



13 March 2019

Mr Leigh Hills
Branch Vice President
United Firefighters' Union of Australia-Tasmania Branch

By e-mail: ufutas@ufutas.com

CC: alison.flakemore@crowehorwath.com.au

Dear Mr Hills,

**United Firefighters' Union of Australia-Tasmania Branch
Financial Report for the year ended 30 June 2018 - [FR2018/238]**

I acknowledge receipt of the financial report of the United Firefighters' Union of Australia-Tasmania Branch. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 21 January 2019. I also acknowledge receipt of the designated officer's certificate and the independent auditor's report which were lodged with the ROC on 20 February 2019 and 4 March 2019 respectively.

The financial report has now been filed.

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

Please note that the financial report for the year ending 30 June 2018 may be subject to an advanced compliance review.

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

General purpose financial report (GPFR)

Nil activities disclosure

Item 21 of the reporting guidelines (**RGs**) states that if any of the activities identified within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. The notes statement contained nil activity information for all prescribed RG categories except the following:

- Acquiring an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission;

- Having another entity administer the financial affairs of the reporting unit; and
- Making a payment to a former related party of the reporting unit.

Please ensure in future years that the above mentioned items are disclosed in either the financial statements, the notes or in the officer's declaration statement as per the RGs.

I note that the financial statements includes the following nil activity disclosures for which there was already an equivalent form of disclosure in the body of the notes:

- "Receiving capitation fees from another reporting unit" and "receiving revenue via compulsory levies" are disclosed in both the statement of comprehensive income and Note 2(i);
- "Receiving donations or grants" is disclosed in both the statement of comprehensive income and Note 2(ii);
- "Paying a grant that was \$1,000 or less", "paying a grant that exceeded \$1,000", "paying a donation that was \$1,000 or less" and "paying a donation that exceeded \$1,000" are disclosed in both the statement of comprehensive income and Note 3(c).

Please note that nil activities only need to be disclosed once.

Note 1(p) – transaction occurrence

Note 1(p) states that 'any transaction 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.'

As discussed above, item 21 of the RGs requires the activities described within items 10-20 of the RGs to be disclosed within either the financial statements, the notes or in an officer's declaration statement even if 'nil'. Note 1(p) would not satisfy this requirement as the non-occurring activities intended to be covered by this statement would not be obvious to the reader, bearing in mind that the ordinary member would not usually or readily have a copy of the RGs to accompany their reading of the financial report.

The purpose of item 21 is to make transparent for the members where particular kinds of financial activity have not occurred in any given year.

Recovery of wages disclosure

I note that nil activity disclosure of "receiving revenue from undertaking recovery of wages activity" is disclosed in both the committee of management report and the statement of comprehensive income.

The RGs no longer require a statement in regard to recovery of wages activity in the committee of management statement.

Auditor's report

Multiple auditor's reports

I note that the lodged documents included a separate auditor's reports for the subsection 255(2A) report. Under section 253 of the RO Act, a GPFR includes the expenditure report required to be prepared under subsection 255(2A) as prescribed by RG 22.

The reporting unit's auditor can provide a single auditor's statement relating to the audit of the reporting unit's financial report. The subsection 255(2A) report does not require a separate auditor's statement.

Please ensure in future years, that the subsection 255(2A) report is identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at Kylie.Ngo@roc.gov.au.

Yours sincerely,



Kylie Ngo
Financial Reporting Assistant
Registered Organisations Commission

CERTIFICATE BY DESIGNATED OFFICER

I Leigh Hills being the Vice President of the United Firefighters Union of Australia – Tasmanian Branch certify:

- that the documents lodged herewith are copies of the full report for the United Firefighters Union of Australia – Tasmanian Branch for the period ended 30 June 2018 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 4 December 2018; and
- that the full report was presented to a general meeting of members of the reporting unit on 18 January 2019 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designated officer:

Leigh Hills

Title of prescribed designated officer:

Vice President - UFUA TAS

Dated:

20/2/2019

United Firefighters Union of Australia Tasmania Branch

Financial Report

For the Year Ended 30 June 2018

United Firefighters Union of Australia Tasmania Branch

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Details of membership of the Committee of Management 1/7/2017 – 30/6/2018.

Position	Name	Period held Office during year
President	John Holloway	1/7/2017 -14/5/2018.
Branch Secretary	Greg Cooper	1/7/2017 -14/5/2018.
Vice-President	Colin Lockhart	1/7/2017 -14/5/2018.
Junior Vice-President	Warren Frey	1/7/2017 -14/5/2018.
Trustee	Stewart McKinlay	1/7/2017 -14/5/2018.
Trustee	Glenn Greenland	1/7/2017 -14/5/2018.
Trustee	Mark Dobson	1/7/2017 -14/5/2018.
Trustee	Grant Joyce	1/7/2017 -14/5/2018.
Trustee	Jeremy Patterson	1/7/2017 -14/5/2018.
Trustee	Jeremy Ripper	1/7/2017 -14/5/2018.

Position	Name	Period held Office during year
President	Mark Dobson	14/5/2018 - 30/6/2018
Branch Secretary	John Holloway	14/5/2018 - 30/6/2018
Vice-President	Leigh Hills	14/5/2018 - 30/6/2018
Junior Vice-President	Vincent Males	14/5/2018 - 30/6/2018
Trustee	Jeff Gibson	14/5/2018 - 30/6/2018
Trustee	Tim McKay	14/5/2018 - 30/6/2018

Signature of designated officer:  Dated the 13 day of November 2018.

Name and title of designated officer: Leigh Hills Branch Vice President
Signed in accordance with a resolution of the Members of the Branch Committee:

PO Box 20 North Hobart Tas 7002
379 Elizabeth Street North Hobart Tas 7000
PH: (03) 6216 610
e-mail: ufutas@ufutas.com
web-site: www.ufutas.asn.au
Please address all correspondence to the President

Branch Vice President: Leigh Hills
Mobile: 0455 038 009



Committee of Management Statement

On 13th November 2018 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) for the financial year ended 30 June 2018:

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).
- (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 RO Act; and
 - (iv) where the organisation consists of two 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 organisation; and
 - (v) where information sought in any request of a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the RO Act, there has been compliance.
- (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:



Leigh Hills
Designated Officer
Vice Branch President

Dated the 13th day of November 2018

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Please address all correspondence to the Secretary

Branch Vice President: Leigh Hills
Mobile: 0455 038 009

United Firefighters Union of Australia Tasmania Branch

Statement of Comprehensive Income

For the Year Ended 30 June 2018

	Note	2018 \$	2017 \$
Income			
Capitation fees and levies	2(i)	-	-
Grants and donations	2(ii)	-	-
Interest income		6,539	6,287
Other revenue		-	570
Recovery of wages from employers		-	-
Union dues (subscriptions)		291,780	282,329
Total income		298,319	289,186
Less: Expenses			
Accountancy and audit		5,180	5,865
Administrative charges - Unions Tasmania		10,000	10,300
Affiliation, capitation and levies	3(a)	32,167	30,751
Air fares and travel		6,567	13,623
Bank charges		48	44
Catering		3,775	4,975
Computer expenses		1,820	2,788
Cost of sales		-	(676)
Depreciation	6(a)	6,418	4,881
Employee benefits expense	3(b)	87,381	133,537
Grants and donations	3(c)	-	2,000
Insurance		1,319	1,045
Light and power		1,961	1,935
Loss on sale of assets		1,788	-
Motor vehicle expenses		3,867	6,238
Other administrative expenses	3(d)	9,033	6,736
Printing and stationery		1,483	4,469
Rent		7,531	7,430
Repairs and maintenance		-	-
Sundry expenses		7,606	5,755
Telephone		2,372	4,187
Training and development		-	-
Union provision for employees		-	215
Total Expenses		190,316	246,098
Net surplus/(deficit) for the year		108,003	43,088
Other comprehensive income		-	-
Total comprehensive income		108,003	43,088

The accompanying notes form part of these financial statements.

United Firefighters Union of Australia Tasmania Branch

Statement of Financial Position

As At 30 June 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	348,577	290,276
Trade and other receivables	5	-	-
Inventories		1,937	1,937
Prepayment		992	823
TOTAL CURRENT ASSETS		351,506	293,036
NON-CURRENT ASSETS			
Plant and equipment	6	32,168	42,988
TOTAL NON-CURRENT ASSETS		32,168	42,988
TOTAL ASSETS		383,674	336,024
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	(467)	922
Provision for employee benefits	7	3,447	56,276
TOTAL CURRENT LIABILITIES		2,980	57,198
Provision for employee benefits	7	73	6,208
TOTAL NON-CURRENT LIABILITIES		73	6,208
TOTAL LIABILITIES		3,053	63,406
NET ASSETS		380,621	272,618
EQUITY			
Accumulated surpluses		380,621	272,618
TOTAL EQUITY		380,621	272,618

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 2018

2018

	Accumulated Surpluses	Total
	\$	\$
Balance at 1 July 2017	272,618	272,618
Net surplus/(deficit) for the year	108,003	108,003
Balance at 30 June 2018	<u>380,621</u>	<u>380,621</u>

2017

	Accumulated Surpluses	Total
	\$	\$
Balance at 1 July 2016	229,530	229,530
Net surplus/(deficit) for the year	43,088	43,088
Balance at 30 June 2017	<u>272,618</u>	<u>272,618</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 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts to customers	318,388	308,878
Receipts from other reporting units	9(a) -	-
Payments to suppliers and employees	(238,550)	(207,313)
Payment to other reporting units	9(b) (30,690)	(64,729)
Interest received	6,539	6,288
Net cash provided by operating activities	9(a) <u>55,687</u>	<u>43,124</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	3,637	-
Purchase of property, plant and equipment	<u>(1,023)</u>	<u>(22,545)</u>
Net cash used by investing activities	<u>2,614</u>	<u>(22,545)</u>
Net increase/(decrease) in cash and cash equivalents held	58,301	20,579
Cash and cash equivalents at beginning of year	<u>290,276</u>	<u>269,697</u>
Cash and cash equivalents at end of financial year	4 <u><u>348,577</u></u>	<u><u>290,276</u></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 2018

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*. 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.

(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. 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 2018

1 Summary of Significant Accounting Policies

(e) Plant and Equipment

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%
Leasehold Improvements	2.5%

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.

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

(g) 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 Association 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.

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*.

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(g) Financial Instruments

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 the statement of comprehensive income.

(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 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 the statement of comprehensive income.

(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 Association'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.

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 2018

1 Summary of Significant Accounting Policies

(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.

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(k) Goods and Services Tax (GST)

Cash flows are presented on a gross basis. The GST components of cash flows resulting from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

(l) Income Tax

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

(m) 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 Association.

(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 future requirements, and their impact on the Association:

Standard Name	Effective Date for entity	Requirements	Impact
AASB 9 Financial Instruments	1 January 2018	New standard that simplifies the classification of financial assets, aligns hedging with the entity's risk management practices, and introduces an 'expected credit losses' model for impairment.	Impact assessment to be undertaken and disclosed in 2019.
AASB 15 Revenue from contracts with customers	1 January 2019	New standard in which revenue is recognised to depict the transfer of control of promised goods and services to a customer (rather than when risks and rewards transfers) at the amount that reflects the consideration to which the entity expects to be entitled.	Impact assessment to be undertaken and disclosed in 2019.

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(n) New accounting standards for application in future periods

Standard Name	Effective Date for entity	Requirements	Impact
AASB 16 Leases	1 January 2019	New standard that abolishes the concept of the operating lease for lessees by creating a single model for lessees and recognises a 'right of use' asset and financial liability for all leases.	Impact assessment to be undertaken and disclosed in 2019.
AASB 1058 Income of Not-for-Profit entities	1 January 2019	New standard for recognising income in not-for-profit entities, including guidance for when AASB 15 applies. Is expected to defer income recognition in some circumstances, particularly when AASB 15 applies.	Impact assessment to be undertaken and disclosed in 2019.

(o) 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 Commissioner:

(i) A member of a reporting unit, or the Commissioner, 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).

(p) 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.

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(q) 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.

2 Revenue

(a) Capitation Fees and Levies

(i) Capitation Fees and Levies

	2018	2017
	\$	\$
Capitation fees received	-	-
Levies received	-	-
	<u>-</u>	<u>-</u>

(ii) Grants and Donations

	2018	2017
	\$	\$
Grants	-	-
Donations	-	-
	<u>-</u>	<u>-</u>

3 Expenses

(a) Affiliation Fees, Capitation Fees and Levies

	2018	2017
	\$	\$
ACTU Affiliation	500	-
ALP Affiliation	2,198	8,672
Unions Tasmania Affiliation	2,061	2,065
UFU of Australia Capitation Fees	27,408	20,014
Other affiliation fees, capitation fees and levies	-	-
	<u>32,167</u>	<u>30,751</u>

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

3 Expenses

(b) Employee Expenses

	2018	2017
	\$	\$
Holders of office		
Wages and salaries	123,460	-
Superannuation	6,459	-
Leave and other entitlements	3,519	-
Separation and redundancies	-	-
Other employee expenses	-	-
	-	-
Employees other than office holders		
Wages and salaries	15,001	124,065
Superannuation	1,425	9,164
Leave and other entitlements	(62,483)	308
Separation and redundancies	-	-
Other employee expenses	-	-
Other payroll expenses		
Payroll tax	-	-
	<u>87,381</u>	<u>133,537</u>

(c) Grants and Donations

	2018	2017
	\$	\$
Grants		
Total paid that were \$1,000 or less	-	-
Total paid that were \$1,000 or more	-	-
Donations		
Total paid that were \$1,000 or less	-	-
Total paid that were \$1,000 or more	-	2,000
	<u>-</u>	<u>2,000</u>

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

3 Expenses

(d) Other Administrative Expenses

	2018	2017
	\$	\$
Consideration to employers for payroll deductions	-	-
Penalties via the RO Act or RO Regulations	-	-
Fees/allowances - meetings and conferences	-	-
Litigation fees	-	-
Conference/meeting expenses	-	736
Other legal fees	-	6,000
	<u>-</u>	<u>6,736</u>

4 Cash and Cash Equivalents

	2018	2017
	\$	\$
Cash on hand	200	200
Cash at bank	135,618	82,553
Short-term bank deposits	212,759	207,523
	<u>348,577</u>	<u>290,276</u>

5 Trade and Other Receivables

	2018	2017
	\$	\$
Trade receivables	-	-
Receivables from other reporting units	-	-
Provision for impairment	-	-
Provision for impairment - other reporting units	-	-
	<u>-</u>	<u>-</u>

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

6 Property, Plant and Equipment

	2018	2017
	\$	\$
Motor vehicles		
At cost	22,273	35,898
Accumulated depreciation	(6,161)	(9,446)
Total motor vehicles	<u>16,112</u>	<u>26,452</u>
Office equipment		
At cost	27,741	26,718
Accumulated depreciation	(19,421)	(18,116)
Total office equipment	<u>8,320</u>	<u>8,602</u>
Leasehold improvements		
At cost	9,399	9,399
Accumulated amortisation	(1,663)	(1,465)
Total leasehold improvements	<u>7,736</u>	<u>7,934</u>
Total plant and equipment	<u>32,168</u>	<u>42,988</u>

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

6 Property, Plant and Equipment

(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
	\$	\$	\$	\$
2017				
Balance at the beginning of year	7,305	9,881	8,138	25,324
Additions	22,273	272	-	22,545
Depreciation expense	(3,126)	(1,551)	(204)	(4,881)
Impairment	-	-	-	-
Carrying amount at the end of 30 June 2017	<u>26,452</u>	<u>8,602</u>	<u>7,934</u>	<u>42,988</u>
2018				
Balance at the beginning of year	26,452	8,602	7,934	42,988
Additions	-	1,023	-	1,023
Disposals - written down value	(5,425)	-	-	(5,425)
Depreciation expense	(4,915)	(1,305)	(198)	(6,418)
Impairment	-	-	-	-
Carrying amount at the end of 30 June 2018	<u>16,112</u>	<u>8,320</u>	<u>7,736</u>	<u>32,168</u>

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

7 Provision for employee benefits

	2018	2017
	\$	\$
CURRENT		
Annual leave - officers	3,447	56,276
Long service leave - officers	-	-
Other employee provisions - employees	-	-
Other employee provisions - officers	-	-
Separation and redundancies - employees	-	-
Separation and redundancies - officers	-	-
	<u>3,447</u>	<u>56,276</u>
NON-CURRENT		
Long service leave - employees	-	-
Long service leave - officers	73	6,208
	<u>73</u>	<u>6,208</u>

8 Trade and Other Payables

	2018	2017
	\$	\$
Trade payables	5,012	3,898
Trade payables - other reporting units	-	-
Trade payables - legal fees	-	-
Trade payables - litigation	-	-
Trade payables - employers for deductions	-	-
Consideration to employees for payroll deductions	-	-
GST payable/(refundable)	(5,479)	(2,976)
	<u>(467)</u>	<u>922</u>

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

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

9 Cash Flow Information

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

	2018	2017
	\$	\$
Net surplus/(deficit) for the year	108,003	43,088
Non-cash flows in surplus/(deficit)		
- Depreciation	6,418	4,881
- Loss on sale of vehicle	1,788	-
Changes in assets and liabilities		
- (Increase)/decrease in prepayments	(169)	195
- (Increase)/decrease in inventories	-	919
- Increase/(decrease) in trade and other payables	(1,389)	(6,267)
- Increase/(decrease) in employee benefits	(58,964)	308
Cashflow from operations	<u>55,687</u>	<u>43,124</u>

(b) Cash Flows with Other Reporting Units

	2018	2017
	\$	\$
Cash Inflows		
United Firefighters Union of Australia	-	-
	<u>-</u>	<u>-</u>
Cash Outflows		
United Firefighters Union of Australia	(30,690)	(63,109)
United Firefighters Union of Australia Victoria Branch	-	(1,620)
	<u>(30,690)</u>	<u>(64,729)</u>

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

10 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:

		2018	2017
		\$	\$
Financial Assets			
Cash and cash equivalents	4	348,577	290,276
Total financial assets		<u>348,577</u>	<u>290,276</u>
Financial Liabilities			
Financial liabilities at amortised cost			
Trade and other payables	8	(467)	922
Total financial liabilities		<u>(467)</u>	<u>922</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.

(c) Foreign Currency Risk

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

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

10 Financial Instruments

(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.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Financial liability maturity analysis - Non-derivative

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities								
Trade and other payables	(467)	922	-	-	-	-	(467)	922
Total contractual outflows	(467)	922	-	-	-	-	(467)	922

The timing of expected outflows is not expected to be materially different from contracted cashflows.

(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.

11 Other Specific disclosures - Funds

Compulsory levy/voluntary contribution fund

	2018	2017
	\$	\$
Compulsory levy/voluntary contribution funds	-	-

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

11 Other Specific disclosures - Funds

Other fund(s) required by rules

	2018	2017
	\$	\$
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.

12 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:

	2018	2017
	\$	\$
Short-term benefits	133,366	113,231
Long-term benefits	72	2,012
Post-employment benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
	133,438	115,243

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

13 Related Party Transactions

Name	Membership Subscriptions \$	Outstanding at 30 June 2018 \$
John Holloway	1056	-
Mark Dobson	1212	-
Leigh Hills	150	-
Vincent Males	167	-
Warren Frey	921	-
Darren Gye	150	-
Tim McKay	147	-
Jeff Gibson	147	-
Jeremy Patterson	871	-
Alex Wendell-Smith	147	-
Colin Lockhart	696	-
Jeremy Ripper	696	-
Stewart McKinlay	872	-
Glen Greenland	780	-

There have been no other related party transactions for the financial year outside those disclosed above and in notes 3(d), 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. There is no doubtful debt provision raised against related parties.

14 Auditors' Remuneration

	2018 \$	2017 \$
Remuneration of the auditor Crowe Horwath Tasmania for:		
- Auditing and compiling the financial report	4,500	4,350
- Other assurance services	350	-
	<u>4,850</u>	<u>4,350</u>

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

15 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 Commissioner:

1. A member of a reporting unit, or the Commissioner, 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).

16 Capital and Leasing Commitments

	2018	2017
	\$	\$
Non-cancellable operating leases contracted for but not capitalised in the financial statements:		
Payable - minimum lease payments:		
- no later than 12 months	9,900	-
	<u>9,900</u>	<u>-</u>

United Firefighters Union of Australia Tasmania Branch currently has a one year lease for office space ending on 1 July 2019 with the option to renew for a further year.

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

17 Contingent Liabilities and Contingent Assets

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

18 Events After the End of the Reporting Period

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

19 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.

United Firefighters Union of Australia Tasmania Branch

Notes to the Financial Statements

For the Year Ended 30 June 2018

20 Union Details

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

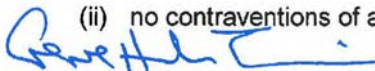
United Firefighters Union of Australia Tasmania Branch

Auditors Independence Declaration

For the Year Ended 30 June 2018

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Accounting Professional Ethical Pronouncements 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
Senior Partner

Dated this 18th day of October 2018.

Hobart, Tasmania.

United Firefighters Union of Australia Tasmania Branch

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

Opinion

We have audited the financial report of United Firefighters Union of Australia Tasmania Branch, which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Committee of Management Statement.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Branch as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009 (the RO Act)*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Branch in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of Matter – Going Concern

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

Other Information

The Committee are responsible for the other information. The other information comprises the Operating Report the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

United Firefighters Union of Australia Tasmania Branch

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

Responsibilities of the Committee of Management for the Financial Report

The Committee is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee is responsible for assessing the Branch's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Committee either intends to liquidate the Branch or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Branch's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Committee's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Committee's ability to continue as a going concern. If we conclude that a material uncertainty exists, we required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our

United Firefighters Union of Australia Tasmania Branch

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

opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Committee to express an opinion on the financial report. Our responsible for the direction, supervision and performance of the Committee audit. We remain solely responsible for our audit opinion.

We communicate with the Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.



Crowe Horwath Tasmania



Alison Flakemore
Senior Partner

Qualifications

Fair Work (Registered Organisations) Act 2009 – Registered Auditor No AA2017/135

Bachelor of Commerce with Honours

Registered Company Auditor No. 241220

Institute of Chartered Accountants Australia No. 96387

Hold a current Practise Certificate

Dated this...^{5th}...day of...December...2018.

Hobart, Tasmania.

United Firefighters Union of Australia Tasmania Branch
EXPENDITURE INCURRED REPORT
for the year ended 30 June 2018

The Committee of Management presents the Expenditure Incurred Report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2018.

Descriptive form

Categories of expenditures	2018 \$	2017 \$
Remuneration and other employment-related costs and expenses – employees	87,381	133,537
Advertising	-	-
Operating costs	85,649	101,635
Donations to political parties	-	-
Legal costs	9,033	6,000

Signature of designated officer: 

Name and title of designated officer: *Leigh Hills - vice president*

Dated this *13th* day of *November* 2018.

United Firefighters Union of Australia Tasmania Branch

Independent Auditor's Report to United Firefighters Union of Australia Tasmania Branch

For the Year Ended 30 June 2018

Opinion

We have audited the accompanying Expenditure Incurred Report (the Report) of United Firefighters Union of Australia Tasmania Branch (the Branch) for the year ended 30 June 2018.

In our opinion the financial information in the Report of the Branch presents fairly, in all material respects, the total expenditure incurred by the Branch in relation to each category of expenditure for the year ended 30 June 2018 in accordance with *subsection 225(2A) of the Fair Work (Registered Organisations) Act 2009 (the RO Act)*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Branch in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Matter – Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to the fact that this Report has been prepared for the purpose of fulfilling the reporting obligations under *subsection 225(2A) of the Fair Work (Registered Organisations) Act 2009 (the RO Act)*. The report has been prepared to assist the Branch to meet the requirements of the Registered Organisations Commission (ROC). As a result, the report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the Branch and ROC and intended not be distributed and used by parties other than the Branch and ROC.

Responsibilities of the Committee of Management for the Report

The Committee of Management is responsible for the preparation and fair presentation of the report and for compliance with the Reporting guidelines issued by the ROC. Committee of Managements' responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and fair

United Firefighters Union of Australia Tasmania Branch

Independent Auditor's Report to United Firefighters Union of Australia Tasmania Branch

For the Year Ended 30 June 2018

presentation of the report that is free from material misstatement, whether due to fraud or error.

The Committee of Management is responsible for overseeing the Branch's financial reporting process.

Auditor's Responsibilities for the Audit of the Report

Our objectives are to obtain reasonable assurance about whether the report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this report.

This report has been prepared for the purpose of fulfilling the reporting obligations under *subsection 225(2A) of the Fair Work (Registered Organisations) Act 2009 (the RO Act)*. We disclaim any assumption of responsibility for any reliance on this report to which it relates to any person other than United Firefighters Union of Australia Tasmania Branch, or for any purpose other than that for which it was prepared. We understand that a copy of the statements will be provided to the Registered Organisations Commission (ROC).

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not

United Firefighters Union of Australia Tasmania Branch

Independent Auditor's Report to United Firefighters Union of Australia Tasmania Branch

For the Year Ended 30 June 2018

for the purpose of expressing an opinion on the effectiveness of the Branch's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.



Crowe Horwath Tasmania



**Alison Flakemore
Senior Partner**

Partner Qualifications

Fair Work (Registered Organisations) Act 2009 – Registered Auditor No AA2017/135

Bachelor of Commerce with Honours

Registered Company Auditor No. 241220

Institute of Chartered Accountants Australia and New Zealand No. 96387

Holder of a current Practise Certificate.

Dated this 5th day of December, 2018.

Hobart, Tasmania.



13 December 2018

Mr John Holloway
Branch Secretary
United Firefighters' Union of Australia-Tasmania Branch
Sent via email: ufutas@ufutas.com

Dear Mr Holloway,

Lodgement of Financial Report - Reminder to lodge

The Registered Organisations Commission's (the ROC) records disclose that the financial year of the United Firefighters' Union of Australia-Tasmania Branch (the reporting unit) ended on the 30 June 2018.

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 ROC within 14 days of that meeting.

The ROC 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 Commissioner 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 Commissioner 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 \$105,000 per contravention on the organisation and up to \$21,000 per contravention on an officer whose conduct led to the contravention.

We encourage you to lodge the full financial report directly to regorgs@roc.gov.au. That is the official email address for electronic lodgements of material related to registered organisations matters.

Should you seek any clarification in relation to the above, please contact me on (03) 9954 2931 or via email at Sam.Gallichio@roc.gov.au.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Sam Gallichio'.

Sam Gallichio
Registered Organisations Commission



25 September 2018

Branch Secretary
United Firefighters' Union of Australia-Tasmania Branch
By Email: ufutas@ufutas.com

Dear Branch Secretary,

**Re: Lodgement of Financial Report - [FR2018/238]
*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 2018. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

Loans Grants and Donations Statement

The reporting unit is required to 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 of the RO Act requires this statement to be lodged with the Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, namely on or before 28 September 2018.

The attached fact sheet *Loans Grants and Donations (FS 009)* summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our [website](#).

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty. Currently penalties are up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual and may be imposed upon your organisation and/or an officer whose conduct led to the contravention.

Financial report

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines (FS 008)* summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on its rules) no later than 30 December 2018 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported (see attached *Loans Grants and Donations* fact sheet FS 009). The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement.

You can visit our website for more information regarding [financial reporting](#), and fact sheets regarding [financial reporting processes and requirements](#). A model set of financial statements developed by the ROC is also available on our website. 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.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty, as set out above, being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

Auditor's report

When assessing the financial report we will also focus on the structure and content of the auditor's report to ensure that it complies with the revisions made to the Auditing Standards which came into operation with effect from 15 December 2016. Please find [here](#) a link to guidance note *Illustrative Auditor's Report* (GN 004) relating to these requirements (also available on our website).

REMINDER

YOUR AUDITOR MUST BE REGISTERED (s.256)

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our [website](#).

Contact

Should you require any clarification in relation to the above, please email regorgs@roc.gov.au.

Yours faithfully,

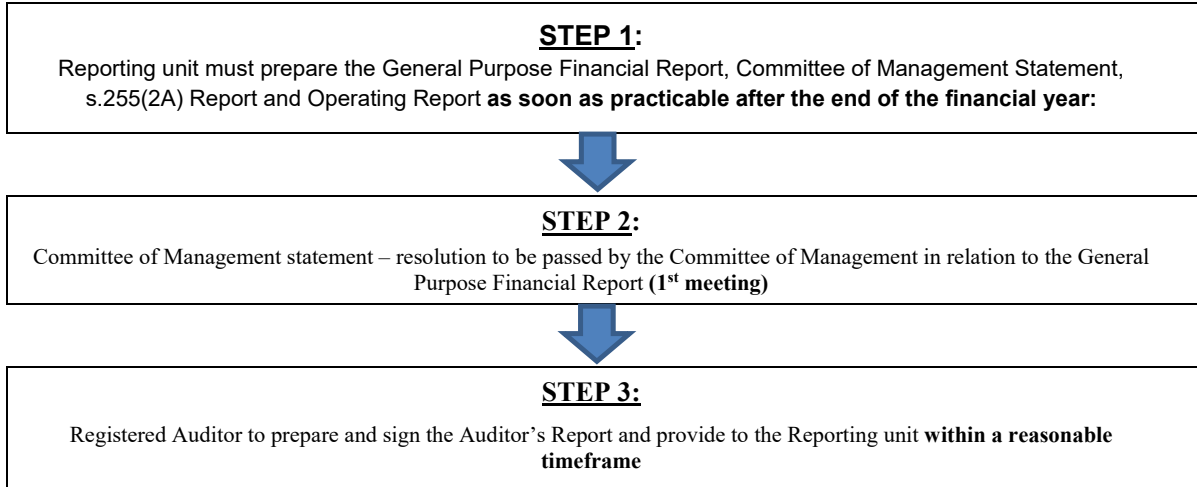
Joanne Fenwick
Registered Organisations Commission

Fact sheet

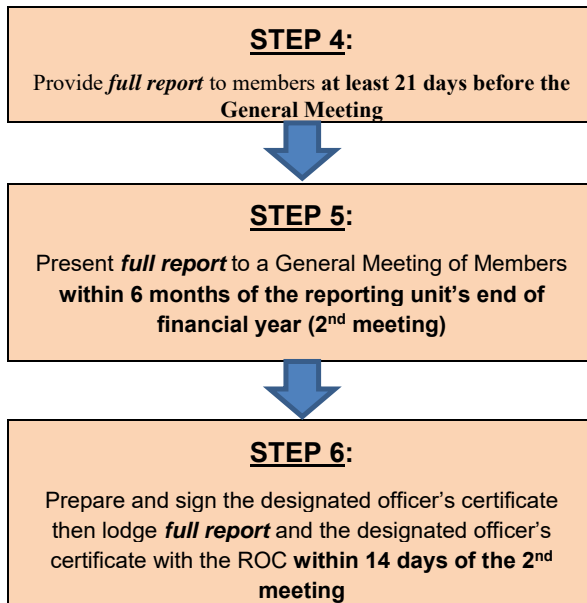
Summary of financial reporting timelines – s.253 financial reports

General Information:

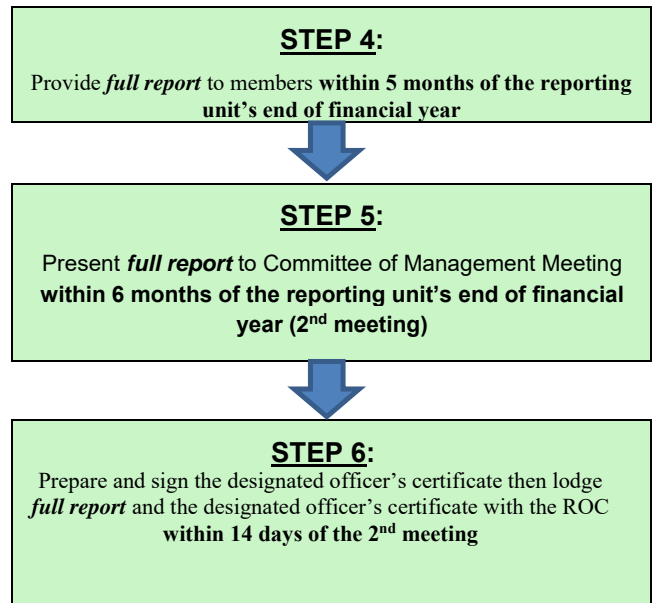
- The **full report** consists of the General Purpose Financial Report, Committee of Management Statement, Operating report, s.255(2A) Report and signed Auditors' Report
- For an explanation of each of the steps below see our [Fact sheet—financial reporting process](#).



IF RULES PROVIDE FOR PRESENTATION OF FULL REPORT
AT GENERAL MEETING OF MEMBERS
(this is the default process in the RO Act)



IF RULES PROVIDE FOR PRESENTATION OF FULL REPORT AT
COMMITTEE OF MANAGEMENT MEETING
(Special rules must be in the rulebook to use this process)



Fact sheet



Australian Government
Registered Organisations Commission

FS 009
(19 June 2017)

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 Commissioner'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 exceeds \$1000. The following information must be supplied to the Registered Organisations Commission (the ROC) 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 ROC has a [Template Loans, Grants and Donations Statement](#) on its website. The ROC 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.
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Grants & Donations within the Financial Report

Item 16(e) of the Commissioner'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 [ROC's Model Statements](#) the note appears as follows:

Note 4E: Grants OR donations*

Grants:	[Current year]	[Previous year]
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	-	-
Total grants or donations	-	-

The Commissioner'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 financial report staff of the ROC may 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 last 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 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 ROC on regorgs@roc.gov.au

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This fact sheet is not intended to be comprehensive. It is designed to assist in gaining an understanding of the Registered Organisations Commission and its work. The Registered Organisations Commission does not provide legal advice