



3 May 2014

Mr Peter Marshall
Branch Secretary
United Firefighters' Union of Australia-Victorian Branch
p.marshall@ufuvic.asn.au

Dear Mr Marshall,

**United Firefighters' Union of Australia-Victorian Branch
Financial Report for the year ended 30 June 2013 - [FR2013/205]**

I acknowledge receipt of the financial report of the United Firefighters' Union of Australia-Victorian Branch. The documents were lodged with the Fair Work Commission on 20 December 2013.

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

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

Please note that the financial report for the year ending 30 June 2014 may be subject to an advanced compliance review.

If you have any queries regarding this letter, please contact me on (03) 8661 7812 or via email at nick.salzberg@fwc.gov.au.

Yours sincerely

Nick Salzberg
Regulatory Compliance Branch
Fair Work Commission

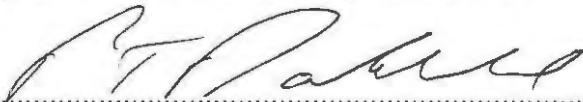
Designated Officer's Certificate

s.268 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 for the United Firefighters Union of Australia – Victorian Branch for the period ended 30 June 2013 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members on Tuesday 17th December and
- that the full report was presented to a meeting of the Branch Committee of Management of the reporting unit on Tuesday December 17th in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:


.....

Name of prescribed designated officer:

Peter James Marshall
.....

Title of prescribed designated officer: *Secretary*
.....

Dated: *20/12/13*
.....

UNITED FIREFIGHTERS' UNION OF AUSTRALIA VICTORIAN BRANCH

ABN 74 030 569 265

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

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

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013**

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

OPERATING REPORT
30 JUNE 2013

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 2013.

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 deficit of the Union for the financial year amounted to \$186,048 (2012 surplus: \$615,222). 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 3,070.
- (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 8.7.

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

OPERATING REPORT
30 JUNE 2013

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 2012 - present
Peter Marshall	Secretary	1 July 2012 - present
Anthony Trimble	Senior Vice President	1 July 2012 - present
Ken Brown	Junior Vice President	1 July 2012 - present
Robert Psaila	Trustee	1 July 2012 - present
Brendan Angwin	Trustee	1 July 2012 - present
Stuart Marshall	Trustee	1 July 2012 - present
Mick McGuinness	Trustee	1 July 2012 - present
Glen Cavanagh	Branch Committee of Management	1 July 2012 - present
Robert Gardiner	Branch Committee of Management	1 July 2012 - present
Danny Ward	Branch Committee of Management	1 July 2012 - present
James Kefalas	Branch Committee of Management	1 July 2012 - present
Chris Cleary	Branch Committee of Management	1 July 2012 - present
David Blundell	Branch Committee of Management	1 July 2012 - present
Mick Tisbury	Branch Committee of Management	1 July 2012 - present

Other relevant information

Nil.

Signed for and on behalf of the Committee of Management:



PETER MARSHALL
BRANCH SECRETARY

Dated this *Eleventh* day of *December*, 2013.

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

COMMITTEE OF MANAGEMENT CERTIFICATE

On the ELEVENTH day of DECEMBER, 2013 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 2013.

The Committee of Management declares 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;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Union for the financial year ended 30 June 2013;
- (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; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned;
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned;
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations Act) 2009;
 - (iv) the financial records of the reporting unit 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 reporting unit during the year ended 30 June 2013.

This declaration is made in accordance with a resolution of the Committee of Management.

DAVID HAMILTON
PRESIDENT



Dated this Eleventh day of December, 2013.

**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 2013, 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.

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.

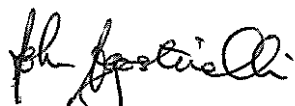
INDEPENDENT AUDIT REPORT TO THE MEMBERS OF UNITED FIREFIGHTERS' UNION OF AUSTRALIA
- VICTORIAN BRANCH

Auditor's opinion

In our opinion the financial report presents fairly, in all material respects, the financial position of United Firefighters' Union of Australia – Victorian Branch as at 30 June 2013, 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.



AGOSTINELLI PERLEN
CHARTERED ACCOUNTANTS



JOHN AGOSTINELLI
PARTNER

Dated at Carlton, Victoria this 12th day of December 2013.

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	Note	<u>2013</u>	<u>2012</u>
		\$	\$
Membership dues	3(a)	3,307,350	3,036,427
Other income	3(b)	131,857	115,105
Administration expenses		(340,279)	(263,006)
Affiliation fees and levies	4(b)	(232,213)	(208,561)
Campaign, dispute and awareness costs		(1,500,190)	(520,054)
Donations	4(h)	(32,055)	(21,970)
Education and promotion		(23,424)	(13,032)
Employee benefits expense	4(a)	(1,092,984)	(1,084,432)
Executive/shop stewards and conference expenses		(55,124)	(121,782)
Insurance		(13,962)	(14,710)
Motor vehicle expenses		(93,347)	(75,467)
Members' welfare		(56,144)	(30,100)
Office occupancy expenses		(83,390)	(79,324)
Professional fees		(52,746)	(40,136)
Social committee expenses		(49,397)	(63,736)
Surplus/(deficit) for the year		<u>(186,048)</u>	<u>615,222</u>
Other comprehensive income			
Gain on revaluation of property		<u>-</u>	<u>721,497</u>
Total comprehensive income for the year		<u>(186,048)</u>	<u>1,336,719</u>

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

BALANCE SHEET
AS AT 30 JUNE 2013

	Note	<u>2013</u> \$	<u>2012</u> \$
ASSETS			
Current assets			
Cash and cash equivalents	6	1,370,216	1,538,715
Trade and other receivables	7	233,076	192,240
Inventories	8	18,586	14,513
Total current assets		<u>1,621,878</u>	<u>1,745,468</u>
Non-current assets			
Other financial assets	9	3,365	3,365
Property, plant and equipment	10	2,593,515	2,604,054
Total non-current assets		<u>2,596,880</u>	<u>2,607,419</u>
TOTAL ASSETS		<u>4,218,758</u>	<u>4,352,887</u>
LIABILITIES			
Current liabilities			
Trade and other payables	11	193,716	167,360
Financial liabilities	12	-	27,785
Provisions	13	222,482	162,391
Other liabilities	14	24,593	21,480
Total current liabilities		<u>440,791</u>	<u>379,016</u>
Non-current liabilities			
Financial liabilities	12	-	9,856
Total non-current liabilities		<u>-</u>	<u>9,856</u>
TOTAL LIABILITIES		<u>440,791</u>	<u>388,872</u>
NET ASSETS		<u>3,777,967</u>	<u>3,964,015</u>
MEMBERS' EQUITY			
Asset revaluation reserve	15	2,309,539	2,309,539
Members funds	16	1,468,428	1,654,476
TOTAL MEMBERS' EQUITY		<u>3,777,967</u>	<u>3,964,015</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 2013

	Members funds	Asset revaluation reserve	Total
	\$	\$	\$
Balance at 1 July 2012	1,654,476	2,309,539	3,964,015
Deficit attributable to members	(186,048)	-	(186,048)
Balance at 30 June 2013	1,468,428	2,309,539	3,777,967

	Members funds	Asset revaluation reserve	Total
	\$	\$	\$
Balance at 1 July 2011	929,424	1,588,042	2,517,466
Effect of change in accounting policy	109,830	-	109,830
Adjusted balance at 1 July 2011	1,039,254	1,588,042	2,627,296
Surplus attributable to members	615,222	-	615,222
Other comprehensive income for the year	-	721,497	721,497
Balance at 30 June 2012	1,654,476	2,309,539	3,964,015

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

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013

	<u>2013</u>	<u>2012</u>
Note	\$	\$
Cash from operating activities:		
Receipts from members and related activities	3,333,647	3,092,897
Payments to suppliers and employees	(3,454,724)	(2,382,353)
Interest and other costs of finance paid	(4,329)	(5,361)
Interest received	54,451	32,533
Net cash provided by operating activities	<u>19(a) (70,955)</u>	<u>737,716</u>
Cash flows from investing activities:		
Payment for property, plant and equipment	(73,994)	(9,536)
Proceeds from sale of property plant and equipment	14,091	-
Net cash provided used in investing activities	<u>(59,903)</u>	<u>(9,536)</u>
Cash flows from financing activities:		
Repayment of borrowings	(37,641)	(28,198)
Net cash provided used in financing activities	<u>(37,641)</u>	<u>(28,198)</u>
Net increase in cash held	(168,499)	699,982
Cash at beginning of financial year	1,538,715	838,733
Cash at end of financial year	<u>6 1,370,216</u>	<u>1,538,715</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

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.

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.

Basis of preparation

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities at measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Comparative amounts

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

(b) Inventories

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

(c) 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.

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(c) Property, plant and equipment continued

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.

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(e) Financial assets

Financial assets are classified into the following specified categories: held-to-maturity investments, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the Union has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Derecognition of financial assets

The Union derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

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.

(f) Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(f) Impairment of financial assets continued

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the assets carrying amount and the present value of future cash flows, discounted at the financial asset's original effective interest rate.

(g) Financial liabilities

Financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Union derecognises financial liabilities when, and only when, the Union's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(k) Revenue

Revenue from membership dues is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

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.

(m) Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

(n) 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(o) Change in accounting policy

In the current financial year the union changed its accounting policy in respect to recognition of membership fees. Previously, membership fees were accounted for on a cash basis and only recognised once money had been received from the member. The new policy recognises membership fees on an accruals basis and is recorded as revenue in the year to which it relates. As a result a provision for doubtful debt has been raised for outstanding membership fees identified where probability of recovering the fees is rated as low. The change in accounting policy has been retrospectively adjusted in these financial statements.

The monetary value impact of the change in accounting policy are summarised below:

Statement of comprehensive income

	2013			2012		
	Pre change	Post change	Increase	Pre change	Post change	Increase
Membership dues	3,276,575	3,307,350	30,775	3,018,877	3,036,427	17,550
Administration expense	(326,894)	(340,279)	13,385	(252,776)	(263,006)	10,230

Statement of financial position

	2013			2012		
	Pre change	Post change	Increase	Pre change	Post change	Increase
Trade and other receivables	73,943	233,076	159,133	53,610	192,240	138,630
Other liabilities	-	(24,593)	24,953	-	(21,480)	21,480
Opening retained earnings	1,537,326	1,654,476	117,150	929,424	1,039,254	109,830

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(p) 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>
AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'	Requires entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments)

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

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' and AASB 2010-7 'Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)'	1 January 2015	30 June 2016
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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(p) Application of new and revised accounting standards continued

<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 2012-2 'Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities'	1 January 2013	30 June 2014
AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'	1 January 2014	30 June 2015
AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle'	1 January 2013	30 June 2014
AASB 2012-10 'Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments'	1 January 2013	30 June 2014
AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures of Non-Financial Assets'	1 January 2014	30 June 2015

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
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	<u>2013</u>	<u>2012</u>
	\$	\$
3 INCOME		
(a) Levies		
Member subscriptions	3,306,790	3,035,617
Social club welfare	560	910
	<u>3,307,350</u>	<u>3,036,427</u>
(b) Other income		
Rental income	72,510	76,872
Interest received	54,451	32,533
Miscellaneous income	4,896	5,700
	<u>131,857</u>	<u>115,105</u>
(c) Grants and donations		
The following grants and donations have been included in miscellaneous income:		
Grants	-	-
Donations	-	1,210
	<u>-</u>	<u>1,210</u>
4 EXPENSES		
(a) Employee expense		
 Holders of office:		
Wages and salaries	234,427	343,833
Superannuation	29,303	25,547
Honorariums	93,638	80,611
Movement in leave and other entitlements	47,662	39,306
Subtotal employee expenses – holders of office	<u>405,030</u>	<u>489,297</u>
 Employees other than office holders:		
Wages and salaries	543,199	401,823
Superannuation	47,776	33,460
Movement in leave and other entitlements	12,429	8,027
Subtotal employee expenses – employees other than holders of office	<u>603,404</u>	<u>443,310</u>
Other employee expenses	84,550	151,825
Total employee expenses	<u>1,092,984</u>	<u>1,084,432</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

		<u>2013</u>	<u>2012</u>
		\$	\$
4 EXPENSES CONTINUED			
(b) Affiliation fees			
	<u>Type</u>		
United Firefighters' Union of Australia	Affiliation fees	197,662	178,773
Victorian Trades Hall Council	Affiliation fees	11,179	8,097
Victorian Labour	Affiliation fees	12,607	12,376
Geelong Trades Hall Council	Affiliation fees	311	307
Gippsland Trades & Labour Council Inc	Affiliation fees	165	156
Goulburn Valley Trades & Labour Council	Affiliation fees	33	33
Ballarat Trades Hall	Affiliation fees	305	382
Bendigo Trades Hall Council & Literary Institute	Affiliation fees	38	38
Australian Council of Trade Unions ⁽¹⁾	Affiliation fees	9,838	8,324
South West Trades & Labour Council Inc	Affiliation fees	75	75
		<u>232,213</u>	<u>208,561</u>
(1) The Australian Council of Trade Unions (ACTU) affiliation fee is paid to the United Firefighters' Union of Australia National office and is then forwarded on to the ACTU on behalf of the branch. The United Firefighters' Union of Australia – Victorian Branch has recorded this as a payment direct to the ACTU and has therefore excluded the amount for the related party disclosure.			
(c) Interest expense on financial liabilities:			
Finance costs		4,329	5,361
(d) Depreciation expense			
Depreciation of buildings		22,569	3,291
Depreciation of plant and equipment		20,860	34,498
Depreciation of motor vehicles		14,539	18,593
		<u>57,968</u>	<u>56,382</u>
(e) Rental expense on operating leases			
Minimal lease payments		16,088	13,678
(f) Other gains and losses			
Loss on disposal of property, plant and equipment		12,474	-

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	<u>2013</u>	<u>2012</u>
	\$	\$
4 EXPENSES CONTINUED		
(g) Legal costs		
Litigation and other legal matters	1,288,470	417,017
(h) Donations and grants		
Donations	32,055	21,970
Grants	-	-
	32,055	21,970
5 AUDITOR'S REMUNERATION		
Remuneration of the auditor of the union for:		
Audit of the financial report	13,000	13,527
Other services	21,300	20,000
	34,300	33,527
The auditor of United Firefighters' Union of Australia – Victorian Branch is Agostinelli Perlen		
6 CASH AND CASH EQUIVALENTS		
Cash on hand	50	50
Cash at bank	1,370,166	1,538,665
	1,370,216	1,538,715
7 TRADE AND OTHER RECEIVABLES		
Receivables from other reporting units		
United Firefighters' Union of Australia	1,710	8,550
	1,710	8,550
Less provision for doubtful debts	-	-
Net receivables from other reporting units	1,710	8,550
Other trade receivables	204,568	167,602
Less provision for doubtful debts	(29,075)	(15,689)
Other receivables		
GST receivable	33,284	20,123
Sundry receivables	22,589	11,654
	233,076	192,240

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	<u>2013</u>	<u>2012</u>
	\$	\$
8 INVENTORIES		
Merchandise - at cost	<u>18,586</u>	<u>14,513</u>
9 FINANCIAL ASSETS		
Investments	<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

	<u>1,597,222</u>	<u>1,597,222</u>
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Buildings

At fair value

	902,778	902,778
--	---------	---------

Accumulated depreciation

	<u>(25,860)</u>	<u>(3,291)</u>
--	-----------------	----------------

	<u>876,918</u>	<u>899,487</u>
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Total land and buildings

	<u>2,474,140</u>	<u>2,496,709</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	<u>192,078</u>	<u>192,078</u>
	<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 2013

	<u>2013</u>	<u>2012</u>
	\$	\$
10 PROPERTY, PLANT AND EQUIPMENT CONTINUED		
Furniture, fixture and fittings		
At cost	84,100	94,950
Accumulated depreciation	(67,467)	(77,718)
	16,633	17,232
 Motor vehicles		
At cost	114,293	109,480
Accumulated depreciation	(43,982)	(53,284)
	70,311	56,196
 Office equipment		
At cost	127,040	146,210
Accumulated depreciation	(102,202)	(119,217)
	24,838	26,993
 Computer software		
At cost	41,209	41,209
Accumulated depreciation	(40,778)	(36,609)
	431	4,600
 Low value asset pool		
At cost	13,509	7,490
Accumulated depreciation	(6,347)	(5,166)
	7,162	2,324
 Total plant and equipment	119,375	107,345
Total property, plant and equipment	2,593,515	2,604,054

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

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 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
Additions	-	-	2,006	52,360	13,609	-	6,019	73,994
Disposals	-	-	(12,856)	(47,547)	(32,779)	-	-	(93,182)
Balance at 30 June 2013	1,597,222	902,778	84,100	114,293	127,040	41,209	13,509	2,880,151
Accumulated depreciation								
Balance at 1 July 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)
Depreciation expense	-	(22,569)	(1,707)	(14,539)	(13,803)	(4,169)	(1,181)	(57,968)
Disposals	-	-	11,958	23,841	30,818	-	-	66,617
Balance at 30 June 2013	-	(25,860)	(67,467)	(43,982)	(102,202)	(40,778)	(6,347)	(286,636)

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	<u>2013</u>	<u>2012</u>
	\$	\$
11 TRADE AND OTHER PAYABLES		
Payables to other reporting units	-	-
Trade payables	53,559	33,482
Legal costs	78,261	66,501
Other payables:		
Superannuation	14,832	14,278
Sundry payables and accrued expenses	47,064	53,099
	<u>193,716</u>	<u>167,360</u>
Settlement is usually made within 30 days		
12 FINANCIAL LIABILITIES		
Current		
Unsecured liabilities		
Hire purchase liability	-	30,251
Unexpired interest	-	(2,466)
	<u>-</u>	<u>27,785</u>
Non current		
Unsecured liabilities		
Hire purchase liability	-	10,163
Unexpired interest	-	(307)
	<u>-</u>	<u>9,856</u>
13 PROVISIONS		
Employee provisions		
Office holders:		
Annual leave	91,917	76,460
Rostered day off leave	22,556	12,369
Long service leave	70,559	48,541
Subtotal employee provisions – office holders	<u>185,032</u>	<u>137,370</u>
Employees other than office holders:		
Annual leave	37,450	25,021
Subtotal employee provisions – employees other than office holders	<u>37,450</u>	<u>25,021</u>
Total employee provisions	<u>222,482</u>	<u>162,391</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

	<u>2013</u>	<u>2012</u>
	\$	\$
14 OTHER LIABILITIES		
Members fees received in advance	24,593	21,480
15 RESERVES		
Asset revaluation reserve		
Balance at beginning of year	2,309,539	1,588,042
Increase arising on revaluation of properties	-	721,497
Balance at end of year	2,309,539	2,309,539
The asset revaluation reserve records revaluations of non current assets.		
16 MEMBERS FUNDS		
Opening members funds	1,654,476	929,424
Adjustment due to change in accounting policy ⁽¹⁾	-	109,830
Adjusted opening retained earnings	1,654,476	1,039,254
Surplus/(deficit) for the year	(186,048)	615,222
Closing members funds	1,468,428	1,654,476
(1) Retrospective adjustment for change in accounting policy for membership fees (refer Note 1(o))		
17 CAPITAL AND LEASING COMMITMENTS		
(a) Finance lease commitments		
Payable - minimum lease payments		
- not later than 12 months	-	30,251
- between 12 months and 5 years	-	10,163
Minimum lease payments	-	40,414
Less unexpired interest charge	-	(2,774)
Present value of minimum lease payments	-	37,640

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

18 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.

	<u>2013</u>	<u>2012</u>
	\$	\$
19 CASH FLOW INFORMATION		
(a) Reconciliation of cash flow from operations		
Net surplus/(deficit) for the period	(186,048)	607,902
Cash flows excluded from surplus attributable to operating activities		
Non-cash flows in surplus		
Depreciation	57,968	56,382
Loss on disposal of plant and equipment	12,474	-
Doubtful debt expense	13,386	-
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(54,222)	(8,472)
(Increase)/decrease in stock on hand	(4,073)	5,317
Increase/(decrease) in trade payables and accruals	26,356	29,255
Increase/(decrease) in provisions	60,091	47,332
Increase/(decrease) in other liabilities	3,113	-
	<u>(70,955)</u>	<u>737,716</u>

(b) Cash flows with related parties

The following amounts relate to cash inflows/outflows from related party entities. The cash flows presented are on a gross basis including GST.

Cash flows from operating activities

Receipts from members and related activities include the following amounts received from related parties:

United Firefighters' Union of Australia	Rent	20,520	11,970
United Firefighters' Union of Australia	Other	-	655
		<u>20,520</u>	<u>12,625</u>

Payments to suppliers and employees include the following amounts paid to related parties:

United Firefighters' Union of Australia	Affiliation fees	217,428	196,650
United Firefighters' Union of Australia	Special levies	-	3,000
		<u>217,428</u>	<u>199,650</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013**

20 COMPULSORY LEVIES

Fighting Fund Levy

The 2012 financial statements disclosed income received from members of \$151,273 through the fighting fund levy. However, the fighting fund levy ceased after a motion was passed at a special general meeting on 24 March 2010.

Subsequently, the union now segregates a portion of the funds it receives from members' dues which are set aside to fund legal expenses annually. The \$151,273 disclosed in the 2012 financial statements represented the amount the union had set aside for legal fees for the 2012 financial year.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

<u>2013</u>	<u>2012</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:

Cash and cash equivalents	1,370,216	1,538,715
Loans and receivables		
Trade and other receivables	233,076	192,240
Fair value through profit or loss		
Investments	3,365	3,365
Carrying amount of financial assets	1,606,657	1,734,320
Financial liabilities		
Amortised cost		
Trade and other payables	193,716	167,360
Other liabilities	24,593	21,480
	218,309	188,840
Other financial liabilities		
Financial liabilities	-	37,641
Carrying amount of financial liabilities	218,309	226,481

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
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

2013 2012
 \$ \$

20 FINANCIAL RISK MANAGEMENT CONTINUED

(a) Net income and expense from financial assets and financial liabilities

Cash and cash on hand			
Interest revenue		54,451	32,533
Net gain/(loss) on cash and cash on hand		54,451	32,533
Net gain/(loss) from financial assets		54,451	32,533
Other financial liabilities			
Interest expense		4,329	5,361
Net gain/(loss) financial liabilities at amortised cost		4,329	5,361
Net gain/(loss) from financial liabilities		4,329	5,361

(b) Fair value of financial instruments

	2013		2012	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	1,370,216	1,370,216	1,538,715	1,538,715
Loans and receivables	233,076	233,076	192,240	192,240
Investments	3,365	3,365	3,365	3,365
Total	1,606,657	1,606,657	1,734,320	1,734,320
Financial liabilities				
Trade and other payables	193,716	193,716	167,360	167,360
Other liabilities	24,593	24,593	21,480	21,480
Financial liabilities	-	-	37,641	37,641
Total	218,309	218,309	226,481	226,481

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

2013 2012
 \$ \$

20 FINANCIAL RISK MANAGEMENT CONTINUED

(c) Credit risk

Credit risk refers to the risk of any default on any type of debt owing to the Branch. The Branch is exposed to credit risk on its member subscriptions, trade debtors, and other debtors.

The following table illustrates the Branches gross exposure to credit risk, excluding any collateral or credit enhancements:

	<u>2013</u>	<u>2012</u>
	\$	\$
Financial assets		
Trade and other receivables	233,076	192,240
Total	<u>233,076</u>	<u>192,240</u>

Credit quality of financial instruments not past due or individually determined as impaired

	<u>2013</u>		<u>2012</u>	
	Not past due nor impaired	Past due or impaired	Not past due nor impaired	Past due or impaired
	\$	\$	\$	\$
Trade and other receivables	57,583	204,568	32,019	175,910
	<u>57,583</u>	<u>204,568</u>	<u>32,019</u>	<u>175,910</u>

Ageing of financial assets that were past due but not impaired for 2013

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	68,545	18,141	12,738	76,069	175,493
	<u>68,545</u>	<u>18,141</u>	<u>12,738</u>	<u>76,069</u>	<u>175,493</u>

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	66,485	19,648	14,728	59,360	160,221
	<u>66,485</u>	<u>19,648</u>	<u>14,728</u>	<u>59,360</u>	<u>160,221</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

20 FINANCIAL RISK MANAGEMENT CONTINUED

(d) 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

	2013			
	On demand	< 1 year	1 – 5 years	Total
	\$	\$	\$	\$
Financial assets – cash flow realisable				
Cash and cash equivalents	412,590	957,626	-	1,370,216
Trade and other receivables	-	233,076	-	233,076
Total anticipated inflows	412,590	1,190,702	-	1,603,292
Financial liabilities due for payment				
Trade and other payables	-	193,716	-	193,716
Other liabilities	-	24,593	-	24,593
Total contractual outflows	-	218,309	-	218,309
Net inflow/(outflow) on financial instruments	412,590	972,393	-	1,384,983
	2012			
	On demand	< 1 year	1 – 5 years	Total
	\$	\$	\$	\$
Financial assets – cash flow realisable				
Cash and cash equivalents	625,060	913,655	-	1,538,715
Trade and other receivables	-	192,240	-	192,240
Total anticipated inflows	625,060	1,105,895	-	1,730,955
Financial liabilities due for payment				
Trade and other payables	-	167,360	-	167,360
Other liabilities	-	21,480	-	21,480
Finance lease liabilities	-	27,785	9,856	37,641
Total contractual outflows	-	216,625	9,856	226,481
Net inflow/(outflow) on financial instruments	625,060	889,270	(9,856)	1,504,474

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

20 FINANCIAL RISK MANAGEMENT CONTINUED

(e) 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.

Sensitivity analysis of the risk that the Union is exposed to for 2013

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Interest rate risk	Interest income	+/-0.5%	7,272	7,272

Sensitivity analysis of the risk that the Union is exposed to for 2012

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Interest rate risk	Interest income	+/-0.5%	5,943	5,943

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

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.

	2013	2012
	\$	\$
Transactions with related parties:		
Rental and other services income	18,655	19,250
Affiliation fees	(197,662)	(178,773)
Presumptive legislation	-	(3,000)
	(197,662)	(181,773)

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

Trade receivables	1,710	8,550
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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	328,065	284,985
Post employment benefits	29,303	25,547
Short-term and post employment benefits relating to prior year entitlements ⁽ⁱ⁾	-	139,459
	357,368	449,991

- (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
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NOTES TO THE FINANCIAL STATEMENTS
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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