



12 April 2014

Mr Henry Lawrence  
Branch Secretary  
United Firefighters' Union of Australia-Aviation Branch  
[ufuavat1@bigpond.com.au](mailto:ufuavat1@bigpond.com.au)

Dear Mr Lawrence,

**United Firefighters' Union of Australia-Aviation Branch  
Financial Report for the year ended 30 June 2013 - [FR2013/210]**

I acknowledge receipt of the financial report of the United Firefighters' Union of Australia-Aviation Branch. The documents were lodged with the Fair Work Commission on 21 February 2014.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The Fair Work Commission will confirm these concerns have been addressed prior to filing next year's report:

**Reports must be presented to a General Meeting of members within 6 months after the end of the Financial Year.**

The designated officer's certificate states that the financial report was presented to a General Meeting of members on 21 February 2014. Under section 266(1) of the RO Act, the report must be presented to a General Meeting of members within 6 months after the end of the financial year.

If these dates are correct, the branch should have applied for an extension of time for the holding of the General Meeting in accordance with section 265(5) of the RO Act.

Please note that in future financial years a written request for an extension of time signed by a relevant officer, including any reason for the delay, must be made prior to required date of lodgement.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2014 may be subject to an advanced compliance review.

If you have any queries regarding this letter, please contact me on (03) 8661 7812 or via email at [nick.salzberg@fwc.gov.au](mailto:nick.salzberg@fwc.gov.au).

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Nick Salzberg', is positioned above the printed name.

Nick Salzberg  
Regulatory Compliance Branch  
Fair Work Commission

**United Firefighters' Union of Australia – Aviation Branch**

**Section 268 *Fair Work (Registered Organisations) Act 2009* (RO Act)**

I, Henry Lawrence being the Branch Secretary of the United Firefighters' Union of Australia – Aviation Branch certify:

- that the documents lodged herewith are copies of the full report referred to in s.268 of the RO Act for the United Firefighters' Union of Australia – Aviation Branch for the period ended 30<sup>th</sup> June 2013; and
- that the full report was provided to members of the reporting unit on the 21<sup>st</sup> November 2013 in accordance with s.265 of the RO Act; and
- that the full report was presented to a general meeting of members of the reporting unit on the 21<sup>st</sup> February 2014 in accordance with s.266 of the RO Act.

**Date: 21<sup>st</sup> February 2014**

**Signature of prescribed designated officer**



**Name of prescribed designated officer** Henry Pearson Lawrence

**Office held** Branch Secretary

## **United Firefighters' Union of Australia Aviation Branch**

### **Sections 253 & 255 *Fair Work (Registered Organisations) Act 2009* (RO Act)**

#### **Paragraphs 24, 25 & 26 of the reporting guidelines of the General Manager issued pursuant to section 255 of the RO Act**

On 14<sup>th</sup> November 2013 the Branch Committee of Management of the United Firefighters' Union of Australia Aviation Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the period ended 30<sup>th</sup> June 2013.

The Branch Committee of Management declares that in its opinion<sup>1</sup>:

- (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 the Fair Work Commission;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act ; and
  - (iv) information has been furnished to any member of the reporting unit or to the General Manager of the Fair Work Commission, as the case may be, where information sought by the member or the General Manager of the Fair Work Commission was duly made under section 272 of the RO Act; and
  - (v) there has been compliance with any order for inspection of financial records made by the Fair Work Commission under section 273 of the RO Act.
- (f) the reporting unit has not<sup>2</sup> engaged in recovery of wages activity which has resulted in the derivation of revenue in respect of such activity.

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<sup>1</sup> Adjust certificate as appropriate to reflect the facts.

<sup>2</sup> Adjust certificate as appropriate to reflect the facts.

This declaration is made in accordance with a resolution of the Committee of Management.

**Date:** 21<sup>st</sup> February 2014

**Signature of designated officer:** 

**Name of designated officer:** Henry Pearson Lawrence

**Office held:** Branch Secretary

Registered Tax Agent  
Registered Company Liquidator

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Carlton, Victoria 3053  
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Carlton South, Victoria 3053  
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ross@mcdermott.com.au

**UNITED FIREFIGHTERS UNION  
OF AUSTRALIA - AVIATION BRANCH  
ABN: 96 533 521 914**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2013**



**United Firefighters Union of Australia - Aviation Branch**  
**ABN 96 533 521 914**  
**For the year ended 30 June 2013**

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**United Firefighters Union of Australia - Aviation Branch**  
**ABN 96 533 521 914**  
**Operating Report**  
**For the year ended 30 June 2013**

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In accordance with section 254 of the Fair Work (Registered Organisations) Act 2009 ("the Act"), your Committee of Management present their report on the Union for the financial year ended 30 June 2013.

**Principal Activities**

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

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

**Operating result**

The operating surplus of the Union for the financial year amounted to \$85,371 (2012: \$35,643). No provision for tax was necessary as the reporting unit is exempt from income tax.

**Significant Changes in State of Affairs**

No significant changes in the union's state of affairs occurred during the financial year.

**After balance day events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the union, the results of those operations or the state of affairs of the union in future financial years.

**Rights of Members**

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

**Superannuation Officeholders**

A former member of the committee (up until May 2012), David Arnott, is a Director of AvSuper Pty Ltd which acts as trustee of AvSuper. AvSuper was established to provide superannuation benefits to employees in the aviation and aviation safety industries.



# United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

## Operating Report

For the year ended 30 June 2013

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### Other Prescribed Information

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

- (a) the number of persons that were at the end of the financial year recorded in the register of members for section 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the registered organisation under section 244 of the Fair Work (Registered Organisations) Act 2009 was 683.
- (b) the number of persons who were at the end of the financial year employees of the organisation including both full and part time employees measured on a full time equivalent basis was 2.
- (c) the name of each person who has been a member of the Committee of Management of the organisation at any time during the financial year, and the periods for which they held such a position were:

<b>Names</b>	<b>Position</b>	<b>Period</b>
Andrew Stenhouse	President	1 July 2012 – present
Henry Lawrence	Branch Secretary	1 July 2012 – present
John Hancox	Senior Vice President	1 July 2012 - present
Jon Vaughan	Branch Committee of Management	1 July 2012 – present
Jake Callaghan	Branch Committee of Management	1 July 2012 – present
Simon Owen	Branch Committee of Management	1 July 2012 – present
Mal Lacy	Branch Committee of Management	1 July 2012 – present
Ricky Nolan	Branch Committee of Management	1 July 2012 – present
Simon Osborn	Branch Committee of Management	1 July 2012 – present
Neil Pooley	Branch Committee of Management	1 July 2012 – 31 May 2013
Alan Lerpiniere	Branch Committee of Management	1 October 2012 – present
John Ring	Branch Committee of Management	1 July 2012– present
Leslie Milhinch	Branch Committee of Management	19 June 2013 – present

**United Firefighters Union of Australia - Aviation Branch**  
ABN 96 533 521 914  
Operating Report  
For the year ended 30 June 2013

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**Other Relevant Information**

Nil.

Signed for and on behalf of the Committee of Management:

  
**HENRY LAWRENCE**  
**BRANCH SECRETARY**

Dated this *14<sup>th</sup>* day of *November* 2013.

## United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

### Committee of Management Certificate

For the year ended 30 June 2013

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On the ~~14~~<sup>18</sup> day of ~~November~~<sup>November</sup> 2013 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 (GPFR) of the reporting unit for the financial year ended 30 June 2013.

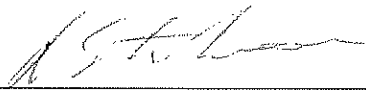
The Committee of Management declares, in relation to the GPFR, that in its opinion:

- (a) the financial statements and notes have been prepared in accordance with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of Fair Work Australia;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of the year;
  - (i) meetings of the Committee were held during the year ended 30 June 2013, in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the Union have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the Union have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
  - (iv) the financial records of the union have been kept as far as practicable, in a consistent manner to each of the other branches of the organisation; and
  - (v) no information was sought by any member of the reporting unit or General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and
  - (vi) no orders have been made by the Fair Work Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) In relation to the recovery of wages activity
  - (i) There were no recovery of wages activity for the Union during the year ended 30 June 2013.


**United Firefighters Union of Australia - Aviation Branch**  
ABN 96 533 521 914  
**Committee of Management Certificate**  
**For the year ended 30 June 2013**

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This declaration is made in accordance with a resolution of the Committee of Management:

President: 

**Mr Andrew Stenhouse**

Secretary: 

**Mr Henry Lawrence**

Dated this 14<sup>th</sup> day of November 2013.

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

We have audited the financial report of United Firefighters Union of Australia - Aviation Branch, which comprises the balance sheet as at 30 June 2013, the statement of comprehensive income, statement of changes in members equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the committee of management certificate.

**Committee of management's responsibility for the financial report**

The committee of management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009, and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Union's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee of management, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Independence**

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

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

**Auditor's opinion**

In our opinion the financial report presents fairly, in all material respects, the financial position of United Firefighters Union of Australia – Aviation Branch as at 30 June 2013, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.



**AGOSTINELLI PERLEN  
CHARTERED ACCOUNTANTS**



**HENRY PERLEN  
PARTNER**

Dated at Carlton, Victoria this 21<sup>st</sup> day of November 2013.

**United Firefighters Union of Australia - Aviation Branch**

ABN 96 533 521 914

**Statement of Comprehensive Income**

For the year ended 30 June 2013

	Note	2013 \$	2012 \$
Revenue	3	471,850	450,197
Affiliation Fees	4	49,211	47,488
Bank Fees		3,223	4,145
Depreciation Expense		2,762	2,577
Employee Benefit Expense	5	197,386	194,444
Honorariums		11,500	11,000
Interest Expense		637	770
Legal Fees	5	7,595	2,123
Professional Fees		24,817	31,097
Rent and Outgoings		10,908	12,396
Station Meetings		8,589	5,851
Travel Accommodation & Conferences	5	48,926	68,650
Other Expenses		20,925	34,013
<b>Total Expenses</b>		<b>386,479</b>	<b>414,554</b>
<b>Surplus for the year</b>		<b>85,371</b>	<b>35,643</b>
<b>Total Comprehensive Income for the Year</b>		<b>85,371</b>	<b>35,643</b>

The accompanying notes form part of these financial statements.

# United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

## Balance Sheet

For the year ended 30 June 2013

	Note	2013 \$	2012 \$
<b>Current Assets</b>			
Cash assets	6	442,020	457,344
Inventories	7	3,797	4,206
Trade and Other Receivables	8	87	-
Other Assets	9	1,211	-
<b>Total Current Assets</b>		<u>447,115</u>	<u>461,550</u>
<b>Non-Current Assets</b>			
Other financial assets	10	10	10
Plant and equipment	11	6,831	7,719
<b>Total Non-Current Assets</b>		<u>6,841</u>	<u>7,729</u>
<b>Total Assets</b>		<u>453,956</u>	<u>469,279</u>
<b>Current Liabilities</b>			
Trade and Other Payables	12	29,952	141,276
Provisions	13	12,282	2,082
<b>Total Current Liabilities</b>		<u>42,234</u>	<u>143,358</u>
<b>Non-Current Liabilities</b>			
Provisions	13	430	-
<b>Total Non-Current Liabilities</b>		<u>430</u>	<u>-</u>
<b>Total Liabilities</b>		<u>42,664</u>	<u>143,358</u>
<b>Net Assets</b>		<u>411,292</u>	<u>325,921</u>
<b>Equity</b>			
Members' Funds	14	411,292	325,921
<b>Total Members' Equity</b>		<u>411,292</u>	<u>325,921</u>

The accompanying notes form part of these financial statements.



# United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

## Statement of Changes in Members' Equity

For the year ended 30 June 2013

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	Members' Funds	Total
	\$	\$
Balance at 1 July 2012	325,921	325,921
Surplus attributable to members	85,371	85,371
<b>Balance at 30 June 2013</b>	<b>411,292</b>	<b>411,292</b>

	Members' Funds	Total
	\$	\$
Balance at 1 July 2011	290,278	290,278
Surplus attributable to members	35,643	35,643
<b>Balance at 30 June 2012</b>	<b>325,921</b>	<b>325,921</b>

## United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

### Statement of Cash Flow

For the year ended 30 June 2013

	Note	2013 \$	2012 \$
<b>Cash Flow From Operating Activities</b>			
Receipts from members and related activities		456,795	432,260
Payments to suppliers and employees		(485,184)	(396,273)
Interest received		14,969	17,937
Interest and other costs of finance		-	-
Net cash provided by (used in) operating activities	21	<b>(13,420)</b>	<b>53,924</b>
<b>Cash Flow From Investing Activities</b>			
Payments for plant and equipment		(1,904)	-
Net cash provided by (used in) investing activities		<b>(1,904)</b>	<b>-</b>
Net increase (decrease) in cash held		(15,324)	53,924
Cash at the beginning of the year		457,344	403,420
Cash at the end of the year	20	<b>442,020</b>	<b>457,344</b>

# United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

Notes to the Financial Statements

For the year ended 30 June 2013

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## Note 1: Significant Accounting Policies

### (a) General Information

This financial report covers United Firefighters Union of Australia - Aviation Branch as an individual entity.

### (b) Statement of Compliance

The financial report is a general purpose financial report and has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the United Firefighters Union of Australia – Aviation Branch is a not-for-profit-entity.

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.

### (c) Basis of Preparation

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 as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

### (d) Comparatives

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

### (e) Inventories

Inventories are made up of promotional stock on hand and are measured at the lower of cost and net realisable value.

# United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

Notes to the Financial Statements

For the year ended 30 June 2013

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## Note 1: Significant Accounting Policies (continued)

### (f) Plant and Equipment

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

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

#### Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line or diminishing value basis over the asset's useful life, and to the union commencing from the time the asset is held ready for use. 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 assets are:

Office Equipment – Diminishing value basis	7.5 – 40 %
Office Equipment – Prime cost basis	10 – 25 %

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

#### Derecognition

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

#### Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is no primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the United Firefighters Union of Australia – Aviation Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

# United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

## Notes to the Financial Statements

For the year ended 30 June 2013

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### Note 1: Significant Accounting Policies (continued)

**(g) Investments (financial assets)**

Non-current investments are measured on the cost basis. The carrying amount of non current investments is reviewed annually to ensure it is not in excess of the recoverable amount of these investments.

**(h) Cash and Cash Equivalents**

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

**(i) Employee Entitlements**

Provision is made for the union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits. A probability of the future payout was determined.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

**(j) 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.

**(k) Income Taxes**

No provision for income tax has been raised as the Union is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

**(l) Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

# United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

Notes to the Financial Statements

For the year ended 30 June 2013

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## Note 1: Significant Accounting Policies (continued)

### (l) Revenue (continued)

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Interest revenue is recognised on an accrual basis using the effective interest method

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

### (m) Borrowing Costs

All borrowing costs are recognised in profit and loss the period in which they are incurred.

### (n) 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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.

### (o) Financial Liabilities

Financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Union derecognises financial liabilities when, and only when, the Union's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

# United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

Notes to the Financial Statements

For the year ended 30 June 2013

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## Note 1: Significant Accounting Policies (continued)

### (p) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

### (q) Financial assets

#### Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

#### Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest rate method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

#### Impairment of financial assets

Financial assets are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

**United Firefighters Union of Australia - Aviation Branch**  
**ABN 96 533 521 914**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2013**

**Note 1: Significant Accounting Policies (continued)**

**(r) Contingent Liabilities and Contingent Assets**

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

**(s) Application of new and revised Accounting Standards**

The following new and revised Standards and Interpretations have been adopted in the current year and have not affected the amounts reported in these financial statements.

<u>Standard</u>	<u>Impact on presentation and disclosure</u>
AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'	Requires entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments)

There are no new and revised Standards and Interpretations adopted in these financial statements affecting the reporting results or financial position.

**(t) Standards and Interpretations in issue not yet adopted**

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

<u>Standard/Interpretation</u>	<u>Effective for annual reporting periods beginning on or after</u>	<u>Expected to be initially applied in the financial year ending</u>
AASB 9 'Financial Instruments' and AASB 2010-7 'Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)'	1 January 2015	30 June 2016
AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'	1 January 2013	30 June 2014



**United Firefighters Union of Australia - Aviation Branch**  
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**Note 1: Significant Accounting Policies (continued)**

**(t) Standards and Interpretations in issue not yet adopted (continued)**

Standard/Interpretation	<u>Effective for annual reporting periods beginning on or after</u>	<u>Expected to be initially applied in the financial year ending</u>
AASB 119 'Employee Benefits' (2011) and AASB 2011-10 'Amendments to Australian Accounting Standards arising from AASB 119 (2011)'	1 January 2013	30 June 2014
AASB 2011-4 'Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements'	1 July 2013	30 June 2014
AASB 2012-2 'Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities'	1 January 2013	30 June 2014
AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'	1 January 2014	30 June 2015
AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle'	1 January 2013	30 June 2014
AASB 2012-10 'Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments'	1 January 2013	30 June 2014
AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures of Non-Financial Assets'	1 January 2014	30 June 2015

The Union does not anticipate early adoption of any of the above accounting standards.

**United Firefighters Union of Australia - Aviation Branch**

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**For the year ended 30 June 2013**

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**Note 2: Notice Required Under The Fair Work (Registered Organisation) Act  
2009**

In accordance with the requirements of the Fair Work (Registered Organisation) Act 2009 the attention of members is drawn to the provisions of subsections (1), (2) and (3) of Section 272, which read as follows:

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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).

# United Firefighters Union of Australia - Aviation Branch

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Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$	\$
<b>Note 3: Revenue and Other Income</b>		
<b>Revenue:</b>		
Membership Fees	450,527	429,036
Interest revenue	14,969	17,937
Reimbursements	3,052	3,224
Grants, Donations and Sponsorship	3,302	-
Capitation fees	-	-
	<u>471,850</u>	<u>450,197</u>

## Note 4: Affiliation Fees

United Firefighters Union of Australia	46,878	44,660
Australian Council of Trade Union	2,333	2,079
The Union Shopper Inc	-	749
	<u>49,211</u>	<u>47,488</u>

## Note 5: Surplus from Ordinary Activities

Surplus from ordinary activities has been determined after:

### Charging as an Expense:

Change in Inventories	<u>1,392</u>	<u>1,229</u>
Depreciation of non-current assets:		
- Plant and Equipment	<u>2,762</u>	<u>2,577</u>
Rental expense on Operating Leases		
Minimum lease payments	<u>10,908</u>	<u>12,396</u>

# United Firefighters Union of Australia - Aviation Branch

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Notes to the Financial Statements

For the year ended 30 June 2013

	2013 \$	2012 \$
<b>Note 5: Surplus from Ordinary Activities (continued)</b>		
<b>Employee Expenses</b>		
<b>Holders of Office:</b>		
Wages and salaries	112,966	124,017
Superannuation	17,057	19,414
Leave and other entitlements	9,715	(9,347)
<b>Subtotal employee expenses holders of office</b>	<b>139,738</b>	<b>134,084</b>
<b>Employees other than office holders:</b>		
Wages and salaries	50,370	52,134
Superannuation	6,363	4,822
Leave and other entitlements	915	3,404
<b>Subtotal employee expenses employees other than office holders</b>	<b>57,648</b>	<b>60,360</b>
	197,386	194,444
Other employee expenses included in other expenses	-	2,675
<b>Total employee expenses</b>	<b>197,386</b>	<b>197,118</b>
<b>Capitation Fees</b>		
United Firefighters Union of Australia – Affiliation Fee	46,878	44,660
<b>Total capitation fees</b>	<b>46,878</b>	<b>44,660</b>
<b>Legal costs</b>		
Litigation	3,624	-
Other legal matters	3,971	2,123
<b>Total legal costs</b>	<b>7,595</b>	<b>2,123</b>
<b>Travel, accommodation and conferences</b>		
Fees/allowances	9,798	496
Conferences and meeting expenses	35,346	34,824
Other travel costs	3,782	33,330
<b>Total travel, accommodation and conferences</b>	<b>48,926</b>	<b>68,650</b>

**United Firefighters Union of Australia - Aviation Branch**

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Notes to the Financial Statements

For the year ended 30 June 2013

2013  
\$

2012  
\$

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**Note 5: Surplus from Ordinary Activities (continued)**

**Other expenses include the following:**

Compulsory levies	-	3,513
Penalties – via RO Act or RO regulations	-	-
<b>Total other expenses</b>	<u>-</u>	<u>3,513</u>

## United Firefighters Union of Australia - Aviation Branch

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Notes to the Financial Statements

For the year ended 30 June 2013

	2013 \$	2012 \$
<b>Note 6: Cash assets</b>		
<b>Cash and Cash Equivalents:</b>		
Cash At Bank – Conference Account	25,322	6,959
Cash at Bank – Staff Account	84,229	76,035
Cash at Bank – Bendigo Bank	116,789	169,127
Cash at Bank – Members Equity	43,789	41,662
Cash at Bank – RegionalOne Credit Union	-	441
Cash at Bank – Credit Union Australia	149	169
Petty Cash Imprest	20	20
	270,298	294,413
<b>Term Deposits:</b>		
Term Deposit – Bendigo Bank	104,137	99,000
Term Deposit – Credit Union Australia	67,585	63,931
	171,722	162,931
	442,020	457,344

### Note 7: Inventories

#### Current

Stock on Hand	3,797	4,206
	3,797	4,206

### Note 8: Trade and Other Receivables

#### Current

Receivables from other reporting units	-	-
Trade Debtors	51	-
<i>Less</i> provision for doubtful debts	-	-
Other Debtors	36	-
	87	-

**United Firefighters Union of Australia - Aviation Branch**

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Notes to the Financial Statements

For the year ended 30 June 2013

	2013 \$	2012 \$
<b>Note 9: Other Current Assets</b>		
Prepayments	1,211	-
	<u>1,211</u>	<u>-</u>

**Note 10: Financial Assets**

**Non-Current**

Shares in other companies - at cost

Regional One Credit Union

10	10
<u>10</u>	<u>10</u>

**Note 11: Plant and Equipment**

Office Furniture and Equipment:

- At cost

14,834

13,417

- Accumulated Depreciation

(8,003)

(5,698)

6,831

7,719

**Movements in Carrying Amounts**

Movement in the carrying amounts for each class of plant and equipment, between the beginning and the end of the current financial year.

	<b>Office Furniture and Equipment \$</b>	<b>Total \$</b>
Balance at 1 July 2011	10,481	10,481
Additions	-	-
Loss on disposal	(185)	(185)
Depreciation expense	<u>(2,577)</u>	<u>(2,577)</u>
<b>Carrying amount at 30 June 2012</b>	<u>7,719</u>	<u>7,719</u>
Additions	1,904	1,904
Loss on disposal	(30)	(30)
Depreciation expense	<u>(2,762)</u>	<u>(2,762)</u>
<b>Carrying amount at 30 June 2013</b>	<u>6,831</u>	<u>6,831</u>

**United Firefighters Union of Australia - Aviation Branch**

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Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$	\$
<b>Note 12: Trade and Other Payables</b>		
<b>Current</b>		
Unsecured Liabilities		
Payables to other reporting units	-	-
Trade and other payables	29,952	141,276
	<u>29,952</u>	<u>141,276</u>

Settlement of trade and other payables is usually made within 30 days.

**Note 13: Provisions**

**Employee Provisions**

**Office Holders:**

Annual leave	11,343	1,930
Long service leave	303	-
Separation and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions - office Holders</b>	<u>11,646</u>	<u>1,930</u>

**Employees other than office holders:**

Annual leave	939	152
Long service leave	127	-
Separation and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions – employees other than office holders</b>	<u>1,066</u>	<u>152</u>

**Total employee provisions**

<u>12,712</u>	<u>2,082</u>
---------------	--------------

	2013	2012
	\$	\$
<b>Analysis of Total Provisions</b>		
Current	12,282	2,082
Non-current	430	-
	<u>12,712</u>	<u>2,082</u>

There were 2 employees at the end of the year.



# United Firefighters Union of Australia - Aviation Branch

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## Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$	\$

### Note 13: Provisions (continued)

#### 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.

### Note 14: Members' Funds

Members' Funds at the beginning of the financial year	325,921	290,278
Net Surplus attributable to members	85,371	35,643
Members' Funds at the end of the financial year	<u>411,292</u>	<u>325,921</u>

### Note 15: Donations

As required by section 254 of the Fair Work (Registered Organisations) Act 2009, listed below are any donations in excess of \$1,000:

International Association of Firefighters	<u>-</u>	<u>1,430</u>
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### Note 16: 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	13,090	13,090
Between 12 months and five years	13,090	26,180
	<u>26,180</u>	<u>39,270</u>

The union had a lease on the building at 86a O'Shanassy Street, Sunbury which expired on 30 June 2012. On 29 June 2012 the Union relocated offices and has a lease from 01 July 2012 at Level 3, TLC Building, 16 Peel Street, Brisbane, for a period of three (3) years to 30 June 2015.

*All figures include GST.*

**United Firefighters Union of Australia - Aviation Branch**

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Notes to the Financial Statements

For the year ended 30 June 2013

	2013 \$	2012 \$
<b>Note 17: Auditors' Remuneration</b>		
Remuneration of the auditor of the union for:		
Audit of the financial report	<u>10,500</u>	<u>10,200</u>
	<u>10,500</u>	<u>10,200</u>

The auditor of the United Firefighters Union of Australia – Aviation Branch is Agostinelli Perlen.

No other services were provided by the auditors of the financial statements.

**Note 18: Key Management Personnel Remuneration for the Reporting Period**

**Short-term employee benefits:**

Salary (including annual leave taken)	106,066	90,754
Annual leave accrued	<u>9,412</u>	<u>1,931</u>
<b>Total short-term employee benefits</b>	<u>115,478</u>	<u>92,685</u>

**Post-employment benefits:**

Superannuation	<u>23,957</u>	<u>52,676</u>
<b>Total post-employment benefits</b>	<u>23,957</u>	<u>52,676</u>

**Other long-term benefits**

Long-service leave	<u>303</u>	<u>-</u>
<b>Total other long-term benefits</b>	<u>303</u>	<u>-</u>

**Termination benefits**

	-	101,695
<b>Total</b>	<u>139,738</u>	<u>247,056</u>

## United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$	\$

### Note 19: Financial Instruments

The union's financial assets comprise cash and cash equivalents and held-to-maturity investments. In addition the union has various financial liabilities including amounts payable to trade and other creditors. The totals for each category of financial instruments are as follows:

#### Financial Assets

##### Cash and bank balances

Cash At Bank - Conference Account	25,322	6,959
Cash at Bank - Staff Account	84,229	76,035
Cash at Bank - Bendigo Bank	116,789	169,127
Cash at Bank - Members Equity	43,789	41,662
Cash at Bank - Regional One Credit Union	-	441
Cash at Bank - Credit Union Australia	149	169
Petty Cash Imprest	20	20
<b>Total</b>	<b>270,298</b>	<b>294,413</b>

##### Held-to-maturity investments

Term Deposit- Bendigo Bank	104,137	99,000
Term Deposit- Credit Union	67,585	63,931
<b>Total</b>	<b>171,722</b>	<b>162,931</b>

##### Fair value through profit or loss

Shares in Unlisted Companies	10	10
<b>Total</b>	<b>10</b>	<b>10</b>

##### Loans and Receivables

Receivables	87	-
<b>Total</b>	<b>87</b>	<b>-</b>

<b>Total carrying amount of financial assets</b>	<b>442,117</b>	<b>457,354</b>
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#### Financial Liabilities

##### Other financial liabilities

Other Creditors	15,942	118,626
Superannuation Payable	3,280	17,276
GST Payable	10,730	5,374
<b>Total</b>	<b>29,952</b>	<b>141,276</b>
<b>Total carrying amount of financial liabilities</b>	<b>29,952</b>	<b>141,276</b>

United Firefighters Union of Australia - Aviation Branch

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Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$	\$
<b>Note 19: Financial Instruments (continued)</b>		
<b>Net Income and Expenses from Financial Assets</b>		
<b>Held-to-maturity</b>		
Interest revenue	8,792	8,126
<b>Net gain/(loss) held-to-maturity</b>	<b>8,792</b>	<b>8,126</b>
<b>Loans and receivables</b>		
Interest revenue	6,177	9,811
<b>Net gain/(loss) from loans and receivables</b>	<b>6,177</b>	<b>9,811</b>
<b>Net gain/(loss) from financial assets</b>	<b>14,969</b>	<b>17,937</b>
The net income/expense from financial assets not at fair value from profit and loss is \$14,969 (2012:\$17,937).		
<b>Net Income and Expenses from Financial Liabilities</b>		
<b>At amortised cost</b>		
Other creditors		
Interest Expense	(637)	(770)
<b>Net gain/(loss) financial liabilities at amortised cost</b>	<b>(637)</b>	<b>(770)</b>
<b>Net gain/(loss) from financial liabilities</b>	<b>(637)</b>	<b>(770)</b>

**United Firefighters Union of Australia - Aviation Branch**  
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**Notes to the Financial Statements**  
**For the year ended 30 June 2013**

**Note 19: Financial Instruments (continued)**

**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 union does not have any derivative instruments at 30 June 2013.

**Specific Financial Risk Exposures and Management**

**Credit Risk**

Credit risk refers to the risk of any default on any type of debt owing to the Union. The Union is exposed to credit risk on its memberships fees, trade debtors, and other debtors. The Union manages this credit rate risk by continually reconciling members amounts due against monies received and regular reporting to identify outstanding amounts owed.

The following table illustrates the Union's gross exposure to credit risk:

	2013 \$	2012 \$
<b>Financial Assets</b>		
Cash Assets	442,020	457,344
Trade Debtors	51	-
Other Debtors	36	-
Shares in One Credit Union	10	10
<b>Total</b>	<b>442,117</b>	<b>457,354</b>
<b>Financial liabilities</b>		
Trade and Other Payables	29,952	141,276
<b>Total</b>	<b>29,952</b>	<b>141,276</b>

## United Firefighters Union of Australia - Aviation Branch

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Notes to the Financial Statements

For the year ended 30 June 2013

### Note 19: Financial Instruments (continued)

#### Credit Quality of financial instruments not past due or individually determined as impaired

	Not Past Due Nor Impaired 2013 \$	Past Due or Impaired 2013 \$	Not Past Due Nor Impaired 2012 \$	Past Due or Impaired 2012 \$
Cash Assets	442,020	-	457,344	-
Trade Debtors	51	-	-	-
Other Debtors	-	36	-	-
Shares in One Credit Union	10	-	10	-
<b>Total</b>	<b>442,081</b>	<b>36</b>	<b>457,354</b>	<b>-</b>
Trade and Other Payables	29,952	-	141,276	-
<b>Total</b>	<b>29,952</b>	<b>-</b>	<b>141,276</b>	<b>-</b>

#### Ageing of financial assets that were past due but not impaired for 2013

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade Debtors	-	36	-	-	36
<b>Total</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>36</b>

The above trade debtor was an adjustment to office holders and employees wages, resulting in an overall overpayment of wages in the amount of \$36.

#### Ageing of financial assets that were past due but not impaired for 2012

No financial assets were past due but not impaired for 2012.

#### 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.

**United Firefighters Union of Australia - Aviation Branch**  
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**For the year ended 30 June 2013**

**Note 19: Financial Instruments (continued)**

	Weighted Average Effective Interest Rate	2013	Weighted Average Effective Interest Rate	2012
	%	\$	%	\$
<b>Floating Rate instruments</b>				
Cash and cash equivalents	2.29	270,298	3.33	294,413
<b>Total floating rate financial assets</b>		<b>270,298</b>		<b>294,413</b>
<b>Fixed Rate Instruments</b>				
Short term deposits	5.12	171,722	4.99	162,931
<b>Total fixed rate financial assets</b>		<b>171,722</b>		<b>162,931</b>

**Sensitivity analysis of risk that the entity is exposed to for 2013**

Interest Rate Risk	Risk variable Interest Income	Change in Risk variable %	Effect on	
			Profit and Loss \$	Equity \$
Cash Accounts	6,177	+/- .5%	1,351	1,351
Short Term Deposits	8,792	+/- 2%	3,434	3,434

**Sensitivity analysis of risk that the entity is exposed to for 2012**

Interest Rate Risk	Risk variable Interest Income	Change in Risk variable %	Effect on	
			Profit and Loss \$	Equity \$
Cash Accounts	9,811	+/- .5%	1,472	1,472
Short Term Deposits	8,126	+/- 2%	3,259	3,259

**United Firefighters Union of Australia - Aviation Branch**

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Notes to the Financial Statements

For the year ended 30 June 2013

**Note 19: Financial Instruments (continued)**

**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 and 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.

<u>2013</u>	Floating Interest at Call \$	Fixed Interest Within 1 year \$	Non Interest Bearing \$	Total \$
<b>Financial assets – cash flows realisable</b>				
Cash and cash equivalents	270,278	-	20	270,298
Short term deposits	-	171,722	-	171,722
Receivables	-	-	87	87
Investments			10	10
<b>Total anticipated inflows</b>	<b>270,278</b>	<b>171,722</b>	<b>117</b>	<b>442,117</b>
<b>Financial liabilities due for payment</b>				
Trade and other payables	-	-	29,952	29,952
<b>Total expected outflows</b>	<b>-</b>	<b>-</b>	<b>29,952</b>	<b>29,952</b>
Net (outflow)/inflow on financial Instruments	<b>270,278</b>	<b>171,722</b>	<b>(29,835)</b>	<b>412,165</b>



**United Firefighters Union of Australia - Aviation Branch**

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**Notes to the Financial Statements**

**For the year ended 30 June 2013**

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**Note 19: Financial Instruments (continued)**

<u>2012</u>	Floating Interest at Call \$	Fixed Interest Within 1 year \$	Non Interest Bearing \$	Total \$
<b>Financial assets – cash flows realisable</b>				
Cash and cash equivalents	294,393	-	20	294,413
Short term deposits	-	162,931	-	162,931
Investments	-	-	10	10
<b>Total anticipated inflows</b>	<b>294,393</b>	<b>162,931</b>	<b>30</b>	<b>457,354</b>
<b>Financial liabilities due for payment</b>				
Trade and other payables	-	-	141,276	141,276
<b>Total expected outflows</b>	<b>-</b>	<b>-</b>	<b>141,276</b>	<b>141,276</b>
 Net (outflow)/inflow on financial Instruments	 <b>294,393</b>	 <b>162,931</b>	 <b>(141,246)</b>	 <b>316,078</b>

# United Firefighters Union of Australia - Aviation Branch

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Notes to the Financial Statements

For the year ended 30 June 2013

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## Note 19: Financial Instruments (continued)

### 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.

	2013	2013	2012	2012
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
	\$	\$	\$	\$
<b>Financial Assets</b>				
Cash and cash equivalents	270,298	270,298	294,413	294,413
Short term deposits	171,722	171,722	162,931	162,931
Receivables	87	87	-	-
Investments	10	10	10	10
<b>Total Financial Assets</b>	<b>442,117</b>	<b>442,117</b>	<b>457,354</b>	<b>457,354</b>
<b>Financial Liabilities</b>				
Trade and other payables	29,952	29,952	141,276	141,276
<b>Total Financial Liabilities</b>	<b>29,952</b>	<b>29,952</b>	<b>141,276</b>	<b>141,276</b>

# United Firefighters Union of Australia - Aviation Branch

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## Notes to the Financial Statements

For the year ended 30 June 2013

	2013	2012
	\$	\$

### Note 20. 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:

Cash At Bank - Conference Account	25,322	6,959
Cash at Bank - Staff Account	84,229	76,035
Cash at Bank - Bendigo Bank	116,789	169,127
Cash at Bank - Members Equity	43,789	41,662
Cash at Bank - RegionalOne Credit Union	-	441
Cash at Bank - Credit Union Australia	149	169
Petty Cash Imprest	20	20
Term Deposit - Bendigo Bank	104,137	99,000
Term Deposit - Credit Union Australia	67,585	63,931
	<u>442,020</u>	<u>457,344</u>

### Note 21. Cash flow Information

#### Reconciliation of Cash flow from Operating Activities

Net surplus for the year	85,371	35,643
Non-Cash flows in Surplus:		
Depreciation	2,762	2,577
Loss on disposal of plant and equipment	30	185
Changes in assets and liabilities:		
(Increase) decrease in trade and other receivables	(1,298)	-
(Increase) decrease in inventories	409	879
Increase (decrease) in trade and other payables	(111,324)	127,133
Increase (decrease) in provisions	10,630	(112,493)
<b>Net cash provided by operating activities</b>	<u><b>(13,420)</b></u>	<u><b>53,924</b></u>

## United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

Notes to the Financial Statements

For the year ended 30 June 2012

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### Note 21: Cash flow Information (continued)

#### Cash flow Statement

The following amounts relate to cash inflows/outflows from related party entities. As per the Union's accounting policy in Note 1 (n) to the financial statements, the cash flows are presented on a gross basis including GST.

#### Cash from Operating activities

	2013	2012
	\$	\$
Payments to suppliers and employees include the following amounts paid to related parties:		
United Firefighters Union of Australia – Affiliation Fee	51,566	49,126
United Firefighters Union of Australia – Special levy	-	3,564
	<u>51,566</u>	<u>52,690</u>

### Note 22: Events After The Balance Sheet Date

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

### Note 23: Related Party Transactions

Affiliation Fees have been paid to the National Branch of the United Firefighters Union in the amount of \$46,878 (2012: \$44,660) throughout the year.

United Firefighters Union of Australia – Aviation Branch also pay their ACTU fees to the National Branch. The National Branch then pay the ACTU fees on behalf of all the branches. ACTU fees have been paid to the National Branch in the amount of \$2,333 (2012: \$1,248).

A one off special levy was also paid to the National Branch in 2012 in the amount of \$3,513. No levy was payable in 2013.

#### Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

**United Firefighters Union of Australia - Aviation Branch**

**ABN 96 533 521 914**

**Notes to the Financial Statements**

**For the year ended 30 June 2012**

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**Note 24: Union Details**

**(a) Registered office**

The registered office of the company is:

United Firefighters Union of Australia - Aviation Branch

Level 3, TLC Building

16 Peel Street

South Brisbane QLD 4101

**(b) Principal place of business**

The principal place of business is:

United Firefighters Union of Australia - Aviation Branch

Level 3, TLC Building

16 Peel Street

South Brisbane QLD 4101



FAIR WORK  
COMMISSION

12 February 2014

Mr Henry Lawrence  
Branch Secretary  
United Firefighters' Union of Australia-Aviation Branch

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

Dear Mr Lawrence,

**Failure to lodge audited financial report(s) - [FR2013/210]**

Our records indicate that the Aviation Branch of the United Firefighters' Union of Australia (the reporting unit) has failed to lodge its audited financial report for the financial year ended 30 June 2013 despite the Fair Work Commission reminding the reporting unit of its obligation to do so by letter dated 12 July 2013. I am aware of your recent telephone conversation with our Jo Fenwick which, at the time, seemed that the reporting unit was close to lodgement.

As you have previously been advised, section 268 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires reporting units to lodge an audited financial report with the Fair Work Commission within a maximum of 6 months and 14 days of the end of their financial year. In this case, that was no later than 14 January 2014.

Paragraph 7.4 of the FWC Regulatory Compliance Policy (a copy of which is attached) states as follows:

- 7.4 *Where the possible contravention involves failure by an organisation, branch or reporting unit to lodge a matter with FWC in accordance with the timeframes specified in the RO Act, RO Regulations or the rules of the organisation, branch or reporting unit:*
- a. *The Regulatory Compliance Branch will contact the organisation, branch or reporting unit, by telephone and/or in writing, within two weeks to advise that lodgement is overdue;*
  - b. *If lodgement has not occurred within one month of the timeframe specified in the RO Act, RO Regulations or rules, the Regulatory Compliance Branch will advise the organisation, branch or reporting unit that it is seeking voluntary compliance within a specified timeframe and that, in the absence of such voluntary compliance without cause, FWC will commence an inquiry or investigation or initiate court proceedings; and*
  - c. *If lodgement has not occurred within the timeframe specified in the correspondence referred to in paragraph b and the organisation, branch or reporting unit has not been able to show cause regarding why it should not do so, FWC will commence an inquiry or investigation or initiate court proceedings in accordance with this policy as soon as reasonably practicable.*

Section 331 of the RO Act empowers the General Manager of the Fair Work Commission to investigate compliance by a reporting unit (such as the Aviation Branch), its officers, employees and auditor(s) with:

- Part 3 of Chapter 8 of the RO Act;
- the reporting guidelines made under that Part;
- the regulations made for the purposes of that Part;
- the organisation's rules regarding finances and financial administration; and
- civil penalty provisions of the RO Act (see s.305).

In accordance with the processes specified in paragraph 7.4(b) of the *FWC Regulatory Compliance Policy* which are set out above, the reporting unit is required to lodge its outstanding audited financial reports with the Fair Work Commission by no later than 21 February 2014.

Should the reporting unit fail to do so without reasonable cause, the General Manager or her Delegate may commence an investigation under s.331 of the RO Act without further notice.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at [robert.pfeiffer@fwc.gov.au](mailto:robert.pfeiffer@fwc.gov.au).

Yours sincerely,



Robert Pfeiffer  
Senior Adviser  
Regulatory Compliance Branch