costs	<u>-</u>	<u>185.69</u>
Depreciation of non-current assets		
Depreciation	1,394.00	2,015.00
Total depreciation	<u>1,394.00</u>	<u>2,015.00</u>
Rental expense on operating leases		
Finance Lease Rental	8,474.64	2,824.88
	<u>8,474.64</u>	<u>2,824.88</u>

Revenue and Net Gains:

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
4 Cash Assets		
Petty Cash Imprest	88.46	28.80
Deposit - Heritage	20,960.00	20,000.00
Term Deposit - Bendigo Bank	50,000.00	-
Cash at Bank - Conference Account	35,098.59	20,365.59
Cash at Bank - Staff Account	12,342.22	4,743.25
Cash at Bank - Office Equipment Account	7,183.30	5,712.98
Cash at Bank - Heritage Account	-	64,767.43
Cash at Bank - Bendigo Bank	26,767.33	35,145.14
Cash at Bank - Members Equity	27,987.85	26,799.02
	<u>180,427.75</u>	<u>177,562.21</u>
5 Receivables		
Non-Current		
Deposit - Electricity	-	100.00
	<u>-</u>	<u>100.00</u>
6 Property, Plant and Equipment		
Office Furniture & Equipment - at Cost	52,027.09	43,506.40
Less: Accumulated Depreciation	(37,545.00)	(36,151.00)
	<u>14,482.09</u>	<u>7,355.40</u>
Total Plant and Equipment	<u>14,482.09</u>	<u>7,355.40</u>
Total Property, Plant and Equipment	<u>14,482.09</u>	<u>7,355.40</u>

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003			
	\$	\$			
Movements in Carrying Amounts					
Movements in carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year					
	Freehold Land	Buildings	Plant and Equipment	Leased Plant and Equipment	Total
	\$	\$	\$	\$	\$
Balance at the beginning of the year	-	-	7,355	-	7,355
Additions	-	-	8,521	-	8,521
Disposals	-	-	-	-	-
Revaluation increments/(decrements)	-	-	-	-	-
Depreciation expense	-	-	(1,394)	-	(1,394)
Capitalised borrowing costs and depreciation	-	-	-	-	-
Carrying amount at the end of the year	<u>-</u>	<u>-</u>	<u>14,482</u>	<u>-</u>	<u>14,482</u>

7 Payables

Current

Other Creditors	1,728.00	2,938.00
GST Payable	<u>425.29</u>	<u>308.71</u>
	<u>2,153.29</u>	<u>3,246.71</u>

8 Provisions

Provision for Holiday Pay	12,095.00	4,752.00
Provision for Long Service Leave	<u>-</u>	<u>6,513.26</u>
	<u>12,095.00</u>	<u>11,265.26</u>

Aggregate employee benefit liability	<u>12,095.00</u>	<u>11,265.26</u>
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Number of employees at year end	<u>3</u>	<u>2</u>
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9 Retained Profits

Retained profits at the beginning of the financial year	170,505.64	150,132.15
Net profit attributable to the association	10,155.91	20,373.49
Retained profits at the end of the financial year	<u>180,661.55</u>	<u>170,505.64</u>

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
10 Remuneration and Retirement Benefits		
Committee Members' Remuneration		
Income paid or payable to committee members of the Association by the Association and any related parties	56,449.43	38,263.69
Number of committee members whose income from the union or any related parties was within the following bands:		
	No.	No.
\$0 - \$9,999	8	10
\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	-	-
\$30,000 - \$39,999	-	-
\$40,000 - \$49,999	1	-
The names of the committee members who have held office during the financial year are:		
Andrew Stenhouse		
Michael Farrell		
John Hancox		
John Miller		
Jon Vaughan		
Peter Arthurson		
Christos Sachlikidis		
David Arnott		
Dennis Horner		
John Gannon		
Glen Barker		

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
11 Cash Flow Information		
Reconciliation of cash		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Petty Cash Imprest	88.46	28.80
Deposit - Heritage	20,960.00	20,000.00
Term Deposit - Bendigo Bank	50,000.00	-
Cash at Bank - Conference Account	35,098.59	20,365.59
Cash at Bank - Staff Account	12,342.22	4,743.25
Cash at Bank - Office Equipment Account	7,183.30	5,712.98
Cash at Bank - Heritage Account	-	64,767.43
Cash at Bank - Bendigo Bank	26,767.33	35,145.14
Cash at Bank - Members Equity	27,987.85	26,799.02
	<u>180,427.75</u>	<u>177,562.21</u>
Reconciliation of net cash provided by operating activities to profit from ordinary activities after income tax		
Operating profit (loss) after income tax	10,155.91	20,373.49
Non-cash flows in profit from ordinary activities:		
Depreciation	1,394.00	2,015.00
Provision for Annual Leave	7,343.00	(3,882.69)
Provision for Long Service Leave	(6,513.26)	-
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
Decrease/(Increase) in Inventories	-	464.97
Increase/(Decrease) in GST Control	968.65	(582.49)
Increase/(Decrease) in Creditors	(1,210.00)	1,232.84
Cash flows from operations	<u>12,138.30</u>	<u>19,621.12</u>

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

COMMITTEE OF MANAGEMENT STATEMENT

On the *17th* day of *SEPT. 2004* the Committee of Management of the United Firefighters Union of Australia - Aviation Branch passed the following resolution in relation to the general purpose financial report of the United Firefighters Union of Australia - Aviation Branch for the financial year ended 30 June 2004:

In the opinion of the committee the financial report as set out on pages 2 to 11:

1. Presents a true and fair view of the financial position of United Firefighters Union of Australia - Aviation Branch as at 30 June 2004 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements, other authoritative pronouncements of the Australian Accounting Standards Board and the reporting guidelines of the Industrial Registrar.

2. At the date of this statement, there are reasonable grounds to believe that United Firefighters Union of Australia - Aviation Branch will be able to pay its debts as and when they fall due.

3. During the financial year ending 30 June 2004 and since the end of that year:
 - (a) meetings of the committee of management were held in accordance with the rules of the organisation; and

 - (b) the financial affairs of the United Firefighters Union of Australia - Aviation Branch have been managed in accordance with the rules of the organisation; and

 - (c) the financial records of the United Firefighters Union of Australia - Aviation Branch have been kept and maintained in accordance with the RAO Schedule and RAO Regulations; and

 - (d) No orders have been made by the Commission under section 273 of the RAO Schedule during the period.

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

President: _____

Andrew Stenhouse
Mr Andrew Stenhouse

Secretary: _____

Michael Farrell
Mr Michael Farrell

Dated this *14th* day of *OCTOBER 2004.*

INDEPENDENT AUDIT REPORT
THE MEMBERS OF UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH

Scope

I have audited the financial report as set out on pages 2 to 12 of United Firefighters Union of Australia - Aviation Branch for the financial year ended 30 June 2004. The Committee is responsible for the financial report. I have conducted an independent audit of this financial report in order to express an opinion on it to the members.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements so as to present a view which is consistent with my understanding of the association's financial position, and performance as represented by the results of its operations and its cash flows.

Audit Opinion

In my opinion, the financial report of United Firefighters Union of Australia - Aviation Branch presents a true and fair view in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia the financial position of United Firefighters Union of Australia - Aviation Branch as at 30 June 2004, and the results of its operations and its cash flows for the year then ended.

Name of Firm: Baguley & Associates Pty Ltd

Name of Principal:


Barry Martin Baguley

Address: 47a O'Shanassy Street, Sunbury

Dated this 13th day of September 2004

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
INCOME		
Interest Received		
Other Corporations	4,502.72	4,409.29
Membership Fees & Dues		
- QLD & NT	94,444.11	85,955.04
- NSW	26,798.23	22,790.24
- Vic, Tas & ACT	56,068.81	50,303.95
- SA	16,678.31	14,862.54
- WA	20,525.93	23,147.96
- Other	475.12	-
Rebates & Refunds	1,977.46	2,090.83
Rent Received	-	272.72
Reimbursable Expenses		
- Senior Management	282.55	1,954.88
- Committee Travel Reimbursement	19,173.62	14,295.02
Sales - Union Apparel	446.72	159.63
	241,373.58	220,242.10
EXPENDITURE		
Administration Fees	883.62	988.18
Affiliation Fees	9,932.57	3,172.80
Auditor's Remuneration	4,190.00	4,664.00
Bank Charges	1,981.64	1,180.19
Computer Software	694.03	704.51
Commission Paid	-	3,042.23
Depreciation	1,394.00	2,015.00
Donations	145.00	513.35
Fringe Benefits Tax	1,623.87	997.70
Honorariums	13,661.00	16,162.38
Insurance - Workcover	1,865.77	132.62
Insurance	2,673.15	3,020.50
Interest Paid	-	185.69
Leasing Charges	8,474.64	2,824.88
Light & Power	500.11	745.91
Media Release Fees	633.32	-
Printing & Stationery	2,722.44	5,648.65
Rates & Taxes	932.75	685.35
Refunds - Union Fees	34.91	244.37

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2004

	2004	2003
	\$	\$
Rent	9,724.62	7,095.87
Repairs & Maintenance	1,881.02	2,520.74
Staff & Office Amenities	624.46	38.41
Staff Training	-	245.45
Subscriptions & Memberships	1,958.93	2,813.60
Sundry Expenses	338.58	3,608.63
Superannuation Contributions	27,155.42	15,459.56
Telephone	11,582.93	12,057.71
Travelling Expenses	42,110.15	44,463.40
Wages	83,433.01	64,171.96
	<u>231,151.94</u>	<u>199,403.64</u>
Profit from ordinary activities before income tax	10,155.91	20,373.49
Income tax expense attributable to operating profit	-	-
Profit from ordinary activities after income tax	10,155.91	20,373.49
Retained Profits - Beginning of Year	170,505.64	150,132.15
Retained Profits at the end of the financial year	<u>180,661.55</u>	<u>170,505.64</u>

The accompanying notes form part of these financial statements.



Australian Government
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 Mick Farrell
Branch Secretary
United Firefighters' Union of Australia
Aviation Branch
PO Box 966
SUNBURY VIC 3429

Dear Mr Farrell,

**Re: Financial reports for year ended 30 June 2004 - FR2004/405
Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)**

Receipt is acknowledged of the financial reports of the Aviation Branch of the United Firefighters' Union of Australia for the year ended 30 June 2004. The documents were lodged in the Industrial Registry on 10 December 2004.

The documents have been filed.

I direct your attention to the following comments concerning the reports and the financial reporting obligations under the RAO Schedule. Please note that these matters are generally advised for assistance in the future preparation of financial reports. No further action is required in respect of the subject documents.

Auditor's report

Approved auditor

It is not clear whether the auditor is an approved auditor within the meaning of section 256 of the RAO Schedule and the definition contained in regulation 4 of the *RAO Regulations*. It defines an approved auditor as a person who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accountants; and holds a current Public Practice Certificate.

It is the Registry's view that such information should be made evident to members in the published financial reports.

"true and fair view"

In order to strictly comply with the requirement of subsection 256(5), the words "is presented fairly" should be substituted for the words "presents a true and fair view" where appearing as part of the auditor's opinion. The RAO Schedule requires that such opinion must be stated in those terms.

You may wish to forward a copy of this letter to the reporting unit's auditor.

Operating Report

Title of report

It would appear that the name of this report has been incorrectly titled the "Committee's Report."

Number of members

The reference to the financial year to which the financial reports relate has been omitted from the information concerning membership of the reporting unit.

Number of employees

In accordance with paragraph 254(2)(f) of the RAO Schedule and subregulation 159(b) of the regulations, the operating report is required to contain information in relation to the number of employees of the reporting unit. It is not sufficient to include such information in the notes to the financial statements.

Significant changes

The reference under this item to "these activities" should, in future, be a reference to "the financial affairs" of the reporting unit, consistent with the requirement of paragraph 254(2)(b).

General purpose financial report

Statement of financial performance (profit and loss statement)

This statement, and the accompanying notes to the statement, fail to disclose all of the items of expense required to be disclosed under guideline 11 of the reporting guidelines made under section 255 of the RAO Schedule. These would appear to include subparagraphs 11(b), (d), (f), (g), (h) and (i). I note that a number of those items are included in the unaudited income and expenditure statement attached to the financial report. Accordingly, the Branch may wish in future to include that statement with the documentation submitted for auditing. In that case, the item of expense appearing under "Wages" should identify as separate disclosures the benefits paid to "holders of office" and to "employees" as required under subparagraphs 11(g) and (h) of the guidelines.

Notes to accounts

The report should have included a notice drawing the attention of members to the provisions of subsections 272(1), (2) and (3) under which specified prescribed information is required to be made available to members on application. In addition, subsection 272(5) requires those subsections to be set out in the report. The relevant subsections read as follows:

(1) A member of a reporting unit, or a Registrar, 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).

Committee of management statement

This certificate is dated after the date upon which the auditor's report has been made. Such certificate should not post-date the auditor's report as:

- the auditor is required to express an opinion on the general purpose financial report prepared under section 253; and
- in accordance with subsection 253(2)(c), the general purpose financial report must include the committee of management's statement.

Please note that under 18(c) of the reporting guidelines, the committee of management statement requires the signature of one designated officer only.

Should you wish to discuss any of the matters raised in this letter, I may be contacted on (03) 8661 7775.

Yours sincerely



Ruth Hansen
Statutory Services Branch

24 December 2004