



FAIR WORK
AUSTRALIA

28 January 2011

Mr Peter Marshall
Branch Secretary
Victorian Branch
United Firefighters' Union of Australia
410 Brunswick Street
FITZROY VIC 3065

By email: p.marshall@ufuvic.asn.au

Dear Mr Marshall

**Fair Work (Registered Organisations) Act 2009 – (RO Act)
Financial report for year ended 30 June 2009 (FR2009/308)
Financial report for year ended 30 June 2010 (FR2010/2602)**

I acknowledge receipt of the financial reports for the Victorian Branch of the United Firefighters' Union of Australia (UFUA) for the years ended 30 June 2009 and 2010. The documents were lodged with Fair Work Australia (FWA) on 20 January 2011.

I also note that the financial report for year ended 30 June 2009 was initially lodged with our office on 28 October 2010 however in my letter to you dated 10 November I advised that the report would not be filed because there was no quorum achieved at the s266 meeting on 25 October 2010. The financial report for year ended 30 June 2009 was again presented to a general meeting of members on 10 January 2011 at which a quorum was achieved.

The financial reports for both years ended 30 June 2009 and 2010 have now been filed.

Although the reports have been filed, there are several matters to note for the preparation of future financial reports. I have provided a link to the Reporting Guidelines of the General Manager at: <http://www.fwa.gov.au/index.cfm?pagename=regorgsfrguidelines> (select the s253 guidelines).

1. Income Statement - Separation of Certain Items of Expense

Item 11 of the Reporting Guidelines govern the type of expenses required to be disclosed by a reporting unit. I note items in the income statement provided certain expenses as an aggregate (such as "affiliation fees and levies" and "employee benefits expenses") when they are required to be provided as separate amounts. Please ensure in future the following expense items are disclosed separately:

- Fees and periodic subscriptions in respect of its affiliation to any political party, federation or group of organisations having an interest in industrial matters (11(d));
- Compulsory levies imposed on the reporting unit (11(e));
- Employee benefits to holders of office (11(g)); and
- Employee benefits to employees (11(h)).

Accordingly, there should also be a separation of the employee benefits to office holders and employee benefits to other employees in the current and non-current liabilities of the balance

sheet. I note there was such a separation in the notes to the financial report for year ended 30 June 2010 but not in the 2009. Please ensure this separation of the employee benefits is maintained in future financial reports.

2. Wage Recovery Activity

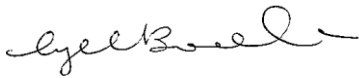
The Reporting Guidelines require the reporting of recovery of wages activity. Where the reporting unit has not undertaken any recovery of wages activity for the financial year a statement by the committee of management stating that there was no recovery of wages for the financial year would satisfy FWA that the reporting unit is aware of such an obligation and that there was no such activity to report. The absence of any statement may suggest that the reporting unit is unaware of this reporting obligation.

3. Operating Report - Names of Committee of Management Members

The operating report requires the provision of names of each person who has been a member of the committee of management of the reporting unit. From the operating report lodged the information regarding the committee of management members omitted to include yourself as the Branch Secretary. Schedule 2 rule 1(1)(a)(i) of the UFUA rules provide that the Secretary is part of the Branch committee of management. Therefore, please include yourself in the list of names of members of the committee of management.

If you wish to discuss any matters contained in this correspondence I may be contacted on (03) 8661 7989 (Tues – Fri) or by email at cynthia.lobooth@fwa.gov.au

Yours sincerely



Cynthia Lo-Booth
Tribunal Services and Organisations

FR2009/308
FR2010/2602



United Firefighters Union

Victorian Branch ABN 74 030 569 265

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Fitzroy Victoria 3065
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20 January 2011

Strictly Private & Confidential

Ms Cynthia Lo-Booth
Tribunal Services and Organisations
Fair Work Australia
GPO Box 1994
MELBOURNE VIC 3001



Dear Ms Lo-Booth

**United Firefighters Union of Australia – Victorian Branch
Designated Officer’s Certificate**

I, Peter Marshall, being the Secretary of the United Firefighters Union of Australia certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009 being financial report for the year ended 30 June 2009 and 30 June 2010; and
- that the full report was provided to members on 1 December 2010; and
- that the full report was presented to a general meeting of members on 10 January 2011; in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

Should you have any queries in relation to the Financial Statements, please do not hesitate to me.

Yours sincerely

PETER MARSHALL
Secretary

Encl



United Firefighters' Union of Australia - Victorian Branch

General Purpose Financial Accounts

For the year ended 30 June 2009

JOHN AGOSTINELLI CA HENRY V PERLEN CA

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UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
FOR THE YEAR ENDED 30 JUNE 2009

CONTENTS

| | <u>Page</u> |
|--|-------------|
| Financial Statements | |
| Operating Report | 1 |
| Committee of Management Certificate | 3 |
| Independent Audit Report | 4 |
| Income Statement | 6 |
| Balance Sheet | 7 |
| Statement of Changes in Members' Funds | 8 |
| Cash Flow Statement | 9 |
| Notes to the Financial Statements | 10 |

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

OPERATING REPORT

30 JUNE 2009

In accordance with section 254 of the Fair Work (Registered Organisations) Act 2009 ("the ACT"), your Committee of Management present their report on the union for the financial year ended 30 June 2009.

Principal Activities

The principal activities of United Firefighters' Union of Australia - Victorian Branch during the financial year was to represent professional firefighters and their safety.

No significant change in the nature of these activities occurred during the year.

Operating result

The operating loss of the union for the financial year amounted to \$138,128 (2008: Loss of \$193,139). No provision for tax was necessary as the reporting unit is exempt from income tax.

Significant Changes in State of Affairs

No significant changes in the union's state of affairs occurred during the financial year.

After balance day events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the union, the results of those operations or the state of affairs of the union in future financial years.

Rights of Members

Subject to the rules of the organisation and Sec 174 of the Fair Work (Registered Organisations) Act 2009, members have the right to resign from membership of the organisation by written notice addressed to and delivered to the secretary of the organisation.

Superannuation Officeholders

No officer or member of the reporting unit:

- a) is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- b) is a director of a company that is trustee of a superannuation entity or an exempt public sector superannuation scheme.

Other Prescribed Information

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Act 2009:

- (a) the number of persons that were at the end of the financial year recorded in the register of members for section 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the registered organisation under section 244 of the Fair Work (Registered Organisations) Act 2009 was 2,170.
- (b) the number of persons who were at the end of the financial year employees of the organisation including both full and part time employees measured on a full time equivalent basis was 7.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

OPERATING REPORT

30 JUNE 2009

Other Prescribed Information continued

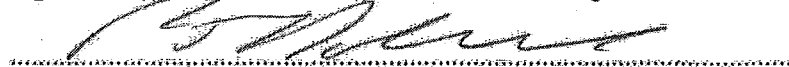
(c) the name of each person who has been a member of the Committee of Management of the organisation at any time during the financial year, and the periods for which they held such a position were:

| Names | Position | Period |
|--------------------|--------------------------------|--------------------------------|
| Tony Scully | President | 1 July 2008 - 20 May 2009 |
| David Hamilton | President | 21 May 2009 - present |
| David Hamilton | Senior Vice President | 1 July 2008 - 20 May 2009 |
| Anthony Trimble | Senior Vice President | 21 May 2009 - present |
| Ken Brown | Junior Vice President | 1 July 2008 - present |
| Graeme Keller | Trustee | 1 July 2008 - 20 May 2009 |
| Christopher Cleary | Trustee | 1 July 2008 - 20 May 2009 |
| Wade Slaughter | Trustee | 1 July 2008 - 11 December 2008 |
| David Blundell | Trustee | 1 July 2008 - 20 May 2009 |
| Paul Martin | Trustee | 21 May 2009 - present |
| Brendan Angwin | Trustee | 21 May 2009 - present |
| Stuart Marshall | Trustee | 21 May 2009 - present |
| Mick McGuinness | Trustee | 21 May 2009 - present |
| Anthony Trimble | Branch Committee of Management | 1 July 2008 - 20 May 2009 |
| Michael McGuinness | Branch Committee of Management | 1 July 2008 - 20 May 2009 |
| Brendan Angwin | Branch Committee of Management | 1 July 2008 - 20 May 2009 |
| Glen Cavanagh | Branch Committee of Management | 1 July 2008 - present |
| Robert Gardiner | Branch Committee of Management | 1 July 2008 - present |
| Danny Ward | Branch Committee of Management | 1 July 2008 - present |
| James Kefalas | Branch Committee of Management | 1 July 2008 - present |
| Chris Cleary | Branch Committee of Management | 21 May 2009 - present |
| David Blundell | Branch Committee of Management | 21 May 2009 - present |
| Mick Tisbury | Branch Committee of Management | 12 December 2008 - present |

Other Relevant Information

Nil.

Signed for and on behalf of the Committee of Management:



PETER MARSHALL
BRANCH SECRETARY

Dated this 28th day of September 2010

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH


COMMITTEE OF MANAGEMENT CERTIFICATE

On the 28th day of September 2010 the Committee of Management of the United Firefighters' Union of Australia - Victorian 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 2009.

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

- (a) the financial statements and notes have been prepared in accordance with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Fair Work Australia;
- (c) the financial statements and notes show a true and fair view of the financial performance, financial position and cash flows of the reporting unit as at 30 June 2009;
- (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 the year;
 - (i) meetings of the Committee were held during the year ended 30 June 2009, in accordance with the rules of the organisation including the rules of a branch concerned;
 - (ii) the financial affairs of the Union 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 Union have been kept and maintained in accordance with the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) the financial records of the union have been kept as far as practicable, in a consistent manner to each of the other branches of the organisation; and
 - (v) no information was sought by any member of the reporting unit or General Manager of Fair Work Australia under section 272 of the a Registrar duly made under section 272 of Fair Work (Registered Organisations) Act 2009; and
 - (vi) no orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009.

Signed on behalf of the Committee of Management:


.....
ANTHONY TRIMBLE

Dated this 28th day of September 2010.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
INDEPENDENT AUDIT REPORT TO THE MEMBERS OF UNITED FIREFIGHTERS'
UNION OF AUSTRALIA - VICTORIAN BRANCH

Report on the Financial Report

We have audited the financial report of United Firefighters' Union of Australia- Victoria Branch for the financial year ending 30 June 2009 comprising the committee of management statement, balance sheet, income statement, statement of changes in members' funds, statement of cash flows and accompanying notes to the financial statements as set out on pages 3 and 6 to 22.

The committee of management is responsible for the preparation and presentation of the financial report and the information contained therein. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Auditor's Approach

We conducted an independent audit in order to express an opinion to the members of the organisation. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Union's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee of management.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

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

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
INDEPENDENT AUDIT REPORT TO THE MEMBERS OF UNITED FIREFIGHTERS'
UNION OF AUSTRALIA - VICTORIAN BRANCH


Auditor's Opinion

In our opinion, the general purpose financial report of United Firefighters' Union of Australia- Victoria Branch presents fairly the financial position and results of its operations and its cash flows for the financial year ended 30 June 2009, in accordance with the following that apply in relation to the reporting unit:

- (a) the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009; and
- (b) Australian Accounting Standards; and
- (c) Other mandatory professional reporting requirements.



JOHN AGOSTINELLI
Partner



AGOSTINELLI PERLEN
CHARTERED ACCOUNTANTS

Dated at Carlton, Victoria this 18 day of November 2010

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2009

| | Note | 2009 \$ | 2008 \$ |
|---|------|------------------|------------------|
| Membership dues | 3 | 1,781,605 | 1,667,953 |
| Other income | 3 | 157,569 | 143,989 |
| Administration expenses | | (242,094) | (186,398) |
| Affiliation fees and levies | | (85,167) | (75,827) |
| Campaign, dispute and awareness costs | | (482,729) | (642,906) |
| Donations | | (7,000) | (5,190) |
| Education and promotion | | (15,030) | (19,735) |
| Employee benefits expense | | (846,354) | (665,345) |
| Executive/shop stewards and conference expenses | | (121,555) | (224,660) |
| Insurance | | (13,106) | (13,490) |
| Motor vehicle expenses | | (90,524) | (50,782) |
| Members' welfare | | (19,015) | (18,008) |
| Office occupancy expenses | | (93,075) | (44,950) |
| Professional Fees | | (30,395) | (23,030) |
| Social Committee expenses | | (31,258) | (34,760) |
| Operating profit attributable to members | | <u>(138,128)</u> | <u>(193,139)</u> |

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

BALANCE SHEET

30 JUNE 2009

| | Note | 2009 \$ | 2008 \$ |
|--------------------------------------|------|------------------|------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 6 | 112,705 | 293,306 |
| Trade and other receivables | 7 | 41,519 | 37,490 |
| Inventories | 8 | 15,762 | 5,926 |
| Other assets | 11 | 748 | 7,990 |
| Total current assets | | <u>170,734</u> | <u>344,712</u> |
| Non-current assets | | | |
| Other financial assets | 9 | 3,365 | 3,365 |
| Property, plant and equipment | 10 | 1,945,218 | 1,869,055 |
| Total non-current assets | | <u>1,948,583</u> | <u>1,872,420</u> |
| TOTAL ASSETS | | <u>2,119,317</u> | <u>2,217,132</u> |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | 12 | 341,945 | 347,480 |
| Financial liabilities | 13 | 32,736 | 9,587 |
| Short-term provisions | 14 | 52,278 | 68,334 |
| Total current liabilities | | <u>426,959</u> | <u>425,401</u> |
| Non-current liabilities | | | |
| Financial liabilities | 13 | 52,154 | 13,400 |
| Total non-current liabilities | | <u>52,154</u> | <u>13,400</u> |
| TOTAL LIABILITIES | | <u>479,113</u> | <u>438,801</u> |
| NET ASSETS | | <u>1,640,204</u> | <u>1,778,331</u> |
| MEMBERS' FUNDS | | | |
| Reserves | | 1,588,042 | 1,588,042 |
| Retained earnings | | 52,162 | 190,289 |
| TOTAL MEMBERS' FUNDS | | <u>1,640,204</u> | <u>1,778,331</u> |

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

STATEMENT OF CHANGES IN MEMBERS' FUNDS

FOR THE YEAR ENDED 30 JUNE 2009

| | Retained Earnings | Asset Revaluation Reserve | Total |
|--------------------------------|------------------------------|--|------------------|
| | \$ | \$ | \$ |
| Balance at 1 July 2008 | 190,290 | 1,588,042 | 1,778,332 |
| Loss attributable to members | (138,128) | - | (138,128) |
| Balance at 30 June 2009 | 52,162 | 1,588,042 | 1,640,204 |

| | Retained Earnings | Asset Revaluation Reserve | Total |
|--------------------------------|------------------------------|--|------------------|
| | \$ | \$ | \$ |
| Balance at 1 July 2007 | 383,429 | 1,588,042 | 1,971,471 |
| Loss attributable to members | (193,139) | - | (193,139) |
| Balance at 30 June 2008 | 190,290 | 1,588,042 | 1,778,332 |

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2009

| | Note | 2009 \$ | 2008 \$ |
|--|------|------------------|-----------------|
| Cash from operating activities: | | | |
| Receipts from members and related activities | | 1,933,850 | 1,814,939 |
| Payments to suppliers and employees | | (2,044,300) | (1,880,617) |
| Interest received | | 10,210 | 12,241 |
| Net cash provided by (used in) operating activities | 18 | <u>(100,240)</u> | <u>(53,437)</u> |
| Cash flows from investing activities: | | | |
| Proceeds from sale of plant and equipment | | - | 4,455 |
| Purchase of property, plant and equipment | | (130,564) | (61,725) |
| Net cash provided by (used in) investing activities | | <u>(130,564)</u> | <u>(57,270)</u> |
| Cash flows from financing activities: | | | |
| Proceeds from borrowings | | 90,419 | 31,740 |
| Repayment of borrowings | | (40,216) | (8,853) |
| Net cash provided by (used in) financing activities | | <u>50,203</u> | <u>22,887</u> |
| Net increase (decreases) in cash held | | (180,601) | (87,820) |
| Cash at beginning of financial year | | 293,306 | 381,126 |
| Cash at end of financial year | | <u>112,705</u> | <u>293,306</u> |

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) General information

This financial report covers United Firefighters' Union of Australia - Victoria Branch as an individual entity. United Firefighters' Union of Australia - Victoria Branch.

(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.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

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

(c) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(d) Inventories

Inventories are made up of promotional stock on hand and are measured at the lower of cost and net realisable value.

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

(e) Property, plant and equipment continued

Property continued

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a diminishing value basis over the asset's useful life to the union 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.

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

| | |
|----------------------------------|-----------------|
| Furniture, Fixtures and Fittings | 7.50 - 30.00 % |
| Motor Vehicles | 15.00 - 22.50 % |
| Office Equipment | 11.25 - 40.00 % |
| Low Value Asset Pool | 18.75 - 37.50 % |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

(f) Investments (financial assets)

Available-for-sale financial assets

All investments are classified as available-for-sale financial assets. Available-for-sale financial assets are reflected at fair value unless their fair value cannot be reliably measured. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

(f) Investments (financial assets) continued

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Recognition

Financial assets are initially measured at cost of trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(h) Employee benefits

Provision is made for the union's liability for employee benefits arising from services rendered by employees to balance date. 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, plus related on-costs. 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. A probability of the future payout was determined.

(i) Provisions

Provisions are recognised when the union 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. Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

(j) Income Taxes

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

(k) Revenue

Revenue from membership dues is accounted for on a cash receipts basis.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

(k) Revenue continued

Rental income is recognised on a straight-line basis over a period of lease term so as to reflect a constant periodic rate of return on the net investment.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the reporting date and where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

(l) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit and loss the period in which they are incurred.

(m) 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 balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

2 NOTICE REQUIRED UNDER THE FAIR WORK (REGISTERED ORGANISATION) ACT 2009

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

- (1) "A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application;
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit;
- (3) A reporting unit must comply with an application made under subsection (1).

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

| | 2009 | 2008 |
|---|------------------|------------------|
| | \$ | \$ |
| 3 REVENUE | | |
| Revenue | | |
| - Member subscriptions | 1,454,180 | 1,322,049 |
| - Fighting fund levy | 316,850 | 320,133 |
| - EBA campaign fund | 854 | 17,323 |
| - Campaign 2002 publicity fund | 9,091 | 3,530 |
| - Social club welfare | 630 | 4,918 |
| | <u>1,781,605</u> | <u>1,667,953</u> |
| Other Income | | |
| - Rental income | 67,904 | 63,920 |
| - Worksafe Victoria funding | 55,000 | 55,000 |
| - Sponsorship income | 17,658 | 7,273 |
| - Interest received | 10,211 | 12,241 |
| - Miscellaneous income | 6,886 | 5,555 |
| | <u>157,659</u> | <u>143,989</u> |
| PROFIT/(LOSS) | | |
| 4 Expenses | | |
| Interest expense: | | |
| Rental expense on operating leases | | |
| Minimal lease payments | 14,371 | 9,342 |
| 5 AUDITOR'S REMUNERATION | | |
| Remuneration of the auditor of the union for: | | |
| 6 CASH AND CASH EQUIVALENTS | | |
| Cash on hand | 50 | 50 |
| Cash at bank | 112,655 | 293,256 |
| | <u>112,705</u> | <u>293,306</u> |

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

| | 2009 | 2008 |
|--|------------------|------------------|
| | \$ | \$ |
| 7 TRADE AND OTHER RECEIVABLES | | |
| Current | | |
| Trade receivables | 36,432 | 35,494 |
| Sundry receivables | 5,087 | 1,996 |
| | <u>41,519</u> | <u>37,490</u> |
| 8 INVENTORIES | | |
| Current | | |
| Merchandise - at cost | <u>15,762</u> | <u>5,926</u> |
| 9 FINANCIAL ASSETS | | |
| Non Current | | |
| Available for sale financial assets | <u>3,365</u> | <u>3,365</u> |
| <p>Financial assets comprise of 3,365 Units in ACTU Financial Services Pty Pty and for the ACTU Trusts are paid up to 40% of the par value of units.</p> | | |
| 10 PROPERTY, PLANT AND EQUIPMENT | | |
| Land and Buildings | | |
| Freehold land | | |
| At independent valuation 2004 | 1,050,000 | 1,050,000 |
| At cost | 100,000 | 100,000 |
| | <u>1,150,000</u> | <u>1,150,000</u> |
| Buildings | | |
| At independent valuation | 457,922 | 457,922 |
| At cost | 192,078 | 192,078 |
| Accumulated depreciation | (15,815) | (12,842) |
| | <u>634,185</u> | <u>637,158</u> |
| Total land and buildings | <u>1,784,185</u> | <u>1,787,158</u> |

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

| | 2009 | 2008 |
|--|------------------|------------------|
| | \$ | \$ |
| Furniture, fixture and fittings | | |
| At cost | 92,721 | 92,721 |
| Accumulated depreciation | (72,585) | (70,201) |
| | <u>20,136</u> | <u>22,520</u> |
| Motor vehicles | | |
| At Cost | 54,163 | 54,163 |
| Accumulated depreciation | (31,237) | (23,977) |
| | <u>22,926</u> | <u>30,186</u> |
| Office equipment | | |
| At cost | 226,138 | 151,017 |
| Accumulated depreciation | (158,122) | (124,090) |
| | <u>68,016</u> | <u>26,927</u> |
| Computer software | | |
| At cost | 2,588 | - |
| Accumulated depreciation | (1,033) | - |
| | <u>1,555</u> | <u>-</u> |
| Low value asset pool | | |
| At cost | 13,300 | 9,686 |
| Accumulated depreciation | (8,732) | (7,422) |
| | <u>4,568</u> | <u>2,264</u> |
| Motor Vehicle-under lease | | |
| At cost | 56,482 | - |
| Accumulated amortisation | (12,650) | - |
| | <u>43,832</u> | <u>-</u> |
| Total plant and equipment | <u>161,033</u> | <u>81,897</u> |
| Total property, plant and equipment | <u>1,945,218</u> | <u>1,869,055</u> |

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

2009 2008
\$ \$

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

| | Land | Buildings | Furniture, Fixtures and Fittings | Motor Vehicles | Office Equipment | Computer Software | Low Value Asset Pool | Total |
|-------------------------------------|------------------|----------------|--|-------------------|---------------------|----------------------|-------------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2007 | 1,150,000 | 640,223 | 20,102 | 14,924 | 28,865 | - | 6,788 | 1,860,902 |
| Additions | - | - | 5,100 | 27,235 | 10,548 | - | 2,378 | 45,261 |
| Disposals | - | - | - | (5,625) | (3,184) | - | (4,085) | (12,894) |
| Depreciation expense | - | (3,065) | (2,682) | (6,348) | (9,302) | - | (2,817) | (24,214) |
| Balance at 30 June 2008 | 1,150,000 | 637,158 | 22,520 | 30,186 | 26,927 | - | 2,264 | 1,869,055 |
| Balance at 1 July 2008 | 1,150,000 | 637,158 | 22,520 | 30,186 | 26,927 | - | 2,264 | 1,869,055 |
| Additions | - | - | - | 56,482 | 75,121 | 2,588 | 3,614 | 137,805 |
| Disposals | - | - | - | - | - | - | - | - |
| Depreciation expense | - | (2,973) | (2,384) | (19,910) | (34,032) | (1,033) | (1,310) | (61,642) |
| Carrying amount 30 June 2009 | 1,150,000 | 634,185 | 20,136 | 66,758 | 68,016 | 1,555 | 4,568 | 1,945,218 |

11 OTHER ASSETS

Current

Deposits paid

748 7,990

12 TRADE AND OTHER PAYABLES

Current

Unsecured liabilities

Trade payables

282,343 323,507

Sundry payables and accrued expenses

59,602 23,973

341,945 347,480

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

| | 2009 | 2008 |
|---------------------------------|---------------|---------------|
| | \$ | \$ |
| 13 FINANCIAL LIABILITIES | | |
| Current | | |
| Unsecured liabilities | | |
| Hire purchase liability | 25,846 | 11,443 |
| Unexpired interest | (3,435) | (1,856) |
| Lease Liability | 10,325 | - |
| | <u>32,736</u> | <u>9,587</u> |
| Non Current | | |
| Unsecured liabilities | | |
| Hire purchase liability | 17,083 | 14,305 |
| Unexpired interest | (1,004) | (905) |
| Lease liability | 36,075 | - |
| | <u>52,154</u> | <u>13,400</u> |

14 PROVISIONS

(a) Analysis of Total Provisions

| | | |
|---------|---------------|---------------|
| Current | 52,278 | 68,334 |
| | <u>52,278</u> | <u>68,334</u> |

(b) Movement in carrying amounts

| | Provision for annual leave | Provisions for long service leave | Total |
|--------------------------------|-------------------------------|--------------------------------------|---------------|
| | \$ | \$ | \$ |
| Opening balance at 1 July 2008 | 35,278 | 33,056 | 68,334 |
| Additional provisions | 63,997 | 2,594 | 66,591 |
| Amounts used | (65,307) | (17,340) | (82,647) |
| Balance at 30 June 2009 | <u>33,968</u> | <u>18,310</u> | <u>52,278</u> |

(c) Provision for Employee Entitlements

A provision has been recognised for current employee benefits relating to annual leave. A provision has also been recognised for non current employee benefits relating to long service leave.

In calculating the present value of future flows in respect to long service leave, the probability of long service leave taken was based on historical trends and data.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

| | |
|------|------|
| 2009 | 2008 |
| \$ | \$ |

15 RESERVES

(a) Asset Revaluation Reserve

The asset revaluation reserve records revaluations of non-current assets.

16 CAPITAL AND LEASING COMMITMENTS

(a) Finance Lease Commitments

Payable - minimum lease payments

- not later than 12 months

| | |
|--------|--------|
| 11,443 | 11,443 |
|--------|--------|

- between 12 months and 5 years

| | |
|-------|--------|
| 2,861 | 14,304 |
|-------|--------|

Minimum lease payments

| | |
|--------|--------|
| 14,304 | 25,747 |
|--------|--------|

Less unexpired interest charge

| | |
|-------|---------|
| (905) | (2,791) |
|-------|---------|

Present value of minimum lease payments

| | |
|--------|--------|
| 13,399 | 22,956 |
|--------|--------|

17 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities or contingent assets as at balance sheet date.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

| | 2009 | 2008 |
|---|------------------|-----------------|
| | \$ | \$ |
| 18. CASH FLOW INFORMATION | | |
| Reconciliation of Cash Flow from Operations with Profit after Income Tax | | |
| Net income/(loss) for the period | (138,128) | (193,139) |
| Cash flows excluded from profit attributable to operating activities | | |
| Non-cash flows in profit | | |
| Depreciation | 61,643 | 24,215 |
| (Profit)/Loss on sale of non current assets | - | 8,440 |
| Interest on hire purchase loans | 11,701 | 1,745 |
| Changes in assets and liabilities | | |
| (Increase)/decrease in trade and term receivables | (4,029) | 5,220 |
| (Increase)/decrease in stock on hand | (9,836) | (2,516) |
| Increase/(decrease) in trade payables and accruals | (13,875) | 143,962 |
| Increase/(decrease) in net GST payable | 8,339 | (44,509) |
| Increase/(decrease) in provisions | (16,055) | 3,146 |
| | <u>(100,240)</u> | <u>(53,436)</u> |

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

19 COMPULSORY LEVIES

(a) Fighting Fund Levy

| | 2009 | 2008 |
|--|---------|---------|
| | \$ | \$ |
| Levy raised to fund litigation and operating costs of campaigns on behalf of UFU members | 316,850 | 320,133 |

(b) EBA Campaign Fund

| | | |
|--|-----|--------|
| A levy was imposed on all members as stipulated by the rules to raise additional income required to secure a raise in members wages and improved conditions. | 854 | 17,323 |
|--|-----|--------|

20 DONATIONS

As required by section 254 of the Fair Work (Registered Organisations) Act 2009, listed below are any donations in excess of \$1,000.

| | 2009 |
|----------------------------|--------------|
| | \$ |
| EJ Whitten Foundation | 1,000 |
| Australian Greens | 3,000 |
| John Cummins Memorial Fund | 1,200 |
| | <u>5,200</u> |

21 EVENTS AFTER THE BALANCE SHEET DATE

There have not been any material events between the balance sheet date and the date of signing of the director's report.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

22 COMPANY DETAILS

(a) Registered office

The registered office of the company is:

United Firefighters' Union of Australia - Victorian Branch

410 Brunswick Street

Fitzroy 3065

Victoria

(b) Principal place of business

The principal place of business is:

410 Brunswick Street

Fitzroy 3065

Victoria