



19 July 2013

Vincent Males
Branch Secretary
United Firefighters' Union - Tasmania Branch
P.O Box 20
North Hobart TAS 7000

Dear Mr Males

United Firefighters' Union Tasmania Branch Financial Report for the year ended 30 June 2012 - FR2012/302

I acknowledge receipt of the financial report of the United Firefighters' Union of Australia Tasmania Branch for the year ended 30 June 2012. The documents were lodged with Fair Work Australia on 12 December 2012. I acknowledge receipt of supplementary information on 18 July 2013 regarding disclosure of affiliation fees and the Cash Flow Statement.

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

Changes to the legislation and reporting guidelines

I note with the change of legislation, references to Fair Work Australia will need to be updated to the Fair Work Commission.

Additionally, a third edition to the General Manager's s.253 reporting guidelines was gazetted on 26 June 2013. These guidelines will apply to all financial reports that end on or after 30 June 2013. Fair Work Commission has also developed a model set of financial statement for the 2012-2013 financial year. There is no requirement to use this model but it may be a useful resource to ensure compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 reporting guidelines and the Australian Accounting Standards.

The guidelines and model financial statements are available on the website here:
<http://www.fwc.gov.au/index.cfm?pagename=regorgsfrguidelines#finance>

If you have any queries regarding this letter, please contact me on (03) 8661 7886, or by email at joanne.fenwick@fwc.gov.au.

Yours sincerely

Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch



United Firefighters Union of Australia

Tasmania Branch

Protecting Firefighters since 1943

www.ufutas.asn.au

379 Elizabeth Street North Hobart Tas 7000
PO Box 20 North Hobart Tas 7002
ABN: 82 168 561 663

Phone: (03) 6234 9331
Facsimile: (03) 6234 9505
Email: ufutas@ufutas.com
Secretary: Vincent Males 0417 154 633
President: Darren Gye 0417 712 011

File No.: Audit 2012
File Name: Certificate of Secretary 11 December 2012

Please address all correspondence to the Secretary

11 December 2012

Sarscha Wardlaw
Manager
Fair Work Australia – Tasmania
GPO Box 1232M
HOBART TAS 7001

Dear Ms Wardlaw



Certificate of Secretary

Fair Work (Registered Organisations) Act 2009

I Vincent Males being the Secretary of the United Firefighters Union of Australia Tasmania 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*; and

that the full report was provided to members on 1 November 2012; and

that the full report was presented to and accepted by an Annual General Meeting of members of the reporting unit on Friday 7 December 2012; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Yours faithfully

Vincent Males
Secretary

United Firefighters Union of Australia Tasmania Branch

Financial Report

For the Year Ended 30 June 2012

United Firefighters Union of Australia Tasmania Branch

For the Year Ended 30 June 2012

CONTENTS

	<u>Page</u>
Financial Report	
Operating Report	1
Statement by Members of the Committee	3
Statement of Comprehensive Income	4
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Auditors Independence Declaration	20
Independent Audit Report	21

OPERATING REPORT



Number of members

As at 30 June 2012 321 members.

Number of employees

As at 30 June 2012 the branch employed 1 Senior Industrial Officer 5 days per week and 1 Office Manager 4 days per week. The Secretary receives a monthly honorarium.

Principal activities

During the reporting period the branch was highly successful in improving member's wages and conditions of employment.

Significant changes in financial affairs

There were no significant changes in the reporting unit's financial affairs.

Right of member to resign

Members of the branch are fully aware of their right to be or not be a member of the union. They are aware that this can be done by written notice to the Branch Secretary.

The branch receives copies of all resignation letters courtesy of the Tasmania Fire Service. These are accepted for the purpose of resignation from branch membership. The branch does not collect union dues in arrears under any circumstances.

UFU of A Rules - Rule 8 – RESIGNATION FROM MEMBERSHIP states:

"8 - RESIGNATION FROM MEMBERSHIP

- (1) A member of the Union may resign from membership by written notice addressed and delivered to the Secretary of the Branch to which such member belongs.
- (2) A notice of resignation from membership of the Union takes effect:
 - (a) where the member ceases to be eligible to become a member of the Union:
 - (i) on the day on which the notice is received by the Union; or
 - (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member; whichever is later; or
 - (b) in any other case:
 - (i) at the end of two weeks after the notice is received by the Union; or
 - (ii) on the day specified in the notice; whichever is later.
- (3) Any dues payable but not paid by a former member of the Union, in relation to a period before a member's resignation from the Union took effect, may be sued for and recovered in the name of the Union, in a court of competent jurisdiction, as a debt due to the Union.
- (4) A notice delivered to the Branch Secretary shall be taken to have been received by the Union when it was delivered.
- (5) A notice of resignation that has been received by the Union is not invalid because it was not addressed and delivered in accordance with Sub-Rule (1).
- (6) A resignation from membership of the Union is valid even if it is not effected in accordance with this Rule if the member is informed in writing by or on behalf of the Union that the resignation has been accepted."

In addition, members may resign in accordance with the provisions of Schedule 1 to the Act (the RAO Schedule) Section 174 and Section 254 (2) (c).

The UFU continues to run at the highest density rate of any union and membership continues to grow at every opportunity.

Superannuation trustees

No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

Details of membership of the Committee of Management 1/7/11 – 30/6/12

Position	Name	Period held Office during year
Current positions		
President	Darren Gye	1/7/11 – 30/6/12
Secretary	Vincent Males	1/7/11 – 30/6/12
Vice-President	Dale Rayner	5/4/12 – 30/6/12
Junior Vice-President	Chris Tomes	5/4/12 – 30/6/12
Trustee	John Holloway	5/4/12 – 30/6/12
Trustee	Colin Lockhart	1/7/11 – 30/6/12
Trustee	Stewart McKinlay	20/7/11 – 30/6/12
Trustee	Val Ansett	5/4/12 – 30/6/12
Trustee	Glenn Greenland	5/4/12 – 30/6/12

Past positions		
Vice-President	John Holloway	1/7/11 – 4/4/12
Junior Vice-President	John Hardstaff	1/7/11 – 4/4/12
Trustee	Dale Rayner	1/7/11 – 4/4/12
Trustee	Chris Tomes	1/7/11 – 4/4/12
Trustee	Shane Batt	1/7/11 – 4/4/12
Trustee	Daniel Redpath	1/7/11 – 4/4/12



Vincent Males
Secretary
3 October 2012



Committee of Management Statement

On 3 October 2012 the Committee of Management of the United Firefighters Union of Australia Tasmania Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2012:

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager Fair Work Australia;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned;
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the Branch concerned;
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with *Fair Work (Registered Organisations) Act 2009* and the *Fair Work (Registered Organisations) Regulations 2009*;
 - (iv) the organisation consists of only one reporting unit;
 - (v) no requests have been made by a member of the reporting unit or the General Manager Fair Work Australia under section 272 of the *Fair Work (Registered Organisations) Act 2009*; and
 - (vi) no orders have been made by the Fair Work Australia under section 273 or the *Fair Work (Registered Organisations) Act 2009* during the period.
- (f) there was no recovery of wages activity for the financial year.

Signed in accordance with a resolution of the members of the Committee of Management:

Vincent Males
Secretary

Dated this 3rd day of October 2012

Darren Gye
President

Dated this 3rd day of October 2012

PO Box 20 North Hobart Tas 7002
379 Elizabeth Street North Hobart Tas 7000
PH: (03) 6234 9331 FAX: (03) 6234 9505
e-mail: ufutas@ufutas.com
web-site: www.ufutas.asn.au
ABN 82 168 561 663

Please address all correspondence to the Secretary

Secretary: Vincent Males
Mobile: 0417 154 633

President: Darren Gye
Mobile: 0417 712 011

United Firefighters Union of Australia Tasmania Branch

Statement of Comprehensive Income

For the Year Ended 30 June 2012

	2012	2011
	\$	\$
Income		
Union dues	237,933	229,602
Sale of merchandise	-	182
Interest income	10,283	10,289
Total income	248,216	240,073
Less: Expenses		
Accountancy & audit	4,970	4,230
Allowances	-	3,129
Air fares and travel	7,925	12,771
Affiliation fees	28,203	25,720
Bank charges	505	236
Administrative charges - Unions Tasmania	1,200	1,000
Catering	1,817	1,653
Christmas function	1,999	1,364
Computer expenses	999	1,555
Conference expenses	240	387
Campaigns	31,440	-
Depreciation	4,996	5,680
Disputes	-	3,010
Donations	1,000	1,000
Employee entitlements	9,433	(27,597)
Minor asset purchases	266	-
Fringe benefits tax	1,786	2,574
Insurance	2,276	2,093
Legal fees	1,629	399
Light & power	1,796	1,596
Motor vehicle expenses	7,044	5,345
Printing, stationery & advertising	7,444	5,231
Purchase of merchandise	676	1,310
Rent	6,402	1,329
Repairs and maintenance	730	1,093
Staff amenities	200	215
Superannuation - employees	11,213	3,754
Superannuation - officers	1,020	4,691
Sundry expenses	377	4,051
Telephone	8,407	6,627
Training & development	7,516	7,141
Uniform provision for employees	1,127	409
Wages & salaries - officers	11,335	75,834
Wages & salaries - employees	124,470	47,974

The accompanying notes form part of these financial statements.

United Firefighters Union of Australia Tasmania Branch

Statement of Comprehensive Income

For the Year Ended 30 June 2012

	2012	2011
	\$	\$
Total Expenses	290,441	205,804
Net surplus/(deficit)	(42,225)	34,269
Other comprehensive income	-	-
Total comprehensive income	(42,225)	34,269

The accompanying notes form part of these financial statements.

United Firefighters Union of Australia Tasmania Branch

Statement of Financial Position

As At 30 June 2012

	Note	2012 \$	2011 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	178,626	210,433
Trade and other receivables	3	2,792	2,047
Inventories		1,983	2,659
Other assets	5	707	646
TOTAL CURRENT ASSETS		<u>184,108</u>	<u>215,785</u>
NON-CURRENT ASSETS			
Property, plant and equipment	4	25,562	30,119
TOTAL NON-CURRENT ASSETS		<u>25,562</u>	<u>30,119</u>
TOTAL ASSETS		<u>209,670</u>	<u>245,904</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	10,151	13,593
Short-term provisions	7	27,742	18,309
TOTAL CURRENT LIABILITIES		<u>37,893</u>	<u>31,902</u>
TOTAL LIABILITIES		<u>37,893</u>	<u>31,902</u>
NET ASSETS		<u>171,777</u>	<u>214,002</u>
EQUITY			
Accumulated surpluses		<u>171,777</u>	<u>214,002</u>
TOTAL EQUITY		<u>171,777</u>	<u>214,002</u>

The accompanying notes form part of these financial statements.

United Firefighters Union of Australia Tasmania Branch

Statement of Changes in Equity

For the Year Ended 30 June 2012

2012

	Accumulated Surpluses	Total
	\$	\$
Balance at 1 July 2011	214,002	214,002
Net surplus/(deficit)	(42,225)	(42,225)
Balance at 30 June 2012	<u>171,777</u>	<u>171,777</u>

2011

	Accumulated Surpluses	Total
	\$	\$
Balance at 1 July 2010	179,733	179,733
Net surplus/(deficit)	34,269	34,269
Balance at 30 June 2011	<u>214,002</u>	<u>214,002</u>

The accompanying notes form part of these financial statements.

United Firefighters Union of Australia Tasmania Branch

Statement of Cash Flows

For the Year Ended 30 June 2012

	2012	2011
Note	\$	\$
CASH FROM OPERATING ACTIVITIES:		
Receipts to customers	237,933	232,584
Payments to suppliers and employees	(280,677)	(223,022)
Interest received	9,538	8,242
Net flow of GST	1,838	(33)
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	8 (31,368)	17,771
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	4(a) (439)	(22,157)
	<hr/>	<hr/>
Net cash provided by/(used in) investing activities	(439)	(22,157)
Net cash increase/(decreases) in cash and cash equivalents	(31,807)	(4,386)
Cash and cash equivalents at beginning of year	210,433	214,819
	<hr/>	<hr/>
Cash and cash equivalents at end of financial year	2 178,626	210,433
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2012

1 Summary of Significant Accounting Policies

(a) General Information

These financial report covers United Firefighters Union of Australia Tasmania Branch as an individual entity, incorporated and domiciled in Australia. United Firefighters Union of Australia Tasmania Branch is a registered employee organisation under the *Fair Work (Registered Organisations) Act 2009*.

(b) Basis of Preparation

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

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(c) Comparative Figures

Where appropriate, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

(e) Plant and Equipment

Plant and equipment are measured on the cost basis less, where applicable, any accumulated depreciation.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2012

1 Summary of Significant Accounting Policies continued

(e) Plant and Equipment continued

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

Class of Fixed Asset

Motor Vehicles	25%
Office Equipment	10% - 25%
Computer Equipment	33.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(f) Critical Accounting Estimates and Judgments

The Committee evaluates estimates and judgements incorporated into the Financial Statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the reporting unit.

(g) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the reporting unit commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

(i) Loans and receivables

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

(ii) Financial liabilities

Non-derivative financial liabilities are at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

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

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2012

1 Summary of Significant Accounting Policies continued

(h) Employee Benefits

Provision is made for the reporting unit's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

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

(i) Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(j) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Subscription income is recognised in the period to which the subscriptions relate.

Interest revenue is recognised over the period for which the funds are invested.

Grant and donation income is recognised when the Association obtains control over the funds which is generally at the time of receipt.

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

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Amounts recorded within the statement of cash flows are presented on a net basis with the annual GST movement presented as a separate operating cash flow.

(l) Income Tax

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

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2012

1 Summary of Significant Accounting Policies continued

(m) Adoption of new and revised accounting standards

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

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

Standard Name	Impact
AASB 124 Related Party Disclosures and amending standard AASB 2009-12	No significant changes on adoption of this standard.
AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement	No significant changes on adoption of this standard.
AASB 2010-4 / 2010-5 Amendments and further amendments to Australian Accounting Standards arising from the Annual Improvements Project	No significant changes on adoption of this standard.
AASB 2010-6 Amendment to Australian Accounting Standards – Disclosures on transfers of financial assets	No significant changes on adoption of this standard.
AASB 2010-9 / 2010-10 Amendment to Australian Accounting Standards – Severe hyperinflation and removal of fixed dates for first-time adopters	No impact since the entity is not a first-time adopter of IFRS.
AASB 1054 Additional Australian disclosures / AASB 2011-1 Amendments to Australian Accounting Standards arising from Trans-Tasman convergence	Minimal impact since most of the disclosures required by AASB 1054 are already included within the financial statements.
AASB 2011 – 5 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation [AASB 127, AASB 128 & AASB 131]	The union does not have any not-for-profit entities and therefore there is no impact from the adoption of this standard.

(n) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Association has decided against early adoption of these Standards. The following table summarises those relevant future requirements, and their impact on the Association:

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2012

1 Summary of Significant Accounting Policies continued

(n) New accounting standards for application in future periods continued

Standard name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments and amending standards AASB 2009-11 / AASB 2010-7	30 June 2016	- Changes to the classification and measurement requirements for financial assets and financial liabilities. - New rules relating to derecognition of financial instruments.	The impact of AASB 9 has not yet been determined as the entire standard has not been released
AASB 13 Fair Value Measurement. AASB 2011-8 - Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]	30 June 2014	AASB 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Accounting Standards but does not change when fair value is required or permitted. There are a number of additional disclosure requirements.	Fair value estimates currently made by the entity will be revised and potential changes to reported values may be required. The entity has not yet determined the magnitude of any changes which may be needed. Some additional disclosures will be needed.
AASB 2011-9 - Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income.	30 June 2013	Entities will be required to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments).	The items shown in other comprehensive income will be separated into two categories.

(o) Notes to be Provided to Members or the General Manager of FWA

(i) 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.

(ii) The application must be in writing and must specify the period within which, and the manner in which, information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(iii) A reporting unit must comply with an application made under subsection (i).

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2012

2 Cash and Cash Equivalents

	2012	2011
	\$	\$
Cash at bank	53,626	31,345
Short-term bank deposits	125,000	179,088
	<u>178,626</u>	<u>210,433</u>

3 Trade and Other Receivables

	2012	2011
	\$	\$
Interest Receivable	2,792	2,047
	<u>2,792</u>	<u>2,047</u>

4 Property, Plant and Equipment

	2012	2011
	\$	\$
Motor vehicles		
At cost	15,455	15,455
Accumulated depreciation	(9,259)	(7,460)
Total motor vehicles	<u>6,196</u>	<u>7,995</u>
Office equipment		
At cost	19,413	18,974
Accumulated depreciation	(9,052)	(6,086)
Total office equipment	<u>10,361</u>	<u>12,888</u>
Leasehold improvements		
At cost	9,399	9,399
Accumulated amortisation	(394)	(163)
Total leasehold improvements	<u>9,005</u>	<u>9,236</u>
Total plant and equipment	<u>25,562</u>	<u>30,119</u>

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2012

4 Property, Plant and Equipment continued

(a) Movements in Carrying Amounts

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Motor Vehicles \$	Office Equipment \$	Leasehold Improvements \$	Total \$
2012				
Balance at the beginning of year	7,995	12,888	9,236	30,119
Additions	-	439	-	439
Depreciation expense	(1,799)	(2,966)	(231)	(4,996)
Carrying amount at the end of 30 June 2012	<u>6,196</u>	<u>10,361</u>	<u>9,005</u>	<u>25,562</u>
2011				
Balance at the beginning of year	10,316	3,326	-	13,642
Additions	-	12,758	9,399	22,157
Depreciation expense	(2,321)	(3,196)	(163)	(5,680)
Carrying amount at the end of 30 June 2011	<u>7,995</u>	<u>12,888</u>	<u>9,236</u>	<u>30,119</u>

5 Other Assets

	2012 \$	2011 \$
Prepayments	707	646
	<u>707</u>	<u>646</u>

6 Trade and Other Payables

	2012 \$	2011 \$
Trade payables	-	5,280
Credit Card	531	4,021
PAYG withholding	7,900	4,410
GST payable/(refundable)	1,720	(118)
	<u>10,151</u>	<u>13,593</u>

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2012

7 Provisions

	2012	2011
	\$	\$
CURRENT		
Annual leave - employees	9,003	116
Long service leave - employees	18,739	18,193
	<u>27,742</u>	<u>18,309</u>

8 Cash Flow Information

Reconciliation of Cash Flow from Operations with Surplus/(Deficit)

	2012	2011
	\$	\$
Net surplus/(deficit) for the year	(42,225)	34,269
Non-cash flows in surplus/(deficit)		
- Depreciation	4,996	5,680
Changes in assets and liabilities		
- (Increase)/decrease in prepayments	(806)	(2,043)
- (Increase)/decrease in inventories	676	300
- Increase/(decrease) in trade payables and accruals	(3,442)	7,162
- Increase/(decrease) in provisions	9,433	(27,597)
	<u>(31,368)</u>	<u>17,771</u>

9 Financial Instruments

Financial Risk Management

The Association's financial instruments consist mainly of deposits with banks, short-term investments and accounts receivable and payable.

Financial Risk Exposures and Management

The main risks the Association is exposed to through its financial instruments are credit risk, liquidity risk, interest rate risk, foreign currency risk and price risk.

(a) Interest rate risk

The reporting unit does not have any material interest rate risk. Any risk arising is managed with a mixture of fixed and floating rate investment.

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2012

9 Financial Instruments continued

(b) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the Association. The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognise financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements.

United Firefighters Union of Australia Tasmania Branch does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the reporting unit.

(c) Foreign Currency Risk

The reporting unit does not have any exposure to fluctuations in foreign currencies.

(d) Liquidity risk

United Firefighters Union of Australia Tasmania Branch manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

(e) Price risk

United Firefighters Union of Australia Tasmania Branch is not exposed to any material commodity price risk.

Sensitivity Analysis

United Firefighters Union of Australia Tasmania Branch has performed an assessment of its exposure to interest rate risk, liquidity risk and credit risk at balance date. United Firefighters Union of Australia Tasmania Branch is not currently subject to any interest rate risk on its financial liabilities, and has assessed that there is also no exposure to liquidity risk to meet its financial obligations. United Firefighters Union of Australia Tasmania Branch's exposure to credit risk has been assessed as not material, due to the nature, collectability and recoverability of the amounts owed.

As a result of the risk assessment performed by the United Firefighters Union of Australia Tasmania Branch, any positive or negative changes in the interest rate risk, liquidity risk or credit risk would not have a material effect on the financial statements. Hence quantitative disclosures are not required.

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2012

9 Financial Instruments continued

Financial instrument composition and maturity analysis

The Association's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Floating Interest Rate		Maturing within 1 Year		Non-interest Bearing		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets:								
Cash and cash equivalents	53,626	31,345	-	-	-	-	53,626	31,345
Short term deposits	-	-	125,000	179,088	-	-	125,000	179,088
Total Financial Assets	53,626	31,345	125,000	179,088	-	-	178,626	210,433
Financial Liabilities:								
Trade and sundry payables	-	-	-	-	10,151	13,593	10,151	13,593
Total Financial Liabilities	-	-	-	-	10,151	13,593	10,151	13,593

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2012

10 Related Party Transactions

There have been no related party transactions for the financial year. Where transactions between related parties do occur these are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

11 Auditors' Remuneration

	2012	2011
	\$	\$
Remuneration of the auditor of the Association for:		
- Auditing or reviewing the financial report	3,695	3,550
- Taxation services - FBT return	400	510
- Other services	570	330
	<u>4,665</u>	<u>4,390</u>

12 Capital and Leasing Commitments

There are no capital or leasing commitments as at reporting date.

United Firefighters Union of Australia Tasmania Branch currently leases office space on a monthly basis from Unions Tasmania.

13 Contingent Liabilities and Contingent Assets

There are no contingent liabilities or contingent assets as at reporting date to be disclosed.

14 Events After the End of the Reporting Period

There are no events after the Statement of Financial Position date to be disclosed.

15 Company Details

The registered office of the union is:
United Firefighters Union of Australia Tasmania Branch
379 Elizabeth Street
NORTH HOBART TAS 7000

Hobart
Level 1, 142-146 Elizabeth Street
Hobart, TAS 7000

GPO Box 392
Hobart, TAS 7001

T 03 6210 2525
F 03 6210 2524

Launceston
62 Paterson Street
Launceston, TAS 7250

PO Box 1000
Launceston, TAS 7250

T 03 6323 1222
F 03 6323 1231

hobart@whk.com.au
www.whk.com.au

WHK Audit
55 418 676 941

United Firefighters Union of Australia Tasmania Branch

Auditors Independence Declaration

For the Year Ended 30 June 2012

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Professional Ethical Standards in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

WHK

WHK



Alison Flakemore
Audit Partner

Dated this 15th day of October 2012.

Hobart
Level 1, 142-146 Elizabeth Street
Hobart, TAS 7000

GPO Box 392
Hobart, TAS 7001

T 03 6210 2525
F 03 6210 2524

Launceston
62 Paterson Street
Launceston, TAS 7250

PO Box 1000

Launceston, TAS 7250

T 03 6323 1222

F 03 6323 1231

United Firefighters Union of Australia Tasmania Branch

Independent Audit Report to the members of United Firefighters Union of Australia Tasmania Branch

Report on the Financial Report

We have audited the accompanying financial report of United Firefighters Union of Australia Tasmania Branch, which comprises the statement of financial position as at 30 June 2012, 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, and the statement by members of the committee.

hobart@whk.com.au
www.whk.com.au

WHK Audit
55 418 676 841

Committees' Responsibility for the Financial Report

The committee of the Association are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009* and for such internal control as the committee determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

Hobart
Level 1, 142-146 Elizabeth Street
Hobart, TAS 7000

GPO Box 392
Hobart, TAS 7001

T 03 6210 2525
F 03 6210 2524

Launceston
62 Paterson Street
Launceston, TAS 7250

PO Box 1000
Launceston, TAS 7250

T 03 6323 1222
F 03 6323 1231

hobart@whk.com.au
www.whk.com.au

WHK Audit
55 418 676 841

United Firefighters Union of Australia Tasmania Branch

Independent Audit Report to the members of United Firefighters Union of Australia Tasmania Branch

Independence

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

Opinion

In our opinion the financial report of United Firefighters Union of Australia Tasmania Branch is in accordance with the *Fair Work (Registered Organisations) Act 2009*, including:

- (a) giving a true and fair view of the Association's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards.

WHK
WHK



Alison Flakemore
Audit Partner

Auditor Qualifications

Bachelor of Commerce with Honours
Registered Company Auditor No. 241220
Institute of Chartered Accountants Australia Member No. 96387

Dated this 8th day of October 2012.