



7 January 2015

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

Dear Mr Marshall

United Firefighters' Union of Australia Victorian Branch Financial Report for the year ended 30 June 2014 - [FR2014/143]

I acknowledge receipt of the financial report of the United Firefighters' Union of Australia Victorian Branch (the reporting unit). The documents were lodged with the Fair Work Commission (FWC) on 23 December 2014.

The financial report has now been filed.

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

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

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

Statement of comprehensive income & Statement of financial position

Disclosure of employee expenses to office holders and other employees

The employee expense note to the financial statements has disclosed wages and salaries, superannuation, leave and other entitlements and other employee expenses separately for officer holders and employees, but does not separately disclose separation and redundancies provided for officers and employees.

The Reporting Guidelines require that all employee and office holder expenses be detailed separately (refer to items 16(f) and 16(g)).

Please note that Reporting Guideline 17 states that if the activities identified in item 16 have not occurred in the reporting period, a statement of this effect must be included in the GPFR.

Disclosure of employee provisions to office holders and other employees

The employee provisions note to the financial statements has disclosed annual leave and long service leave separately for office holders and employees, but does not separately disclose separation and redundancies and other employee provisions provided for officers and employees.

The Reporting Guidelines require that all employee and office holder provisions be detailed separately (refer to items 20(c) and 20(d)).

Please note that Reporting Guideline 21 states that if the activities identified in item 20 have not occurred in the reporting period, a statement of this effect must be included in the GPFR.

Going Concern

Auditor's report: declaration regarding going concern

Paragraph 39 of the Reporting Guidelines requires an auditor to include in the auditor's statement a declaration that as part of the audit of the financial statement they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate. This declaration was not included in the auditor's statements.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you 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 via email at joanne.fenwick@fwc.gov.au.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Joanne Fenwick', with a long horizontal stroke extending to the right.

Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

United Firefighters Union of Australia Victorian Branch

s.268 *Fair Work (Registered Organisations) Act 2009*

Certificate for the period ended *June 30 2014*

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

- that the documents lodged herewith are copies of the full report of the general purpose financial report for the year ended 30 June 2014 for the United Firefighters Union of Australia Victorian Branch referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the general purpose financial report for the year ended 30 June 2014 was provided to members of the reporting unit on November 30, 2014 and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 19th December 2014 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designated officer: Peter Marshall

Title of prescribed designated officer: Victorian Branch Secretary

Dated: 19 December 2014

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

ABN 74 030 569 265

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

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

GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014

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

OPERATING REPORT
30 JUNE 2014

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 2014.

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 \$762,187 (2013 deficit: \$201,114). 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 3,170.
- (b) the number of persons who were at the end of the financial year employees of the organisation including both full and part time employees measured on a full time equivalent basis was 11.9.

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

OPERATING REPORT
30 JUNE 2014

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 2013 - present
Peter Marshall	Secretary	1 July 2013 - present
Anthony Trimble	Senior Vice President	1 July 2013 - present
Ken Brown	Junior Vice President	1 July 2013 - present
Robert Psaila	Trustee	1 July 2013 - present
Brendan Angwin	Trustee	1 July 2013 - present
Stuart Marshall	Trustee	1 July 2013 - present
Mick McGuinness	Trustee	1 July 2013 - present
Glen Cavanagh	Branch Committee of Management	1 July 2013 - present
Robert Gardiner	Branch Committee of Management	1 July 2013 - present
Danny Ward	Branch Committee of Management	1 July 2013 - present
James Kefalas	Branch Committee of Management	1 July 2013 - present
Chris Cleary	Branch Committee of Management	1 July 2013 - present
David Blundell	Branch Committee of Management	1 July 2013 - present
Mick Tisbury	Branch Committee of Management	1 July 2013 - present
Tony Martin	Branch Committee of Management	1 April 2014 - present

Other relevant information

Nil.

Signed for and on behalf of the Committee of Management:

DAVID HAMILTON
PRESIDENT



Dated this 28 day of NOVEMBER 2014.

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

COMMITTEE OF MANAGEMENT CERTIFICATE

On the 19th day of November 2014 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) for the financial year ended 30 June 2014.

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with 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 reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; 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; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations Act) 2009; and
 - (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; and
 - (v) no information was sought by any member of the reporting unit or General Manager under the Fair Work (Registered Organisations Act) 2009; and
 - (vi) no orders have been made by the Fair Work 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 2014.

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

DAVID HAMILTON
PRESIDENT



Dated this 28 day of NOVEMBER 2014.

**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 2014, 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.

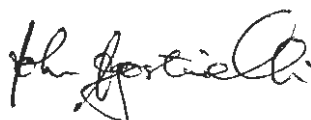
INDEPENDENT AUDIT REPORT TO THE MEMBERS OF UNITED FIREFIGHTERS' UNION OF AUSTRALIA
- VICTORIAN BRANCH

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 2014, 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 *28* day of *November* 2014.

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	<u>2014</u>	<u>2013</u>
		\$	\$
Membership dues	3(a)	3,479,059	3,307,350
Other income	3(b)	230,659	131,857
Administration expenses		(429,183)	(340,279)
Affiliation fees and levies	4(b)	(251,150)	(232,213)
Campaign, dispute and awareness costs		(1,910,086)	(1,500,190)
Donations		(40,801)	(32,055)
Education and promotion		(27,471)	(23,424)
Employee benefits expense	4(a)	(1,295,474)	(1,108,050)
Executive/shop stewards and conference expenses		(138,966)	(55,124)
Insurance		(15,068)	(13,962)
Motor vehicle expenses		(69,668)	(93,347)
Members' welfare		(55,329)	(56,144)
Office occupancy expenses		(88,804)	(83,390)
Professional fees		(112,337)	(52,746)
Social committee expenses		(37,568)	(49,397)
Deficit for the year		<u>(762,187)</u>	<u>(201,114)</u>
Total comprehensive income for the year		<u><u>(762,187)</u></u>	<u><u>(201,114)</u></u>

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

BALANCE SHEET
AS AT 30 JUNE 2014

	Note	<u>2014</u>	<u>2013</u>
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	6	1,071,184	1,370,216
Trade and other receivables	7	240,075	233,076
Inventories	8	-	18,586
Total current assets		<u>1,311,259</u>	<u>1,621,878</u>
Non-current assets			
Other financial assets	9	3,365	3,365
Property, plant and equipment	10	2,623,602	2,593,515
Total non-current assets		<u>2,626,967</u>	<u>2,596,880</u>
TOTAL ASSETS		<u>3,938,226</u>	<u>4,218,758</u>
LIABILITIES			
Current liabilities			
Trade and other payables	11	579,824	193,716
Provisions	12	506,179	416,941
Other liabilities	13	30,902	24,593
Total current liabilities		<u>1,116,905</u>	<u>635,250</u>
TOTAL LIABILITIES		<u>1,116,905</u>	<u>635,250</u>
NET ASSETS		<u>2,821,321</u>	<u>3,583,508</u>
MEMBERS' EQUITY			
Asset revaluation reserve	14	2,309,539	2,309,539
Members funds	15	511,782	1,273,969
TOTAL MEMBERS' EQUITY		<u>2,821,321</u>	<u>3,583,508</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 2014

	Members funds	Asset revaluation reserve	Total
	\$	\$	\$
Balance at 1 July 2013	1,273,969	2,309,539	3,583,508
Deficit attributable to members	(762,187)	-	(762,187)
Balance at 30 June 2014	511,782	2,309,539	2,821,321

	Members funds	Asset revaluation reserve	Total
	\$	\$	\$
Balance at 1 July 2012	1,654,476	2,309,539	3,964,015
Correction of error ⁽¹⁾	(179,393)	-	(179,393)
Adjusted opening members funds	1,475,083	-	1,475,083
Deficit attributable to members	(201,114)	-	(201,114)
Balance at 30 June 2013	1,273,969	2,309,539	3,583,508

- (1) Error identified in the current year whereby annual leave had been accruing at the incorrect rate. An adjustment was made in the current year. This error affected prior year accruals and has therefore been adjusted against opening members funds.

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

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	<u>2014</u>	<u>2013</u>
Note	\$	\$
Cash from operating activities:		
Receipts from members and related activities	4,028,501	3,333,647
Payments to suppliers and employees	(4,298,976)	(3,454,724)
Interest and other costs of finance paid	-	(4,329)
Interest received	41,088	54,451
	<hr/>	<hr/>
Net cash provided by operating activities	18(a) <u>204,798</u>	<u>(70,955)</u>
 Cash flows from investing activities:		
Payment for property, plant and equipment	(99,870)	(73,994)
Proceeds from sale of property plant and equipment	5,636	14,091
	<hr/>	<hr/>
Net cash provided used in investing activities	<u>(94,234)</u>	<u>(59,903)</u>
 Cash flows from financing activities:		
Repayment of borrowings	-	(37,641)
	<hr/>	<hr/>
Net cash provided used in financing activities	<u>-</u>	<u>(37,641)</u>
 Net increase in cash held		
	(299,032)	(168,499)
Cash at beginning of financial year	1,370,216	1,538,715
	<hr/>	<hr/>
Cash at end of financial year	6 <u>1,071,184</u>	<u>1,370,216</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

This financial report covers United Firefighters' Union of Australia - Victoria Branch as an individual entity. The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Union is a not-for-profit entity.

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 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 members funds.

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(c) Property, plant and equipment continued

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.

Impairment

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment is made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Union were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(d) Cash and cash equivalents

Cash is recognised at its nominal amount. 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.

(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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(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.

(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 2014

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(k) Revenue

Revenue is measured at the fair value of consideration received or receivable.

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

All 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.

(o) 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.

Standard

Impact on presentation and disclosure

AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'

Requires entities to disclose information on techniques and inputs used to develop fair value measurements; as well as the effect of the measurements on profit or loss for the period.

AASB 2011-4 'Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements'

Removes requirement to make Related Party disclosures for individual key management personnel.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(o) Application of new and revised Accounting Standards (continued)

<u>Standard</u>	<u>Impact on presentation and disclosure</u>
AASB 2012-2 'Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities'	Requires Entities to disclose information on the effect or potential effect of netting arrangements on the entity's financial position.
AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle'	Requires an entity to include comparative information for narrative and descriptive information if it is relevant to an understanding of the current period's financial statements.
AASB 2012-10 'Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments'	Requires Entities to disclose information on the effect or potential effect of netting arrangements on the entity's financial position.

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

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 2014

	<u>2014</u>	<u>2013</u>
	\$	\$
3 INCOME		
(a) Levies		
Member subscriptions	3,476,779	3,306,790
Social club welfare	2,280	560
	3,479,059	3,307,350
(b) Other income		
Rental income	38,382	7
Interest received	41,088	54,451
Gains on disposal of property, plant and equipment	1,084	-
Reimbursement of legal fees from related parties	137,557	-
Miscellaneous income	12,548	4,896
	230,659	131,857
4 EXPENSES		
(a) Employee expense		
 Holders of office:		
Wages and salaries	262,851	234,427
Superannuation	40,390	29,303
Honorariums	77,913	93,638
Movement in leave and other entitlements	49,886	62,728
Subtotal employee expenses – holders of office	431,040	420,096
 Employees other than office holders:		
Wages and salaries	702,891	543,199
Superannuation	77,829	47,776
Movement in leave and other entitlements	37,455	12,429
Subtotal employee expenses – employees other than holders of office	818,175	603,404
Other employee expenses	46,259	84,550
Total employee expenses	1,295,474	1,108,050

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

4 EXPENSES CONTINUED

(b) Affiliation fees

	<u>Type</u>		
United Firefighters' Union of Australia	Affiliation fees	217,356	197,662
Victorian Trades Hall Council	Affiliation fees	8,668	11,179
Victorian Labour	Affiliation fees	13,294	12,607
Geelong Trades Hall Council	Affiliation fees	316	311
Gippsland Trades & Labour Council Inc	Affiliation fees	168	165
Goulburn Valley Trades & Labour Council	Affiliation fees	33	33
Ballarat Trades Hall	Affiliation fees	305	305
Bendigo Trades Hall Council & Literary Institute	Affiliation fees	38	38
Australian Council of Trade Unions ⁽¹⁾	Affiliation fees	10,689	9,838
South West Trades & Labour Council Inc	Affiliation fees	113	75
Australian Labour Party	Affiliation fees	170	-
		251,150	232,213

(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
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(d) Depreciation expense

Depreciation of buildings	22,569	22,569
Depreciation of plant and equipment	20,884	20,860
Depreciation of motor vehicles	21,779	14,539
	65,231	57,968

(e) Rental expense on operating leases

Minimal lease payments	15,749	16,088
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(f) Other losses

Loss on disposal of property, plant and equipment	-	12,474
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UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

4 EXPENSES CONTINUED

(g) Legal costs

Litigation and other legal matters	1,426,145	1,288,470
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5 AUDITOR'S REMUNERATION

Remuneration of the auditor of the Union for:

Audit of the financial report	15,000	13,000
Other services	38,100	21,300
	53,100	34,300

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	1,071,134	1,370,166
	1,071,184	1,370,216

7 TRADE AND OTHER RECEIVABLES

Receivables from other reporting units

United Firefighters' Union of Australia	961	1,710
	961	1,710

Less provision for doubtful debts

Net receivables from other reporting units	-	-
	961	1,710

Other trade receivables

Other trade receivables	131,871	204,568
Less provision for doubtful debts	(33,657)	(29,075)

Other receivables

GST receivable	9,484	33,284
Sundry receivables	4,382	22,589
Receivables from other related parties	127,034	-

	240,075	233,076
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UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

8 INVENTORIES

Merchandise - at cost	-	18,586
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Merchandise consists entirely of promotional items. On this basis, resale value is expected to be at or close to nil and therefore been written down to nil to reflect this. Balance of merchandise written off was \$18,586; being the balance carried forward from the previous financial year.

9 FINANCIAL ASSETS

Investments	3,365	3,365
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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	1,597,222
Buildings		
At fair value	902,778	902,778
Accumulated depreciation	(48,429)	(25,860)
	854,349	876,918
Total land and buildings	2,451,571	2,474,140

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
	292,078	292,078

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	<u>2014</u>	<u>2013</u>
	\$	\$
10 PROPERTY, PLANT AND EQUIPMENT CONTINUED		
Furniture, fixture and fittings		
At cost	114,307	84,100
Accumulated depreciation	(69,818)	(67,467)
	44,489	16,633
 Motor vehicles		
At cost	112,207	114,293
Accumulated depreciation	(42,948)	(43,982)
	69,259	70,311
 Office equipment		
At cost	142,621	127,040
Accumulated depreciation	(99,021)	(102,202)
	43,600	24,838
 Computer software		
At cost	41,209	41,209
Accumulated depreciation	(41,209)	(40,778)
	-	431
 Low value asset pool		
At cost	24,050	13,509
Accumulated depreciation	(9,367)	(6,347)
	14,683	7,162
 Total plant and equipment	172,031	119,375
Total property, plant and equipment	2,623,602	2,593,515

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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 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
Additions	-	-	30,207	25,149	33,793	-	10,721	99,870
Disposals	-	-	-	(27,235)	(18,212)	-	(180)	(45,717)
Balance at 30 June 2014	1,597,222	902,778	114,307	112,207	142,621	41,209	24,050	2,934,394
Accumulated depreciation								
Balance at 1 July 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)
Depreciation expense	-	(22,569)	(2,351)	(21,779)	(14,901)	(431)	(3,200)	(65,231)
Disposals	-	-	-	22,813	18,082	-	180	41,075
Balance at 30 June 2014	-	(48,429)	(69,818)	(42,948)	(99,021)	(41,209)	(9,367)	(310,792)

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	<u>2014</u>	<u>2013</u>
	\$	\$
11 TRADE AND OTHER PAYABLES		
Trade payables	60,217	53,559
Legal costs	423,697	78,261
Other payables:		
Superannuation	28,941	14,832
Sundry payables and accrued expenses	66,969	47,064
	<u>579,824</u>	<u>193,716</u>

Settlement is usually made within 30 days

12 PROVISIONS

Employee provisions

Office holders:

Annual leave	319,978	286,376
Rostered day off leave	33,442	22,556
Long service leave	78,033	70,559
Subtotal employee provisions – office holders	<u>431,273</u>	<u>379,491</u>

Employees other than office holders:

Annual leave	65,491	37,450
Long service leave	9,415	-
Subtotal employee provisions – employees other than office holders	<u>74,906</u>	<u>37,450</u>
Total employee provisions	<u>506,179</u>	<u>416,941</u>

An error was identified in the current year in relation to the under accrual of annual leave for one of the Union's office holders. This error related to prior year accruals and has therefore been adjusted in the comparatives and opening members funds (refer to note 15). The impact of this adjustment on employee provisions in the comparative year is shown below:

Employee provisions

Office holders:

Annual leave prior to adjustment		91,917
Adjustment to annual leave provision prior to 1 July 2012		15,066
Adjustment to annual leave provision for the 2013 financial year		179,393
Adjusted total annual leave balance as at 30 June 2013		286,376

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
13 OTHER LIABILITIES		
Members fees received in advance	30,902	24,593
14 RESERVES		
Asset revaluation reserve		
Balance at beginning of year	2,309,539	2,309,539
Balance at end of year	2,309,539	2,309,539
The asset revaluation reserve records revaluations of non-current assets.		
15 MEMBERS FUNDS		
Opening members funds	1,273,969	1,654,476
Correction of error ⁽¹⁾	-	(179,393)
Adjusted opening members funds	1,273,969	1,475,083
Deficit for the year	(762,187)	(201,114)
Closing members funds	511,782	1,273,969

(1) Error identified in the current year whereby annual leave had been accruing at the incorrect rate. An adjustment was made in the current year. This error affected prior year accruals and has therefore been adjusted against opening members funds.

17 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
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$

18 CASH FLOW INFORMATION

(a) Reconciliation of cash flow from operations

Net deficit for the period	(762,187)	(186,048)
Cash flows excluded from surplus attributable to operating activities		
Non-cash flows in surplus		
Depreciation	65,231	57,968
(Gain)/Loss on disposal of plant and equipment	(1,084)	12,474
Doubtful debt expense	4,582	13,386

(a) Reconciliation of cash flow from operations (continued)

Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(11,581)	(54,222)
(Increase)/decrease in stock on hand	18,586	(4,073)
Increase/(decrease) in trade payables and accruals	386,108	26,356
Increase/(decrease) in provisions	89,238	60,091
Increase/(decrease) in other liabilities	6,309	3,113
	204,798	(70,955)

(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 and other services	25,012	20,520
United Firefighters' Union of Australia	Contract services	19,432	-
		44,444	20,520

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

United Firefighters' Union of Australia	Affiliation fees	239,092	217,428
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$

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	1,071,184	1,370,216
Loans and receivables		
Trade and other receivables	240,075	233,076
Fair value through profit or loss		
Investments	3,365	3,365
Carrying amount of financial assets	1,314,624	1,606,657
Financial liabilities		
Amortised cost		
Trade and other payables	579,824	193,716
Other liabilities	30,902	24,593
Carrying amount of financial liabilities	610,726	218,309

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
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	2014	2013
	\$	\$
20 FINANCIAL RISK MANAGEMENT (continued)		
(a) Net income and expense from financial assets and financial liabilities		
Cash and cash on hand		
Interest revenue	41,088	54,451
Net gain/(loss) on cash and cash on hand	41,088	54,451
Net gain/(loss) from financial assets	41,088	54,451
Other financial liabilities		
Interest expense	-	4,329
Net gain/(loss) financial liabilities at amortised cost	-	4,329
Net gain/(loss) from financial liabilities	-	4,329

(b) Fair value of financial instruments

	2014		2013	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	1,071,184	1,071,184	1,370,216	1,370,216
Loans and receivables	240,075	240,075	233,076	233,076
Investments	3,365	3,365	3,365	3,365
Total	1,314,624	1,314,624	1,606,657	1,606,657
Financial liabilities				
Trade and other payables	579,824	579,824	193,716	193,716
Other liabilities	30,902	30,902	24,593	24,593
Total	610,726	610,726	218,309	218,309

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

2014 2013
 \$ \$

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>2014</u>	<u>2013</u>
	\$	\$
Financial assets		
Trade and other receivables	240,075	233,076
Total	240,075	233,076

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

	2014		2013	
	Not past due nor impaired	Past due or impaired	Not past due nor impaired	Past due or impaired
	\$	\$	\$	\$
Trade and other receivables	138,479	137,001	57,583	204,568
	138,479	137,001	57,583	204,568

Ageing of financial assets that were past due but not impaired for 2014

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	56,289	8,963	5,945	32,147	103,334
	56,289	8,963	5,945	32,147	103,344

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
	68,545	18,141	12,738	76,069	175,493

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NOTES TO THE FINANCIAL STATEMENTS
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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

	2014			
	On demand \$	< 1 year \$	1 – 5 years \$	Total \$
Financial assets – cash flow realisable				
Cash and cash equivalents	741,361	329,823	-	1,071,184
Trade and other receivables	-	240,075	-	240,075
Total anticipated inflows	741,361	569,898	-	1,311,259
Financial liabilities due for payment				
Trade and other payables	-	579,824	-	579,824
Other liabilities	-	30,902	-	30,902
Total contractual outflows	-	610,726	-	610,726
Net inflow/(outflow) on financial instruments	741,361	(40,828)	-	700,533
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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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 2014

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Interest rate risk	Interest income	+/-0.5%	6,104	6,104

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

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.

	2014	2013
	\$	\$
Transactions with related parties:		
Revenue transactions:		
Rental and other services income	21,437	18,655
Contract services ⁽¹⁾	18,626	-
Total revenue transactions with related parties	<u>40,063</u>	<u>18,655</u>

(1) From 1 April 2014 the National Secretary is solely employed by the United Firefighters Union – Victorian Branch. The services of the National Secretary are contracted out from the Victorian Branch.

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NOTES TO THE FINANCIAL STATEMENTS
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	2014	2013
	\$	\$
22 RELATED PARTY TRANSACTIONS CONTINUED		
Expense transactions:		
Affiliation fees	(217,356)	(197,662)
The following balance was outstanding at the end of the reporting period:		
Trade receivables		
United Firefighters Union of Australia	961	1,710
23 KEY MANAGEMENT PERSONNEL		
The total remuneration paid to elected officials of the Branch during the period are as follows:		
Short-term employee benefits:		
Salary and wages	262,851	302,812
Annual leave accrued	33,422	15,066
Rostered days off	10,886	10,187
Short-term employment benefits relating to prior year entitlements ⁽¹⁾	-	179,393
Total short-term employee benefits	307,159	507,458
Post-employment benefits		
Superannuation	40,390	29,303
Total post-employment benefits	40,390	29,303
Other long-term benefits		
Long service leave	7,474	5,440
Total other long-term benefits	7,474	5,440
Total employee benefits	355,023	542,201

(1) Error identified in the current year whereby annual leave had been accruing at the incorrect rate. An adjustment was made in the current year. This error affected prior year accruals and has therefore been adjusted against opening members funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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