



FAIR WORK  
AUSTRALIA

13 January 2011

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

By email: [ufuavat1@bigpond.com.au](mailto:ufuavat1@bigpond.com.au)

Dear Mr Farrell

**Financial report for year ended 30 June 2010 – FR2010/2606  
Fair Work (Registered Organisations) Act 2009 – (RO Act)**

I acknowledge receipt of the financial report for the year ended 30 June 2010 for the Aviation Branch of the United Firefighters' Union of Australia. The document was lodged with Fair Work Australia on 12 November 2010. I also acknowledge receipt of the designated officer's certificate on 1 December 2010.

The financial report has been filed.

Although the financial report has been filed please note the following comments arising from issues identified in the 2009/2010 report. These comments are made to assist you in the preparation of future financial reports and no further action is required in respect to the report already filed.

Designated officer's certificate (s268 RO Act)

The designated officer's certificate should also specify the date when the full report was provided to members to evidence that s265(5) has been complied with. Subsection 265(5) provides that members must be given a copy of the full report at least 21 days before the report is presented to a general meeting of members. The lodged designated officer's certificate does not provide sufficient detail. A pro forma copy of a designated officer's certificate is enclosed for your future use.

Committee of management statement - resolution date

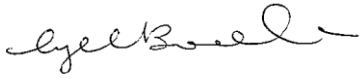
Item 26(b) and (d) of the General Manager's reporting guidelines states that the date of passage of the resolution and the date the committee of management statement is signed be provided in the statement. In the final sentence of the lodged committee of management statement there is provision made for the resolution date but the detail was not inserted. Please ensure the resolution date is provided in future statements.

Notes to the financial statements - reproduction of s272(1), (2), (3) RO Act

Subsection 272(5) RO Act requires s272(1), (2) and (3) be reproduced in the general purpose financial report. Usually this is found in the notes to the financial statements. Attached is a link to the RO Act for your convenience. <http://www.fwa.gov.au/index.cfm?pagename=legislationfwoact>

If you have any queries regarding this letter please do not hesitate to contact me on (03) 8661 7989 (Tuesdays – Fridays) 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  
Tribunal Services and Organisations

Enc.

## **Sample Designated Officer's Certificate or other Authorised Officer<sup>1</sup>**

s268 Fair Work (Registered Organisations) Act 2009

I [name] being the [title of office] of the [name of the organisation] certify:

- that the documents lodged herewith are copies of the full report, [and the concise report]<sup>2</sup>, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- that the [full report **OR** concise report]<sup>3</sup>, was provided to members on [insert date]; and
- that the full report was presented to [a general meeting of members **OR** a meeting of the committee of management]<sup>3</sup> of the reporting unit on [insert date]; in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Signature

Date:

<sup>1</sup>The relevant regulations prescribe the designated officer for the purpose of s268 of the Fair Work (Registered Organisations) Act 2009 as:

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

<sup>2</sup>Only applicable where a concise report is provided to members

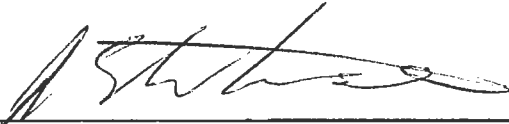
<sup>3</sup>Insert whichever is applicable

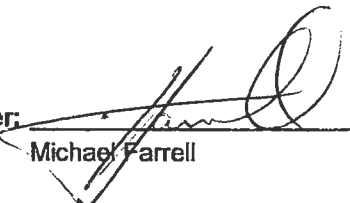
A.B.N. 96 533 521 914

**DESIGNATED OFFICER'S CERTIFICATE**

I, Andrew Stenhouse of 9 Pott Street, Moil NT and I, Michael Farrell of 56 Main Street, Romsey Vic certify that:

- (a) We are members of the committee of United Firefighters Union of Australia - Aviation Branch.
- (b) We attended the annual general meeting of members of the United Firefighters Union of Australia - Aviation Branch held on the 1<sup>st</sup> day of OCTOBER 2010
- (c) This annual statement was submitted at the annual general meeting.
- (d) We confirm that the documents lodged are copies of the documents presented to the meeting.
- (e) We confirm that the documents were provided to the members.

Committee Member:   
Andrew Stenhouse

Committee Member:   
Michael Farrell

Dated this 1<sup>st</sup> day of OCTOBER 2010



**PROUD TO BE UNION**

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ABN: 96 533 521 914

10<sup>th</sup> November, 2010-11-10

Attention: Eve Anderson  
Acting Team Manager  
Tribunal Services and Organisations  
Fair Work Australia  
GPO Box 1994  
Melbourne 3001

Dear Eve,

As required please find enclosed a copy of the Unions Financial Report for the Year Ended 30 June 2010.

Yours sincerely,

Mick Farrell  
Branch Secretary

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

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**30 JUNE 2010**

**Liability limited by a scheme approved under  
Professional Standards Legislation**

**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**

**OPERATING REPORT**

Your committee members submit the financial report of the United Firefighters Union of Australia - Aviation Branch for the financial Year ended 30 June 2010.

**Committee Members**

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

Andrew Stenhouse  
Michael Farrell  
John Hancox  
Jon Vaughan  
Christos Sachlikidis  
David Arnott  
Michael Scanlon  
Mark Suridge  
Simon Osborn  
Andrew Gannon  
Alan Lerpiniere

**Principal Activities**

The principal activities of the United Firefighters Union of Australia - Aviation Branch during the financial Year was a Union.

**Significant Changes**

No significant change in the nature of the financial affairs of United Firefighters Union of Australia - Aviation Branch occurred during the Year.

**Operating Result**

The profit from ordinary activities after providing for income tax amounted to \$17,858.

**Superannuation Trustees**

One member of the committee, David Arnott, is a Director of AvSuper Pty Ltd which acts as trustee of AvSuper. AvSuper was established to provide superannuation benefits to employees of Airservices Australia and some employees of the Civil Aviation Safety Authority.

**Resignation From Membership**

A member of the Union may resign membership under section 174 of the Fair work (Registered organisations) Act 2009 and under Rule 8 of the Union's Rules.

**Membership**

The number of members in the Union as at 30 June 2010 was 656.

**Recovery of Wages Activity**

The committee declares that there was no recovery of wages activity for the financial year.



A.B.N. 96 533 521 914

**OPERATING REPORT**

**Employees**

The number of employees in the Union as at 30 June 2010 was 2.

Committee Member: \_\_\_\_\_

  
ANDREW STENHOUSE

Committee Member: \_\_\_\_\_

  
MICHAEL FARRELL

Dated this 9th day of August 2010

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

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	Note	2010 \$	2009 \$
Revenue	2	363,276.62	325,755.46
Changes in inventories of finished goods and work in progress		2,411.00	(348.86)
Raw materials and consumables used		(4,570.86)	(1,374.00)
Auditor's remuneration	3	(5,075.00)	(4,504.50)
Depreciation and amortisation expenses		(1,477.05)	(2,295.19)
Employee benefits expenses		(200,572.15)	(188,278.77)
Lease expenses		(9,583.44)	(9,583.44)
Other expenses		<u>(126,551.00)</u>	<u>(146,719.80)</u>
<b>Profit (Loss) for the year</b>	<b>4</b>	<b>17,858.12</b>	<b>(27,349.10)</b>
<b>Total comprehensive income for the year</b>		<b><u>17,858.12</u></b>	<b><u>(27,349.10)</u></b>
Total comprehensive income attributable to members of the entity		17,858.12	(27,349.10)

The accompanying notes form part of these financial statements.

**DETAILED INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2010**

	2010	2009
	\$	\$
<b>REVENUE</b>		
Reimbursable Expenses	1,364.92	2,988.18
Membership Fees & Dues	349,186.09	302,808.91
	<u>350,551.01</u>	<u>305,797.09</u>
<b>OTHER REVENUE</b>		
Interest Received	10,678.13	19,416.56
Sundry Income	91.91	22.73
Gross loss from trading	(204.29)	(1,203.78)
	<u>10,565.75</u>	<u>18,235.51</u>
	<u>361,116.76</u>	<u>324,032.60</u>

The accompanying notes form part of these financial statements.

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

**DETAILED INCOME AND EXPENDITURE STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	2010	2009
	\$	\$
<b>EXPENDITURE</b>		
Affiliation Fees - DFU	15,631.07	13,830.72
Affiliation Fees - ACTU	1,856.66	1,643.08
Affiliation Fees - CISFMA	-	80.00
Affiliation Fees - Union Shopper	456.75	434.87
YRAW Levy	-	2,740.00
Auditor's Remuneration	5,075.00	4,504.50
Bank Charges	2,906.32	2,715.26
Computer Software	520.41	1,207.68
Depreciation	1,477.05	2,295.19
Donations	2,000.00	-
Fringe Benefits Tax	208.67	277.65
Honorariums	11,000.00	11,000.00
Holiday Pay Provision	19,733.78	12,168.62
Insurance - Workcover	2,526.26	4,296.45
Insurance	2,251.60	2,480.52
Leasing Charges	9,583.44	9,583.44
Legal Costs	8,150.79	12,952.06
Light & Power	1,688.73	1,161.63
Long Service Leave	9,687.78	36,163.89
Postage	1,026.06	814.33
Printing & Stationery	2,021.15	1,512.96
Rates & Taxes	1,330.89	1,251.61
Reference Materials	2,072.49	205.85
Rent	11,784.17	10,754.64
Repairs & Maintenance	1,259.72	48.05
Staff & Office Amenities	1,226.07	1,040.44
Subscriptions & Memberships	698.96	2,092.82
Sundry Expenses	339.23	375.77
Superannuation Contributions	39,995.52	30,180.82
Telephone	11,591.30	16,555.36
Travelling Expenses	-	8.18
Travelling Expenses - Attendance & Meeting Costs	42,125.25	54,990.27
Travelling Expenses - Other Courses & Seminars	3,609.43	2,753.98
Travelling Expenses - Other	(1,081.25)	-
Union Fees	576.34	536.06
Wages - Office Holders	83,587.00	65,636.88
Wages - Employees	46,342.00	43,088.12
	<u>343,258.64</u>	<u>351,381.70</u>
Profit (Loss) from ordinary activities before income tax	17,858.12	(27,349.10)
Retained profits at the beginning of the financial year	255,176.65	282,525.75
Retained profits at the end of the financial year	<u>273,034.77</u>	<u>255,176.65</u>

The accompanying notes form part of these financial statements.

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2010**

	Note	2010 \$	2009 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	235,231.03	192,339.29
Financial assets	6	150,139.53	144,054.70
Inventories	7	3,406.50	995.50
<b>TOTAL CURRENT ASSETS</b>		<u>388,777.06</u>	<u>337,389.49</u>
<b>NON-CURRENT ASSETS</b>			
Financial assets	6	10.00	10.00
Property, plant and equipment	8	2,426.00	3,903.05
<b>TOTAL NON-CURRENT ASSETS</b>		<u>2,436.00</u>	<u>3,913.05</u>
<b>TOTAL ASSETS</b>		<u>391,213.06</u>	<u>341,302.54</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	5,050.66	2,419.82
Provisions	10	67,275.96	47,542.18
<b>TOTAL CURRENT LIABILITIES</b>		<u>72,326.62</u>	<u>49,962.00</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	10	45,851.67	36,163.89
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>45,851.67</u>	<u>36,163.89</u>
<b>TOTAL LIABILITIES</b>		<u>118,178.29</u>	<u>86,125.89</u>
<b>NET ASSETS</b>		<u>273,034.77</u>	<u>255,176.65</u>
<b>EQUITY</b>			
Retained earnings	11	273,034.77	255,176.65
<b>TOTAL EQUITY</b>		<u>273,034.77</u>	<u>255,176.65</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 CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2010**

	Note	Retained Earnings \$	Total \$
<b>Balance at 1 July 2008</b>		282,526	282,526
Profit attributable to equity shareholders		<u>(27,349)</u>	<u>(27,349)</u>
<b>Balance at 30 June 2009</b>		<u>255,177</u>	<u>255,177</u>
Profit attributable to equity shareholders		17,858	17,858
<b>Balance at 30 June 2010</b>		<u>273,035</u>	<u>273,035</u>

The accompanying notes form part of these financial statements.

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2010**

	2010 \$	2009 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Gross Receipts	387,745.49	337,050.90
Interest Received	10,678.13	19,416.56
Payments to Suppliers & Employees	<u>(349,152.05)</u>	<u>(337,204.36)</u>
<b>Net cash provided by operating activities</b>	<u>49,271.57</u>	<u>19,263.10</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment	-	(344.50)
Payments for investments	(6,084.83)	(9,849.89)
Other current liabilities paid	(295.00)	-
Receipts held in trust	-	295.00
<b>Net cash used in investing activities</b>	<u>(6,379.83)</u>	<u>(9,899.39)</u>
Net increase in cash held	42,891.74	9,363.71
Cash at beginning of financial year	<u>192,339.29</u>	<u>182,975.58</u>
Cash at end of financial year	<u>235,231.03</u>	<u>192,339.29</u>

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 2010**

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**1 Statement of Significant Accounting Policies**

This 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.

**Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements 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.

**Accounting Policies**

**Inventories**

Inventories are measured at the lower of cost and net realisable value.

**Property, Plant and Equipment**

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

**Plant and Equipment**

Plant and equipment is measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the union 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.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated on a straight line or diminishing value basis over their estimated useful lives to the union 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.

The depreciation rates used for each class of depreciable asset are:

Class of Fixed Asset	Depreciation Rate
Office Furniture & Equipment	7.5%-40% Diminishing and 10%-25% Prime Cost

The useful life for each class of depreciable asset are:

Class of Fixed Asset	Useful Life
Office Furniture & Equipment	4-10 years

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation relating to that assets are transferred to retained earnings.

**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 are allocated between the reduction of the lease liability and the lease rental expense for the period.

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.

**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 2010**

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**Financial Instruments**

**Recognition and Initial Measurement**

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**Classification and Subsequent Measurement**

**(i) Financial assets at fair value through profit and loss**

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

**(ii) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

**(iii) Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

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(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

**Fair value**

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

**Impairment**

At each reporting date, the union assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

**Impairment of Assets**

At each reporting date, the entity reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**Fair Value**

Fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

**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 2010**

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**Financial Assets**

Financial assets are initially recognised on the cost basis, including acquisition charges associated with the financial asset. The carrying amounts of financial assets are reviewed annually by the Committee. The expected net cash flows from financial assets have not been discounted to their present value in determining the recoverable amounts, unless otherwise stated.

**Held-to-Maturity Investments**

A financial asset is classified as a "Held-to-Maturity Investment" if it is a non-derivative financial asset that has a fixed original maturity date of greater than three months, fixed or determinable payments and the Association has a positive intention and ability to hold the investment to maturity. The intention to hold the investment is determined when the financial asset is first purchased and is then re-assessed at the end of each financial year.

**Employee Benefits**

Employee benefits expense comprise wages and salaries, annual and long service leave, contract wages and agency fees, staff training and welfare and superannuation expense. Provisions for employee benefits including annual leave and long service leave payable within 12 months from the reporting date are based on current wage and salary levels and periods of service. The amount of these provisions would change should wage and salary levels change in the next 12 months.

The amount charged to the income statement in respect of superannuation represents the contributions made by the association to superannuation funds during the financial year.

**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.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

**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 borrowings in current liabilities on the statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

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**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.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**Adoption of New and Revised Accounting Standards**

During the current year the association has adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of United Firefighters Union of Australia - Aviation Branch.

**AASB 101**

**Presentation of Financial Statements**

In September 2007, the Australian Accounting Standards Board revised AASB 101, and as a result there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the company's financial statements.

Disclosure impact

**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 2010**

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**Terminology changes** — The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements. These changes are not expected to impact the financial performance or financial position of the company.

**Statement of comprehensive income** — The revised AASB 101 requires all income and expenses to be presented in either one statement — the statement of comprehensive income, or two statements — a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The company's financial statements now contain a statement of comprehensive income.

**Other comprehensive income** — The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expense that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are also required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

The impact of this requirement is the disclosure within Note 3 to the financial statements, which reflects the grossed-up value of each item of other comprehensive income and the income tax expense/benefit attributed to the item.

**New Accounting Standards for Application in Future Periods**

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the company has decided not to early adopt.

**Comparative Figures**

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

**Critical Accounting Estimates and Judgments**

The committee members evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

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Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the union.

*Key estimates - Significant accounting estimates and assumptions*

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

*Key estimates - Provision for employee benefits*

Provisions for employee benefits payable under 12 months from the reporting date are based on current wage and salary levels and periods of service. The amount of these provisions would change should these factors change in the next 12 months.

The financial report was authorised for issue on 9 August 2010.

**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 2010**

	2010 \$	2009 \$
<b>2 Revenue</b>		
<b>Operating activities</b>		
Membership Fees	349,186.09	302,808.91
Reimbursements	1,364.92	2,988.18
Sale of goods	1,955.57	519.08
Interest	10,678.13	19,416.56
Other revenue	91.91	22.73
	<u>363,276.62</u>	<u>325,755.46</u>
<b>3 Auditor's Remuneration</b>		
<b>Auditor's Remuneration</b>		
Accounting Standards	3,045.00	2,325.00
Accounting Advice	2,030.00	2,179.50
	<u>5,075.00</u>	<u>4,504.50</u>
<b>4 Profit for the year</b>		
<b>Expenses</b>		
Cost of sales	2,159.86	1,722.86
Depreciation of property, plant and equipment	1,477.05	2,295.19
<b>Leasing Charges</b>		
Novated Lease	9,583.44	9,583.44
	<u>9,583.44</u>	<u>9,583.44</u>
<b>5 Cash and Cash Equivalents</b>		
<b>Current</b>		
Petty Cash Imprest	19.60	38.95
Cash at Bank - Credit Union Australia	208.96	29.30
Cash at Bank - Conference Account	63,620.42	64,318.43
Cash at Bank - Staff Account	69,025.14	66,345.24
Cash at Bank - Bendigo Bank	63,775.89	24,638.50
Cash at Bank - Members Equity	38,202.65	36,591.84
Cash at Bank - RegionalOne Credit Union	378.37	377.03
	<u>235,231.03</u>	<u>192,339.29</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

	2010 \$	2009 \$
<b>Reconciliation of cash</b>		
Cash at the 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:		
Cash and Cash Equivalents	235,231.03	192,339.29
Bank overdraft per Financial Liabilities	-	-
Cash at end of Financial Year	<u>235,231.03</u>	<u>192,339.29</u>
<b>6 Financial Assets</b>		
Term Deposit - Bendigo Bank	68,628.22	67,427.00
Term Deposit - Credit Union Australia	57,522.11	53,434.38
Term Deposit - RegionalOne Credit Union	23,989.20	23,193.32
	<u>150,139.53</u>	<u>144,054.70</u>
<b>Non-Current</b>		
Shares in Unlisted Companies	<u>10.00</u>	<u>10.00</u>
These shares are held in the Regional One Credit Union.		
<b>7 Inventories</b>		
<b>Current</b>		
At cost:		
Stock	<u>3,406.50</u>	<u>995.50</u>
<b>8 Property, Plant and Equipment</b>		
Office Furniture & Equipment - at Cost	19,259.24	19,259.24
Less: Accumulated Depreciation	<u>(16,833.24)</u>	<u>(15,356.19)</u>
	2,426.00	3,903.05
<b>Total Plant and Equipment</b>	<u>2,426.00</u>	<u>3,903.05</u>
<b>Total Property, Plant and Equipment</b>	<u>2,426.00</u>	<u>3,903.05</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 2010**

	2010		2009		
	\$		\$		
<b>Movements in Carrying Amounts</b>					
Movement in the carrying amounts 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 1 July 2008	-	-	5,853.74	-	5,853.74
Additions	-	-	344.50	-	344.50
Depreciation expense	-	-	(2,295.19)	-	(2,295.19)
Balance at 30 June 2009	-	-	3,903.05	-	3,903.05
Depreciation expense	-	-	(1,477.05)	-	(1,477.05)
Carrying amount at 30 June 2010	-	-	2,426.00	-	2,426.00

**9 Trade and Other Payables**

**Current**

Other Creditors	3,148.00	1,615.00
Trust Funds Held	-	295.00
GST Clearing	1,902.66	509.82
	<u>5,050.66</u>	<u>2,419.82</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

	2010 \$	2009 \$
<b>10 Provisions</b>		
	Current Employee Benefits	Long-term Employee Benefits
	\$	\$
Opening balance at 1 July 2009	47,542.18	36,163.89
Additional Provisions raised during the year	19,733.78	9,687.78
Balance at 30 June 2010	<u>67,275.96</u>	<u>45,851.67</u>
		Total
		\$
		83,706.07
		29,421.56
		<u>113,127.63</u>

**Analysis of Total Provisions**

Current	67,275.96	47,542.18
Non-current	45,851.67	36,163.89
	<u>113,127.63</u>	<u>83,706.07</u>

**Provision for Long-term Employee Benefits**

A provision has been recognised for employee benefits relating to long service leave for employees. The measurement and recognition criteria for employee benefits has been included in Note 1.

**11 Retained Earnings**

Retained earnings at the beginning of the financial year	255,176.65	282,525.75
Net profit (Net loss) attributable to the association	17,858.12	(27,349.10)
Retained earnings at the end of the financial year	<u>273,034.77</u>	<u>255,176.65</u>

**12 Capital and Leasing Commitments****Operating Lease Commitments**

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

Payable - minimum lease payments

Not later than 12 months	12,988.80	20,827.44
Between 12 months and five years	13,635.60	-
	<u>26,624.40</u>	<u>20,827.44</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 2010**

	2010	2009
	\$	\$
<p>The union has a lease on the building at 86a O'Shanassy Street, Sunbury that expired on 30 June 2010 and was renewed for a further two (2) year to 30 June 2012. The union also pays a novated lease for a motor vehicle as part of a salary sacrifice arrangement with Michael Farrell.</p>		
<b>13 Key Management Personnel</b>		
<b>Remuneration of Committee Member</b>		
<b>Short-term employee benefits</b>		
Total Salary & Wages	83,587.00	65,636.88
<b>Total compensation</b>	83,587.00	65,636.88
<b>14 Cash Flow Information</b>		
<b>Reconciliation of Cash Flow from Operations with Profit after Income Tax</b>		
Profit (Loss) after income tax	17,858.12	(27,349.10)
<b>Non-cash flows in profit:</b>		
Provision for Annual Leave	19,733.78	12,168.62
Provision for Long Service Leave	9,687.78	36,163.89
Depreciation	1,477.05	2,295.19
<b>Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries</b>		
Decrease/(Increase) in Inventories	(2,411.00)	348.86
Increase/(Decrease) in GST Control	1,392.84	(745.18)
Increase/(Decrease) in Creditors	1,533.00	(3,619.18)
	49,271.57	19,263.10

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

	2010	2009
	\$	\$
<b>15 Financial Risk Management</b>		
<p>The association's financial assets comprise cash and cash equivalents and held-to-maturity investments. In addition the association has various financial liabilities including amounts payable to trade and other creditors.</p> <p>The totals for each category of financial instruments are as follows:</p>		
	2010	2009
	\$	\$
<b>Financial Assets</b>		
Cash and cash equivalents	235,231.03	192,339.29
Short term deposits	150,139.53	144,054.70
Investments	10.00	10.00
<b>Total Financial Assets</b>	<u>385,380.56</u>	<u>336,403.99</u>
<b>Financial Liabilities</b>		
Trade and other payables	<u>5,050.66</u>	<u>2,419.82</u>
<b>Total Financial Liabilities</b>	<u>5,050.66</u>	<u>2,419.82</u>

**Financial Risk Management Policies**

The committee's overall risk management strategy seeks to assist the union in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the committee on a regular basis. These include the credit risk policies and future cash flow requirements.

The association does not have any derivative instruments at 30 June 2010.

**Specific Financial Risk Exposures and Management**

**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 2010**

	2010 \$	2009 \$
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**Interest rate risk**

Interest rate risk refers to the risk that the value of financial instruments or cash flows associated with instruments will fluctuate due to changes in market interest rates. The union is exposed to interest rate fluctuations on its cash at bank. Interest rate risk is managed by continually reviewing the cash balances and transferring excess funds to term deposit accounts that earn a better rate of return.

	Weighted Average Effective Interest Rate %	2010 \$	Weighted Average Effective Interest Rate %	2009 \$
<b>Floating Rate Instruments</b>				
Cash and cash equivalents	1.40	<u>235,211</u>	3.25	<u>192,300</u>
<b>Total floating rate financial assets</b>		<u>235,211</u>		<u>192,300</u>
<b>Fixed Rate Instruments</b>				
Short term deposits	4.10	<u>150,140</u>	5.00	<u>144,055</u>
<b>Total fixed rate financial assets</b>		<u>150,140</u>		<u>144,055</u>

**Liquidity Risk**

Liquidity risk arises from the possibility that the union might encounter difficulty in settling its debts related to financial liabilities. The union manages this risk by monitoring the operational, investing & financing activities of the union.

The following table shows the expected maturities of cash inflows and outflows from financial assets and trade and other payables.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2010**

	2010			2009	
	\$			\$	
<b>2010</b>					
	Floating Interest at Call	Fixed Interest Rate Within 1 Year	Maturing Greater than 1 year	Non Interest Bearing	Total
	\$	\$	\$	\$	\$
<b>Financial assets - cash flows realisable</b>					
Cash and cash equivalents	235,211	-	-	20	235,231
Short term deposits	-	150,140	-	-	150,140
Investments	-	-	-	10	10
<b>Total anticipated inflows</b>	<u>235,211</u>	<u>150,140</u>	<u>-</u>	<u>30</u>	<u>385,381</u>
<b>Financial liabilities due for payment</b>					
Trade and other payables	-	-	-	5,051	5,051
<b>Total expected outflows</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,051</u>	<u>5,051</u>
<b>Net (outflow)/inflow on financial instruments</b>	<u>235,211</u>	<u>150,140</u>	<u>-</u>	<u>(5,021)</u>	<u>380,330</u>
<b>2009</b>					
	Floating Interest at Call	Fixed Interest Rate Within 1 Year	Maturing Greater than 1 year	Non Interest Bearing	Total
	\$	\$	\$	\$	\$
<b>Financial assets - cash flows realisable</b>					
Cash and cash equivalents	192,300	-	-	39	192,339
Short term deposits	-	144,055	-	-	144,055
Investments	-	-	-	10	10
<b>Total anticipated inflows</b>	<u>192,300</u>	<u>144,055</u>	<u>-</u>	<u>49</u>	<u>336,404</u>
<b>Financial liabilities due for payment</b>					
Trade and other payables	-	-	-	2,420	2,420
<b>Total expected outflows</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,420</u>	<u>2,420</u>
<b>Net (outflow)/inflow on financial instruments</b>	<u>192,300</u>	<u>144,055</u>	<u>-</u>	<u>(2,371)</u>	<u>333,984</u>

**Net Fair Values**

The fair value of financial assets and liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

**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 2010**

	2010		2009	
	\$		\$	
	2010		2010	
	Carrying	Net Fair Value	Carrying	Net Fair Value
	Amount		Amount	
	\$	\$	\$	\$
<b>Financial Assets</b>				
Cash and cash equivalents	235,231	235,231	235,231	235,231
Short term deposits	150,140	150,140	150,140	150,140
Investments	10	10	10	10
<b>Total Financial Assets</b>	<b>385,381</b>	<b>385,381</b>	<b>385,381</b>	<b>385,381</b>
<b>Financial Liabilities</b>				
Trade and other payables	(5,051)	(5,051)	(5,051)	(5,051)
<b>Total Financial Liabilities</b>	<b>(5,051)</b>	<b>(5,051)</b>	<b>(5,051)</b>	<b>(5,051)</b>

**16 Union Details**

The principal place of business of the union is:

86a O'Shanassy Street  
 Sunbury Vic 3429

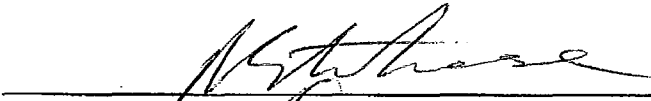


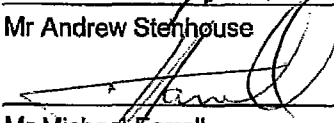
**COMMITTEE OF MANAGEMENT STATEMENT**

In the opinion of the committee with regards to the general purpose financial report:

- (a) the financial statements and notes comply with the Australian Accounting Standards
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia including the requirements imposed by section 253 of the Fair Work (Registered Organisations ) Act 2009.
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the United Firefighters Union of Australia - Aviation Branch for the year ending 30 June 2010;
- (d) there are reasonable grounds to believe that the United Firefighters Union of Australia - Aviation Branch will be able to pay its debts as and when they become due and payable; and
- (e) During the financial year ending 30 June 2010 and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the United Firefighters Union of Australia - Aviation Branch; and
  - (ii) the financial affairs of the United Firefighters Union of Australia - Aviation Branch have been managed in accordance with the rules of the organisation; and
  - (iii) the financial records of the United Firefighters Union of Australia - Aviation Branch have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009.
  - (iv) no information has been sought by a member of the United Firefighters Union of Australia - Aviation Branch or the General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009.
  - (v) no orders have been made by the General Manager of Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009 during the year ended 30 June 2010.

This statement is made in accordance with a resolution of the Committee of Management of the United Firefighters Union of Australia - Aviation Branch passed on

**President:**   
Mr Andrew Steinhouse

**Secretary:**   
Mr Michael Farrell

**Dated this** 9th **day of August 2010**

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF  
UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH  
A.B.N. 96 533 521 914**

**Scope**

I have audited the financial report of United Firefighters Union of Australia - Aviation Branch for the financial year ended 30 June 2010. 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 including the requirements of Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 so as to present a view which is consistent with my understanding of the union's financial position, and performance as represented by the results of its operations and its cash flows.

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

**Audit Opinion**

In my opinion, the general purpose financial report of United Firefighters Union of Australia - Aviation Branch is presented fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements including the requirements imposed by Part 3 of Chapter 8 of Fair Work (Registered Organisations) Act 2009 for the year ended 30 June 2010.

**Name of Firm:** Baguley & Associates Pty Ltd  
Certified Practising Accountants

**Name of Principal:**   
Barry Martin Baguley (CPA)


**Address:** Suite 10, 33 Macedon Street, Sunbury

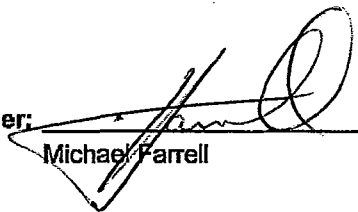
**Dated this 23rd day of September 2010**

**DESIGNATED OFFICER'S CERTIFICATE**

I, Andrew Stenhouse of 9 Pott Street, Moil NT and I, Michael Farrell of 56 Main Street, Romsey Vic certify that:

- (a) We are members of the committee of United Firefighters Union of Australia - Aviation Branch.
- (b) We attended the annual general meeting of members of the United Firefighters Union of Australia - Aviation Branch held on the        day of
- (c) This annual statement was submitted at the annual general meeting.
- (d) We confirm that the documents lodged are copies of the documents presented to the meeting.
- (e) We confirm that the documents were provided to the members.

Committee Member:   
Andrew Stenhouse

Committee Member:   
Michael Farrell

Dated this 6<sup>TH</sup> day of SEPTEMBER 2010