



17 July 2015

Mr Chris Read
Branch Secretary
United Firefighters' Union of Australia, New South Wales Branch
145 De Boos Street
TEMORA NSW 2666

Dear Mr Read

United Firefighters' Union of Australia New South Wales Branch Financial Report for the year ended 30 June 2014 - [FR2014/146]

I acknowledge receipt of the financial report of the United Firefighters' Union of Australia New South Wales Branch. The documents were lodged with the Fair Work Commission (FWC) on 30 December 2014. I also acknowledge supplementary information provided on the 10 January 2015, 7 April 2015 and the 28 May 2015.

The financial report has now been filed.

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 2015 may be subject to an advanced compliance review.

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 FWC will confirm these concerns have been addressed prior to filing next year's report.

Timescale requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timeline requirements can be found on the FWC website. In particular, I draw your attention to Financial reporting process and timelines which explains the timeline requirements, and Diagrammatic summary of financial reporting timelines which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirements were not met:

Documents must be lodged with the FWC within 14 days of General Meeting

Section 268 of the RO Act, states that the full report and the designated officer's certificate are required to be lodged with the FWC within 14 days of the meeting of the Committee of Management. The Designated Officer's Certificate indicates that this meeting occurred on 12 December 2014. The full report was lodged on 30 December 2014.

If these dates are correct, the Branch should have applied for an extension of time to lodge the required reports and the Designated Officer's Certificate in accordance with section 268 of the RO Act.

Please note that in future financial years if the Branch cannot lodge on time, a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made prior to the required date of lodgement.

Reports must be provided to Members within 5 months of end of financial year where report is presented before committee of management meeting

The Designated Officer's Certificate states that the financial report was provided to members on 12 December 2014, and presented to a Committee of Management meeting on 12 December 2014. Under section 265(5)(b) of the RO Act, where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of the end of the financial year.

If these dates are correct, the reporting unit should have applied for an extension of time for the provision of the financial report to members in accordance with section 265(5) of the RO Act.

In your email dated the 10 January 2015, an explanation was provided surround the unusual circumstances of the Branch with there being only three members who are also the Committee of Management. Regardless of this, the requirements under section 265(5)(b) are still required to be met.

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

Going Concern

Thank you for providing the correspondence from your Auditor, Grant Thornton, in relation to the information they relied upon to satisfy themselves that the going concern assumption used in the preparation of the financial statements was appropriate. The FWC also acknowledges the correspondence from the state association the Fire Brigade Employees' Union (FBEU) to the Branch dated 28 May 2015 where it confirms that the FBEU's Committee of Management has resolved to expand the provision of financial support to the Branch to cover meeting a debt that is ordered by a court.

The FWC does not require any additional information in relation to the going concern of the Branch at this stage, however please note that the FWC has overall concerns about the ongoing financial viability of the Branch.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7886 or via email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch



28 May 2015

Ms Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch
Fair Work Australia

By email: joanne.fenwick@fwc.gov.au

Dear Ms Fenwick,

Re: United Firefighters Union of Australia New South Wales Branch Financial Report for the year ended 30 June 2014 – [FR2014/146]

I write in response to your latest letter of 5 May 2015.

I was disappointed that you found my explanation of the NSW Branch Committee's going concern assessment to be unsatisfactory. Unfortunately, and with respect, you appear to have arrived at your conclusion on the basis of several false assumptions.

Firstly, you appear to have assumed that there was no understanding on the terms by which the FBEU might resume its financial support for the NSW Branch prior to the FBEU Committee of Management decision of March 2015.

I requested formal confirmation from the FBEU of its position on 17 January not because I was unaware of it prior to that date, but because I expected that you would not be satisfied with my advice that I had verbally confirmed this with the FBEU's State Secretary on numerous occasions over the preceding 12 months and more. It is therefore incorrect to assume that the NSW Branch Committee of Management could not have known of the FBEU's attitude at the time of its "going concern" decision of 12 December, or that the FBEU's letter of 31 March 2015 could be the NSW Branch Committee's only justification for that assessment.

To avoid doubt, the NSW Branch Committee was aware of the FBEU's position well before 12 December 2014. The FBEU's letter of 31 March merely confirmed it.

Secondly, you appear to have assumed that the FBEU's position of in-principle support was the sole justification for the NSW Branch Committee's "going concern" assessment. This too is incorrect.

Note 17 of the Financial Report is clear in listing the FBEU's position as only one of several factors for the assessment. The principal reason, as stated in Note 17, for the NSW Branch

Committee's assessment was that the liability would not, in its opinion, be called upon due to the uncertainty of the capitation amounts due. This opinion was based in no small part on the understanding that the only party to which the NSW Branch owed money was the UFUA's National Fund, and that the National Committee of Management's discontinuation of its Federal Court action against the NSW Branch in August 2012 had rendered it difficult, if not impossible, for the National Administration to press those claims against the NSW Branch again.

Having not been called upon between August 2012 and 12 December 2014, there was no reason for the NSW Branch Committee to expect that it would or could be called upon during the balance of the financial year. Given that it is now almost June and there has again been no attempt by the National Secretary during this financial year to do so, it would appear reasonable to conclude that the NSW Branch Committee was vindicated in that assessment.

Thirdly, you have written that the NSW Branch does not communicate with the UFUA's National Committee of Management or its National Executive Committee. This too is incorrect, as evidenced by my letter to Mr Marshall dated 3 July 2014 that was attached to my letter to you of 7 April. It is not the NSW Branch that does not communicate with the National Administration, but rather the National Secretary and the other Branch Secretaries who do not communicate with the NSW Branch.

You appear dismissive of the prospects of the proposed rule amendments being accepted by the UFUA's National Committee of Management, describing it as "having minimal to no chance of being met". With respect, and the benefit of a considerable history with and understanding of the UFUA, I disagree.

I consider it entirely feasible for a National Committee of Management that has bled over a million dollars in lost capitation fees and legal expenses (not to mention over 40% of its national membership) and with no further legal recourse to adopt those rule amendments. If, however, the NSW Branch was to propose those rule amendments in accordance with Rule 49(1) before the FBEU's General Meeting has endorsed that position then we would, in my view, run the very real risk of the National Committee rejecting the rule amendments on the basis that it was not a serious proposition. Needless to say, the situation and proposal is sufficiently finely balanced that it could not be successfully attempted twice.

All of this ignores the root cause of the financial problems of the NSW Branch, and of the UFUA generally.

I have explained the National Secretary's errors in invoicing the NSW Branch for capitation fees to FWC on numerous occasions since 2010, all seemingly to no avail. My letter to you of 7 April had attached to it copies of correspondence to the National Secretary dated 3 July 2014 regarding the correct calculation of capitation fees, and a clearly incorrect invoice from the National Office for same dated 8 July 2014. Neither document has been acknowledged, yet both remain directly relevant to the fundamental question of what the NSW Branch owes and by extension, the financial viability of the NSW Branch.

Note 6 of the 2014 National financial report that was filed by FWC on 23 December 2014 [FR2014/147] records the amount payable by the NSW Branch as \$288,654. Note 9 of the 2014 NSW Branch financial report that is yet to be filed by FWC [FR2014/146] records the amount payable by the NSW Branch to the National Office as \$113,486. They cannot both be correct.

I have repeatedly sought the assistance of FWC in resolving these inconsistencies, without success. I have also repeatedly requested that FWC investigate what I consider to be irregularities in the UFUA's financial affairs and governance, and apparent contraventions of the Fair Work (Registered Organisations) Act 2009, again without success.

The closest FWC has come to acting on my concerns was when the Delegate wrote to me on 9 October 2014 seeking my consent for copies of my letters to FWC of 9 and 29 March 2011 to be provided to the National Secretary so that he may respond to my allegations. Of course the Delegate does not require my consent, or my correspondence, in order to investigate an alleged contravention of the Act.

Should FWC decide to take the NSW Branch seriously by investigating the inconsistencies between the National and NSW Branch financial reports then the NSW Branch would be more than happy to cooperate. In the meantime, the NSW Branch will continue to meet its forward financial responsibilities to the National Fund (with or without any financial assistance from the FBEU) and the gap between the amounts actually owed by the NSW Branch that the amounts that the National Secretary claims are owed will continue to grow.

I have attached correspondence received from the NSW Branch Auditor in response to your request regarding *ASA 570 Going Concern*.

I have also attached correspondence received from the FBEU today confirming a decision of its Committee of Management to underwrite the NSW Branch if necessary.

I trust this response satisfies your concerns and allows for the filing of FR2014/146 and its placement in the "Financial Reports" section for the NSW Branch, which I note is still missing the 2013 financial report [FR2013/208].

Yours sincerely,



Chris Read
Branch Secretary



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Mr Chris Read
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20 May 2015

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Dear Chris

I am writing in response to the letter you received from the Fair Work Commission (FWC) dated 5 May 2015 relating to the 30 June 2014 financial report, specifically on the application of the going concern assumption in the financial report.

As requested by the FWC, we have outlined below how we satisfied ourselves with the going concern assumption under Australian Auditing Standard *ASA 570 Going Concern* upon signing the audit report on 12 December 2014.

The financial position of United Firefighters' Union of Australia, NSW Branch (the Branch) as at 30 June 2014, particularly the net liability position and the application of the going concern assumption was discussed in detail with you prior to the financial report being signed and audit report being issued. We noted key factors impacting the financial viability of the Branch and these were as follows:

- The net liability position of the Branch at 30 June 2014 of \$25,236.
- The net amount payable to United Firefighters' Union of Australia National Office of \$33,960, which you confirmed was still in dispute.
- In your opinion, the net amount payable to the UFUA National Office would not be called upon within 12 months of signing date of the financial statements due to uncertainty over the capitation amounts due.
- The Branch would be in a net asset position, excluding the net amount payable to the UFUA National Office and had sufficient cash reserve to pay its debts as and when they fell due.

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Our Ref: Letter Re FWC On Going Concern .Docx



- Prior to 22 April 2010, the Branch was financially supported by the New South Wales Fire Brigade Employees' Union (FBEU). As part of the audit process, we reviewed a letter dated 24 October 2014 from Jim Casey, the State Secretary of the New South Wales Fire Brigade Employees' Union to you, stating that, although there was no guarantee of the financial support resuming, a General Meeting to consider this motion was to be held over the course of the year following the date of that letter. At the date of signing the financial report, this motion had not been made and a decision to resume support was yet to be discussed and confirmed, particularly as this was subject to certain conditions regarding the finances and governance of the Branch being resolved.
- Amendments to the Branch Rules of the Branch which included a new sub-rule which would set annual membership subscription fees for Branch members would assist the Branch in meeting its debt obligations.

The above matters were disclosed in Note 17 of the financial report and also referred to in the Emphasis of Matter we issued in our audit report. The disclosures made do not indicate that the FBEU Committee of Management had resolved to resume financial support for the Branch. There is a clear qualification in the disclosures that indicates that there had not been any resolution to resume financial support and that this was subject to stipulated conditions being met. It is again noted that, the Branch did not consider that the net amount payable to UFUA National Office would be called upon in the 12 months from the signing of the financial report due to the uncertainty of the capitation amounts due. Representation to this effect was obtained by us from management of the Branch.

Paragraph 18 of ASA 570 states:

If the auditor concludes that the use of the going concern assumption is appropriate in the circumstances but a material uncertainty exists, the auditor shall determine whether the financial report:

(a) Adequately describes the principal events or conditions that may cast significant doubt on the entity's ability to continue as a going concern and management's plans to deal with these events or conditions; and

(b) Discloses clearly that there is a material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Paragraph 19 of ASA 570 states:

If adequate disclosure is made in the financial report, the auditor shall express an unmodified opinion and include an Emphasis of Matter paragraph in the auditor's report to:

(a) Highlight the existence of a material uncertainty relating to the event or condition that may cast significant doubt on the entity's ability to continue as a going concern; and

(b) Draw attention to the note in the financial report that discloses the matters set out in paragraph 18 of this Auditing Standard.⁵



Taking into consideration the bullet points noted above, we took the view that the use of the going concern assumption in the financial report was appropriate, however there was a “material uncertainty” that cast doubt on the Branch’s ability to continue as a going concern and disclosure to this effect was made in the financial report. Our audit report therefore expresses an unmodified opinion and includes an Emphasis of Matter paragraph which highlights the matters (per Note 17 of the financial report) which cast doubt on the Branch’s ability to continue as a going concern. This was the basis for the position taken as at the audit report sign off date, 12 December 2014.

Please contact me should you wish to discuss these matters further.

Yours faithfully
GRANT THORNTON AUDIT PTY LTD

A handwritten signature in black ink, appearing to read "N. Sinclair".

Neville Sinclair
Partner - Audit & Assurance

Enc



28 May 2015

Mr Chris Read
NSW Branch Secretary
United Firefighters Union of Australia
145 De Boos Street
TEMORA NSW 2666

(By email: ufuansw@gmail.com)

Dear Chris,

I write further to my letter of 31 March and our recent discussions to confirm that the Union's State Committee of Management has resolved to expand the grounds upon which the FBEU may resume financial support for the NSW Branch to expressly provide that in the event the NSW Branch is unable to meet a debt that is ordered by a court of competent jurisdiction to be paid, then the FBEU shall forward such amount to the NSW Branch as is necessary for the NSW Branch to comply with that order.

As previously explained, this recommendation will be presented to this year's Annual General Meeting of members for adoption.

Yours sincerely,

Jim Casey
State Secretary



5 May 2015

Mr Chris Read
Branch Secretary
United Firefighters' Union of Australia, New South Wales Branch
145 De Boos Street
TEMORA NSW 2666

Dear Mr Read

United Firefighters' Union of Australia New South Wales Branch Financial Report for the year ended 30 June 2014 - [FR2014/146]

Thank you for your letter dated 7 April 2015 in response to my correspondence dated 21 January 2015. I acknowledge the information you provided in relation to the minutes of the meeting held on the 12 December 2014 and membership numbers. I have no further questions in relation to those matters.

The response provided in relation to the question of the United Firefighters' Union of Australia New South Wales Branch's (the Branch) ability to continue as a going concern is not, in my opinion, satisfactory.

As I indicated in my letter dated 21 January 2015, the General Purpose Financial Report (GPFR) of the Branch for the reporting period ending 30 June 2014 states that the financial statements have been prepared on a going concern basis. The Auditor has indicated in the Auditor's Statement that *'in preparing the financial report management has appropriately applied the going concern basis of accounting.'* The GPFR provides that the Branch has a deficit of \$10,006 (2013: \$6,668) for the year ended 30 June 2014 and had net liabilities of \$25,236 (2013: \$15,230) as at 30 June 2014. The Branch currently has one full time and two part time members with no other reported income stream.

The GPFR indicates that the New South Wales Fire Brigade Employees' Union (FBEU) has adopted a stance in-principle to provide financial support to the Branch if the United Firefighters' Union of Australia (UFUA) rules are amended to address the concerns the FBEU have with the UFUA's finances and governance. Accordingly, I requested information in relation to the nature of the rule amendments, the likelihood that the resolution to the rule alterations will be passed and the timeframe that this will be done.

In relation to the nature of the rule amendment, your letter of 7 April 2015 provides details of this proposed rule change including correspondence the Branch received from the FBEU. I note that the letter from the FBEU was dated 31 March 2015. I further note that in this letter the FBEU states that the FBEU Committee of Management considered the possibility of resumption of the financial support to the Branch at their March meeting. At this meeting it was resolved that there are two pre-conditions for the FBEU to resume financial support to the Branch. The first is the amendments to the UFUA rules 29 and 34 and the second is that a resolution is passed by the members at the next FBEU General Meeting.

The Committee of Management Statement lodged by the Branch states that on 12 December 2014 the Committee of Management passed a resolution in relation to the GPFR for the year ended 30 June 2014. This resolution provides that the Committee of Management declares that in its opinion the financial report and notes comply with the Australian Accounting Standards, the financial report and notes give a true and fair view of the financial performance, financial position

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and cash flows of the Branch and there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable. The Auditor's Statement was signed on 12 December 2014 and as previously mentioned, indicates that *'in preparing the financial report management has appropriately applied the going concern basis of accounting.'*

The justification for the Branch's ability to continue as a going concern provided in Note 17 is based on the FBEU's stance in-principal to renew financial support to the Branch. However, the resolution by the FBEU Committee of Management in relation to this matter did not occur until their March 2015 meeting. This is after the preparation, presentation and auditing of the GPFR.

Paragraph 6 of the Australian Auditing Standard ASA 570 *Going Concern* states that *'the auditor's responsibility is to obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial report and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern.'* As the evidence provided to support this justification relates to an event which occurred nearly four (4) months after the signing of the Auditor's Statement it does not appear that the information provided in the GPFR is an accurate reflection of the Branch's ability to continue on a going concern basis.

Your response in relation to the likelihood of the rule amendments being adopted by the UFUA is that you do not know. You also stated that you are not permitted to attend the meetings of the UFUA National Committee of Management or the National Executive Committee and that you are not advised of any of the decisions by either committee. From the information provided it would seem that the Branch has not submitted a request to amend rules 29 and 34 to either of these committees, nor is there a proposed timeframe or avenue to do so. It therefore does not seem feasible to be basing the justification of the Branch's ability to continue as a going concern on a set of circumstances that have minimal to no chance of being met, relying wholly on the actions of a body who the Branch does not communicate with and that body is unaware of the requirement to alter rules 29 and 34.

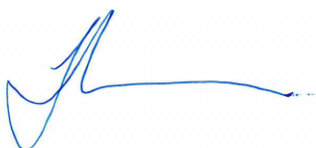
Due to the fact that the justification for the Branch's ability to continue on a going concern basis is based on a proposal that was agreed to after the preparation and auditing of the GPFR and that the proposal is reliant on satisfying preconditions which have been imposed on the UFUA National Committee of Management or National Executive Committee who is unaware of this arrangement, the concerns that the FWC has on the Branch's ability to prepare this GPFR on a going concern basis still remain.

It is requested that further evidence be provided to FWC that demonstrates the ability of the Branch to continue as a going concern. This is to include a statement from the Auditor on how they satisfied themselves that the requirements under the Australian Auditing Standard ASA 570 *Going Concern* were complied with. This information must be provided by Friday, 29 May 2015.

I remind the officers of the Branch of their duties under sections 285 and 287 of the RO Act in relation to the financial management of the union. These sections require officers to exercise their powers and to discharge their duties with care and diligence, in the best interests of the organisation and not to cause detriment to the organisation (these are civil penalty provisions). It is incumbent on the officers of the Branch to take appropriate steps to address the net operating loss and ensure its ongoing solvency.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7886 or via email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

From: [Branch Secretary](#)
To: [FENWICK, Joanne](#)
Subject: Re: FW: United Firefighters' Union of Australia NSW Branch - FR2014/146
Date: Tuesday, 7 April 2015 1:52:08 PM
Attachments: [to FWC re 2014 Financial Report, 7 April 2015.pdf](#)

Dear Joanne,

Please find attached correspondence in reply to your letter of 21 January.

I am sorry this did not reach you prior to Easter, as I had promised, but last week was very hectic.

I have no record of having received the 2 June 2014 letter you refer to concerning the 2013 Branch accounts, which remain missing from the FWC's website. Robert said he would speak to Nick about that?

Regards,
Chris Read
NSW Branch Secretary
United Firefighters Union of Australia

On Tue, Mar 31, 2015 at 10:52 AM, FENWICK, Joanne
<Joanne.FENWICK@fwc.gov.au> wrote:
Hi Chris

Thank you for your response to my email and providing me with an update on progress.

In relation to FR2013/208 our records indicate that the matter was filed and closed on the 2 June 2014. A letter via email was also sent to you on this date indicating that the matter had been filed.

Regards
JOANNE FENWICK
Financial Reporting Specialist
Regulatory Compliance Branch

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From: Branch Secretary [mailto:ufuansw@gmail.com]
Sent: Thursday, 26 March 2015 3:33 PM
To: FENWICK, Joanne
Subject: Re: FW: United Firefighters' Union of Australia NSW Branch - FR2014/146

Dear Joanne,

Please accept my sincere apologies for not coming back to you earlier.

I have been liaising with the FBEU in the intervening period regarding its pre-conditions for the resumption of funding to the NSW Branch and I understand that a decision will be made by this month's meeting of its Committee of Management. It follows that I hope to be in a position to reply to all of the issues raised in your letter of 21 January as early as next week, but I will aim to reply prior to Easter on the other matters regardless.

I trust this approach is acceptable to you.

While I am writing, are you able to advise what has become of the NSW Branch 2013 accounts (FR2013/208)? I received an acknowledgement from Robert Pfeiffer on 18 February 2014, but have heard nothing more since. I shall write separately to Mr Pfeiffer and ask him the same question.

Yours sincerely,

Chris Read
NSW Branch Secretary
United Firefighters' Union of Australia

On Tue, Mar 24, 2015 at 4:16 PM, FENWICK, Joanne
<Joanne.FENWICK@fwc.gov.au> wrote:

Mr Read

Can you please provide me with an update on when I can expect a response to the issues I raised in the letter I sent you on 21 January 2015. Please find attached a copy of this letter.

Regards

JOANNE FENWICK
Financial Reporting Specialist
Regulatory Compliance Branch

Fair Work Commission
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From: FENWICK, Joanne
Sent: Wednesday, 21 January 2015 10:40 AM
To: 'ufuansw@gmail.com'
Subject: United Firefighters' Union of Australia NSW Branch - FR2014/146

Dear Mr Read

Please find attached correspondence in relation to the lodgement of the United Firefighters' Union of Australia New South Wales Branch financial report for the year ended 30 June 2014.



7 April 2015

Ms Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch
Fair Work Australia

By email: joanne.fenwick@fwc.gov.au

Re: United Firefighters Union of Australia New South Wales Branch Financial Report for the year ended 30 June 2014 – [FR2014/146]

I write in response to your letter of 21 January 2015 and further to my email of 26 March. I apologise for not doing so earlier however I am an honorary official and have attended to this as soon as possible, having regard to my actual work commitments.

Minutes of the meeting held 12 December 2014

As requested, please find attached the minutes of the 12 December 2014 meeting of the NSW Branch Committee of Management.

Membership numbers

You were correct in your assumption that the resignations in the Branch were effected under s.172 of the *Fair Work (Registered Organisations) Act 2009*.

The NSW Branch Rule at Schedule 1, Rule 5 specifying the subscriptions payable by NSW Branch members was certified by the Delegate of the General Manager on 17 February 2012. Regrettably, since that date only three members of the Branch have ever paid the subscriptions required, Darryl Harpley, Greg Matthews and myself. It follows that by 18 February 2014, the remaining members of the Branch were required by s.172 to be removed from the Branch register “within 12 months” of that date.

Those former unfinancial members were not removed immediately but rather on 29 June 2014, which was the day prior to the date upon which the Branch membership numbers are determined pursuant to Rule 10(1)(c), and which in turn determine the Branch subscriptions payable pursuant to Rule 29. Given that Rule 29 does not exclude unfinancial members, and that there was no reason to expect that any of those former members would commence paying the subscriptions that had been payable for the preceding 27 months, the decision was made to purge the register on 29 June. To do otherwise would simply have increased the amount payable by the NSW Branch to the National fund, thereby exacerbating the financial pressures on the Branch.

Going concern

You have requested advice on what rule amendments the FBEU requires as a precondition for renewing its financial support of the NSW Branch. You have also inquired as to the likelihood of the resolutions to the rule amendments being passed and the timeframe in which this will occur.

Regarding your first query, please find attached correspondence received from the FBEU.

For clarification, Rule 29 currently requires “an amount of 0.045% of the annual wage rate of the Firefighter Level 1 in New South Wales as at the 31st December” to be paid in respect of each full time firefighter Branch member, and of 0.009% (or 20% of the full time rate) in respect of each part time Branch member. The annual wage rate of the Firefighter Level 1 rank in New South at 31 December 2014 was \$66,182, so the amount payable to the National fund is \$7.45 per quarter and \$29.80 per annum for each full time Branch member and \$1.49 per quarter and \$5.96 per annum for each part time Branch member.

The FBEU’s amendment sets the payments at 10% of one financial unit per quarter for each full time Branch member and at 2% of one financial unit per quarter for each part time Branch member. A UFUA “financial unit” (as defined by Rule 2) is currently \$74, so the FBEU’s amendment would result in a revised amount payable to the National fund of \$7.40 per quarter and \$29.60 per annum for each full time Branch member, and of \$1.48 per quarter and \$5.92 per annum for each part time Branch member. The amendments also clarify that these rates are inclusive of GST, and that the Rule cannot be amended without the approval of every Branch.

To place this in context, the National Secretary has inexplicably continued to invoice the NSW Branch at the unsupported rate of \$18.14 per quarter and \$72.56 per annum for each full time Branch member (plus GST) and of \$3.53 per quarter and \$14.12 per annum (plus GST) for each part time Branch member. It is of more than passing relevance to note that the amounts (and debts) shown in the UFUA’s National accounts each year are these invoiced amounts, not the amounts payable under Rule 29. This erroneous invoicing is the root cause of the dispute between the FBEU and the UFUA, and between the NSW Branch and the National Secretary.

As for your second query regarding the likelihood of these amendments being adopted by the UFUA’s National Committee of Management, I honestly have no idea. I am not permitted to attend meetings of the National Committee of Management or the National Executive Committee and, despite clear Rules to the contrary, I have not been advised of any of the decisions of either committee for several years now. I believe this is a question for the National Secretary, and ultimately the National Committee of Management, rather than the NSW Branch.

I again apologise for the extended delay in replying, and trust that these answers satisfy your concerns and allow for the filing of FR2014/146.

Yours sincerely,



Chris Read
Branch Secretary



**UNITED FIREFIGHTERS UNION OF AUSTRALIA
NSW BRANCH COMMITTEE OF MANAGEMENT MINUTES**

**Meeting held Friday 12 December 2014
By telephone conference**

The Branch President, Comrade Matthews occupied the Chair and declared the meeting open at 1020 hours.

Branch Committee of Management members present

Comrades G. Matthews and C. Read (by telephone).

Motions on Notice

It was then

Moved: Com. Read

Seconded: Com. Matthews

“That given:

- a) the near conclusion of the 2014 calendar year; and*
- b) the requirement under Rule 55(1) for an Annual General Meeting of the Branch to be held at which all financial members of the Branch shall be entitled to attend; and*
- c) the attendance at this meeting of 100% of the financial membership of the Branch, which is clearly well in excess of the one-fortieth (2.5%) quorum required by Rule 55(4);*

this meeting of the Branch Committee of Management shall henceforth also be treated for all practical intents and purposes as the Annual General Meeting of the Branch.”

Carried

It was then

Moved: Com. Read

Seconded: Com. Matthews

“That the draft general purpose financial report (GPFR) of the Branch for the year ended 30 June 2014 as prepared by the Branch auditors be received and noted, and that the Branch Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial report and notes comply with the Australian Accounting Standards;*
- (b) the financial report and notes comply with the reporting guidelines of the General Manager of the Fair Work Commission;*
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year ended 30 June 2014;*

- (d) *there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and*
- (e) *during the financial year ended 30 June 2014 and since the end of the financial year:*
- (i) *meetings of the Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch; and*
 - (ii) *the financial affairs of the Branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and*
 - (iii) *the financial records of the Branch 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 Branch have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and*
 - (v) *no information has been sought in any request of a member of the Branch or a Registrar under section 272 of General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and*
 - (vi) *no order for inspection of the financial records has been made by Fair Work Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.*
- (f) *in relation to recovery of wages activity:*
- (i) *the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and*
 - (ii) *the committee of management instructed the auditor to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity; and*
 - (iii) *no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and*
 - (iv) *that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and*
 - (v) *no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers until distributions of recovered money were made to the workers.”*

Carried

The Chair then declared the meeting adjourned at 1030 hours in order to allow finalisation of the 2013/14 accounts with the Branch auditor, with the meeting subsequently resuming at 1300 hours with Comrades G. Matthews and C. Read (by telephone) again in attendance.

It was then

Moved: Com. Read

Seconded: Com. Matthews

“That the document titled “United Firefighters Union of Australia New South Wales Branch Financial Report for the Year Ended 30 June 2014”, as tabled at this meeting be received, noted and adopted in accordance with Schedule 1 of the Union’s Rules, sub-rule (4)(b).”

Carried

There being no further business the Chair, Com. Matthews declared the meeting closed at 1305 hours.

A handwritten signature in black ink, appearing to read 'G. Matthews', with a long horizontal line extending to the right.

Greg Matthews
Branch President
30 January 2015



31 March 2015

Mr Chris Read
NSW Branch Secretary
United Firefighters Union of Australia
145 De Boos Street
TEMORA NSW 2666

(By email: ufuansw@gmail.com)

Dear Chris,

I write in response to your letter of 17 January and our ongoing discussions concerning the possible resumption of FBEU financial support for the NSW Branch.

The FBEU's State Committee of Management considered this matter at its March meeting and resolved that there are two pre-conditions for the FBEU's resumption of funding to the NSW Branch. The first is the UFUA's amendment of its Rules 29 and 34 in following terms.

29 - Moneys Allocated to National Fund

The monies of the Union which are allocated to the National fund shall consist of:-

- (1) (a) With effect from the 1st July, ~~1997 20XX~~, ~~an amount of 0.045% per annum of the annual wage rate of the Firefighter Level 1 in New South Wales as at the 31st December in each year~~ 10% of 1 financial unit, which shall be paid quarterly in arrears by each Branch ~~quarterly~~ to the National Secretary in respect of each full time firefighter Branch member who is ~~not a part-time firefighter as contained so described~~ in the certified audit of Branch membership in accordance with Sub-Rule 10(1)(e).
- (b) With effect from the 1st July, ~~1997 2010~~, ~~an amount of 0.009% per annum of the annual wage rate of the Firefighter Level 1 in New South Wales as at the 31st December in each year~~ 2% of 1 financial unit, which shall be paid quarterly in arrears by each Branch ~~quarterly~~ to the National Secretary in respect of each part time firefighter Branch member who is so described in the certified audit of Branch membership in accordance with Sub-Rule 10(1)(e).
- (2) Moneys received by the Union -
 - (a) in respect of national levies imposed by the National Committee of Management;
 - (b) in respect of fines imposed by the National Committee of Management;
 - (c) as donations to the Union;
 - (d) as a result of the activities of the National Administration or National employees;

Fire Brigade Employees' Union (FBEU)

1-7 Belmore Street Surry Hills NSW 2010

Telephone 02 9218 3444 Facsimile 02 9218 3488 E-mail office@fbeu.net Website www.fbeu.net

- (e) as a result of the exercise of their powers under these Rules by the National Administration;
- (f) which under these Rules are not allocated to any Branch.

~~(3) — Each branch of the Union shall pay the monies referred to in this rule on or before the quarter days, which shall be the last days of the months of March, June, September and December.~~

- (3) In this Rule, “financial unit” means the monetary amount equivalent to 5% of the weekly rate of pay of a Senior Firefighter in Fire and Rescue NSW as at 1 July in each year, rounded upwards to the nearest dollar. An amount calculated by reference to “financial units” is inclusive of any applicable GST.
- (4) Notwithstanding anything in any other Rule and in particular Rules 13 and 49, this Rule shall not be amended, altered or rescinded unless also agreed to by a resolution of every Branch Committee of Management.

34 - National Levies

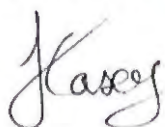
- (1) Subject to sub-rule (2), the ~~The~~ National Committee of Management may by resolution impose national levies upon all Branches, ~~but not upon a single Branch,~~ of ~~up to~~ an amount ~~equivalent to,~~ up to but not exceeding ~~the amount payable by those Branches in a given year under Sub-Rules 29(1)(a) and (b)~~ 10% of 1 financial unit per Branch member per quarter to raise money for the objects of the Union, provided that Branches shall be required to meet only 20% of each such levy per part time firefighter Branch member. ~~Nothing in this Rule shall prevent the imposition of levies of an amount below the maximum allowable being collected over a period less than 12 months.~~
- (2) ~~A resolution of the National Committee of Management under this Rule is binding upon the Branches. No resolution of a Branch Committee of Management or Branch meeting shall be effective to avoid liabilities imposed by the National Committee of Management in accordance with this Rule.~~ The total amount of all national levies upon Branches in any financial year shall not exceed the amount payable by those Branches in a given year under Sub-Rules 29(1)(a) and (b).
- (3) No national levy imposed under this Rule (or otherwise) shall have effect unless also agreed to by a resolution of every Branch Committee of Management. To avoid doubt, this Rule shall not prevent the imposition of a branch levy by a Branch Committee of Management under Rule 81.
- (4) Notwithstanding anything in any other Rule and in particular Rules 13 and 49, this Rule shall not be amended, altered or rescinded unless also agreed to by a resolution of every Branch Committee of Management.

The second is the approval of a General Meeting of FBEU members.

The State Committee of Management would recommend such approval but could not of course ensure it, so to avoid all doubt I intend to put this to the Union’s AGM to be held later this year.

Feel free to convey this position to your National Secretary and to the Fair Work Commission

Yours sincerely,



Jim Casey
State Secretary



3 July 2014

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

Dear Peter,

I write pursuant to Rule 10 to confirm that the NSW Branch membership at 30 June 2014 stood at one (1) full time member and two (2) part time members.

I have again calculated the amount payable by the NSW Branch under Rule 29(1) for the coming financial year, which I understand to be as follows:

National capitation fees for the 2014 calendar year

Per full time branch member = 0.045% of \$64,713.34 = \$29.12 per annum = \$7.28 per quarter

Per part time branch member = 0.009% of \$64,713.34 = \$5.82 per annum = \$1.46 per quarter

National capitation fees for the 2015 calendar year

Per full time branch member = 0.045% of \$66,182.17 = \$29.78 per annum = \$7.45 per quarter

Per part time branch member = 0.009% of \$66,182.17 = \$5.96 per annum = \$1.49 per quarter

• Jul - Sep qtr = \$7.28 x 1 full time member + \$1.46 x 2 part time members =	\$10.20
• Oct - Dec qtr = \$7.28 x 1 full time members + \$1.46 x 2 part time members =	\$10.20
• Jan - Mar qtr = \$7.45 x 1 full time members + \$1.49 x 2 part time members =	\$10.43
• Apr - Jun qtr = \$7.45 x 1 full time members + \$1.49 x 2 part time members =	\$10.43
2014/15 Total =	\$41.26

I have given up asking that you acknowledge NSW Branch correspondence and/or for your confirmation of concurrence or otherwise with my calculations. I therefore enclose a cheque for \$41.26, being the full year's contributions payable by the NSW Branch, paid in advance.

Yours fraternally,

A handwritten signature in blue ink, appearing to be 'CR', with a small flourish at the end.

Chris Read
Branch Secretary

cc: ACT, Aviation, QLD, SA, TAS and WA Branch Secretaries



ABN 51 824 544 079

410 Brunswick Street,
Fitzroy, Victoria 3065
Phone: (03) 9419 8811
Fax: (03) 9419 9258

Email: ufunational@ufunat.asn.au
www.ufua.asn.au
President: Greg Northcote
Secretary: Peter Marsh

Tax Invoice 00031473

8/07/2014

Bill To: UFUA NSW branch
145 De Boos Street
Temora NSW 2666

UFUA NSW branch
145 De Boos Street
Temora NSW 2666

Net 30th after EOM

1

Quantity	Code	Description	per unit	Total	
1	CF NSW	Capitation Fees Full Time 01/07/2014 - 30/09/2014	\$18.14	\$18.14	GST
2	CFP NSW	Capitation Fee Part Time	\$3.615	\$7.23	GST



	CODE	RATE	GST	SALE AMOUNT	
Bank Details					\$25.37
BSB: 065-124	GST	10%	\$2.54	\$25.37	\$0.00 GST
Acc: 00902738					\$2.54
					\$27.91
					\$0.00
Customer ABN: 24 083 512 218					\$27.91

From: FENWICK, Joanne
To: ["ufuansw@gmail.com"](mailto:ufuansw@gmail.com)
Subject: FW: United Firefighters' Union of Australia NSW Branch - FR2014/146
Date: Tuesday, 24 March 2015 4:16:00 PM
Attachments: [UFUA NSW FR2014-146 requested for information.pdf](#)

Mr Read

Can you please provide me with an update on when I can expect a response to the issues I raised in the letter I sent you on 21 January 2015. Please find attached a copy of this letter.

Regards

JOANNE FENWICK

Financial Reporting Specialist
Regulatory Compliance Branch

Fair Work Commission

Tel: (03) 8661 7886

Fax: (03) 9655 0410

joanne.fenwick@fwc.gov.au

11 Exhibition Street, Melbourne Victoria 3000

GPO Box 1994, Melbourne Victoria 3001

www.fwc.gov.au

From: FENWICK, Joanne
Sent: Wednesday, 21 January 2015 10:40 AM
To: 'ufuansw@gmail.com'
Subject: United Firefighters' Union of Australia NSW Branch - FR2014/146

Dear Mr Read

Please find attached correspondence in relation to the lodgement of the United Firefighters' Union of Australia New South Wales Branch financial report for the year ended 30 June 2014.

If you have any questions in relation to the correspondence please do not hesitate to contact me on 03) 8661 7886.

Regards

JOANNE FENWICK

Financial Reporting Specialist
Regulatory Compliance Branch

Fair Work Commission

Tel: (03) 8661 7886

Fax: (03) 9655 0410



21 January 2015

Mr Chris Read
Branch Secretary
United Firefighters' Union of Australia, New South Wales Branch
145 De Boos Street
TEMORA NSW 2666

Dear Mr Read

United Firefighters' Union of Australia New South Wales Branch Financial Report for the year ended 30 June 2014 - [FR2014/146]

I acknowledge receipt of the financial report of the United Firefighters' Union of Australia New South Wales Branch (the reporting unit). The documents were lodged with the Fair Work Commission (FWC) on 30 December 2014.

In an email which I sent to you on the 7 January 2015, I requested further information in relation to the timing of events within the financial reporting process. You responded on the 10 January 2015 and based on the information in that email and other disclosures within the financial report lodged, I require further information before I can file this report.

Minutes of the meeting held 12 December 2014

As confirmed in your email on the 10 January 2015, the Branch Committee of Management met in two parts on the 12 December 2014. The first was to pass the resolution in relation to the Committee of Management Statement and the second occurred after the receipt of the signed Auditor's Statement to present the full report.

Please provide the FWC with a copy of the Branch Committee of Management minutes of the 12 December 2014 to confirm this sequence of events.

Membership numbers

Item 3 in the Operating Report indicates that membership numbers of the reporting unit decreased by 398. Item 6 indicates that there were 3 members of the reporting unit as at 30 June 2014.

In relation to the 398 members who resigned, can you please confirm if the resignations were:

- (i) By individual letter of resignation; or
- (ii) By virtue of s.172 of the *Fair Work (Registered Organisations) Act 2009*, that is, members who are unfinancial for a continuous period of 24 months must be purged from the membership register within the following 12 months.

Going concern

The general purpose financial report (GPFR) provided indicated that the reporting unit has a deficit of \$10,006 (2013: \$6,668) for the year ended 30 June 2014 and had net liabilities of \$25,236 (2013: \$15,230) as at 30 June 2014.

The GPFR indicates that the financial statements have been prepared on a going concern basis. The Auditor has indicated in the Auditor's Statement that *'in preparing the financial report management has appropriately applied the going concern basis of accounting.'*

Note 17 *Financial Dependence* in the GPFR justifies the use of the going concern basis by stating that it is supported by the conclusion that the net amount payable to the United Firefighters' Union of Australia (UFUA) Nation office of \$33,960 will not be called upon within 12 months of signing these financial statements. Furthermore, the New South Wales Fire Brigade Employees' Union (FBEU) have adopted a stance in-principle to provide financial support to the reporting unit if the UFUA rules are amended to address the concerns the FBEU have with the UFUA's finances and governance.

Please advise the FWC of the nature of the rule amendments regarding UFUA's finances and governance that is required as a precondition for the FBEU to renew its financial support for the reporting unit, the likelihood that the resolutions to the rule alterations will be passed and the timeframe that this will be done.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7886 or via email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

From: FENWICK, Joanne
To: ["ufuansw@gmail.com"](mailto:ufuansw@gmail.com)
Subject: UFUA New South Wales Branch - FR2014/146
Date: Wednesday, 7 January 2015 1:56:00 PM

Hi Chris

I am currently reviewing the financial reported for the UFUA New South Wales Branch that was lodged with the Fair Work Commission on the 30 December 2014. Under the *Fair Work (Registered Organisations) Act 2009* the financial reporting process is as follows:

- The reporting units prepare a general purpose financial report. This is presented to a Committee of Management meeting where the appropriate resolutions are made (i.e. the Committee of Management Statement).
- The audit is completed and the auditors statement is signed.
- This full report, including the signed auditors statement, is provided to members.
- Depending on the rules, the full report is presented to a general meeting of members or a Committee of Management meeting for approval.

Based on the information provided in the lodged documents, all of the above mentioned events happened on the same day. Can you please provide the minutes of the meeting held on the 12 December 2014 or provide any other evidence that would indicate that the required events took place in the correct order and that two meetings of the Committee of Management were held.

Regards

JOANNE FENWICK

Financial Reporting Specialist
Regulatory Compliance Branch

Fair Work Commission

Tel: (03) 8661 7886

Fax: (03) 9655 0410

joanne.fenwick@fwc.gov.au

11 Exhibition Street, Melbourne Victoria 3000

GPO Box 1994, Melbourne Victoria 3001

www.fwc.gov.au



30 December 2014

The General Manager
Fair Work Commission

**Re: Designated Officer's Certificate
Financial report for year ended 30 June 2014
Fair Work (Registered Organisations) Act 2009 – (RO Act)**

I, Chris Read, being the Branch Secretary of United Firefighters Union of Australia, New South Wales Branch certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009 being the financial report for the year ended 30 June 2014; and
- that the full report was provided to members on 12 December 2014; and
- that the full report was presented to a meeting of the Branch Committee of Management, which also constitutes the entire membership of the Branch, on 12 December 2014 in accordance with Schedule 1, Rule 4(a)(ii) of the Union's Rules and s266 of the Fair Work (Registered Organisations) Act 2009.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'Chris Read'.

Chris Read
Branch Secretary

UNITED FIREFIGHTERS UNION OF AUSTRALIA
NEW SOUTH WALES BRANCH
FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

OPERATING REPORT

The Branch Committee of Management presents its operating report of the United Firefighters Union of Australia NSW Branch for the financial year ended 30 June 2014.

1. The principal activity of the NSW Branch during 2013/2014 financial year was to remain registered under the Fair Work (Registered Organisations) Act 2009. There was no significant change to the nature of this activity from the previous financial year.
2. A financial dispute in relation to capitation fees and ACTU Affiliation fees payable by the NSW Branch to the National Office was the subject of Federal Court proceedings initiated by the National Office in December 2009. These proceedings were discontinued by the National Office prior to hearing in August 2012.
3. The resignations which commenced in April 2010 continued, with the Branch experiencing a loss of a further 398 members during the 2013/2014 financial year.
4. The rights of members to resign from the NSW Branch by written notice addressed and delivered to the Branch Secretary are set out within Rule 8 of the Union's Registered Rules and section 174(1) of the Fair Work (Registered Organisations) Act 2009. In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.
5. There was known to be one officer of the NSW Branch, C. Read who during the financial year was a director of NSW Fire Brigades Superannuation Pty Ltd, being a company that is a trustee of a superannuation entity.
6. There were 3 members of the Branch as at 30 June 2014.
7. The number of staff employed by the Branch on a full time equivalent basis at 30 June 2014 was Nil.
8. The names of each person who were members of the Branch Committee of Management, at any time, during the financial year are as follows;-

D Harpley 1 July 2013 – 30 June 2014

G Matthews 1 July 2013 – 30 June 2014

C Read 1 July 2013 – 30 June 2014

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

9. Officers and Employees Who are Directors of a Company or a Member of a Board Pursuant to section 37 of Reporting Guidelines apply for the purpose of section 253 of the RO Act 2009, the following officers and employees who are directors of a company or a member of a board. There is no compensation received for these services.

Name of officer/employee	Name of company/board	Principal activities	Nominated by UFUA
C Read	NSW Fire Brigades Superannuation Pty Ltd	Trustee	No

Signed in accordance with a resolution of the Branch Committee of Management



CHRIS READ



GREG MATTHEWS

12 December 2014

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

COMMITTEE OF MANAGEMENT'S STATEMENT

On 12 December 2014 the Committee of Management of the United Firefighters Union of Australia, New South Wales Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 30 June 2014.

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

- (a) the financial report and notes comply with the Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the General Manager of Fair Work Commission;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year ended 30 June 2014;
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 30 June 2014 and since the end of the financial year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch; and
 - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and
 - (iii) the financial records of the Branch 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 Branch have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
 - (v) no information has been sought in any request of a member of the Branch or a Registrar under section 272 of General Manager of Fair Work Commission under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - (vi) no order for inspection of the financial records has been made by Fair Work Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.
- (f) in relation to recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and
 - (ii) the committee of management instructed the auditor to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers other than reported in the

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

- financial report on recovery of wages activity and the notes to the financial statements; and
- (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

For the Committee of Management



CHRIS READ

12 December 2014



GREG MATTHEWS

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 30 JUNE 2014**

	Note	2014 \$	2013 \$
INCOME			
Interest Income		17	26
Membership Dues	3	<u>1,695</u>	<u>-</u>
		<u>1,712</u>	<u>26</u>
EXPENDITURE			
Audit Fees		1,500	1,500
Donation		10,000	-
Capitation Fees - UFUA National Office	4	41	5,194
Internet and Web Hosting		<u>177</u>	<u>-</u>
TOTAL EXPENDITURE		<u>11,718</u>	<u>6,694</u>
DEFICIT FOR YEAR		<u>(10,006)</u>	<u>(6,668)</u>
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE LOSS		<u>(10,006)</u>	<u>(6,668)</u>

The accompanying notes form part of the financial report.

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2014**

	Note	2014	2013
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash at Bank		16,266	24,579
Receivables	8	<u>76,269</u>	<u>76,421</u>
TOTAL ASSETS		<u>92,536</u>	<u>101,000</u>
LIABILITIES			
CURRENT LIABILITIES			
Payables	9	<u>117,771</u>	<u>116,230</u>
TOTAL LIABILITIES		<u>117,771</u>	<u>116,230</u>
NET LIABILITIES		<u>(25,236)</u>	<u>(15,230)</u>
ACCUMULATED DEFICIT		<u>(25,236)</u>	<u>(15,230)</u>

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**STATEMENT OF CHANGES IN ACCUMULATED DEFICIT
FOR THE YEAR ENDED 30 JUNE 2014**

	Accumulated Deficit \$
Balance at 30 June 2012	<u>(8,562)</u>
Net Surplus for the Year	(6,668)
Balance at 30 June 2013	<u>(15,230)</u>
Net Deficit for the Year	(10,006)
Balance at 30 June 2014	<u>(25,236)</u>

The accompanying notes form part of the financial report.

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**STATEMENT OF CASHFLOWS FOR THE
YEAR ENDED 30 JUNE 2014**

	Note	2014 \$	2013 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Membership Dues		1,865	375
Interest Received		17	26
Payments to Suppliers		<u>(10,195)</u>	<u>(4,125)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	6(b)	<u>(8,313)</u>	<u>(3,724)</u>
NET INCREASE IN CASH		(8,313)	(3,724)
Cash at Beginning of Year		<u>24,579</u>	<u>28,303</u>
CASH AT END OF YEAR	6(a)	<u>16,266</u>	<u>24,579</u>

The accompanying notes form part of the financial report.

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

RECOVERY OF WAGES ACTIVITY

FOR THE YEAR ENDED 30 JUNE 2014

The New South Wales Branch of the United Firefighters Union of Australia has not undertaken recovery of wages activity. The Union does assist with recovery of its member wages. However, as and when decreed by the court we confirm that any settlement or recovery of wages is directly managed between the employer and the employee and at no point of time is any money banked into the Branch bank account. Reportable amounts are NIL for:

- a. any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- b. any donations or other contributions deducted from recovered money.

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2014

1. SIGNIFICANT ACCOUNTING POLICIES

The financial report is for the New South Wales Branch of the United Firefighters Union of Australia, and in accordance with the Fair Work (Registered Organisations) Act 2009 the Branch is a reporting unit. The United Firefighters Union of Australia is an organisation registered under the Fair Work (Registered Organisations) Act 2009. The New South Wales Branch is a Branch of the registered organisation. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the New South Wales Branch are not subject to the *Corporations Act 2001*.

Going Concern

The United Firefighters Union of Australia New South Wales Branch has a deficit of \$10,006 (2013: \$6,668) for the year ended 30 June 2014 and had net liabilities of \$25,236 (2013: \$15,230) as at 30 June 2014. The financial statements have been prepared on a going concern basis due to the factors referred to in Note 17. The Branch Committee of Management has assessed and considered it appropriate for the accounts to be prepared on this basis.

Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

The reporting guidelines made under section 255 of the Fair Work (Registered Organisations) Act 2009 (the RO Act) require all reporting units to apply the Tier 1 reporting requirements as per Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards. As such the National Executive of the Australian Workers' Union (National Office) have prepared a full set of financial statements with all disclosure requirements. In the prior year the National Executive had early adopted Australian Accounting Standards – Reduced Disclosure Requirements but this is no longer permissible. This has had no material impact on amounts recognised in the financial statements because it merely requires a more detailed note disclosure on financial risk management than if these financial statements were prepared using Australian Accounting Standards – Reduced Disclosure Requirements.

The financial report has been prepared on the basis of historical costs modified by the revaluation of selected financial assets for which the fair value basis of accounting has been applied. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the Branch in the preparation of the financial report.

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)

1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Revenue

Revenues are accounted for on an accrual basis.

(b) Income tax

No provision for Income Tax is necessary as Industrial Trade Unions are exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act 1997.

(c) Accounting Standards Issued But Not Yet Effective

There has been no accounting standards issued which will impact the financial report in future periods and which are not yet effective.

(d) Goods and Services Tax

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 on the statement of financial position are shown inclusive of GST.

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Branch makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

(b) Critical judgments in applying the Branch's accounting principles

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)**

3. INCOME

(a) Membership fees

	2014	2013
	\$	\$
Membership Dues	1,695	-

(b) Other income

The following income items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. Capitation/Sustentation fees
- b. Compulsory levies
- c. Donations or grants
- d. Other financial support from other reporting units

4. EXPENSE

(a) Fees and periodic subscriptions are paid in respect of its affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters

	2014	2013
	\$	\$
Capitation Fees – UFUA National Office	41	5,194
	<u>41</u>	<u>5,194</u>

(b) Donations

2014

Non-reportable donations less than or equal to \$1,000 (excl. GST)

Details to whom payment made	Purpose	2014
		\$
-		-
		<u>-</u>

Reportable donations exceeding \$1,000 (excl. GST)

Details to whom payment made	Purpose	2014
		\$
Cath Bowtell	Australian Labour Party - Cath Bowtell	10,000
		<u>10,000</u>

There were no donations made in 2013

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)

(c) Employee expenses related to holders of office

The Branch Secretary's employee benefits expenses are paid by the Fire Brigade Employee Union of New South Wales.

(d) Other expense

The following expense items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. Employee expenses related to employees (other than holders of office)
- b. Legal costs
- c. Compulsory levies
- d. Payments to employers for payroll deduction activity
- e. Fees or allowances (other than those already disclosed above) paid to persons in respect of their attendances as representatives of the Union at conferences or other meetings.
- f. Expenses (other than expenses included in any amounts referred to above) incurred in connection with holding meetings of members of the reporting unit and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible
- g. Penalties imposed under the RO Act.

5. DISCLOSURES IN RESPECT OF STATEMENT OF FINANCIAL POSITION

(a) Amounts receivable/payable to/from other reporting units of the Union

	2014	2013
	\$	\$
Amounts receivable from reporting units		
United Firefighters Union of Australia – National Office	79,526	79,526
Allowance for doubtful debts – UFUA National Office	(7,475)	(7,475)
New South Wales Fire Brigade Employees Union - Adam Bandt Consultancy	2,563	2,563
Amounts payable to reporting units		
United Firefighters Union of Australia – National Office	113,486	113,445

(b) Employee provisions related to holders of office

The Branch Secretary's employment provisions are accrued by the Fire Brigade Employee Union of New South Wales.

(c) Other balances at 30 June 2014

Items noted above as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009 which have not occurred in the reporting period do not have respective balances at year-end and therefore not disclosed. These include:

- a. Legal costs payable
- b. Employee provisions related to employees (other than holders of office)
- c. Payables to employers as consideration for the employers making payroll deductions of membership subscriptions

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)

6. DISCLOSURES IN RESPECT OF STATEMENT OF CHANGES IN EQUITY

The following equity items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. No separate fund or account operated in respect of compulsory levies raised by the Union or voluntary contributions collected from members of the Union.
- b. No monies in respect of compulsory levies raised or voluntary contributions collected from members of the Union have been invested in any assets.
- c. No separate fund or account which is required by the rules of the Union or rules of a Branch of the Union.
- d. No transfer(s) and/or withdrawal(s) to a fund, account or controlled entity, when any of these are kept for a specific purpose(s) by the Union.

7. DISCLOSURES IN RESPECT OF STATEMENT OF CASH FLOWS

Amounts received/paid to/from other reporting units of the Union

Amounts received and paid in respect of the Capitation Fees and other charges have been incorporated as part of the Statement of Cash Flows and detailed below.

	2014	2013
	\$	\$
Cash inflows from other reporting units	-	-
Cash outflows to other reporting units	-	-

8. RECEIVABLES

	2014	2013
	\$	\$
United Firefighters Union of Australia – National Office	79,526	79,526
Allowance for doubtful debts – UFUA National Office	(7,475)	(7,475)
New South Wales Fire Brigade Employees Union - Adam Bandt Consultancy	2,563	2,563
GST Accrued	1,807	1,807
GST Collected	(170)	-
GST Paid	18	-
	<hr/>	<hr/>
	76,269	76,421

An allowance for doubtful debts has been booked in the accounts representing a disputed net receivable amount from the National Office which was subject to legal action at balance date. The legal action was in relation to a financial dispute regarding capitation fees and ACTU Affiliation fees payable by the NSW Branch to the National Office. The legal action was initiated in December 2009 by the National Office in the Federal Court. These proceedings were subsequently discontinued by the National Office prior to hearing in August 2012. No amounts have since been received from the United Firefighters Union of Australia - National Office or paid by the United Firefighters Union of Australia NSW Branch.

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)**

9. PAYABLES

	2014	2013
	\$	\$
United Firefighters Union of Australia – National Office	113,486	113,445
Sundry payable	2,785	2,785
Accrued Audit Fees	1,500	-
	<hr/>	<hr/>
	117,771	116,230

**10. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER
OF FAIR WORK COMMISSION**

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

- (1) A member of a reporting unit, or the General manger, 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

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)

11. CASH FLOW INFORMATION	2014	2013
	\$	\$
(a) For the purposes of the cash flow statement cash includes cash on hand and at call deposits with banks and other financial institutions.		
Cash at Bank	<u>16,266</u>	<u>24,579</u>
(b) Reconciliation of cash flow from operations with operating result		
Net (Deficit)/Surplus	(6,920)	(1,474)
Changes in Assets and Liabilities		
(Increase) Decrease in Receivables	152	-
(Decrease)/Increase in payables	<u>(1,545)</u>	<u>(2,250)</u>
CASH FLOWS FROM OPERATIONS	<u>(8,313)</u>	<u>(3,724)</u>

12. FINANCIAL RISK MANAGEMENT

(a) *General objectives, policies and processes*

The union is exposed to risks that arise from its use of financial instruments. This note describes the union's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the union's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The union's financial instruments consist mainly of deposits with banks and payables. The main risks the union is exposed to through its financial instruments are interest rate risk (see section (e) below), liquidity risk and credit risk.

The committee of management has overall responsibility for the determination of the union's risk management objectives and policies and whilst retaining ultimate responsibility for them, the committee of management makes investment decisions after considering appropriate advice.

(b) *Credit Risk*

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the union incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the union.

There is no concentration of credit risk with respect to current and non-current receivables.

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)**

13. FINANCIAL RISK MANAGEMENT (Cont'd)

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

	2014	2013
	\$	\$
Cash at Bank	16,266	24,579
	<hr/>	<hr/>
	16,266	24,579
	<hr/>	<hr/>

The cash and cash equivalents are held in high quality Australian financial institutions.

(c) Liquidity Risk

Liquidity risk is the risk that the union may encounter difficulties raising funds to meet commitments associated with financial liabilities.

The union is not significantly exposed to this risk, as at 30 June 2014 it had \$16,266 (2013: \$24,579) of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 30 June 2014 totalled \$117,771 (2013: \$116,230).

(d) Market Risk

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

(e) Interest Rate Risk

The Union's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarised below:

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)**

14. FINANCIAL RISK MANAGEMENT (Cont'd)

30 June 2014	Floating interest rate	Non interest bearing	Total
	\$	\$	\$
Financial Assets			
Cash	16,266	-	16,266
Sundry Debtors	-	76,269	76,269
	<u>16,266</u>	<u>76,269</u>	<u>92,536</u>
Weighted average interest rate	0.01%		
Financial Liabilities			
Payables	-	117,771	117,771
	<u>-</u>	<u>117,771</u>	<u>117,771</u>
Net Financial Assets/(Liabilities)	<u>16,266</u>	<u>(41,502)</u>	<u>(25,236)</u>
30 June 2013	Floating interest rate	Non interest bearing	Total
	\$	\$	\$
Financial Assets			
Cash	24,579	-	24,579
Sundry Debtors	-	76,421	76,421
	<u>24,579</u>	<u>76,421</u>	<u>101,000</u>
Weighted average interest rate	0.01%		
Financial Liabilities			
Payables	-	116,230	116,230
	<u>-</u>	<u>116,230</u>	<u>116,230</u>
Net Financial Assets/(Liabilities)	<u>24,579</u>	<u>(39,809)</u>	<u>(15,230)</u>

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)

15. FINANCIAL RISK MANAGEMENT (Cont'd)

(e) Interest Rate Risk

Sensitivity Analysis

2014	Carrying Amount	+1% (100 Basis Points) Profit	-1% (100 Basis Points) Loss
	\$	\$	\$
Cash and cash equivalents	16,266	162	(162)

2013	Carrying Amount	+1% (100 Basis Points) Profit	-1% (100 Basis Points) Loss
	\$	\$	\$
Cash and cash equivalents	24,579	246	(246)

(f) Other Price Risks

The union does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

(g) Foreign Exchange Risk

The union is not directly exposed to foreign exchange rate risk.

16. RELATED PARTY TRANSACTIONS

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

- (a) UFUA National Office Capitation Fees and ACTU Affiliation Fees are disclosed as expenses in the statement of comprehensive income and as a payment in the statement of cash flows.
- (b) UFUA National Office Capitation Fees payable are disclosed at Note 9 of the accounts.
- (c) UFUA National Office ACTU Affiliation Fees receivable are disclosed at Note 5 of the accounts.

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)

17. FINANCIAL DEPENDENCE

The going concern of the Branch is supported due to the following factors:

The net amount payable to United Firefighters Union of Australia (UFUA) National Office is \$33,960 (payable of \$113,486 less receivable of \$79,526). This amount has been in dispute with UFUA National Office for at least the past five years and not resolved at the date of signing these financial statements. The Branch Committee of Management is of the opinion that the liability will not be called upon within 12 months of signing these financial statements due to the uncertainty of the capitation amounts due. Excluding this net liability, the Branch will be in a net asset position of \$8,724. The cash reserve of the Branch is sufficient to pay its debts as and when they become due and payable.

The United Firefighters Union of Australia's NSW Branch was previously dependent upon the financial support of the New South Wales Fire Brigade Employees' Union in order to pay its debts as and when they fell due. On 22 April 2010 the New South Wales Fire Brigade Employees' Union resolved to cease forwarding funds to the United Firefighters Union of Australia's NSW Branch. During 2014, this resolution was reconsidered and the State Committee of Management of the New South Wales Fire Brigade Employees' Union adopted a stance in-principle support for the renewal of financial support, albeit subject to the UFUA first amending its rules to address FBEU concerns with UFUA's finances and governance.

On 17 February 2012 Fair Work Australia certified various amendments to Schedule 1, Branch Rules of the United Firefighters Union of Australia New South Wales Branch, including a new sub-rule which for the first time set annual membership subscription fees for NSW Branch members. These new membership fees will, if paid, allow the NSW Branch to meet all anticipated debts and liabilities.

18. REGISTERED OFFICE

The registered office and principal place of business of the Branch is:

145 De Boss Street
Temora NSW 2666



Level 17, 383 Kent Street
Sydney NSW 2000

Correspondence to:
Locked Bag Q800
QVB Post Office
Sydney NSW 1230

T +61 2 8297 2400

F +61 2 9299 4445

E info.nsw@au.gt.com

W www.grantthornton.com.au

Independent Auditor's Report

To the Members of United Firefighters Union of Australia New South Wales Branch

We have audited the accompanying financial report of United Firefighters Union of Australia New South Wales Branch (the "Branch"), which comprises the statement of financial position as at 30 June 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Branch Committee of Management.

Responsibility of the Branch Committee of Management and Branch Secretary for the financial report

The Branch Committee of Management and Branch Secretary are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009. The responsibility includes such internal controls as the Branch Committee of Management and Branch Secretary determine are necessary to enable the preparation of the financial report to be 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 which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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

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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 Branch's preparation and fair presentation of the financial report 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 Branch'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 and the Branch Secretary, 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 applicable independence requirements of the Accounting Professional Accounting Bodies and the Fair Work (Registered Organisations) Act 2009.

Auditor's Opinion

In our opinion,

- a. the financial report of the Branch:
 - i presents fairly, in all material respects, the Branch's financial position as at 30 June 2014 and of its performance and cash flows for the year then ended ; and
 - ii complies with Australian Accounting Standards, the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009; and
- b. the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statement;
- c. In preparing the financial report management has appropriately applied the going concern basis of accounting

Emphasis of Matter

Without qualification we draw attention to Note 1 which states The United Firefighters Union of Australia New South Wales Branch has a deficit of \$10,006 for the year ended 30 June 2014 and had net liabilities of \$25,236 as at 30 June 2014. The financial statements have been prepared on a going concern basis due to the factors referred to in Note 1 and Note 17. The Branch Committee of Management and Branch Secretary have assessed and considered it appropriate for the accounts to be prepared on this basis

Report on the recovery of wages activity

The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2) (c) of the Fair Work Act 2009 (Registered Organisations). Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards. We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the committee of management to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity.

Auditor's opinion on the recovery of wages activity financial report

Based upon the management statements referred to above, in our opinion in relation to the recovery of wages activity, the financial report of the Branch presents fairly all reporting guidelines of the General Manager, including:

- i any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- ii any donations or other contributions deducted from recovered money

Other Matter

The signor is an Approved Auditor (who holds a current Public Practice Certificate) with the Institute of Chartered Accountants in Australia.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



N Sinclair
Partner - Audit & Assurance

Sydney, 12 December 2014