



2 February 2016

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

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

Dear Mr Marshall

United Firefighters' Union of Australia Victorian Branch Financial Report for the year ended 30 June 2015 - [FR2015/132]

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 2015. I also acknowledge supplementary information provided by your Auditor, Ms Elise O'Dea, on 28 January 2016 in relation to disclosure of information relating to employee expenses and employee provisions.

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 2016 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, except for the requirements under the sub-heading *Statement of Loans, Grants and Donations*. The FWC will confirm these concerns have been addressed prior to filing next year's report.

Statement of comprehensive income

Disclosure of grants or donations

Reporting Guideline 16(e) requires that where grants or donations have been paid, the total amount paid is to be disclosed as follows:

- (i) grants that were \$1,000 or less;
- (ii) grants that exceeded \$1,000;
- (iii) donations that were less than \$1,000; and
- (iv) donations that exceeded \$1,000

Note 4(c) discloses donations were paid as described above however no information has been provided for grants. Reporting Guideline 17 states that if the activities identified in item 16 have not occurred in the reporting period, a statement to this effect must be included in the GPFR.

Statement of Loans, Grants and Donations

A Loans, Grants and Donations statement for the reporting unit was lodged with the FWC as required under subsection 237(1) of the RO Act on 15 October 2015. A 'nil' figure for grants was supplied in the financial report however a figure for grants was supplied in the Loans, Grants and Donations Statement.

I also note that a figure for donations that exceeded \$1,000 was also supplied in the financial report however this figure for donations is different to the figure supplied on the Loans, Grants and Donations Statement.

Can you please confirm that the figure report in the Loans, Grants and Donations statement is correct, and if not, submit an amended statement.

Statement of financial position

Disclosure of payables in respect of legal costs

Reporting Guideline 20(b) requires a payable in relation to legal costs to be disclosed by litigation and by other legal matters. Note 10 *Trade and Other Payables* discloses this liability but does not distinguish based on the categories indicated above.

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

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 RO Act, 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 this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on 03) 8656 4681 or by email at joanne.fenwick@fwc.gov.au.

Yours sincerely



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 2015

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 2015 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 2015 was provided to members of the reporting unit on November 30, 2015 and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 23rd December 2015 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: 23 December 2015

UNITED FIREFIGHTERS UNION OF AUSTRALIA – VICTORIAN BRANCH

ABN 74 030 569 265

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

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

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

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

OPERATING REPORT
30 JUNE 2015

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 2015.

Principal activities

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

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

Operating result

The operating surplus of the Union for the financial year amounted to \$1,538,649 (2014 deficit: \$762,187). 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 3,272.
- (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 2015

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 2014 – 30 June 2015
Peter Marshall	Secretary	1 July 2014 – 30 June 2015
Anthony Trimble	Senior Vice President	1 July 2014 – 7 May 2015
Danny Ward	Senior Vice President	8 May 2015 – 30 June 2015
Ken Brown	Junior Vice President	1 July 2014 – 30 June 2015
Brendan Angwin	Trustee	1 July 2014 – 30 June 2015
Stuart Marshall	Trustee	1 July 2014 – 7 May 2015
Cory Woodyatt	Trustee	8 May 2015 – 30 June 2015
Michael McGuinness	Trustee	1 July 2014 – 30 June 2015
Robert Psaila	Trustee	1 July 2014 – 7 May 2015
Tony Martin	Trustee	8 May 2015 – 30 June 2015
Glen Cavanagh	Branch Committee of Management	1 July 2014 – 7 May 2015
Robert Gardiner	Branch Committee of Management	1 July 2014 – 7 May 2015
Robert Groves	Branch Committee of Management	8 May 2015 – 30 June 2015
Danny Ward	Branch Committee of Management	1 July 2014 – 7 May 2015
Anthony Trimble	Branch Committee of Management	8 May 2015 – 30 June 2015
James Kefalas	Branch Committee of Management	1 July 2014 – 30 June 2015
Chris Cleary	Branch Committee of Management	1 July 2014 – 30 June 2015
David Blundell	Branch Committee of Management	1 July 2014 – 30 June 2015
Mick Tisbury	Branch Committee of Management	1 July 2014 – 30 June 2015
Tony Martin	Branch Committee of Management	1 July 2014 – 7 May 2015
Robert Psaila	Branch Committee of Management	8 May 2015 – 30 June 2015

Other relevant information

Nil.

Signed for and on behalf of the Committee of Management:

DAVID HAMILTON
PRESIDENT



Dated at Monday this 30th day of November 2015.

30/11/15

COMMITTEE OF MANAGEMENT CERTIFICATE

On the 30th day of November 2015 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 2015.

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) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and
 - (ii) the committee of management instructed the auditor to include in the scope of the audit required under subsection 257(1) of the Fair Work (Registered Organisations) Act 2009 wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers other than that reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and

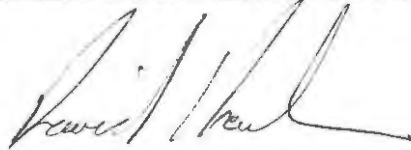
UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
ABN 74 030 569 265

COMMITTEE OF MANAGEMENT CERTIFICATE (continued)

- (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

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

DAVID HAMILTON
PRESIDENT



Dated at *Monday* this *30th* day of *November* 2015.

**INDEPENDENT AUDITOR 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 statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in members' equity, statement of cash flows and recovery of wages activity for the year then ended, the committee of management certificate, and notes comprising a summary of significant accounting policies and other explanatory information.

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 Australian professional ethical pronouncements.

Declaration

We are an approved auditor for the purposes of Fair Work (Registered Organisations) Act 2009 and we are a member of the ICAA and hold a Public Practice Certificate.

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KIDMANS
PARTNERS

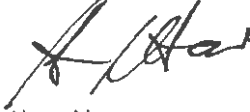
ACCOUNTANTS
AND ADVISORS

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 2015, 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.

We are also of the opinion that management's use of the going concern basis of accounting in the preparation of the financial statements was appropriate.

Kidmans Partners Audit Pty Ltd
Chartered Accountants



Heinz Ma
Director

Dated at Melbourne this *30th* day of *November*, 2015

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	Notes	<u>2015</u>	<u>2014</u>
		\$	\$
INCOME			
Membership dues	3(a)	4,429,784	3,479,059
Other income	3(b)	606,199	230,659
		<u>5,035,983</u>	<u>3,709,718</u>
EXPENDITURE			
Administration expenses		341,842	429,183
Affiliation fees and levies	4(b)	272,427	251,150
Campaign, dispute and awareness costs		925,110	1,910,086
Donations	4(c)	30,924	40,801
Education and promotion		20,278	27,471
Employee benefits expense	4(a)	1,419,949	1,295,474
Executive/shop stewards and conference expenses		115,166	138,966
Insurance		12,746	15,068
Motor vehicle expenses		88,480	69,668
Members' welfare		40,215	55,329
Office occupancy expenses		113,361	88,804
Professional fees	5	86,493	112,337
Social committee expenses		30,343	37,568
		<u>3,497,334</u>	<u>4,471,905</u>
OPERATING SURPLUS/(DEFICIT)		1,538,649	(762,187)
Accumulated surplus at beginning of year		511,782	1,273,969
ACCUMULATED SURPLUS AT 30 JUNE 2015		<u>2,050,431</u>	<u>511,782</u>

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

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Notes	<u>2015</u>	<u>2014</u>
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	6	2,358,997	1,071,184
Trade and other receivables	7	220,824	240,075
Total current assets		<u>2,579,821</u>	<u>1,311,259</u>
Non-current assets			
Other financial assets	8	3,365	3,365
Property, plant and equipment	9	2,574,121	2,623,602
Total non-current assets		<u>2,577,486</u>	<u>2,626,967</u>
TOTAL ASSETS		<u>5,157,307</u>	<u>3,938,226</u>
LIABILITIES			
Current liabilities			
Trade and other payables	10	232,361	579,824
Provisions	11	524,676	506,179
Other liabilities	12	40,300	30,902
Total current liabilities		<u>797,337</u>	<u>1,116,905</u>
TOTAL LIABILITIES		<u>797,337</u>	<u>1,116,905</u>
NET ASSETS		<u>4,359,970</u>	<u>2,821,321</u>
MEMBERS' EQUITY			
Asset revaluation reserve	13	2,309,539	2,309,539
Members funds	14	2,050,431	511,782
TOTAL MEMBERS' EQUITY		<u>4,359,970</u>	<u>2,821,321</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 2015

	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
Surplus attributable to members	1,538,649	-	1,538,649
Balance at 30 June 2015	2,050,431	2,309,539	4,359,970

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

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

	Notes	<u>2015</u>	<u>2014</u>
		\$	\$
Cash from operating activities:			
Receipts from members and related activities		5,558,794	4,028,501
Payments to suppliers and employees		(4,262,302)	(4,274,387)
Interest received		19,595	41,088
Net cash provided by operating activities	16(a)	<u>1,316,087</u>	<u>(204,798)</u>
Cash flows from investing activities:			
Payment for property, plant and equipment		(28,274)	(99,870)
Proceeds from sale of property plant and equipment		-	5,636
Net cash provided used in investing activities		<u>(28,274)</u>	<u>(94,234)</u>
Net increase/(decrease) in cash held		1,287,813	(299,032)
Cash at beginning of financial year		<u>1,071,184</u>	<u>1,370,216</u>
Cash at end of financial year	6	<u>2,358,997</u>	<u>1,071,184</u>

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

RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Revenue:		
Amounts recovered from employers in respect of wages etc.	77,892	18,626
Interest received on recovered money	-	-
Total expenditure	<u>77,892</u>	<u>18,626</u>
Expenditure:		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
United Firefighters' Union of Australia – Victorian Branch:		
Emergency Services & State Super Fund (superannuation guarantee)	10,245	2,492
Emergency Services & State Super Fund (salary sacrifice)	4,668	-
Deductions of fees or reimbursement of expenses	-	-
Amounts distributed to workers as recovered monies	<u>62,979</u>	<u>16,134</u>
Total expenditure	<u>77,892</u>	<u>18,626</u>
Cash assets in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	1	1
Aggregate payables to workers attributable to recovered monies but not yet distributed:		
Payable balance	-	-
Number of workers the payable relates to	1	1
Fund or account operated for recovery of wages:		
Nil	-	-

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

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 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) 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 2015

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) 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 - 25.00 %
Office equipment	7.50 - 66.67 %
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 2015

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) 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.

(d) 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 assets 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 2015

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) 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.

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.

(f) 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.

(g) 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.

(h) 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.

(i) 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
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) 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).

(k) Borrowing costs

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

(l) 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.

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

(n) Application of new and revised Accounting Standards

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

<u>Standard</u>	<u>Impact on presentation and disclosure</u>
AASB 2013-3 'Amendments to AASB 136 – Recoverable Amount Disclosures of Non-Financial Assets'	Requires entities to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal, as well as disclose the discount rates that have been used in the current and previous measurements if the recoverable amount of impaired assets based on fair value less costs of disposal was measured using a present value technique.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

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

<u>Standard</u>	<u>Impact on presentation and disclosure</u>
AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'	This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

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 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
3 INCOME		
(a) Levies		
Member subscriptions	3,646,124	3,476,779
Litigation fees	783,330	-
Social club welfare	330	2,280
	<u>4,429,784</u>	<u>3,479,059</u>
(b) Other income		
Rental income	18,655	38,382
Interest received	19,595	41,088
Contract Income (i)	77,892	-
Gains/(Losses) on disposal of property, plant and equipment	(1,228)	1,084
Reimbursement of legal fees from related parties	-	137,557
Arbitration settlement	484,045	-
Miscellaneous income	7,240	12,548
	<u>606,199</u>	<u>230,659</u>

(i) Reimbursement from the United Firefighters Union of Australia of wages paid to National Secretary by the United Firefighters Union of Australia – Victorian Branch.

4 EXPENSES

(a) Employee expense

Holders of office:

Wages and salaries	336,157	262,851
Superannuation	44,947	40,390
Honorariums	83,738	77,913
Movement in leave and other entitlements	(9,142)	49,886
Subtotal employee expenses – holders of office	<u>455,700</u>	<u>431,040</u>

Employees other than office holders:

Wages and salaries	751,736	702,891
Superannuation	96,502	77,829
Movement in leave and other entitlements	27,640	37,455
Subtotal employee expenses – employees other than holders of office	<u>875,878</u>	<u>818,175</u>
Other employee expenses	88,371	46,259
Total employee expenses	<u>1,419,949</u>	<u>1,295,474</u>

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

		<u>2015</u>	<u>2014</u>
		\$	\$
4 EXPENSES (CONTINUED)			
(b) Affiliation fees			
	Type		
United Firefighters' Union of Australia	Affiliation fees	230,015	217,356
Victorian Trades Hall Council	Affiliation fees	14,900	8,668
Victorian Labour	Affiliation fees	14,662	13,294
Geelong Trades Hall Council	Affiliation fees	328	316
Gippsland Trades & Labour Council Inc	Affiliation fees	180	168
Goulburn Valley Trades & Labour Council	Affiliation fees	34	33
Ballarat Trades Hall	Affiliation fees	347	305
Bendigo Trades Hall Council & Literary Institute	Affiliation fees	106	38
Australian Council of Trade Unions ⁽¹⁾	Affiliation fees	11,412	10,689
South West Trades & Labour Council Inc	Affiliation fees	113	113
Australian Labour Party	Affiliation fees	330	170
		<hr/>	<hr/>
		272,427	251,150
(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) Donations			
Total paid that were \$1,000 or less		8,124	6,601
Total paid that exceeded \$1,000		22,800	34,200
		<hr/>	<hr/>
		30,924	40,801
(d) Depreciation expense			
Depreciation of buildings		22,569	22,569
Depreciation of plant and equipment		31,847	20,884
Depreciation of motor vehicles		22,112	21,779
		<hr/>	<hr/>
		76,528	65,231
(e) Rental expense on operating leases			
Minimal lease payments		14,736	15,749
		<hr/>	<hr/>
(f) Other losses			
Loss on disposal of property, plant and equipment		1,228	-
		<hr/>	<hr/>

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
4 EXPENSES (continued)		
(g) Legal costs		
Litigation	538,903	1,426,145
Other legal matters	-	-
	538,903	1,426,145
5 AUDITOR'S REMUNERATION		
Remuneration of the auditor of the Union for:		
Audit of the financial report	14,000	15,000
Other services	39,500	38,100
	53,500	53,100
Remuneration to other accountants:		
Other accounting and professional services	32,993	59,237
Total Audit and accounting remuneration	86,493	112,337
The auditor of United Firefighters' Union of Australia – Victorian Branch is Kidmans Partners.		
6 CASH AND CASH EQUIVALENTS		
Cash on hand	50	50
Cash at bank	2,358,947	1,071,134
	2,358,997	1,071,184
7 TRADE AND OTHER RECEIVABLES		
Receivables from other reporting units		
United Firefighters' Union of Australia	1,100	961
United Firefighters' Union of Australia – Tasmanian Branch	1,126	-
	2,226	961
Less provision for doubtful debts	-	-
Net receivables from other reporting units	2,226	961
Other trade receivables	146,059	131,871
Less provision for doubtful debts	(26,473)	(33,657)
Other receivables		
GST receivable	-	9,484
Sundry receivables	-	4,382
Receivables from other related parties	99,012	127,034
	220,824	240,075

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
8 FINANCIAL ASSETS		
Investments	3,365	3,365
<p>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.</p>		
9 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	(70,998)	(48,429)
	<u>831,780</u>	<u>854,349</u>
Total land and buildings	<u>2,429,002</u>	<u>2,451,571</u>

An independent valuation was performed by Harrington Earl Estate Agents in May 2012 to determine the fair value of the Union's land and buildings. The valuation was determined by reference to recent market transactions on an arm's length term. Had the Union's land and buildings been measured on a historical cost basis, their carrying amount would be as follows:

Freehold land	100,000	100,000
Buildings	192,078	192,078
	<u>292,078</u>	<u>292,078</u>

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
9 PROPERTY, PLANT AND EQUIPMENT (continued)		
Furniture, fixture and fittings		
At cost	115,955	114,307
Accumulated depreciation	(74,938)	(69,818)
	41,017	44,489
 Motor vehicles		
At cost	131,974	112,207
Accumulated depreciation	(65,059)	(42,948)
	66,915	69,259
 Office equipment		
At cost	144,739	142,621
Accumulated depreciation	(118,421)	(99,021)
	26,318	43,600
 Computer software		
At cost	41,209	41,209
Accumulated depreciation	(41,209)	(41,209)
	-	-
 Low value asset pool		
At cost	25,168	24,050
Accumulated depreciation	(14,299)	(9,367)
	10,869	14,683
 Total plant and equipment	145,119	172,031
Total property, plant and equipment	2,574,121	2,623,602

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

9 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 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
Additions	-	-	3,291	19,767	3,255	-	1,962	28,275
Disposals	-	-	(1,643)	-	(1,137)	-	(844)	(3,624)
Balance at 30 June 2015	1,597,222	902,778	115,955	131,974	144,739	41,209	25,168	2,959,045
Accumulated depreciation								
Balance at 1 July 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)
Depreciation expense	-	(22,569)	(6,065)	(22,111)	(20,158)	-	(5,624)	(76,527)
Disposals	-	-	945	-	758	-	692	2,395
Balance at 30 June 2015	-	(70,998)	(74,938)	(65,059)	(118,421)	(41,209)	(14,299)	(384,924)

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
10 TRADE AND OTHER PAYABLES		
Trade payables	47,773	60,217
Legal costs	15,960	423,697
Other payables:		
GST Payable	85,157	-
Superannuation	-	28,941
Sundry payables and accrued expenses	83,472	66,969
	232,361	579,824
	232,361	579,824
Settlement is usually made within 30 days		
11 PROVISIONS		
Employee provisions		
Office holders:		
Annual leave	300,773	319,798
Rostered day off leave	37,795	33,442
Long service leave	83,562	78,033
Subtotal employee provisions – office holders	422,130	431,273
Employees other than office holders:		
Annual leave	84,431	65,491
Long service leave	18,115	9,415
Subtotal employee provisions – employees other than office holders	102,546	74,906
Total employee provisions	524,676	506,179

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
12 OTHER LIABILITIES		
Members fees received in advance	40,300	30,902
	<hr/>	<hr/>
13 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
	<hr/>	<hr/>
The asset revaluation reserve records revaluations of non-current assets.		
14 MEMBERS FUNDS		
Opening members funds	511,782	1,273,969
Surplus/(deficit) for the year	1,538,649	(762,187)
Closing members funds	2,050,431	511,782
	<hr/>	<hr/>

15 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Firefighters' Union of Australia – Victorian Branch are committed to renovating 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 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
16 CASH FLOW INFORMATION		
(a) Reconciliation of cash flow from operations		
Net surplus/(deficit) for the period	1,538,649	(762,187)
Cash flows excluded from surplus attributable to operating activities		
Non-cash flows in surplus		
Depreciation	76,527	65,231
(Gain)/Loss on disposal of plant and equipment	1,228	(1,084)
Doubtful debt expense	(7,184)	4,582
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	26,435	(11,581)
(Increase)/decrease in stock on hand	-	18,586
Increase/(decrease) in trade payables and accruals	(347,463)	386,108
Increase/(decrease) in provisions	18,497	89,238
Increase/(decrease) in other liabilities	9,398	6,309
	<u>1,316,087</u>	<u>204,798</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 and other services	18,655	25,012
United Firefighters' Union of Australia	Contract services	77,892	19,432
		<u>96,547</u>	<u>44,444</u>

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

United Firefighters' Union of Australia	Affiliation fees	253,017	239,092
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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 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
17 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	<u>2,358,997</u>	<u>1,071,184</u>
Loans and receivables		
Trade and other receivables	<u>220,824</u>	<u>240,075</u>
Fair value through profit or loss		
Investments	<u>3,365</u>	<u>3,365</u>
Carrying amount of financial assets	<u>2,583,186</u>	<u>1,314,624</u>
Financial liabilities		
Amortised cost		
Trade and other payables	232,361	579,824
Other liabilities	<u>40,300</u>	<u>30,902</u>
Carrying amount of financial liabilities	<u>272,661</u>	<u>610,726</u>

Specific financial risk exposures and management

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

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
17 FINANCIAL RISK MANAGEMENT (continued)		
(a) Net income and expense from financial assets and financial liabilities		
Cash and cash on hand		
Interest revenue	19,595	41,088
Net gain/(loss) on cash and cash on hand	19,595	41,088
Net gain/(loss) from financial assets	19,595	41,088
Other financial liabilities		
Interest expense	-	-
Net gain/(loss) financial liabilities at amortised cost	-	-
Net gain/(loss) from financial liabilities	-	-

(b) Fair value of financial instruments

	2015		2014	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	2,358,997	2,358,997	1,071,184	1,071,184
Loans and receivables	220,824	220,824	240,075	240,075
Investments	3,365	3,365	3,365	3,365
Total	2,583,186	2,583,186	1,314,624	1,314,624
Financial liabilities				
Trade and other payables	232,361	232,361	579,824	579,824
Other liabilities	40,300	40,300	30,902	30,902
Total	272,661	272,661	610,726	610,726

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
17 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:

Financial assets		
Trade and other receivables	220,824	240,075
Total	<u>220,824</u>	<u>240,075</u>

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

	2015		2014	
	Not past due nor impaired	Past due or impaired	Not past due nor impaired	Past due or impaired
	\$	\$	\$	\$
Trade and other receivables	99,012	148,285	138,479	137,001
	<u>99,012</u>	<u>148,285</u>	<u>138,479</u>	<u>137,001</u>

Ageing of financial assets that were past due but not impaired for 2015

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	77,866	9,148	5,208	29,590	121,812
	<u>77,866</u>	<u>9,148</u>	<u>5,208</u>	<u>29,590</u>	<u>121,812</u>

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
	<u>56,289</u>	<u>8,963</u>	<u>5,945</u>	<u>32,147</u>	<u>103,334</u>

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

17 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

	2015			
	On demand \$	< 1 year \$	1 – 5 years \$	Total \$
Financial assets – cash flow realisable				
Cash and cash equivalents	1,193,494	1,165,453	-	2,358,947
Trade and other receivables	-	220,824	-	220,824
Total anticipated inflows	1,193,494	1,386,277	-	2,579,771
Financial liabilities due for payment				
Trade and other payables	-	232,361	-	232,361
Other liabilities	-	40,300	-	40,300
Total contractual outflows	-	272,661	-	272,661
Net inflow/(outflow) on financial instruments	1,193,494	1,113,616	-	2,307,110
	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

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17 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 2015

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss	Equity
			\$	\$
Interest rate risk	Interest income	+/-0.5%	8,631	8,631

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

18 EVENTS AFTER BALANCE DATE

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

19 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.

	2015	2014
	\$	\$
Transactions with related parties:		
Revenue transactions:		
Rental and other services income	18,655	21,437
Contract services ⁽¹⁾	77,892	18,626
Total revenue transactions with related parties	<u>96,547</u>	<u>40,063</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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	2015	2014
	\$	\$
19 RELATED PARTY TRANSACTIONS CONTINUED		
Expense transactions:		
Affiliation fees	(230,015)	(217,356)
The following balance was outstanding at the end of the reporting period:		
Trade receivables		
United Firefighters Union of Australia	1,100	961
United Firefighters Union of Australia – Tasmanian Branch	1,126	-
	2,226	961
20 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	336,157	262,851
Annual leave accrued	(19,025)	33,422
Rostered days off	4,353	10,886
Total short-term employee benefits	321,485	307,159
Post-employment benefits		
Superannuation	44,947	40,390
Total post-employment benefits	44,947	40,390
Other long-term benefits		
Long service leave accrued	5,529	7,474
Total other long-term benefits	5,529	7,474
Total employee benefits	371,960	355,023

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21 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