



3 February 2016

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

via email: ufuansw@gmail.com

Dear Mr Read

United Firefighters' Union of Australia New South Wales Branch Financial Report for the year ended 30 June 2015 - [FR2015/135]

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 6 January 2016.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

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 2016 may be subject to an advanced compliance review.

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 RO Act, 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 this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4681 or via email at joanne.fenwick@fwc.gov.au.

Yours sincerely

Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch



6 January 2015

The General Manager
Fair Work Commission

**Re: Designated Officer's Certificate
Financial report for year ended 30 June 2015
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 document lodged herewith is a copy of the full report referred to in s268(a) of the Fair Work (Registered Organisations) Act 2009, being the financial report for the year ended 30 June 2015; and
- that the full report was provided to members of the Branch on 9 December 2015 in accordance with s265(5)(a) of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was presented to a general meeting of the members of the Branch on 31 December 2015 in accordance with s266(1) 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 2015

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 2015.

1. The principal activity of the NSW Branch during 2014/2015 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 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.
4. 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.
5. There were 3 members of the Branch as at 30 June 2015.
6. The number of staff employed by the Branch on a full time equivalent basis at 30 June 2015 was Nil.
7. In 2012 the Branch Rules were amended to require members to pay Branch subscriptions commencing 1 April 2012. Section 127 of the Fair Work (Registered Organisations) Act 2009 requires members who have not paid membership subscriptions for 2 or more years to be removed from the membership register. The reduction in capitation fees from \$5,543 to \$38 is the result of the removal of members pursuant to Section 127 of the Act, resulting in there being only 3 members of the Branch as at 30 June 2014 when the 2015 capitation fees payable is determined.
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 2014 – 5 March 2015
P Harmon	6 March 2015 – 30 June 2015
G Matthews	1 July 2014 – 30 June 2015
C Read	1 July 2014 – 30 June 2015

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

9 December 2015

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

COMMITTEE OF MANAGEMENT'S STATEMENT

On 9 December 2015 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 2015.

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 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 2015;
- (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 2015 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 the 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 the 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

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

- (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.

For the Committee of Management



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CHRIS READ



.....
GREG MATTHEWS

9 December 2015

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED 30 JUNE 2015**

	Note	2015	2014
		\$	Restated*
			\$
INCOME			
Interest Income		18	17
Membership Dues	3	<u>1,105</u>	<u>1,695</u>
		<u>1,123</u>	<u>1,712</u>
EXPENDITURE			
Audit Fees		1,550	1,500
Donation	4	-	10,000
Capitation Fees - UFUA National Office	4	38	5,543
Internet and Web Hosting		<u>-</u>	<u>176</u>
TOTAL EXPENDITURE		<u>1,588</u>	<u>17,219</u>
DEFICIT FOR YEAR		<u>(465)</u>	<u>(15,507)</u>
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE LOSS		<u>(465)</u>	<u>(15,507)</u>

The statements should be read in conjunction with the accompanying notes.

*See note 1(j)

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2015**

	Note	2015	2014
		\$	Restated*
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash at Bank		15,678	16,266
Receivables	8	<u>76,946</u>	<u>76,823</u>
TOTAL ASSETS		<u>92,624</u>	<u>93,089</u>
LIABILITIES			
CURRENT LIABILITIES			
Payables	9	<u>123,826</u>	<u>123,826</u>
TOTAL LIABILITIES		<u>123,826</u>	<u>123,826</u>
NET LIABILITIES		<u>(31,202)</u>	<u>(30,737)</u>
ACCUMULATED DEFICIT		<u>(31,202)</u>	<u>(30,737)</u>

The statements should be read in conjunction with the accompanying notes.

*See note 1(j)

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**STATEMENT OF CHANGES IN ACCUMULATED DEFICIT
FOR THE YEAR ENDED 30 JUNE 2015**

	Accumulated Deficit \$
Balance at 30 June 2013	<u>(15,230)</u>
Net Deficit for the Year	(10,006)
Impact of prior period error	(5,501)*
Balance at 30 June 2014	<u>(30,737)</u>
Net Deficit for the Year	(465)
Balance at 30 June 2015	<u>(31,202)</u>

The statements should be read in conjunction with the accompanying notes.

*See note 1(j)

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**STATEMENT OF CASHFLOWS FOR THE
YEAR ENDED 30 JUNE 2015**

	Note	2015	2014
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Membership Dues		1,216	1,865
Interest Received		18	17
Payments to Suppliers		<u>(1,822)</u>	<u>(10,195)</u>
NET CASH USED IN OPERATING ACTIVITIES	6(b)	<u>(588)</u>	<u>(8,313)</u>
NET (DECREASE) IN CASH		(588)	(8,313)
Cash at Beginning of Year		<u>16,266</u>	<u>24,579</u>
CASH AT END OF YEAR	6(a)	<u>15,678</u>	<u>16,266</u>

The statements should be read in conjunction with the accompanying notes.

RECOVERY OF WAGES ACTIVITY

FOR THE YEAR ENDED 30 JUNE 2015

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 members' 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 2015

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. The Branch is a not-for-profit entity for the purpose of preparing financial statements under Australian Accounting Standards.

Going Concern

The United Firefighters Union of Australia New South Wales Branch has a deficit of \$465 (2014: \$15,507 restated) for the year ended 30 June 2015 and had net liabilities of \$31,202 as at 30 June 2015 (2014: \$30,737 restated). The financial statements have been prepared on a going concern basis due to the factors referred to in Note 15. 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 Branch Committee of Management have prepared a full set of financial statements with all 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.

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NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Revenue

Revenue from Membership contributions is accounted for on an accrual basis, and recorded in the year to which it relates, and to the extent that the amounts due are considered receivable.

Interest income is accounted for on an accruals 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.

(e) Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Branch becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- loans and receivables
- financial assets at Fair Value Through Profit or Loss ('FVTPL')
- Held-To-Maturity ('HTM') investments
- Available-For-Sale ('AFS') financial assets

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs or finance income, except for impairment of trade receivables which is presented within other expenses.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Branch's trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Union during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(k) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where errors are identified relating to comparative figures the comparative figures are restated and the nature of the error discussed.

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

(j) Prior year adjustment

In 2012 the Branch Rules were amended to require members to pay Branch subscriptions commencing 1 April 2012. Section 127 of the Fair Work (Registered Organisations) Act 2009 requires members who have not paid membership subscriptions for 2 or more years to be removed from the membership register. The reduction in capitation fees from \$5,543 to \$38 is the result of the removal of members pursuant to Section 127 of the Act, resulting in there being only 3 members of the Branch as at 30 June 2014 when the 2015 capitation fees payable is determined.

The Committee of Management while preparing the financial statements for the year ended 30 June 2015, noticed they had failed to record the correct amount payable to the United Firefighters Union of Australia – National Office for the 2014 year in basing the calculation on the 30 June 2014 members and not the 30 June 2013 members. The incorrect amount payable in the previous year's financial statements represents a material prior period error in the Statement of Financial Performance which must be accounted for retrospectively in the financial statements in accordance with the requirements of AASB 108. Consequently, the Committee of Management has adjusted all comparative amounts presented in the current period's financial statements affected by the accounting error.

As a result of the restatement, the following adjustments have been made to the previously reported Statement of Profit or Loss and other Comprehensive Income and the Statement of Financial Position for the year ended 30 June 2014.

	Original 2014	Change	Amended 2014
Capitation fees – UFUA National Office recorded in the Statement of Profit or Loss and Other Comprehensive income	41	5,502	5,543
Payables	113,486	(6,055)	119,541
Receivables	1,807	554	2,361

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 2015 (Cont'd)**

3. INCOME

(a) Membership fees

	2015	2014
	\$	\$
Membership Dues	1,105	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

	2015	2014
	\$	Restated*
	\$	\$
Capitation Fees – UFUA National Office	38	5,543
	<u>38</u>	<u>5,543</u>

*Refer to note 1(j)

(b) Donations

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

Details to whom payment made	Purpose	2015	2014
		\$	\$
		-	-
		<u>-</u>	<u>-</u>

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

Details to whom payment made	Purpose	2015	2014
		\$	\$
Cath Bowtell	Australian Labor Party - Cath Bowtell	-	10,000
		<u>-</u>	<u>10,000</u>

(c) Employee expenses related to holders of office

Nil.

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

(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

	2015	2014
	\$	Restated*
		\$
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	119,583	119,541

*Refer to note 1(j)

(b) Employee provisions related to holders of office

Nil.

(c) Other balances at 30 June 2015

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, including legal costs payable.

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2015 (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.

	2015	2014
	\$	\$
Cash inflows from other reporting units	-	-
Cash outflows to other reporting units	-	-

8. RECEIVABLES

	2015	2014
	\$	Restated* \$
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	2,361	2,361
GST Collected	(29)	(170)
GST Paid	-	18
	<hr/> 76,946	<hr/> 76,823

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 ACTU affiliation fees have since been received from the United Firefighters Union of Australia - National Office or paid by the United Firefighters Union of Australia NSW Branch.

*Refer to note 1(j)

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)**

9. PAYABLES

	2015	2014
	\$	Restated*
		\$
United Firefighters Union of Australia – National Office	119,583	119,541
Sundry payable	2,693	2,785
Accrued Audit Fees	1,550	1,500
	<u>123,826</u>	<u>123,826</u>

*Refer to note 1(j)

**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 manager, 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).

11. CASH FLOW INFORMATION

	2015	2014
	\$	Restated
		\$
(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>15,678</u>	<u>16,266</u>
(b) Reconciliation of cash flow from operations with operating result		
Net (Deficit)	(465)	(15,507)
Changes in Assets and Liabilities		
(Increase)/Decrease in Receivables	(123)	(402)
Increase/(Decrease) in payables	<u>-</u>	<u>7,596</u>
CASH FLOWS FROM OPERATIONS	<u>(588)</u>	<u>(8,313)</u>

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NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

12. FINANCIAL RISK MANAGEMENT

(a) *General objectives, policies and processes*

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

There have been no substantive changes in the Branch'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 Branch'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 Branch'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 Branch.

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

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:

	2015	2014
	\$	\$
Cash at Bank	15,678	16,266
	<hr/>	<hr/>
	15,678	16,266
	<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 Branch may encounter difficulties raising funds to meet commitments associated with financial liabilities.

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

12. FINANCIAL RISK MANAGEMENT (Cont'd)

The Branch is not significantly exposed to this risk, as at 30 June 2015 it had \$15,678 (2014: \$16,266) of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 30 June 2015 totalled \$123,826 (2014: \$123,826 restated).

(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 Branch'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:

30 June 2015	Floating interest rate	Non interest bearing	Total
	\$	\$	\$
Financial Assets			
Cash	15,678	-	15,678
Sundry Debtors	-	76,946	76,946
	<u>15,678</u>	<u>76,946</u>	<u>92,624</u>
Weighted average interest rate	0.01%		
Financial Liabilities			
Payables	-	123,826	123,826
	<u>-</u>	<u>123,826</u>	<u>123,826</u>
Net Financial Assets/(Liabilities)	<u>15,678</u>	<u>(46,880)</u>	<u>(31,202)</u>

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

12. FINANCIAL RISK MANAGEMENT (Cont'd)

30 June 2014 (Restated)	Floating interest rate \$	Non interest bearing \$	Total \$
Financial Assets			
Cash	16,266	-	16,266
Sundry Debtors	-	76,823	76,823
	<u>16,266</u>	<u>76,823</u>	<u>93,089</u>
Weighted average interest rate	0.01%		
Financial Liabilities			
Payables	-	123,826	123,826
	<u>-</u>	<u>123,826</u>	<u>123,826</u>
Net Financial Assets/(Liabilities)	<u>16,266</u>	<u>(47,003)</u>	<u>(30,737)</u>

(e) *Interest Rate Risk*

Sensitivity Analysis

2015	Carrying Amount \$	+1% (100 Basis Points) Profit \$	-1% (100 Basis Points) Loss \$
Cash and cash equivalents	15,678	156	(156)

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

(f) *Other Price Risks*

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

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)

13. CONTINGENT LIABILITIES

The Branch has not made any payments or set a provision aside for future payments to United Firefighters Union of Australia (UFUA) National Office in relation to the amounts in dispute, as it cannot reliably or practically estimate the amount of the future financial commitment. Refer to Note 15 (Financial Dependence) for further details.

14. 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 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.

15. 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 \$40,057 (payable of \$119,583 less receivable of \$79,526). This amount has been in dispute with UFUA National Office for at least the past six 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 disputed capitation amounts due and the inability of the National Office to recommence the legal proceedings against the NSW Branch that it discontinued in 2012. Excluding this net liability, the Branch will be in a net asset position of \$8,855. The cash reserve of the Branch is sufficient to pay its debts, including future capitation payment as and when they become due and payable.

In 2015, the State Committee of Management of the Fire Brigade Employees' Union of New South Wales resolved further to amend the Union's 2010 policy regarding financial support for the UFUA and/or the NSW Branch by setting two separate conditions which, if triggered or satisfied, would result in the resumption of FBEU funding for the NSW Branch. This resolution was adopted at the FBEU's Annual General Meeting held on 28 October 2015.

The financial statements have been prepared on a going concern basis by the Branch Committee of Management on the basis of the matters referred to in Notes 1 and above. While the conditions of the financial support have not as yet been triggered or satisfied, the Branch Committee of Management believes the day to day administration of the Branch (including all forward payments due to the Union's National Office) is able to be managed within the current operational cash flows.

The Branch Committee of Management is satisfied that current operational cash flows will meet the estimated obligations of the Branch and, given the recent commitment of the FBEU to underwrite any Branch liability that is ordered by a competent court to be paid, that all legitimate liabilities of the Branch will be met.

UNITED FIREFIGHTERS UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2015 (Cont'd)**

16. POST-REPORTING DATE EVENTS

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

17. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

Management controls the capital of the Branch to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised. The Committee of Management ensure that the overall risk management strategy is in line with this objective.

The Branch's capital consists of financial liabilities, supported by financial assets. Management effectively manages the Branch's capital by assessing the Branch's financial risk and responding to changes in these risks and in the market. These responses may include the consideration of debt levels. There have been no changes to the strategy adopted by management to control capital of the Branch since the previous year.

18. REGISTERED OFFICE

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

145 De Boos 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 2015, and the statement of profit or loss and other 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) Regulations 2009 and all requirements of Part 3 of Chapter 8 of the Fair Work (registered Organisations) Act 2009. This 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.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the 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 and Ethical Standards Board.

Auditor's opinion

In our opinion, the financial report of United Firefighters Union of Australia New South Wales Branch;

- a presents fairly, in all material respects, the Branch's financial position as at 30 June 2015 and of its performance and cash flows for the year then ended;
- b complies with Australian Accounting Standards and the relevant legislation;
- c complies with the requirements of the Fair Work (Registered Organisations) Regulation 2009 and Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009; and
- d as part of the audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in the preparation of the Reporting Unit's financial statements is appropriate.

Emphasis of matter – Going Concern

Without qualification we draw attention to Note 1 which states 'The United Firefighters Union of Australia New South Wales Branch has a deficit of \$465 for the year ended 30 June 2015 and had net liabilities of \$31,202 as at 30 June 2015. The financial statements have been prepared on a going concern basis due to the factors referred to in Note 1 and Note 15. The Branch Committee of Management and Branch Secretary have assessed and considered it appropriate for the accounts to be prepared on this basis.

Emphasis of matter – Prior period error

The Committee of Management while preparing the financial statements for the year ended 30 June 2015, noticed they had failed to record the correct amount payable to the United

Firefighters Union of Australia – National Office for the 2014 year in basing the calculation on the 30 June 2014 members and not the 30 June 2013 members. The incorrect amount payable in the previous year's financial statements as referred to in Note 1(j), represents a material prior period error in the Statement of Financial Performance which must be accounted for retrospectively in the financial statements in accordance with the requirements of AASB 108. Consequently, the Committee of Management has adjusted all comparative amounts presented in the current period's financial statements affected by the accounting error.

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:

- 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.

Other matter

The signor is an Approved Auditor (who holds a current Public Practice Certificate) with the Chartered Accountants Australia and New Zealand.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



A L Spowart
Partner - Audit & Assurance

Sydney, 9 December 2015