



23 October 2013

Peter Marshall
Branch Secretary
United Firefighters' Union of Australia - Victorian Branch
401 Brunswick Street
Fitzroy VIC 3065

Dear Mr Marshall

United Firefighters' Union of Australia Victorian Branch Financial Report for the year ended 30 June 2012 - FR2012/301

I acknowledge receipt of the financial report of the United Firefighters' Union of Australia Victorian Branch for the year ended 30 June 2012. The documents were lodged with Fair Work Australia on 21 December 2012. I acknowledge receipt of supplementary information on 7 October 2013 address a number of issues I raised in my letter dated 23 July 2013. I also acknowledge receipt of supplementary information on 23 October 2013 regarding the accounting policy for membership dues, affiliation fee break down and fighting fund levy reconciliation from your Accountant, Agostinelli Perlen.

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

Changes to the legislation and reporting guidelines

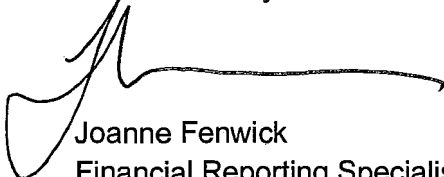
I note with the change of legislation, references to Fair Work Australia will need to be updated to the Fair Work Commission.

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

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

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

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch



United Firefighters Union

Victorian Branch ABN 74 030 569 265

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Australia
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07 October 2013

Ms Joanne Fenwick
Regulatory Compliance Branch
Fair Work Commission
GPO Box 1994
MELBOURNE VIC 3001

Dear Ms Fenwick

United Firefighters' Union Victorian Branch Financial Report for the year ended 30 June 2012

With regard to your letter dated 23 July 2013 we provide the following responses.

A. Accounting policy for membership dues

The Union does not recognise membership revenue until all recognition criteria set out in AASB 118 Revenue are met. Due to the nature of the fees the branch does not satisfy all of the criteria until the cash is received by the member.

The component of the recognition criteria that is not met until the cash is received by the branch is AASB 118.20(b) 'it is probable that the economic benefits associated with the transaction with flow to the entity'. As the UFU Victorian branch membership is voluntary, the branch considers that this criteria is not met until the cash is received from the member. Members are not required to fill in an annual membership form. Once an individual is a member their membership continues into subsequent years until they advise otherwise. The branch has therefore taken the view that the member's commitment to renew their membership is based on the receipt of cash.

We acknowledge the wording in Note 1(k) can be improved upon. The wording will be amended in the 2013 financial statements.

B. Affiliation fees

The breakdown of the 2012 affiliation fees and levies, including comparatives, are as follows:

	Type	2012	2011
United Firefighters' Union of Australia	Affiliation fees	178,773	169,606
Victorian Trades Hall Council	Affiliation fees	8,097	12,612
Victorian Labour	Affiliation fees	12,376	11,664
Geelong Trades Hall Council	Affiliation fees	307	296
Gippsland Trades & Labour Council Inc	Affiliation fees	156	151
Goulburn Valley Trades & Labour Council	Affiliation fees	33	33
Ballarat Trades Hall	Affiliation fees	382	313
Bendigo Trades Hall Council & Literary Institute	Affiliation fees	38	47
Australian Council of Trade Unions (1)	Affiliation fees	8,324	5,286
Australian Council of Trade Unions	IR Levy	-	2,619
South West Trades & Labour Council Inc	Affiliation fees	75	112
		<u>208,561</u>	<u>202,739</u>

- (1) The Australian Council of Trade Unions (ACTU) affiliation fee is paid to the UFU National office and is then forwarded on to the ACTU on behalf of the branch. The branch has recorded this as a payment direct to the ACTU and has therefore excluded the amount for the related party disclosure.

We will ensure that the above disclosure is made in the 2013 financial statements.

C. Employee benefits to Office Holders and other employees

Employee benefits for office holders have been detailed and disclosed in Note 23 of the financial statements. We note however that the employee benefits to the employees has not been separately disclosed along with separate disclosure for employee entitlements. The split for the above items for the 2012 and comparative year are:

	2012	2011
Employee benefits expense		
Office Holders	449,991	251,284
Other employees	634,441	697,046
	<u>1,084,432</u>	<u>948,330</u>
Employee entitlements liability		
Office Holders	125,002	97,726
Other employees	37,389	17,333
	<u>162,391</u>	<u>115,059</u>

D. Legal costs

The Union incurred the following legal costs and litigation expenses:

	2012	2011
Legal and litigation expenses	416,017	134,907
	<u>416,017</u>	<u>134,907</u>

E. Related parties

The relevant related party for each item disclosed in Note 22 has been detailed below:

Transaction/balance	2012	Related party
Rental and other services income	19,250	United Firefighters' Union of Australia
Affiliation fees	(178,773)	United Firefighters' Union of Australia
Presumptive legislation	(3,000)	United Firefighters' Union of Australia
Trade receivables	8,550	United Firefighters' Union of Australia

We will ensure that the above disclosure is made in the 2013 financial statements.

F. Compulsory levy

The Union sets aside \$3,200 per fortnight of its membership subscriptions and deposits the money into a separate bank account referred to as the Fighting fund. The funds are used to cover legal expenses incurred on its members' behalf.

For 2012 \$166,400 was deposited to this account (\$151,272 net of GST recorded as income). \$128,410 of this fund was expended on legal matters during the 2012 financial year. An additional \$150,000 was transferred from the account into a higher interest earning account.

G. Cash flow statement

The following amounts relate to cash inflows/outflows from related party entities.

	2012	2011
Cash from operating activities		
Receipts from members and related activities include the following amounts received from related parties:		
United Firefighters' Union of Australia	12,625	18,655
Payments to suppliers and employees include the following amounts paid to related parties:		
United Firefighters' Union of Australia	199,650	169,606

We will ensure that the above disclosure is made in the 2013 financial statements.

H. Loans, Grants and Donations

A signed copy of the Loans, Grant and Donations schedule for the Victorian branch is enclosed with this letter.

We believe this covers off the issues raised in your correspondence. If you require any further information please do not hesitate to contact us.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Marshall', with a long horizontal flourish extending to the right.

Peter Marshall

Secretary

United Firefighters' Union Victorian Branch



23 July 2013

Peter Marshall
Branch Secretary
United Firefighters' Union - Victorian Branch
410 Brunswick Street
Fitzroy VIC 3065

Dear Mr Marshall

United Firefighters' Union Victorian Branch Financial Report for the year ended 30 June 2012 - FR2012/301

I acknowledge receipt of the financial report for the year ended 30 June 2012 for the United Firefighters' Union Victorian Branch (UFUA VIC). The financial report was lodged with Fair Work Commission (FWC) on 21 December 2012.

The report has not been filed. I have examined the report. Following the examination I have identified a number of matters, the details of which are set out below, that I require you to attend to before the report can be filed.

1. General Purpose Financial Report

The following items within either the income statement, balance sheet, cash flow statement or their relevant Notes require further explanation or information.

General purpose financial report to be prepared on accrual basis

According to the Australian Accounting Standard AASB101(27) *'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting.'*

The notes to the financial statements state that revenue from membership dues is accounted for on a cash receipts basis. Membership dues must be brought to account on an accruals basis in accordance with the Australian Accounting Standards.

Disclosure of contributions to another reporting unit and disclosure of affiliation fees

Reporting Guideline 11(b) requires that where contributions to another reporting unit are made, the amount and the name of each reporting unit are to be disclosed in either the profit and loss statement or the notes.

Reporting Guideline 11(d) requires separate disclosure of affiliation fees paid to political parties and industrial bodies need to be made.

Reporting Guideline 11(e) requires separate disclosure of compulsory levies imposed on the reporting unit - for each such levy, the amount, a brief description of purpose and the name of the entity imposing the levy (including another reporting unit of the organisation).

The line item 'affiliation fee and levies' in the UFUA Vic financial statements will need to be itemised to ensure compliance with the above requirements.

Disclosure of employee benefits to office holders and other employees

The Reporting Guidelines require reporting units to disclose in the income statement or in the notes to the financial statements employee benefits to holders of office (item 11(g)) and employee benefits to other employees (item 11(h)).

I note that the income statement does not distinguish between employee benefits for office holders and other employees. Employee benefits for office holders and other employees must be separately disclosed.

The Reporting Guidelines also require either the balance sheet or the notes to disclose any liability for employee benefits in respect of office holders and other employees (items 14(c) and 14 (d)). Note 13 discloses these liabilities but does not distinguish between provisions for office holders and other employees.

Please provide a breakdown of these figures for officers and for employees (other than holders of office).

Disclosure of legal costs and other expenses related to litigation or other legal matters

Reporting Guideline 11(j) requires separate disclosure of legal costs and other expenses related to litigation or other legal matters.

Can you please confirm if an amount for expenses relating to legal costs should be included in the UFUA VIC general purpose financial report (GPFR)?

Related Parties

Although Note 22 in the UFUA VIC financial statements discloses related party transactions, it does not identify the relevant related party. Please provide a description of the nature of the related party relationship for each transaction identified in Note 22.

Compulsory Levy

Note 18 in the GPFR reports that an amount raised under a compulsory levy, the fighting fund levy, of \$151,273 and \$347,263 for the 2012 and 2011 financial year respectively.

Reporting guideline 14(e) state that the name and balance of each fund or account operated in respect of compulsory levies raised by the reporting unit or voluntary contributions collected from members of the reporting unit by must be disclosed by the reporting unit in the notes to the financial statements unless already disclosed on the face of the balance sheet.

Can you please confirm if all funds collected via the compulsory levy were used during the financial year for the intended purpose of collection?

Cash Flow Statement

Reporting Guideline 15 states that where another reporting unit of the organisation is the source of cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit concerned.

This information has not been provided within the Cash Flow Statement.

2. Loans, grants and donations

Under subsection 237(1) of the RO Act, if an individual loan, grant or donation made by a branch exceeds \$1,000 a statement showing the relevant particulars of each must be lodged with the FWC within 90 days of the end of the financial year.

Note 19 of the financial statements disclose donations of \$17,380 during the financial year.

Before the financial report can be filed, we require a statement to be lodged which complies with section 237, other than with respect to the required timeframe. A template Loans, Grants and Donations form is available on the FWC website.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7886 or by email at joanne.fenwick@fwc.gov.au

Yours sincerely

A handwritten signature in black ink, appearing to read 'Joanne Fenwick', with a stylized flourish at the end.

Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch



United Firefighters Union

Victorian Branch ABN 74 030 569 265

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Australia
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Fax: (03) 9419 9258

21 December 2012

Ms Ailsa Carruthers
Delegate of the General Manager
Fair Work Australia

Via email: orgs@fwa.gov.au

Dear Ms Carruthers,

Matter Number: FR2012/301
Victorian Branch Financial Reporting

Please find attached a copy of the full report and designated officer certificate lodged under section 368 of the *Fair Work (Registered Organisations) Act 2009*.

If you require further information please contact the UFU on 9419 8811 or io2@ufuVIC.asn.au.

Yours faithfully,

Peter Marshall
Branch Secretary

Designated Officer's Certificate
s268 *Fair Work (Registered Organisations) Act 2009*

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

- that the documents lodged herewith are copies of the full report, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members on 20 December 2012; and
- that the full report was presented to a meeting of the Branch Committee of Management of the reporting unit on 20 December 2012; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature



Date:

20 December 2012

UNITED FIREFIGHTERS' UNION OF AUSTRALIA VICTORIAN BRANCH
ABN 74 030 569 265

GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2012

CONTENTS

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

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

OPERATING REPORT
30 JUNE 2012

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 2012.

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 surplus of the Union for the financial year amounted to \$607,902 (2011: \$749,341). 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 2,863.
- (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 7.9.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

OPERATING REPORT
30 JUNE 2012

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
David Hamilton	President	1 July 2011 - present
Peter Marshall	Secretary	1 July 2011 - present
Anthony Trimble	Senior Vice President	1 July 2011 - present
Ken Brown	Junior Vice President	1 July 2011 - present
Paul Martin	Trustee	1 July 2011 - present
Brendan Angwin	Trustee	1 July 2011 - present
Stuart Marshall	Trustee	1 July 2011 - present
Mick McGuinness	Trustee	1 July 2011 - present
Glen Cavanagh	Branch Committee of Management	1 July 2011 - present
Robert Gardiner	Branch Committee of Management	1 July 2011 - present
Danny Ward	Branch Committee of Management	1 July 2011 - present
James Kefalas	Branch Committee of Management	1 July 2011 - present
Chris Cleary	Branch Committee of Management	1 July 2011 - present
David Blundell	Branch Committee of Management	1 July 2011 - present
Mick Tisbury	Branch Committee of Management	1 July 2011 - present

Other relevant information

Nil.

Signed for and on behalf of the Committee of Management:

PETER MARSHALL
BRANCH SECRETARY



Dated this 17 day of December 2012.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

COMMITTEE OF MANAGEMENT CERTIFICATE

On the 17 day of December 2012 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 2012.

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 General Manager of 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 Union for the financial year ended 30 June 2012;
- (d) there are reasonable grounds to believe that the Union 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 2012, 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;
 - (iii) the financial records of the Union have been kept and maintained in accordance with the Fair Work (Registered Organisations Act) 2009;
 - (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;
 - (v) no information was sought by any member of the reporting unit or General Manager of Fair Work Australia under the Fair Work (Registered Organisations Act) 2009; and
 - (vi) no orders have been made by the Commission under the Fair Work (Registered Organisations Act) 2009.
- (f) In relation to the recovery of wages activity
 - (i) There were no recovery of wages activity for the Union during the year ended 30 June 2012

Signed on behalf of the Committee of Management:



DAVID HAMILTON

Dated this 17 day of December 2012.

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

We have audited the financial report of United Firefighters' Union of Australia - Victorian Branch, which comprises the balance sheet as at 30 June 2012, the statement of comprehensive income, statement of changes in members equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the committee of management certificate.

Committee of management's responsibility for the financial report

The committee of management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009, and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the committee also states, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

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

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

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

Independence

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

JOHN AGOSTINELLI - HENRY V PERLEN

Level 2 200 Lygon Street Carlton Victoria 3053
PO Box 88 Carlton South Victoria 3053
Telephone (03) 9654 2022 Facsimile (03) 9654 2044
Email. info@agpe.com.au
Website: www.agpe.com.au

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

Auditor's opinion

In our opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of United Firefighters' Union of Australia – Victorian Branch as at 30 June 2012, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.



**AGOSTINELLI PERLEN
CHARTERED ACCOUNTANTS**



**JOHN AGOSTINELLI
PARTNER**

Dated at Carlton, Victoria this 20 day of December 2012.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

	Note	2012	2011
		\$	\$
Membership dues	3	3,018,877	2,804,712
Other income	3	115,105	100,937
Administration expenses		(252,776)	(229,578)
Affiliation fees and levies		(208,561)	(205,358)
Campaign, dispute and awareness costs		(520,054)	(235,026)
Donations	19	(21,970)	(26,698)
Education and promotion		(13,032)	(27,140)
Employee benefits expense		(1,084,432)	(948,330)
Executive/shop stewards and conference expenses		(121,782)	(84,658)
Insurance		(14,710)	(14,513)
Motor vehicle expenses		(75,467)	(117,672)
Members' welfare		(30,100)	(17,901)
Office occupancy expenses		(79,324)	(88,444)
Professional fees		(40,136)	(33,693)
Social committee expenses		(63,736)	(127,297)
Surplus for the year		<u>607,902</u>	<u>749,341</u>
Other comprehensive income			
Gain on revaluation of property		<u>721,497</u>	<u>-</u>
Total comprehensive income for the year		<u>1,329,399</u>	<u>749,341</u>

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

BALANCE SHEET
AS AT 30 JUNE 2012

	Note	2012	2011
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	6	1,538,715	838,733
Trade and other receivables	7	23,473	15,001
Inventories	8	14,513	19,830
Total current assets		<u>1,576,701</u>	<u>873,564</u>
Non-current assets			
Other financial assets	9	3,365	3,365
Property, plant and equipment	10	2,604,054	1,929,403
Total non-current assets		<u>2,607,419</u>	<u>1,932,768</u>
TOTAL ASSETS		<u>4,184,120</u>	<u>2,806,332</u>
LIABILITIES			
Current liabilities			
Trade and other payables	11	137,223	107,968
Financial liabilities	12	27,785	28,197
Short-term provisions	13	162,391	115,059
Total current liabilities		<u>327,399</u>	<u>251,224</u>
Non-current liabilities			
Financial liabilities	12	9,856	37,642
Total non-current liabilities		<u>9,856</u>	<u>37,642</u>
TOTAL LIABILITIES		<u>337,255</u>	<u>288,866</u>
NET ASSETS		<u>3,846,865</u>	<u>2,517,466</u>
MEMBERS' EQUITY			
Asset revaluation reserve	14	2,309,539	1,588,042
Members funds		<u>1,537,326</u>	<u>929,424</u>
TOTAL MEMBERS' EQUITY		<u>3,846,865</u>	<u>2,517,466</u>

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED 30 JUNE 2012

	Members funds	Asset revaluation reserve	Total
	\$	\$	\$
Balance at 1 July 2011	929,424	1,588,042	2,517,466
Surplus attributable to members	607,902	-	607,902
Other comprehensive income for the year	-	721,497	721,497
Balance at 30 June 2012	1,537,326	2,309,539	3,846,865

	Members funds	Asset revaluation reserve	Total
	\$	\$	\$
Balance at 1 July 2010	180,083	1,588,042	1,768,125
Surplus attributable to members	749,341	-	749,341
Balance at 30 June 2011	929,424	1,588,042	2,517,466

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2012

	<u>2012</u>	<u>2011</u>
Note	\$	\$
Cash from operating activities:		
Receipts from members and related activities	3,092,897	2,929,294
Payments to suppliers and employees	(2,382,353)	(2,114,302)
Interest and other costs of finance paid	(5,361)	(5,946)
Interest received	32,533	6,178
Net cash provided by operating activities	<u>17 737,716</u>	<u>815,224</u>
Cash flows from investing activities:		
Payment for property, plant and equipment	(9,536)	(81,799)
Proceeds from sale of property plant and equipment	-	3,636
Net cash provided used in investing activities	<u>(9,536)</u>	<u>(78,163)</u>
Cash flows from financing activities:		
Proceeds from borrowings	-	52,496
Repayment of borrowings	(28,198)	(33,823)
Net cash provided used in financing activities	<u>(28,198)</u>	<u>(18,673)</u>
Net increase in cash held	699,982	718,388
Cash at beginning of financial year	838,733	120,345
Cash at end of financial year	<u>6 1,538,715</u>	<u>838,733</u>

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) General information

This financial report covers United Firefighters' Union of Australia - Victoria Branch as an individual entity. These financial statements are a general purpose financial report prepared in order to satisfy the requirements of 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.

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 valuations by external independent valuers, less subsequent depreciation for buildings.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(e) Property, plant and equipment 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 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:

Buildings	2.5 %
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)

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.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(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.

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.

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.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(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.

(n) Application of new and revised Accounting Standards

The following new and revised Standards and Interpretations have been adopted in the current year and have not affected the amounts reported in these financial statements.

<u>Standard</u>	<u>Impact on presentation and disclosure</u>
Amendments to AASB 7 'Financial Instruments: Disclosure'	The amendments (part of AASB 2010-4 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project') clarify the required level of disclosures about credit risk and collateral held and provide relief from disclosures previously required regarding renegotiated loans.
Amendments to AASB 101 'Presentation of Financial Statements'	The amendments (part of AASB 2010-4 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project') clarify that an entity may choose to present the required analysis of items of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements.
AASB 2011-1 'Amendments to Australian Accounting Standards arising from Trans-Tasman Convergence Project'	The application of AASB 1054 and AASB 2011-1 in the current year has resulted in the simplification of disclosures in regards to audit fees, franking credits and capital and other expenditure commitments as well as an additional disclosure on whether the entity is a for-profit or not-for-profit entity.

There are no new and revised Standards and Interpretations adopted in these financial statements affecting the reporting results or financial position.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(o) Standards and Interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

<u>Standard/Interpretation</u>	<u>Effective for annual reporting periods beginning on or after</u>	<u>Expected to be initially applied in the financial year ending</u>
AASB 9 'Financial Instruments', AASB 2009-11 'Amendments to Australian Accounting Standards arising from AASB 9'	1 January 2013	30 June 2014
and		
AASB 2010-7 'Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)'		
AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'	1 January 2013	30 June 2014
AASB 119 'Employee Benefits' (2011) and AASB 2011-10 'Amendments to Australian Accounting Standards arising from AASB 119 (2011)'	1 January 2013	30 June 2014
AASB 2011-4 'Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements'	1 July 2013	30 June 2014
AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'	1 July 2012	30 June 2013

The Union does not anticipate early adoption of any of the above accounting standards.

2 NOTICE REQUIRED UNDER THE 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), (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
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	<u>2012</u>	<u>2011</u>
	\$	\$
3 REVENUE		
Revenue		
Member subscriptions	2,866,694	2,453,869
Fighting fund levy	151,273	347,263
Social club welfare	910	3,580
	<u>3,018,877</u>	<u>2,804,712</u>
Other income		
Rental income	76,872	83,049
Interest received	32,533	6,178
Miscellaneous income	5,700	11,710
	<u>115,105</u>	<u>100,937</u>
4 PROFIT/(LOSS)		
(a) Expenses		
Interest expense on financial liabilities:		
Finance costs	5,361	5,946
Total interest expense	<u>5,361</u>	<u>5,946</u>
Depreciation expense		
Depreciation of property, plant and equipment	56,382	65,350
Rental expense on operating leases		
Minimal lease payments	13,678	14,522
(b) Other gains and losses		
Loss on disposal of property, plant and equipment	-	30,831
5 AUDITOR'S REMUNERATION		
Remuneration of the auditor of the union for:		
Audit of the financial report	13,527	11,000
Other services	20,000	21,900
	<u>33,527</u>	<u>32,900</u>

The auditor of United Firefighters' Union of Australia – Victorian Branch is Agostinelli Perlen

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	<u>2012</u>	<u>2011</u>
	\$	\$
6 CASH AND CASH EQUIVALENTS		
Cash on hand	50	50
Cash at bank	1,538,665	838,683
	<u>1,538,715</u>	<u>838,733</u>
7 TRADE AND OTHER RECEIVABLES		
Current		
Trade receivables	8,550	3,920
Sundry receivables	14,923	11,081
	<u>23,473</u>	<u>15,001</u>
8 INVENTORIES		
Current		
Merchandise - at cost	14,513	19,830
	<u>14,513</u>	<u>19,830</u>
9 FINANCIAL ASSETS		
Non current		
Investments	3,365	3,365
	<u>3,365</u>	<u>3,365</u>
Financial assets comprise of 3,365 Units in ACTU Financial Services Pty Ltd and for the ACTU Trusts are paid up to 40% of the par value of units.		
10 PROPERTY, PLANT AND EQUIPMENT		
Land and buildings		
Freehold land		
At fair value	1,597,222	1,150,000
	<u>1,597,222</u>	<u>1,150,000</u>
Buildings		
At fair value	902,778	650,000
Accumulated depreciation	(3,291)	(21,497)
	<u>899,487</u>	<u>628,503</u>
Total land and buildings	<u>2,496,709</u>	<u>1,778,503</u>
An independent valuation was performed by Harrington Earl Estate Agents in May 2012 to determine the fair value of the Union's land and buildings. The valuation was determined by reference to recent market transactions on an arm's length term. Had the Union's land and buildings been measured on a historical cost basis, their carrying amount would be as follows:		
Freehold land	100,000	100,000
Buildings	192,078	192,078
	<u>292,078</u>	<u>292,078</u>

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	<u>2012</u>	<u>2011</u>
	\$	\$
10 PROPERTY, PLANT AND EQUIPMENT CONTINUED		
Furniture, fixture and fittings		
At cost	94,950	94,950
Accumulated depreciation	(77,718)	(75,765)
	17,232	19,185
 Motor vehicles		
At cost	109,480	109,480
Accumulated depreciation	(53,284)	(34,691)
	56,196	74,789
 Office equipment		
At cost	146,210	136,674
Accumulated depreciation	(119,217)	(104,130)
	26,993	32,544
 Computer software		
At cost	41,209	41,209
Accumulated depreciation	(36,609)	(20,550)
	4,600	20,659
 Low value asset pool		
At cost	7,490	7,490
Accumulated depreciation	(5,166)	(3,767)
	2,324	3,723
 Total plant and equipment	107,345	150,900
Total property, plant and equipment	2,604,054	1,929,403

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

10 PROPERTY, PLANT AND EQUIPMENT CONTINUED

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 at fair value	Buildings at fair value	Furniture, fixtures and fittings at cost	Motor vehicles at cost	Office equipment at cost	Computer software at cost	Low value asset pool	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Cost or valuation								
Balance at 1 July 2010	1,150,000	650,000	92,721	142,580	231,524	27,588	13,675	2,308,088
Additions	-	-	3,304	47,547	12,615	16,209	2,124	81,799
Disposals	-	-	(1,075)	(80,647)	(107,465)	(2,588)	(8,309)	(200,084)
Balance at 30 June 2011	1,150,000	650,000	94,950	109,480	136,674	41,209	7,490	2,189,803
Additions	-	-	-	-	9,536	-	-	9,536
Revaluation increase	447,222	252,778	-	-	-	-	-	700,000
Balance at 30 June 2012	1,597,222	902,778	94,950	109,480	146,210	41,209	7,490	2,899,339
Accumulated depreciation								
Balance at 1 July 2010	-	(18,699)	(74,654)	(62,180)	(187,175)	(7,493)	(10,466)	(360,667)
Eliminated on disposals of assets	-	-	899	48,511	105,602	2,588	8,017	165,617
Depreciation expense	-	(2,798)	(2,010)	(21,022)	(22,557)	(15,645)	(1,318)	(65,350)
Balance at 30 June 2011	-	(21,497)	(75,765)	(34,691)	(104,130)	(20,550)	(3,767)	(260,400)
Eliminated on revaluation	-	21,497	-	-	-	-	-	21,497
Depreciation expense	-	(3,291)	(1,953)	(18,593)	(15,087)	(16,059)	(1,399)	(56,382)
Balance at 30 June 2012	-	(3,291)	(77,718)	(53,284)	(119,217)	(36,609)	(5,166)	(295,285)

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	<u>2012</u>	<u>2011</u>
	\$	\$
11 TRADE AND OTHER PAYABLES		
Current		
Unsecured liabilities		
Trade payables	99,983	49,993
Sundry payables and accrued expenses	37,240	57,975
	<u>137,223</u>	<u>107,968</u>

12 FINANCIAL LIABILITIES		
Current		
Unsecured liabilities		
Hire purchase liability	30,251	33,558
Unexpired interest	(2,466)	(5,361)
	<u>27,785</u>	<u>28,197</u>
Non current		
Unsecured liabilities		
Hire purchase liability	10,163	40,416
Unexpired interest	(307)	(2,774)
	<u>9,856</u>	<u>37,642</u>

13 PROVISIONS

(a) Analysis of total provisions		
Current	<u>162,391</u>	<u>115,059</u>

	Provision for annual leave	Provision for long service leave	Total
	\$	\$	\$
(b) Total all staff			
Opening balance at 1 July 2011	73,044	42,015	115,059
Additional provisions	73,194	6,526	79,720
Amounts used	(32,388)	-	(32,388)
Balance at 30 June 2012	<u>113,850</u>	<u>48,541</u>	<u>162,391</u>

(c) **Provision for employee entitlements**

A provision has been recognised for current employee benefits relating to annual leave and 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
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	<u>2012</u>	<u>2011</u>
	\$	\$
14 RESERVES		
(a) Asset revaluation reserve		
Balance at beginning of year	1,588,042	1,588,042
Increase arising on revaluation of properties	721,497	-
Balance at end of year	<u>2,309,539</u>	<u>1,588,042</u>
The asset revaluation reserve records revaluations of non current assets.		

15 CAPITAL AND LEASING COMMITMENTS

(a) Finance lease commitments		
Payable - minimum lease payments		
- not later than 12 months	30,251	33,559
- between 12 months and 5 years	10,163	40,415
Minimum lease payments	40,414	73,974
Less unexpired interest charge	(2,774)	(8,135)
Present value of minimum lease payments	<u>37,640</u>	<u>65,839</u>

16 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Firefighters' Union of Australia – Victorian Branch are committed to the building at 410 Brunswick Street, Fitzroy. The funding for the renovation cost will be sourced from current funds. As at the date of this report there are no contracts or estimates available.

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

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	<u>2012</u>	<u>2011</u>
	\$	\$
17 CASH FLOW INFORMATION		
Reconciliation of cash flow from operations		
Net surplus for the period	607,902	749,341
Cash flows excluded from surplus attributable to operating activities		
Non-cash flows in surplus		
Depreciation	56,382	65,350
Loss on disposal of plant and equipment	-	30,831
Changes in assets and liabilities		
(Increase)/decrease in trade and term receivables	(8,472)	(1,008)
(Increase)/decrease in stock on hand	5,317	(5,098)
Increase/(decrease) in trade payables and accruals	29,255	(47,147)
Increase/(decrease) in provisions	47,332	22,955
	<u>737,716</u>	<u>815,224</u>
18 COMPULSORY LEVIES		
(a) Fighting Fund Levy		
Levy raised to fund litigation and operating costs of campaigns on behalf of UFU members	151,273	347,263
	<u>151,273</u>	<u>347,263</u>

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

	<u>2012</u>	<u>2011</u>
	\$	\$
19 DONATIONS		
As required by section 254 of the Fair Work (Registered Organisations) Act 2009, listed below are any donations in excess of \$1,000.		
DOXA Youth Foundation	-	3,600
E.J Whitten Foundation	1,850	1,750
St Vincent's Hospital Foundation	-	4,150
St Vincent de Paul	7,700	-
John Cummins Memorial Fund	1,250	1,200
Muscular Dystrophy	-	5,000
Building Industry	5,150	-
International Association of Firefighters'	1,430	-
Peter MacCallum Cancer Foundation	-	1,200
	<u>17,380</u>	<u>16,900</u>

20 FINANCIAL RISK MANAGEMENT

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

The totals for each category of financial instrument are as follows:

Financial assets

Cash and cash equivalents	1,538,715	838,733
Trade and other receivables	23,473	14,648
Total financial assets	<u>1,562,188</u>	<u>853,381</u>

Financial liabilities

Trade and other payables	137,223	107,968
Borrowings	37,641	65,839
Total financial liabilities	<u>174,864</u>	<u>173,807</u>

Specific financial risk exposures and management

The main risks the Branch is exposed to through its financial instruments are liquidity risk and market risk through interest rate risk.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

20 FINANCIAL RISK MANAGEMENT CONTINUED

(a) Liquidity risk

Liquidity risk arises from the possibility that the Branch might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Branch manages risk through the following mechanisms:

- Comparing the maturity profile of financial liabilities with the realisation profile of financial assets;
- Managing credit risk related to financial assets;
- Maintaining a reputable credit risk profile; and
- Obtaining funding from a variety of sources.

Financial liability and financial asset maturity analysis

	Within 1 year		1-5 years		Total contractual cash flow	
	2012	2011	2012	2011	2012	2011
	\$	\$	\$	\$	\$	\$
Financial assets – cash flow realisable						
Cash and cash equivalents	1,538,715	838,733	-	-	1,538,715	838,733
Trade and other receivables	23,473	14,648	-	-	23,473	14,648
Total anticipated inflows	1,562,188	853,381	-	-	1,562,188	853,381
Financial liabilities due for payment						
Trade and other payables	137,223	107,968		-	137,223	107,968
Finance lease liabilities	27,785	28,197	9,856	37,642	37,641	65,839
Total contractual outflows	165,008	136,165	9,856	37,642	174,864	173,807
Net inflow/(outflow) on financial instruments	1,397,180	717,216	(9,856)	(37,642)	1,387,324	679,574

(b) Market risk

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect cash flows or the fair value of fixed rate financial instruments.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

21 EVENTS AFTER BALANCE DATE

There have not been any material events between the balance date and the date of signing of the operating report.

22 RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	2012	2011
	\$	\$
Transactions with related parties:		
Rental and other services income	19,250	18,655
	<hr/>	<hr/>
Affiliation fees	(178,773)	(169,606)
Presumptive legislation	(4,430)	-
	<hr/>	<hr/>
	<u>(183,203)</u>	<u>(169,606)</u>

The following balance were outstanding at the end of the reporting period:

Trade receivables	<u>8,550</u>	-
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23 KEY MANAGEMENT PERSONNEL

The total remuneration paid to elected officials of the Branch during the period are as follows:

Short-term employee benefits	284,985	228,819
Post employment benefits	25,547	22,465
Short-term and post employment benefits relating to prior year entitlements ⁽ⁱ⁾	<u>139,459</u>	-
	<u>449,991</u>	<u>251,284</u>

- (i) During the 2012 financial year an error was identified in one of the branch official's remuneration. The Committee of Management engaged a consultant to review the official's remuneration for the past six years. The review identified discrepancies between the official's entitlement and actual benefits paid. The Committee of Management approved a total payment of \$139,459 be paid in lost benefits and compensation for the error. The majority of the payments resulting from the investigation were for once off payments to the Australian Taxation Office and to ESSS to correct the discrepancies which had occurred between 2007 and 2011.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

24 UNION DETAILS

(a) Registered office

The registered office of the Union 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



FAIR WORK
AUSTRALIA

18 December 2012

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

Dear Mr Marshall

Application by the United Firefighters' Union Victorian Branch for an extension of time to provide the full report to members - FR2012/301

I acknowledge receipt on 11 December 2012 of a request to extend the period in which the full report of the Victorian Branch of the United Firefighter's Union is to be provided to members under section 265 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

The request was made in the context of an application under section 159 of the RO Act which had been lodged with FWA on 12 November 2012 seeking certification of rules to allow for not less than 5% of members of the Branch to call for a general meeting of members to consider the Branch's financial reports, in accordance with subsection 266(3) of the RO Act.

In its request of 11 December 2012, the Branch advised that the assessment of the proposed rule alteration was pending, that it had received the financial statements from its auditors on 28 November 2012 but that the statements were still awaiting finalisation.

On 14 December 2012 I issued a decision (R2012/201) granting the alteration to rules under section 159 of the RO Act referred to above. As a result, subsection 266(3) of the RO Act now permits the Branch to present its full report to a meeting of the Branch's committee of management and the Branch has advised that it intends to do so for the year ended 30 June 2012. In such circumstances paragraph 265(5)(b) of the RO Act requires that the full report be provided to members within 5 months of the end of the financial year (that is, by 30 November 2012). Subsection 265(5) also enables the General Manager to extend the period in which the full report must be circulated to Branch members by no more than one month.

Having considered the reasons set out in the letter of 11 December 2012, I allow an extension of time under paragraph 265(5)(b) of the RO Act until 31 December 2012 in which to provide the full report to members of the Victorian Branch.

Yours sincerely

Ailsa Carruthers
Delegate of the General Manager
Fair Work Australia



United Firefighters Union

Victorian Branch ABN 74 030 569 265

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Australia
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Fax: (03) 9419 9258

7 December 2012

Ms Bernadette O'Neill
General Manager
Fair Work Australia

Via email: orgs@fwa.gov.au

Dear Ms O'Neill,

RE: Financial Reporting Requirements

The United Firefighters Union of Australia – Victorian Branch (UFU) respectfully makes application under section 265(5) of the *Fair Work Australia (Registered Organisations) Act 2009* for the General Manager to extend the period in which the full report is provided to its members by one month, as the report is to be presented to a Branch Committee of Management meeting once the pending rule alteration is approved.

The reason this request is made is that the UFU received the financial statements from its auditors on 28 November 2012 and these statements are still awaiting finalisation. The UFU is also awaiting a rule alteration decision from the delegate regarding holding of financial reporting meetings in order to be able to present the report to a Branch Committee of Management meeting rather than a General Meeting of Members.

We apologise for the delay and respectfully request a response as soon as practicable due to the financial reporting timelines. We thank Fair Work Australia for its assistance.

If you require further information please contact the UFU on 9419 8811 or io2@ufuVIC.asn.au.

Yours faithfully,

Peter Marshall
Branch Secretary