



FAIR WORK  
COMMISSION

12 December 2016

Mr Greg Cooper  
Secretary, Tasmania Branch  
United Firefighters' Union of Australia

By email: [greg.cooper@ufutas.com](mailto:greg.cooper@ufutas.com)

Dear Mr Cooper

**Re: Lodgement of Financial Statements and Accounts – United Firefighters' Union of Australia, Tasmania Branch - for year ended 30 June 2016 (FR2016/297)**

I refer to the financial report for the Tasmania Branch of the United Firefighters' Union of Australia. The report was lodged with the Fair Work Commission on 8 December 2016.

The financial report has been filed based on a primary review. This involved confirming whether 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.

You do not have to take any further action in relation to the report lodged but I make the following comment to assist when preparing the next financial report. Please note that the financial report for the year ending 30 June 2017 may be subject to an advanced compliance review.<sup>1</sup>

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

Section 268 of the RO Act requires that the full report and the designated officer's certificate be lodged with the FWC within 14 days of the meeting at which the report is presented. The Designated Officer's Certificate indicates that this meeting was the Annual General meeting which occurred on 15 November 2016. If this is correct the full report should have been lodged with the FWC by 29 November 2016.

I gather from your covering email dated 8 December, addressed to Mr Sam Gallichio, that the lateness was due to a misunderstanding about the deadline for lodgement, and not due to any impediment. For the avoidance of doubt, however, please note that if in future financial years if the branch anticipates that it will not be able to lodge the report within the 14 day period, a written request for an extension of time, signed by the relevant officer, including any reason for the delay, must be made prior to the expiry of the 14 day period.

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

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<sup>1</sup> The full range of disclosure requirements that may apply can be found itemised on the advanced assessment form available at <https://www.fwc.gov.au/documents/documents/organisations/factsheets/org-financial-report-checklist-advanced.pdf>

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 require further information on the financial reporting requirements of the Act, I may be contacted on [REDACTED] or [REDACTED] or by email at [stephen.kellett@fwc.gov.au](mailto:stephen.kellett@fwc.gov.au)

Yours sincerely

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett  
Senior Adviser  
Regulatory Compliance Branch



# United Firefighters Union of Australia

## Tasmania Branch

Protecting Professional Firefighters since 1943

[www.ufutas.asn.au](http://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](mailto:ufutas@ufutas.com)  
Branch Secretary: Greg Cooper 0418 126 488

File No.: Audit 2016  
File Name: Certificate of Secretary 8 December 2016  
8 December 2016

Ken Morgan  
Financial Reporting Advisor  
Regulatory Compliance Branch  
Fair Work Commission  
GPO Box 1994  
**MELBOURNE VIC 3001**

Dear Mr Morgan

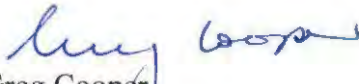
**Re: United Firefighters Union of Australia Tasmania Branch  
s.268 Fair Work (Registered Organisations) Act 2009  
CERTIFICATE OF BRANCH SECRETARY  
Certificate for the period ended 30 June 2016**

I, Greg Cooper, being the Branch Secretary of the United Firefighters Union of Australia Tasmania Branch certify:

- that the documents lodged herewith are copies of the full report for the United Firefighters Union of Australia Tasmania Branch for the period ended 30 June 2016 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was presented to a Branch Committee of Management Meeting of the reporting unit on 30 August 2016; and
- that the full report was provided to members of the reporting unit by e-mail on 16 October 2016; and
- that the full report was presented to and accepted at the Annual General Meeting of members held on Tuesday 15 November 2016

I declare on behalf of the United Firefighters Union of Australia Tasmania Branch that the above is a correct statement.

Yours faithfully

  
Greg Cooper  
**Branch Secretary**

# **United Firefighters Union of Australia Tasmania Branch**

**Financial Report**

**For the Year Ended 30 June 2016**

# United Firefighters Union of Australia Tasmania Branch

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For the Year Ended 30 June 2016

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## OPERATING REPORT



### Number of members

As at 30 June 2016 350 members.

### Number of employees

As at 30 June 2016 the branch employed 1 Secretary 5 days per week and 1 Office Manager 4 days per week.

### Principal activities

During the reporting period the branch was successful in improving member's wages and improving conditions of employment including matters relating to processing and supporting members with workers compensation claims. There has been no significant change to the principal activities during the year.

### Significant changes in financial affairs

There were no significant changes in the reporting unit's financial affairs and principal activities during the financial year.

### 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 and/or directly from the membership. 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.

PO Box 20 North Hobart Tas 7002  
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web-site: [www.ufutas.asn.au](http://www.ufutas.asn.au)

Please address all correspondence to the Secretary

Branch Secretary: Greg Cooper  
Mobile: 0418 126 488

Branch President: John Holloway  
Mobile: 0437 987 225

- (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 the Fair Work (Registered Organisations) Act 2009.

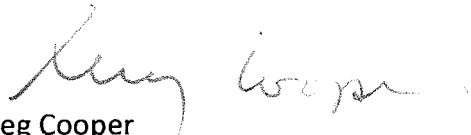
The UFU continues to have a very high density rate of union membership.

**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.

Details of membership of the Committee of Management 1/7/15 – 30/6/16

Position	Name	Period held Office during year
President	John Holloway	1/7/15 – 30/6/16
Branch Secretary	Greg Cooper	1/7/15 – 30/6/16
Vice-President	Colin Lockhart	1/7/15 – 30/6/16
Junior Vice-President	Warren Frey	1/7/15 – 30/6/16
Trustee	Stewart McKinlay	1/7/15 – 30/6/16
Trustee	Glenn Greenland	1/7/15 – 30/6/16
Trustee	Mark Dobson	1/7/15 – 30/6/16
Trustee	Grant Joyce	1/7/15 – 30/6/16
Trustee	Jeremy Patterson	1/7/15 – 30/6/16
Trustee	Jeremy Ripper	1/7/15 – 30/6/16

  
 Greg Cooper  
 Branch Secretary  
 1 September 2016



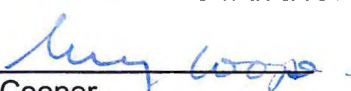
## Committee of Management Statement

On 1 September 2016 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 2016:

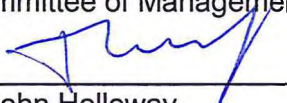
The Committee of Management declares in relation to the GPFR that in its opinion:

- (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 of Fair Work Commission;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a Branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a Branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Regulations 2009; and
  - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - (v) the information sought in any request of a member of the reporting unit or the General Manager of Fair Work Commission duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager; and
  - (vi) no orders have been made by the Fair Work Commission 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:

  
\_\_\_\_\_  
Greg Cooper  
**Branch Secretary**

Dated this 1<sup>st</sup> day of September 2016

  
\_\_\_\_\_  
John Holloway  
**Branch President**

Dated this 1st day of September 2016

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Please address all correspondence to the Secretary

Branch Secretary: Greg Cooper  
Mobile: 0418 126 488

Branch President: John Holloway  
Mobile: 0437 987 225



# United Firefighters Union of Australia Tasmania Branch

## Statement of Comprehensive Income

For the Year Ended 30 June 2016

	Note	2016 \$	2015 \$
<b>Income</b>			
Capitation fees and levies	2(a)	-	-
Grants and donations	2(b)	-	-
Interest income		5,088	6,201
Other Revenue		920	-
Recovery of wages from employers		-	-
Union Dues		289,200	266,674
<b>Total income</b>		<b>295,208</b>	<b>272,875</b>
<b>Less: Expenses</b>			
Accountancy and audit		4,640	4,490
Administrative charges - Unions Tasmania		1,200	1,200
Affiliation, capitation and levies	3(a)	44,394	29,111
Air fares and travel		10,434	5,223
Bank charges		354	380
Catering		2,249	2,266
Computer expenses		148	2,232
Cost of sales		(1,594)	631
Depreciation		4,105	4,656
Employee benefits expense	3(b)	151,798	167,810
Fringe benefits tax		3,153	2,931
Grants and donations	3(c)	-	-
Insurance		3,043	2,918
Light and power		2,111	1,996
Motor vehicle expenses		4,826	5,685
Other administrative expenses	3(d)	3,991	(49)
Printing, stationery and advertising		6,550	6,751
Rent		7,996	7,823
Repairs and maintenance		-	36
Sundry expenses		3,705	533
Telephone		5,519	7,002
Training and development		-	3,120
Travel		5,651	2,888
Uniform provision for employees		1,000	97
Water cooler hire and expenses		200	200
<b>Total Expenses</b>		<b>265,473</b>	<b>259,930</b>
<b>Net surplus/(deficit) for the year</b>		<b>29,735</b>	<b>12,945</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>29,735</b>	<b>12,945</b>

The accompanying notes form part of these financial statements.

# United Firefighters Union of Australia Tasmania Branch

## Statement of Financial Position

As At 30 June 2016

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	269,697	234,506
Trade and other receivables	5	-	840
Inventories		2,856	1,262
Other assets	6	1,018	969
<b>TOTAL CURRENT ASSETS</b>		<u>273,571</u>	<u>237,577</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	25,324	28,683
<b>TOTAL NON-CURRENT ASSETS</b>		<u>25,324</u>	<u>28,683</u>
<b>TOTAL ASSETS</b>		<u>298,895</u>	<u>266,260</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	7,189	5,884
Provision for employee benefits	8	57,980	56,743
<b>TOTAL CURRENT LIABILITIES</b>		<u>65,169</u>	<u>62,627</u>
Provision for employee benefits	8	4,196	3,838
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>4,196</u>	<u>3,838</u>
<b>TOTAL LIABILITIES</b>		<u>69,365</u>	<u>66,465</u>
<b>NET ASSETS</b>		<u>229,530</u>	<u>199,795</u>
<b>EQUITY</b>			
Accumulated surpluses		<u>229,530</u>	<u>199,795</u>
<b>TOTAL EQUITY</b>		<u>229,530</u>	<u>199,795</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 2016

2016

	<b>Accumulated Surpluses</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2015</b>	199,795	199,795
Net surplus/(deficit) for the year	29,735	29,735
<b>Balance at 30 June 2016</b>	<u>229,530</u>	<u>229,530</u>

2015

	<b>Accumulated Surpluses</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2014</b>	186,850	186,850
Net surplus/(deficit) for the year	12,945	12,945
<b>Balance at 30 June 2015</b>	<u>199,795</u>	<u>199,795</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 2016

	2016	2015
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts to customers	320,664	293,727
Receipts from other reporting units	10(a) -	-
Payments to suppliers and employees	(260,572)	(236,802)
Payment to other reporting units	10(a) (29,242)	(29,778)
Interest received	5,088	6,201
Net cash provided by/(used in) operating activities	10(a) <u>35,938</u>	<u>33,348</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(747)	(2,884)
Net cash used by investing activities	<u>(747)</u>	<u>(2,884)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net increase/(decrease) in cash and cash equivalents held	35,191	30,464
Cash and cash equivalents at beginning of year	234,506	204,042
Cash and cash equivalents at end of financial year	10(c) <u>269,697</u>	<u>234,506</u>

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 2016

### 1 Summary of Significant Accounting Policies

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.

#### (a) 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*. The Union is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

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, except for cash flow information, 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. The amounts presented have been rounded to the nearest dollar.

#### (b) Comparative Figures

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

#### (c) 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.

#### (d) Plant and Equipment

Plant and equipment are measured on the cost basis less, where applicable, any accumulated depreciation. Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

#### 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 2016

### 1 Summary of Significant Accounting Policies continued

#### (d) Plant and Equipment continued

The depreciation rates, at diminishing value, 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.

#### (e) 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.

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related services. The Branch expects most employees will not take their annual leave entitlements within this 12 month period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

The entity does not control any other reporting units (subsidiaries). Control is achieved where a reporting unit is exposed or has rights to variable returns from its involvement with an investee and has the ability to affect those returns through its power over the reporting unit.

#### (f) Financial Instruments

##### **Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the Branch becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Branch 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.

##### **Classification and subsequent measurement**

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

# United Firefighters Union of Australia Tasmania Branch

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies continued

#### (f) Financial Instruments continued

*Amortised cost* is calculated as the amount at which the financial asset or financial liability is measured at initial recognition; less principal repayments and any reduction for impairment and adjusted for any cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

#### (i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

#### (ii) Loans and receivables

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

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

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

#### (iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

#### (v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

# United Firefighters Union of Australia Tasmania Branch

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies continued

#### (f) Financial Instruments continued

##### 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.

#### (g) 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.

#### (h) Provisions

Provisions are recognised when the Branch 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.

#### (i) 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 Branch 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).

#### (j) 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.

Cash flows are presented on a gross basis. The GST components of cash flows resulting from investing or



# United Firefighters Union of Australia Tasmania Branch

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies continued

#### (j) Goods and Services Tax (GST) continued

financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

#### (k) Income Tax

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

#### (l) Adoption of new and revised accounting standards

During the current year, standards which became mandatory had no significant impact on the financial report of the Branch.

#### (m) 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 Branch has decided against early adoption of these Standards. The following table summarises those future requirements, and their impact on the Branch:

Standard Name	Effective Date for entity	Requirements	Impact
AASB 9 Financial Instruments	1 January 2018	Changes to the classification and measurement requirements for financial assets and financial liabilities  New rules relating to derecognition of financial instruments.	The impact of this standard is expected to be minimal.
AASB 2014-4 amendments to AASB 116 and AASB 138 arising from acceptable methods of depreciation and amortisation	1 January 2016	Changes to rules regarding entities using revenue-based methods to calculated depreciation or amortisation.	The impact of this standard is expected to be minimal.
AASB 2014-9 amendments to AASB 127 arising from equity method in separate financial statements	1 January 2016	The equity method can be used to account for interests in subsidiaries, joint ventures and associates in separate financial statements, as an alternative to the current options of cost or fair value.	The impact of this standard is expected to be minimal.

# United Firefighters Union of Australia Tasmania Branch

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies continued

#### (m) New accounting standards for application in future periods continued

Standard Name	Effective Date for entity	Requirements	Impact
AASB 2015-1 amendments to AASB 5, AASB 7, AASB 119 and AASB 134 arising from annual improvements	1 January 2016	The following are the main amendments: - AASB 5 Non-current assets held for sale and discontinued operations – guidance on reclassifications between held for sale and held for distribution to/from owners, - AASB 7 Financial instruments: disclosures – clarifies accounting for servicing contracts, - AASB 119 Employee benefits – guidance on use of national government bond rates, - AASB 134 Interim financial reporting – cross reference clarifications.	The impact of this standard is expected to be minimal.
AASB 2015-2 amendments to AASB 101 arising from presentation of financial statements	1 January 2016	Entities will be able to use the amendments to streamline or simplify disclosures in the financial statements. The amendments clarify that specific disclosures need not be made if the financial information resulting from the disclosure is not material, even if an Australian Accounting Standard states that the disclosure is a minimum requirement. Only significant accounting policies are required to be disclosed. There is flexibility as to the order in which notes are presented.	The impact of this standard is expected to be minimal.

# United Firefighters Union of Australia Tasmania Branch

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 1 Summary of Significant Accounting Policies continued

#### (m) New accounting standards for application in future periods continued

Standard Name	Effective Date for entity	Requirements	Impact
AASB 2015-6 amendments to AASB 10, AASB 124 and AASB 1049 arising from not-for-profit public sector entities – extending related party disclosures	1 July 2016	Affected entities will be required to disclose the information in AASB 124 Related party disclosures, including key management personnel remuneration. Implementation guidance is included to assist with application.	The impact of this standard is expected to be minimal.
AASB 2015-7 amendments to AASB 13 arising from not-for-profit public sector entities fair value measurement disclosures	1 July 2016	Affected entities are relieved from certain fair value measurement disclosures for property, plant and equipment that are held primarily for their current service potential rather than to generate future net cash inflows.	The impact of this standard is expected to be minimal.

#### (n) Notes to be Provided to Members or the General Manager of The Fair Work Commission

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

#### (o) Transaction Occurrence

Any transactions required to be specifically disclosed under the *Fair Work (Registered Organisations) Act 2009* that have not been disclosed in this financial report have not occurred during the financial year.

#### (p) Going Concern

United Firefighters Union of Australia Tasmania Branch has not received or provided any going concern support. The Branch does not have any going concern agreements in place with any other entity.

# United Firefighters Union of Australia Tasmania Branch

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 2 Revenue

#### (a) Capitation Fees and Levies

	2016	2015
	\$	\$
Capitation fees received	-	-
Levies received	-	-
	<u>-</u>	<u>-</u>

#### (b) Grants and Donations

	2016	2015
	\$	\$
Grants	-	-
Donations	-	-
	<u>-</u>	<u>-</u>

### 3 Expenses

#### (a) Affiliation Fees, Capitation Fees and Levies

	2016	2015
	\$	\$
ACTU Affiliation	1,481	1,231
ALP Affiliation	1,214	1,175
Unions Tasmania Affiliation	2,010	1,889
ALP Registration	86	-
UFU of Australia Capitation Fees	25,729	24,816
Campaigns: Fire Crisis 2	13,874	-
Levies	-	-
	<u>44,394</u>	<u>29,111</u>

#### (b) Employee Expenses

	2016	2015
	\$	\$
<b> Holders of office</b>		
Wages	91,477	89,751
Superannuation	8,690	8,256
Leave and other entitlements	10,610	1,020
Separation and redundancies	-	-
Other employee expenses	-	-

# United Firefighters Union of Australia Tasmania Branch

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 3 Expenses continued

#### (b) Employee Expenses continued

	2016	2015
	\$	\$
	-	-
<b>Employees other than office holders</b>		
Wages	45,695	50,714
Superannuation	4,341	4,529
Leave and other entitlements	(1,015)	13,540
Separation and redundancies	-	-
Other employee expenses	-	-
<b>Other payroll expenses</b>		
Payroll tax	-	-
	<u>159,798</u>	<u>167,810</u>

#### (c) Grants and Donations

	2016	2015
	\$	\$
<b>Grants</b>		
Total paid that were \$1,000 or less	-	-
Total paid that were \$1,000 or more	-	-
<b>Donations</b>		
Total paid that were \$1,000 or less	-	-
Total paid that were \$1,000 or more	-	-
	<u>-</u>	<u>-</u>

#### (d) Other Administrative Expenses

	2016	2015
	\$	\$
Consideration to employers for payroll deductions	-	-
Penalties via the RO Act or RO Regulations	-	-
Fees/allowances - meetings and conferences	1,962	-
Litigation fees	-	-
Conference/meeting expenses	-	-
Other legal fees	-	(1,185)
Christmas Function	2,029	1,136
	<u>3,991</u>	<u>(49)</u>

# United Firefighters Union of Australia Tasmania Branch

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 4 Cash and Cash Equivalents

	2016	2015
	\$	\$
Cash on hand	200	200
Cash at bank	67,397	87,608
Short-term bank deposits	202,100	146,698
	<u>269,697</u>	<u>234,506</u>

### 5 Trade and Other Receivables

	2016	2015
	\$	\$
Receivables from other reporting units	-	-
Provision for doubtful debts	-	-
Provision for doubtful debts - other reporting units	-	-
Accrued income	-	840
	<u>-</u>	<u>840</u>

### 6 Other Assets

	2016	2015
	\$	\$
Prepayments	1,018	969
	<u>1,018</u>	<u>969</u>

### 7 Property, Plant and Equipment

	2016	2015
	\$	\$
Motor vehicles		
At cost	13,625	13,625
Accumulated depreciation	(6,319)	(4,199)
Total motor vehicles	<u>7,306</u>	<u>9,426</u>
Office equipment		
At cost	26,446	25,698
Accumulated depreciation	(16,566)	(14,788)
Total office equipment	<u>9,880</u>	<u>10,910</u>
Leasehold improvements		
At cost	9,399	9,399
Accumulated amortisation	(1,261)	(1,052)
Total leasehold improvements	<u>8,138</u>	<u>8,347</u>
Total plant and equipment	<u>25,324</u>	<u>28,683</u>

# United Firefighters Union of Australia Tasmania Branch

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 7 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 \$
<b>2016</b>				
Balance at the beginning of year	9,426	10,910	8,347	28,683
Additions	-	747	-	747
Depreciation expense	(2,121)	(1,776)	(209)	(4,106)
Carrying amount at the end of 30 June 2016	7,305	9,881	8,138	25,324
<b>2015</b>				
Balance at the beginning of year	12,163	9,729	8,561	30,453
Additions	-	2,886	-	2,886
Depreciation expense	(2,737)	(1,705)	(214)	(4,656)
Carrying amount at the end of 30 June 2015	9,426	10,910	8,347	28,683

### 8 Provision for employee benefits

	2016 \$	2015 \$
<b>CURRENT</b>		
Annual leave - employees	1,909	2,514
Annual leave - officers	44,127	32,875
Long service leave - employees	11,944	21,354
Long service leave - officers	-	-
Other employee provisions - employees	-	-
Other employee provisions - officers	-	-
Separation and redundancies - employees	-	-
Separation and redundancies - officers	-	-
	<u>57,980</u>	<u>56,743</u>
<b>NON-CURRENT</b>		
Long service leave - employees	-	-
Long service leave - officers	4,196	3,838
	<u>4,196</u>	<u>3,838</u>

# United Firefighters Union of Australia Tasmania Branch

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 9 Trade and Other Payables

	2016	2015
	\$	\$
Trade payables	1,936	1,482
Trade payables - other reporting units	-	-
Trade payables - legal fees	-	-
Trade payables - litigation	-	-
Trade payables - employers for deductions	-	-
PAYG Withholding	2,416	2,834
GST payable/(refundable)	2,837	1,568
	<u>7,189</u>	<u>5,884</u>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

### 10 Cash Flow Information

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

	2016	2015
	\$	\$
Surplus/(deficit) for the year	29,735	12,945
Non-cash flows in surplus/(deficit)		
- Depreciation	4,105	4,656
Changes in assets and liabilities		
- (Increase)/decrease in trade and other receivables	840	134
- (Increase)/decrease in prepayments	(49)	(35)
- (Increase)/decrease in inventories	(1,594)	(212)
- Increase/(decrease) in trade and other payables	1,306	1,300
- Increase/(decrease) in provisions	1,595	14,560
	<u>35,938</u>	<u>33,348</u>

#### (b) Cash Flows with Other Reporting Units

	2016	2015
	\$	\$
<b>Cash Inflows</b>	<u>-</u>	<u>-</u>
<b>Cash Outflows</b>		
United Firefighters Union of Australia	(29,424)	(29,778)
	<u>(29,424)</u>	<u>(29,778)</u>



# United Firefighters Union of Australia Tasmania Branch

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 10 Cash Flow Information continued (c) Reconciliation of cash

	2016	2015
	\$	\$
Cash at the end of the financial year as shown in the is reconciled to items in the as follows:		
Cash and cash equivalents	<u>269,697</u>	<u>234,506</u>

### 11 Financial Instruments

#### Financial Risk Management

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

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

		2016	2015
		\$	\$
<b>Financial Assets</b>			
Cash and cash equivalents	4	<u>269,697</u>	<u>234,506</u>
<b>Total financial assets</b>		<u>269,697</u>	<u>234,506</u>
<b>Financial Liabilities</b>			
Financial liabilities at amortised cost			
- Trade and other payables	9	<u>7,819</u>	<u>5,884</u>
<b>Total financial liabilities</b>		<u>7,819</u>	<u>5,884</u>

#### Financial Risk Exposures and Management

The main risks the Branch 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.

##### (b) Credit risk

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.

# United Firefighters Union of Australia Tasmania Branch

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 11 Financial Instruments continued

#### (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 cash reserves 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.

### 12 Other Specific disclosures - Funds

#### Compulsory levy/voluntary contribution fund

	2016	2015
	\$	\$
Compulsory levy/voluntary contribution funds	-	-

#### Other fund(s) required by rules

	2016	2015
	\$	\$
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-

There have been no fund or account operated in respect of compulsory levies or voluntary contributions.

# United Firefighters Union of Australia Tasmania Branch

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 13 Key Management Personnel Disclosures

The totals of remuneration paid to the key management personnel of United Firefighters Union of Australia Tasmania Branch during the year are as follows:

	2016	2015
	\$	\$
Short-term benefits	109,869	42,369
Long-term benefits	4,196	-
Post-employment benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
	<u>114,065</u>	<u>42,369</u>

### 14 Related Party Transactions

Name	Membership Subscriptions	Outstanding at 30 June 2016
	\$	\$
John Holloway	1,027	-
Greg Cooper	1,045	-
Colin Lockhart	895	-
Warren Frey	895	-
Stewart McKinlay	1,003	-
Glenn Greenland	1,003	-
Mark Dobson	1,045	-
Grant Joyce	1,003	-
Jeremy Patterson	878	-
Jeremy Ripper	895	-

There have been no other related party transactions for the financial year outside those disclosed above and in notes 5, 8, 10(b) and 13. 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.

### 15 Auditors' Remuneration

	2016	2015
	\$	\$
Remuneration of the auditor Crowe Horwath Tasmania for:		
- Auditing or reviewing the financial report	4,200	4,060
- Other services	-	-
	<u>4,200</u>	<u>4,060</u>

# United Firefighters Union of Australia Tasmania Branch

## Notes to the Financial Statements

For the Year Ended 30 June 2016

### 16 Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:  
Information to be provided to members or General Manager:

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).

### 17 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.

### 18 Contingent Liabilities and Contingent Assets

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

### 19 Events After the End of the Reporting Period

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

### 20 Operating Segments

The Branch operates predominantly in one business and geographical segment being servicing the needs of firefighters and to represent their interests in industrial matters.

### 21 Union Details

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

## United Firefighters Union of Australia Tasmania Branch

### Auditors Independence Declaration

For the Year Ended 30 June 2016

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 there have been:

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



**Crowe Horwath Tasmania**



Alison Flakemore  
**Audit Partner**

Dated this 22<sup>nd</sup> day of August 2016.

Hobart, Tasmania.

## **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 2016, 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.

#### **Committees' Responsibility for the Financial Report**

The Committee of the Branch 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 Branch'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 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, as well as evaluating the overall presentation of the financial report.

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

#### **Independence**

In conducting our audit, we have complied with the independence requirements of Accounting Professional Ethical Standards.

## United Firefighters Union of Australia Tasmania Branch

### Independent Audit Report to the members of United Firefighters Union of Australia Tasmania Branch Auditor's 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;

- i. Giving a true and fair view of the Branch's financial position as at 30 June 2016 and its performance ended on that date; and
- ii. Complying with Australian Accounting Standards.

#### Emphasis of Matter - Going Concern

We have assessed that management's use of the going concern basis of accounting in the preparation of the Branch's financial report appears appropriate.



**Crowe Horwath Tasmania**



**Alison Flakemore**  
**Audit Partner**

#### Auditor Qualifications

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

Dated this 15<sup>th</sup> day of September 2016.

Hobart, Tasmania.



8 December 2016

Mr Greg Cooper  
Branch Secretary  
United Firefighters' Union of Australia-Tasmania Branch

Sent via email: [greg.cooper@ufutas.com](mailto:greg.cooper@ufutas.com)

Dear Mr Cooper,

### **Lodgement of Financial Report - Reminder to lodge**

The Fair Work Commission's (the Commission) records disclose that the financial year of the United Firefighters' Union of Australia-Tasmania Branch (the reporting unit) ended on the 30 June 2016.

As you would be aware, the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires that a reporting unit prepare a financial report in accordance with the RO Act, make it available to the members and then must lodge the financial report within 14 days after the general meeting of members, or if the rules of the reporting unit allow, the Committee of Management meeting (s.268).

The maximum period of time allowed under the RO Act for the full financial report to be presented to a general meeting of members or a committee of management meeting is six months after the expiry date of its financial year (s.253, s254, s265, s.266, s.268). The full report must be lodged with the Commission within 14 days of that meeting.

The Commission encourages your reporting unit to lodge its financial report at the earliest opportunity in order to ensure compliance with its obligations. Failure of a reporting unit to lodge its financial report is a breach of a civil penalty provision of the RO Act. This can result in the General Manager instituting an inquiry or investigation into a reporting unit's non-compliance under Chapter 11, Part 4 of the RO Act. The actions available to the General Manager following an investigation include issuing Federal Court legal proceedings for breach of a civil penalty provision. The orders available to the Federal Court include imposition of a pecuniary penalty on the organisation or individual officer, whose conduct led to the contravention, of up to \$54,000 per contravention on the organisation and up to \$10,800 per contravention on an officer whose conduct led to the contravention.

Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

We encourage you to lodge the full financial report directly to [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au). That is the official email address for electronic lodgements of material related to registered organisations matters.

11 Exhibition Street  
Melbourne VIC 3000  
GPO Box 1994  
Melbourne VIC 3001

Telephone : (03) 8661 7777  
Email : [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)  
Internet : [www.fwc.gov.au](http://www.fwc.gov.au)



Should you seek any clarification in relation to the above, please contact me on (03) 8656 4699 or via email at [Sam.Gallichio@fwc.gov.au](mailto:Sam.Gallichio@fwc.gov.au).

Yours sincerely,



Sam Gallichio  
Adviser  
Regulatory Compliance Branch



15 July 2016

Mr Greg Cooper  
Branch Secretary  
United Firefighters' Union of Australia-Tasmania Branch  
By email: [greg.cooper@ufutas.com](mailto:greg.cooper@ufutas.com)

Dear Mr Cooper,

**Re: Lodgement of Financial Report - [FR2016/297]  
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the United Firefighters' Union of Australia-Tasmania Branch (the reporting unit) ended on 30 June 2016.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date under s.268 of the RO Act, that being within 14 days after the meeting referred to in s.266 of the RO Act.

### **Timelines**

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

### **Fact sheets, guidance notes and model statements**

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. This includes a model set of financial statements which have been developed by the FWC. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. The model statement, Reporting Guidelines and other resources can be accessed through our website under [Financial Reporting](#) in the Compliance and Governance section.

### **Loans, grants and donations: our focus this year**

Also you are reminded of the obligation to prepare and lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 requires this statement to be lodged with the FWC within 90 days of the end of the reporting unit's financial year, that is on or before 28 September 2016. A sample statement of loans, grants or donations is available at [sample documents](#).

Over the past year we have noted issues in organisations' financial reports relating to timelines and how loans, grants and donations are reported. We will be focusing closely on these areas this year. Please find attached below fact sheets relating to these requirements or alternatively visit our website for information regarding [financial reporting timelines](#) and [loans, grants and donations](#).

It is requested that the financial report and any Statement of Loans, Grant or Donations be lodged electronically by emailing [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au).

11 Exhibition Street  
Melbourne VIC 3000  
GPO Box 1994  
Melbourne VIC 3001

Telephone : (03) 8661 7777  
Email : [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)  
Internet : [www.fwc.gov.au](http://www.fwc.gov.au)

## Civil penalties may apply

**It should be noted that s.268 is a civil penalty provision.** Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

## Contact

Should you wish to seek any clarification in relation to the above, email [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au).

Yours sincerely,

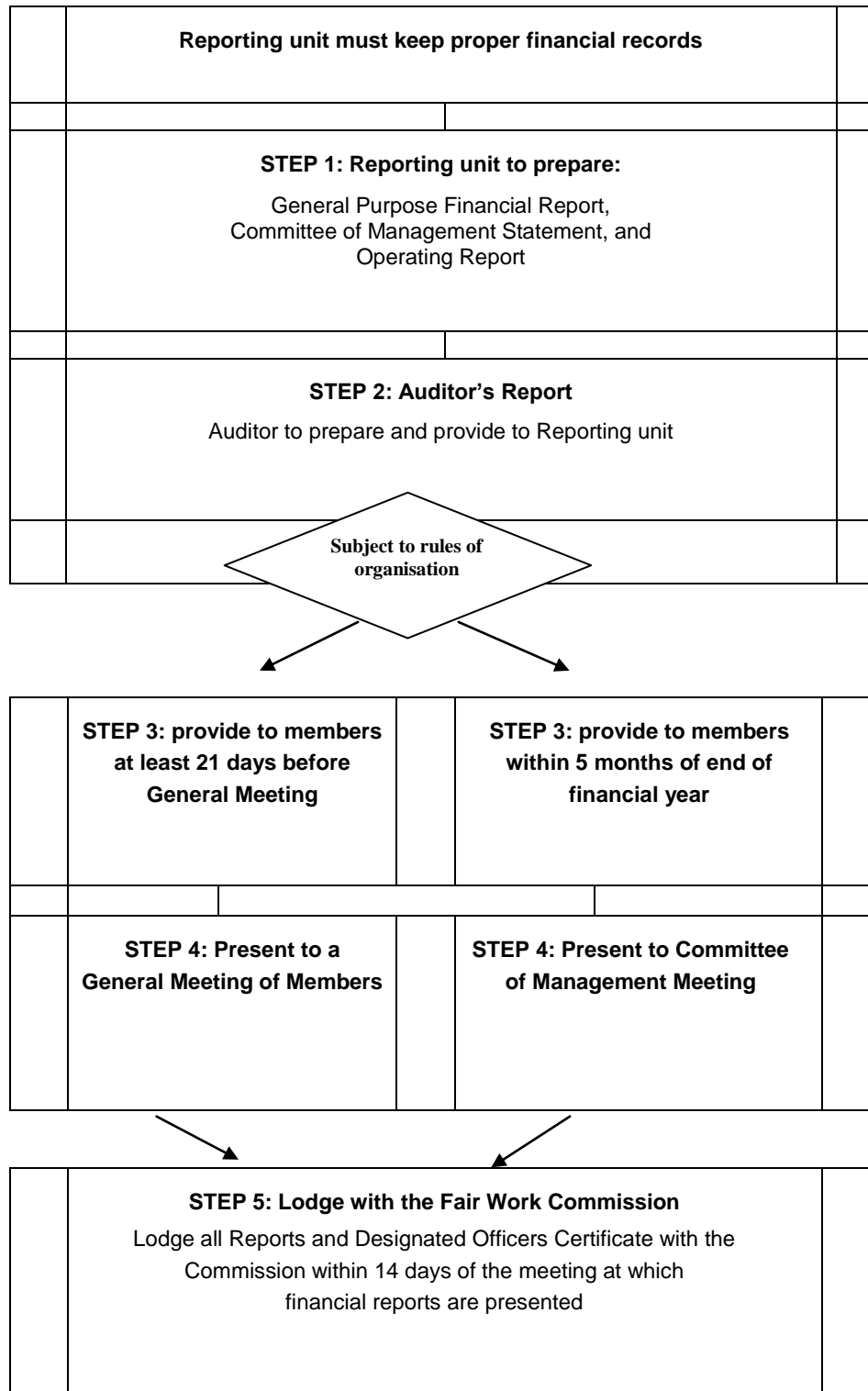


Annastasia Kyriakidis  
Adviser  
Regulatory Compliance Branch

# Financial reporting timelines

Financial reports are to be lodged with the Fair Work Commission (the Commission) within 14 days of the meeting at which the financial reports have been presented, by completing the steps as outlined below.

See Fact sheet—Financial reporting for an explanation of each of these steps.



# Fact Sheet - Loans, Grants & Donations

## The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the General Manager's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

## The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceed \$1000. The following information must be supplied to the Commission for each relevant loan, grant or donation:







- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,\* and
- the arrangements for repaying the loan.\*

\*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the Commission has a [Template Loans, Grants and Donations Statement](#) on its website. The Commission encourages branches and organisations to lodge the statement even if all of the figures are NIL.

## Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.
 Statements can be lodged with the financial report.	 The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.

## Grants & Donations within the Financial Report

Item 16(e) of the [General Manager's Reporting Guidelines](#) requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the [Commission's Model Statements](#) the note appears as follows:

### Note 4E: Grants or donations\*

Grants:	2016	2015
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	<b>-</b>	<b>-</b>

Item 17 of the General Manager's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

### Implications for filing the Financial Report

During their review of the 2016 financial report staff of the Commission will confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their 2015 financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the [Commission's website](#).

### Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the Regulatory Compliance Branch on [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)