



25 July 2019

David Hamilton  
President  
United Firefighters' Union of Australia-Victorian Branch

Sent via email: [officeadmin@ufuvic.asn.au](mailto:officeadmin@ufuvic.asn.au)  
CC: [heinz@kidmanspartners.com.au](mailto:heinz@kidmanspartners.com.au)

Dear David Hamilton,

**United Firefighters' Union of Australia-Victorian Branch  
Financial Report for the year ended 30 June 2018 – (FR2018/204)**

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 Registered Organisations Commission (**the ROC**) on 21 December 2018. I also acknowledge receipts of the amended financial reports of the reporting unit which was lodged with the ROC on 17 July 2019 and 24 July 2019.

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.

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

Please note that the financial report for the year ending 30 June 2019 may be subject to an advanced compliance review.

**Reporting Requirements**

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements.

The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at [kylie.ngo@roc.gov.au](mailto:kylie.ngo@roc.gov.au).

Yours sincerely,

**Kylie Ngo**  
**Registered Organisations Commission**

**UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH**

**ABN 74 030 569 265**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2018**

# UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

ABN 74 030 569 265

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

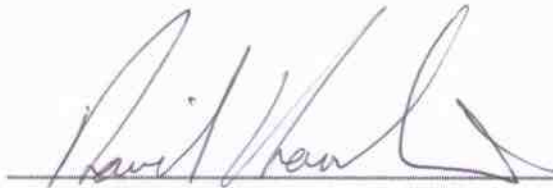
CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate For The Year Ended 30 June 2018

I, David Hamilton, being the President of the United Firefighters Union of Australia - Victorian Branch certify:

- that the documents lodged herewith are copies of the full report for the United Firefighters Union of Australia - Victorian Branch for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 30 June 2019; and
- that the full report was presented to a Branch Committee of Management of the reporting unit on 16 July 2019; in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of designated officer:



Name of designated officer:

David Hamilton

Title of designated officer:

President

Dated:

16 July 2019

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

**EXPENDITURE REPORT - PER SUBSECTION 255(2A)**  
**FOR THE YEAR ENDED 30 JUNE 2018**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2018.

Categories of expenditures	2018	2017
	\$	\$
Remuneration and other employment-related costs and expenses - employees	1,608,012	1,642,910
Advertising	-	-
Operating costs	2,199,426	2,351,671
Donations to political parties	20,000	-
Legal costs	1,251,918	1,405,778

Signature of designated officer:

  
\_\_\_\_\_

Name and title of designated officer:

David Hamilton, PRESIDENT  
\_\_\_\_\_

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

**OPERATING REPORT**

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 2018.

**Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year**

The principal activities of the United Firefighters' Union of Australian - Victorian Branch include but are not limited to the following:

- Providing an industrial advocacy and representation service with regard to Victorian matters, and relationships with industry, employers and other parties.
- Acting as a Victorian spokesperson on state issues and major matters.
- Providing assistance and advice to the members with regards to industrial matters, disputes, industrial relations, legislation, health and safety, bargaining and other issues of national significance.
- Representation of the skills and training needs of members through participation on Public Safety Industry Training committees.
- Advocating members' interests through political lobbying at Federal and State levels.
- Advocating members' interests at a workplace, branch, state and national level. This has included meeting with employers and industry representatives, lobbying and representing members' interests in Industrial Tribunals, courts and other jurisdictions as necessary. This is across the spectrum of common national issues, fire agency specific issues and cases impacting on an individual member.
- Campaigning on issues affecting members' interests or to promote members' interests.
- Organising and hosting conferences examining specific interests of members.
- Regulatory compliance including the maintenance of the membership eligibility rule.
- Undertaking due diligence including legal and expert advice.
- Submissions to Federal and State Parliamentary and other inquiries, appearing before committees as necessary and participating in the legislative process of Bills and other legislative instruments being considered.
- Promotion of firefighter health, safety and wellness issues to improve workplace practices, policies and programmes for the benefit of firefighters.
- Undertaking and commissioning research on issues affecting members' interest

**Operating Results**

The operating surplus/ deficit of the Union for the financial year amounted to \$509,017 (2017: -\$159,636).

**Significant Changes in Financial Affairs**

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

**After Balance Date 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 to resign**

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.

**UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH**  
**ABN 74 030 569 265**  
**OPERATING REPORT (CONTINUED)**

**Officers or members who are superannuation fund trustees**

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:

**Number of members**

(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 3,786.

**Number of employees**

(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 11.5.

**Names of Committee of Management members and period positions held during the financial year**

(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:

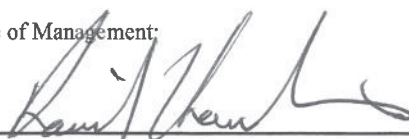
<b>Name</b>	<b>Position</b>	<b>Period</b>
David Hamilton	President	1 July 2017 – 30 Jun 2018
Peter Marshall	Secretary	1 July 2017 – 30 Jun 2018
Danny Ward	Vice President	1 July 2017 – 30 Jun 2018
Ken Brown	Junior Vice President	1 July 2017 – 13 May 2018
Mick Tisbury	Junior Vice President	14 May 2018 – 30 Jun 2018
Mick Tisbury	Branch Committee of Management	1 July 2017 – 13 May 2018
Peter Shroder	Branch Committee of Management	14 May 2018 – 30 Jun 2018
Brendan Angwin	Trustee	1 July 2017 – 30 Jun 2018
Cory Woodyatt	Trustee	1 July 2017 – 30 Jun 2018
Michael McGuinness	Trustee	1 July 2017 – 30 Jun 2018
Tony Martin	Trustee	1 July 2017 – 13 May 2018
Tony Martin	Branch Committee of Management	14 May 2018 – 30 Jun 2018
Robert Groves	Branch Committee of Management	1 July 2017 – 30 Jun 2018
Anthony Trimble	Branch Committee of Management	1 July 2017 – 13 May 2018
Rachel Cowling	Branch Committee of Management	14 May 2018 – 30 Jun 2018
James Kefalas	Branch Committee of Management	1 July 2017 – 30 Jun 2018
Chris Cleary	Branch Committee of Management	1 July 2017 – 13 May 2018
Chris Cleary	Trustee	14 May 2018 – 30 Jun 2018
David Blundell	Branch Committee of Management	1 July 2017 – 30 Jun 2018
Rob Psaila	Branch Committee of Management	1 July 2017 – 30 Jun 2018

**Other relevant information**

Nil

Signed for and on behalf of the Committee of Management:

DAVID HAMILTON  
PRESIDENT



Dated this 12 day of June 20 19.

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

**COMMITTEE OF MANAGEMENT CERTIFICATE**

On the.....12.....day of.....June.....2019.....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 2018.

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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (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) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) no information was sought by any member of the reporting unit or Commissioner duly made 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.

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

**DAVID HAMILTON**  
**PRESIDENT**



Dated this 12 day of June 2019.



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

***Opinion***

I have audited the financial report of United Firefighters' Union Of Australia - Victorian Branch (the Reporting Unit), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year ended 30 June 2018, notes to the financial statements, including a summary of significant accounting policies; the Committee of Management Statement and the subsection 255(2A) report.

In my opinion, the accompanying financial report presents fairly, in all material respects, the financial position of United Firefighters' Union Of Australia - Victorian Branch as at 30 June 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

- (a) the Australian Accounting Standards; and
- (b) any other requirements imposed by the Reporting Guidelines of Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

***Basis for opinion***

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

***Information Other than the Financial Report and Auditor's Report Thereon***

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

***Responsibilities of Committee of Management for the Financial Report***

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**INDEPENDENT AUDIT REPORT (Continued)**

In preparing the financial report, the Committee of Management is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- a Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b Obtain an understanding of internal control relevant to the audit 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 Reporting Unit's internal control.
- c Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- d Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- e Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- f Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

I communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an auditor registered under the RO Act.

Kidmans Partners Audit Pty Ltd



Heinz Mai  
Director

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/162  
Melbourne

Date 12 / 06 / 2019

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

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>REVENUE</b>			
Membership subscriptions	3 (a)	5,343,811	5,102,674
Member events		-	-
Other revenue	3 (b)	244,562	138,049
<b>Total revenue</b>		<b>5,588,373</b>	<b>5,240,723</b>
<b>EXPENSES</b>			
Administration expenses		492,862	439,722
Affiliation fees and levies	4 (c)	56,981	53,502
Campaign, dispute and awareness costs		1,818,294	2,353,034
Capitation fees	4 (b)	279,912	266,821
Community support		61,268	-
Depreciation	4 (f)	66,260	59,584
Grants and donations	4 (d)	41,626	12,482
Education and promotion		59,751	61,957
Employee benefits expense	4 (a)	1,608,012	1,642,910
Executive/shop stewards and conference expenses		246,676	165,324
Insurance		13,963	19,309
Motor vehicle expenses		58,255	31,163
Members' welfare		64,448	61,499
Office occupancy expenses		80,398	80,100
Accounting fees	4 (j)	26,844	39,877
Audit fees	5	22,000	15,500
Member events		-	-
Social committee expenses		81,806	97,575
<b>Total expenses</b>		<b>5,079,356</b>	<b>5,400,359</b>
<b>OPERATING SURPLUS/ (DEFICIT) FOR THE YEAR</b>		<b>509,017</b>	<b>(159,636)</b>
<b>Other comprehensive income</b>			
Gain on revaluation of land & buildings		-	916,136
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>509,017</b>	<b>756,500</b>

The above statement should be read in conjunction with the notes.

**UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH**

ABN 74 030 569 265

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	4,071,641	3,538,347
Trade and other receivables	7	181,580	262,037
Other assets	9	10,394	-
<b>TOTAL CURRENT ASSETS</b>		<b>4,263,615</b>	<b>3,800,384</b>
<b>NON-CURRENT ASSETS</b>			
Other Financial assets	8	3,365	3,365
Property, plant and equipment	10	3,487,632	3,448,925
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,490,997</b>	<b>3,452,290</b>
<b>TOTAL ASSETS</b>		<b>7,754,612</b>	<b>7,252,674</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	586,279	678,999
Provisions	12	715,253	634,612
Other liabilities	13	36,578	32,794
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,338,110</b>	<b>1,346,405</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term provisions	12	9,326	8,110
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>9,326</b>	<b>8,110</b>
<b>TOTAL LIABILITIES</b>		<b>1,347,436</b>	<b>1,354,515</b>
<b>NET ASSETS</b>		<b>6,407,176</b>	<b>5,898,159</b>
<b>MEMBERS' EQUITY</b>			
Asset revaluation reserve	14	3,225,675	3,225,675
Members funds	15	3,181,501	2,672,484
<b>TOTAL MEMBERS' EQUITY</b>		<b>6,407,176</b>	<b>5,898,159</b>

The above statement should be read in conjunction with the notes.

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

**STATEMENT OF CHANGES IN MEMBERS' EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	<b>Members funds</b>	<b>Asset revaluation reserve</b>	<b>Total</b>
	\$	\$	\$
<b>Balance at 1 July 2016</b>	2,832,120	2,309,539	<b>5,141,659</b>
Surplus/(deficit) attributable to members	(159,636)	-	<b>(159,636)</b>
Other comprehensive income for the year:			
- Land and buildings revaluation	-	916,136	<b>916,136</b>
<b>Balance at 30 June 2017</b>	<b>2,672,484</b>	<b>3,225,675</b>	<b>5,898,159</b>
Surplus/(deficit) attributable to members	509,017	-	<b>509,017</b>
Other comprehensive income for the year:			
- Land and buildings revaluation	-	-	-
<b>Balance at 30 June 2018</b>	<b>3,181,501</b>	<b>3,225,675</b>	<b>6,407,176</b>

The above statement should be read in conjunction with the notes.

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

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers (including members and related activities)		6,192,721	5,663,577
Payments to suppliers and employees		(5,577,998)	(5,522,365)
Interest received		39,084	21,377
<b>Net cash provided by (used in) operating activities</b>	<b>17 (a)</b>	<b>653,807</b>	<b>162,589</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		(120,513)	(45,680)
Proceeds from sale of property, plant and equipment		-	5,000
<b>Net cash provided by (used in) investing activities</b>		<b>(120,513)</b>	<b>(40,680)</b>
Net increase / (decrease) in cash held		533,294	121,909
Cash at beginning of financial year		3,538,347	3,416,438
<b>Cash at end of financial year</b>	<b>6</b>	<b>4,071,641</b>	<b>3,538,347</b>

The above statement should be read in conjunction with the notes.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Statement of compliance**

The financial report covers United Firefighters' Union of Australia - Victorian Branch (the Union) 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) Revenue**

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

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

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

**(b) Gains - Sale of assets**

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

**(c) Capitation fees and levies**

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

**(d) Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The reporting unit recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

**(e) Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

**(f) Cash**

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

**(g) Financial instruments**

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**(h) Financial assets**

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets 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.

*Fair value through profit or loss*

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

*Held-to-maturity investments*

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit 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.



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*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.

*Impairment of financial assets*

Financial assets, other than those at fair value through profit or loss, are assessed for 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 certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

*Derecognition of financial assets*

The reporting unit 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.

**(i) Financial Liabilities**

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

*Fair value through profit or loss*

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Other financial liabilities*

Other 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.

*Derecognition of financial liabilities*

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**(j) 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.

**(k) Land, Buildings, Plant and Equipment**

*Asset Recognition Threshold*

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

*Revaluations—Land and Buildings*

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

*Depreciation*

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
- Building	2.50%
- Furniture, fixtures & fittings	7.50% - 30.00%
- Office equipment	7.50% - 40.00%
- Motor vehicles	15.00% - 22.50%
- Low value asset pool	18.75% - 37.50%

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*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.

**(l) Taxation**

United Firefighters' Union of Australia - Victoria Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

**(m) Fair value measurement**

United Firefighters' Union of Australia - Victorian Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 18.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Union. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

United Firefighters' Union of Australia - Victorian Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Union determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Union has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability.

**(n) Going concern**

United Firefighters' Union of Australia - Victorian Branch is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

United Firefighters' Union of Australia - Victorian Branch has not agreed to provide financial support to another reporting unit to ensure they can continue on a going concern basis.

**(o) Comparative amounts**

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

**(p) Significant accounting judgements and estimates**

The preparation of financial statements requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(q) Application of new and revised Accounting Standards**

New or amended accounting standards and interpretations that became applicable to the Union for the first time for the 30 June 2018 year end did not result in a change to the accounting policies.

*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.

<i>Standard/ Interpretation</i>	<i>Effective for annual reporting periods beginning on or after</i>	<i>Expected to be initially applied in the financial year ending</i>
AASB 16 'Lease' Introduces a single lessee accounting model and requires lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.	1 January 2019	30 June 2019

The committee of Management anticipates that the adoption of the above standards or interpretations will not have an impact on the Union's financial statements.

**NOTE 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 Commissioner, 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).

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>NOTE 3: INCOME</b>			
<b>(a) Levies</b>			
- Member subscriptions		4,178,901	3,865,650
- Litigation fees		1,111,885	1,072,480
- Social club welfare		661	13,271
- Fighting fund levy		52,364	151,273
<b>Total levies</b>		<b>5,343,811</b>	<b>5,102,674</b>
<b>(b) Other income</b>			
- Rental income		20,000	18,655
- Interest received		39,084	21,377
- Contract income	(i)	84,854	84,854
- Gains/(Losses) on disposal of property, plant and equipment		5,442	(210)
- Accounting services		14,000	12,000
- Reimbursement of legal fees		22,596	-
- Arbitration settlement		45,455	-
- Miscellaneous income		13,131	1,373
- Recovery of wages		-	-
<b>Total other income</b>		<b>244,562</b>	<b>138,049</b>
<b>(c) Capitation fees</b>			
- Capitation fees		-	-
<b>Total capitation fees</b>		<b>-</b>	<b>-</b>
<b>(d) Grants or Donations</b>			
- Grants		-	-
- Donations		-	-
<b>Total Grants or Donations</b>		<b>-</b>	<b>-</b>

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

**NOTE 4: EXPENSES**

**(a) Employee expense**

**Holders of office:**

Wages and salaries		385,363	379,415
Superannuation		53,382	55,432
Honorariums		54,860	56,958
Movement in leave and other entitlements		73,690	101,343
Separation and redundancies		-	-
Other employee expenses		-	-
<b>Subtotal employee expenses – holders of office</b>		<b>567,295</b>	<b>593,148</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>NOTE 4: EXPENSES (CONTINUED)</b>			
<b>Employees other than office holders:</b>			
Wages and salaries		813,140	807,836
Superannuation		92,632	91,892
Movement in leave and other entitlements		8,165	1,746
Separation and redundancies			
Other employee expenses		<u>126,780</u>	<u>148,288</u>
Subtotal employee expenses - employees other than holders of office		<u>1,040,717</u>	<u>1,049,762</u>
<b>Total employee expenses</b>		<u><u>1,608,012</u></u>	<u><u>1,642,910</u></u>
<b>(b) Capitation fees</b>			
UFU of Australia		<u>279,912</u>	<u>266,821</u>
<b>Total capitation fees</b>		<u><u>279,912</u></u>	<u><u>266,821</u></u>
<b>(c) Affiliation fees</b>			
	<b>Type</b>		
Victorian Trades Hall Council	Affiliation fees	16,002	15,626
Victorian Labour	Affiliation fees	17,716	16,451
Geelong Trades Hall Council	Affiliation fees	344	338
Gippsland Trades & Labour Council Inc	Affiliation fees	251	100
Goulburn Valley Trades & Labour Council	Affiliation fees	60	44
Ballarat Trades Hall	Affiliation fees	354	472
Bendigo Trades Hall Council & Literary Institute	Affiliation fees	384	384
Australian Council of Trade Unions(1)	Affiliation fees	21,757	20,087
South West Trades & Labour Council Inc	Affiliation fees	113	-
Australian Labour Party	Affiliation fees	-	-
<b>Total affiliation fees</b>		<u><u>56,981</u></u>	<u><u>53,502</u></u>
(1) The Australian Council of Trade Unions (ACTU) affiliation fee is paid to the United Firefighters' Union of Australia National office and is then forwarded on to the ACTU on behalf of the branch, The United Firefighters' Union of Australia – Victorian Branch			
<b>(d) Donations</b>			
Total paid that were \$1,000 or less		7,078	4,282
Total paid that exceeded \$1,000		<u>34,549</u>	<u>8,200</u>
<b>Total donations</b>		<u><u>41,626</u></u>	<u><u>12,482</u></u>
<b>(e) Grants</b>			
Total paid that were \$1,000 or less		-	-
Total paid that exceeded \$1,000		<u>-</u>	<u>-</u>
<b>Total grants</b>		<u><u>-</u></u>	<u><u>-</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>NOTE 4: EXPENSES (CONTINUED)</b>			
<b>(f) Depreciation expense</b>			
Depreciation of buildings		22,569	22,569
Depreciation of plant and equipment		34,062	24,861
Depreciation of motor vehicles		9,629	12,154
<b>Total depreciation expense</b>		<u>66,260</u>	<u>59,584</u>
<b>(g) Administration and Conference Expenses</b>			
Consideration to employers for payroll deductions		-	-
Compulsory Levies		-	-
Fees/allowances – meeting and conferences		-	-
Conference and meeting expenses		225,172	132,367
		<u>225,172</u>	<u>132,367</u>
<b>(h) Rental expense on operating leases</b>			
Minimal lease payments		11,376	11,376
		<u>11,376</u>	<u>11,376</u>
<b>(i) Legal costs</b>			
Litigation - Member Advocacy		1,251,918	1,405,778
Other legal matters		-	-
<b>Total legal costs</b>		<u>1,251,918</u>	<u>1,405,778</u>
<b>(j) Accounting fees</b>			
Accounting		26,844	39,877
<b>Total accounting fees</b>		<u>26,844</u>	<u>39,877</u>
<b>(k) Other expenses</b>			
Penalties - via RO Act or RO regulations		-	-
<b>Total other expenses</b>		<u>-</u>	<u>-</u>

**NOTE 5: AUDITORS' REMUNERATION**

Remuneration of the auditor of the Union for

- auditing or reviewing the financial report		15,500	15,500
- other services		6,500	-
<b>Total Auditor's remuneration</b>		<u>22,000</u>	<u>15,500</u>

The auditor of United Firefighters' Union of Australia – Victorian Branch is Kidmans Partners.



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>NOTE 6: CASH AND CASH EQUIVALENTS</b>			
Cash on hand		289	50
Cash at bank		<u>4,071,352</u>	<u>3,538,297</u>
<b>Total cash and cash equivalents</b>		<u><u>4,071,641</u></u>	<u><u>3,538,347</u></u>
<b>NOTE 7: TRADE AND OTHER RECEIVABLES</b>			
Receivables from other reporting units			
United Firefighters' Union of Australia		<u>4,808</u>	<u>17,695</u>
		<u>4,808</u>	<u>17,695</u>
Less provision for doubtful debts		<u>-</u>	<u>-</u>
Net receivables from other reporting units	(i)	<u>4,808</u>	<u>17,695</u>
<b>(i) Expense Payments on behalf of National Office to be reimbursed</b>			
Other trade receivables		137,002	174,811
Less provision for doubtful debts		(23,567)	(16,561)
Other receivables			
- Sundry receivable (FBT refund)		-	13,655
- Receivables from other related parties	(ii)	<u>63,337</u>	<u>72,437</u>
<b>Total net trade and other receivables</b>		<u><u>181,580</u></u>	<u><u>262,037</u></u>
<b>(ii) Salary sacrifice advance</b>			
This advance is unsecured, repayable by future salary sacrifice. No guarantees have been given or received and no amount is considered doubtful.			
<b>NOTE 8: FINANCIAL ASSETS</b>			
Investments		<u>3,365</u>	<u>3,365</u>
		<u><u>3,365</u></u>	<u><u>3,365</u></u>
Financial assets comprise of 3,365 Units in ACTU Financial Services Pty Ltd and for the ACTU Trusts are paid up to 40% of the par value of units.			
<b>NOTE 9: OTHER ASSETS</b>			
Prepayments		<u>10,394</u>	<u>-</u>
		<u><u>10,394</u></u>	<u><u>-</u></u>
<b>NOTE 10: PROPERTY, PLANT AND EQUIPMENT</b>			
<b>Land and buildings</b>			
Freehold land			
At fair value		2,397,222	2,397,222
Buildings			
At fair value		902,778	902,778
Accumulated depreciation		<u>(22,569)</u>	<u>-</u>
		<u>880,209</u>	<u>902,778</u>
		<u><u>3,277,431</u></u>	<u><u>3,300,000</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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	Note	2018 \$	2017 \$
<b>NOTE 10: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)</b>			
An independent valuation was performed by Harrington Earl Estate Agents in July 2017 to determine the fair value of the Union's land and buildings. The valuation was determined by reference to recent market transactions on an arm's length term. Had the Union's land and buildings been measured on a historical cost basis, their carrying amount would be as follows:			
Freehold land		100,000	100,000
Buildings		<u>192,078</u>	<u>192,078</u>
		<u><b>292,078</b></u>	<u><b>292,078</b></u>
Property improvements			
At cost		43,668	-
Accumulated depreciation		<u>(452)</u>	<u>-</u>
		<u><b>43,216</b></u>	<u><b>-</b></u>
Furniture, fixture and fittings			
At cost		113,111	110,516
Accumulated depreciation		<u>(74,458)</u>	<u>(63,185)</u>
		<u><b>38,653</b></u>	<u><b>47,331</b></u>
Motor vehicles			
At cost		92,481	100,039
Accumulated depreciation		<u>(23,907)</u>	<u>(66,330)</u>
		<u><b>68,574</b></u>	<u><b>33,709</b></u>
Office equipment			
At cost		147,472	134,910
Accumulated depreciation		<u>(100,172)</u>	<u>(92,716)</u>
		<u><b>47,300</b></u>	<u><b>42,194</b></u>
Computer software			
At cost		1,981	-
Accumulated depreciation		<u>(647)</u>	<u>-</u>
		<u><b>1,334</b></u>	<u><b>-</b></u>
Capital work in progress			
At fair value		-	12,130
Low value asset pool			
At cost		31,456	30,989
Accumulated depreciation		<u>(20,332)</u>	<u>(17,428)</u>
		<u><b>11,124</b></u>	<u><b>13,561</b></u>
<b>Total plant and equipment</b>		<u><b>210,201</b></u>	<u><b>148,925</b></u>
<b>Total property, plant and equipment</b>		<u><b>3,487,632</b></u>	<u><b>3,448,925</b></u>

**UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 10: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

**a. 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	Property Improvements	Furniture, fixtures and fittings	Motor Vehicles	Office equipment	Computer software	Low value asset pool	Capital work in progress <sup>1</sup>	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Cost or valuation</b>										
Balance at 1 July 2016	1,597,222	902,778	-	97,693	131,974	131,993	-	24,210	-	<b>2,885,870</b>
Additions	-	-	-	14,850	-	7,769	-	6,779	12,130	<b>41,528</b>
Revaluation <sup>2</sup>	800,000	-	-	-	-	-	-	-	-	<b>800,000</b>
Disposals	-	-	-	(2,027)	(31,935)	(4,852)	-	-	-	<b>(38,814)</b>
<b>Balance at 30 June 2017</b>	<b>2,397,222</b>	<b>902,778</b>	-	<b>110,516</b>	<b>100,039</b>	<b>134,910</b>	-	<b>30,989</b>	<b>12,130</b>	<b>3,688,584</b>
Additions	-	-	31,538	2,595	64,570	21,705	1,981	3,324	-	<b>125,711</b>
Revaluation <sup>2</sup>	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(72,127)	(9,142)	-	(2,856)	-	<b>(84,125)</b>
Transfers in/(out)	-	-	12,130	-	-	-	-	-	(12,130)	-
<b>Balance at 30 June 2018</b>	<b>2,397,222</b>	<b>902,778</b>	<b>43,668</b>	<b>113,111</b>	<b>92,482</b>	<b>147,473</b>	<b>1,981</b>	<b>31,457</b>	-	<b>3,730,171</b>
<b>Accumulated depreciation</b>										
Balance at 1 July 2016	-	(93,567)	-	(58,180)	(81,734)	(84,441)	-	(12,348)	-	<b>(330,270)</b>
Depreciation expense	-	(22,569)	-	(6,879)	(12,154)	(12,902)	-	(5,080)	-	<b>(59,584)</b>
Reverse accumulated depreciation on revaluation <sup>2</sup>	-	116,136	-	-	-	-	-	-	-	<b>116,136</b>
Disposals	-	-	-	1,874	27,558	4,627	-	-	-	<b>34,059</b>
<b>Balance at 30 June 2017</b>	-	-	-	<b>(63,185)</b>	<b>(66,330)</b>	<b>(92,716)</b>	-	<b>(17,428)</b>	-	<b>(239,659)</b>
Depreciation expense	-	(22,569)	(452)	(11,273)	(9,630)	(16,404)	(647)	(5,284)	-	<b>(66,259)</b>
Disposals	-	-	-	-	52,052	8,947	-	2,380	-	<b>63,378</b>
<b>Balance at 30 June 2018</b>	-	<b>(22,569)</b>	<b>(452)</b>	<b>(74,458)</b>	<b>(23,908)</b>	<b>(100,173)</b>	<b>(647)</b>	<b>(20,332)</b>	-	<b>(242,539)</b>
<b>Written-down value at 30 June 2018</b>										
	<b>2,397,222</b>	<b>880,209</b>	<b>43,216</b>	<b>38,653</b>	<b>68,574</b>	<b>47,300</b>	<b>1,334</b>	<b>11,124</b>	-	<b>3,487,632</b>

1. Capital work in progress relates to the bathroom renovation work carried out during the year and is still in progress at the year end.
2. Land and building was revalued this year to \$3.3 million based on the valuation report prepared by independent valuer.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>NOTE 11: TRADE AND OTHER PAYABLES</b>			
Trade payables		94,774	543,480
Wages and salaries		34,646	31,980
Consideration to employers for payroll deductions		-	-
Legal costs			
Litigation		269,527	22,816
Other legal matters		-	-
Other payables:			
GST Payable		64,683	17,479
PAYG Withholding		30,786	43,111
Superannuation		9,099	7,633
Other		82,764	12,500
		<b>586,279</b>	<b>678,999</b>
Payables to other reporting units		-	-
Settlement is usually made within 30 days		<b>586,279</b>	<b>678,999</b>
<b>NOTE 12: PROVISIONS</b>			
<b>Employee provisions</b>			
<b>Office holders:</b>			
Annual leave		440,231	402,506
Rostered day off leave		91,684	71,031
Long service leave		135,360	120,028
Separation and redundancies		-	-
Other		-	-
Subtotal employee provisions – office holders		<b>667,275</b>	<b>593,565</b>
<b>Employees other than office holders:</b>			
Annual leave		47,978	41,047
Long service leave		9,326	8,110
Separation and redundancies		-	-
Other		-	-
Subtotal employee provisions – employees other than office holders		<b>57,304</b>	<b>49,157</b>
<b>Total employee provisions</b>		<b>724,579</b>	<b>642,722</b>
Current		715,253	634,612
Non Current		9,326	8,110
<b>Total employee provisions</b>		<b>724,579</b>	<b>642,722</b>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>NOTE 13: OTHER LIABILITIES</b>			
Members fees received in advance		36,578	32,794
<b>NOTE 14: RESERVES</b>			
<b>Asset revaluation reserve</b>			
Balance at beginning of year		3,225,675	2,309,539
Land and buildings revaluation		-	916,136
<b>Balance at end of year</b>		<b>3,225,675</b>	<b>3,225,675</b>
The asset revaluation reserve records revaluations of non-current assets.			
<b>NOTE 15: FUNDS</b>			
<b>(a) Members funds</b>			
Opening members funds		2,672,484	2,832,120
Surplus/(Deficit) for the year		509,017	(159,636)
Closing members funds		<b>3,181,501</b>	<b>2,672,484</b>
<b>(b) Other specific disclosures - Funds</b>			
Compulsary levy/ voluntary contribution fund - if invested in assets		-	-
Other funds required by rules		-	-
		-	-
<b>NOTE 16: CONTINGENT LIABILITIES AND CONTINGENT ASSETS</b>			
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.			
<b>NOTE 17: CASH FLOW INFORMATION</b>			
a. Reconciliation of Cash Flow from Operations			
<b>Net surplus/(deficit) for the period</b>		<b>509,017</b>	<b>(159,636)</b>
Cash flows excluded from surplus attributable to operating activities			
<b>Non-cash flows in surplus</b>			
Depreciation		81,806	59,584
(Gain)/Loss on disposal of plant and equipment		-	210
Doubtful debt expense		(1,804)	-
Wage accrual		-	31,980

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>NOTE 17: CASH FLOW INFORMATION (CONTINUED)</b>			
<b>Reconciliation of cash flow from operations</b>			
<b>Changes in assets and liabilities</b>			
(Increase)/decrease in trade and other receivables		82,261	(59,645)
(Increase)/decrease in prepayments		(10,394)	-
Increase/(decrease) in trade payables and accruals		(92,720)	194,305
Increase/(decrease) in provisions		81,857	103,089
Increase/(decrease) in other liabilities		3,784	(7,298)
		<b>653,807</b>	<b>162,589</b>

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	Accounting	15,400	13,200
United Firefighters' Union of Australia	Rent and other services	29,928	63,793
United Firefighters' Union of Australia	Contract services	93,339	93,339
		<b>138,667</b>	<b>170,332</b>

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

United Firefighters' Union of Australia	Capitation fees	307,903	293,503
United Firefighters' Union of Australia	Levies	23,932	22,095
		<b>331,835</b>	<b>315,598</b>

**NOTE 18: FINANCIAL RISK MANAGEMENT**

**Operating Lease**

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

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

**Financial assets**

Cash and cash equivalents	4,071,641	3,538,347
<i>Loans and receivables</i>		
Trade and other receivables	181,580	262,037
Fair value through profit or loss investments	3,365	3,365
<b>Carrying amount of financial assets</b>	<b>4,256,586</b>	<b>3,803,749</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>NOTE 18: FINANCIAL RISK MANAGEMENT (CONTINUED)</b>			
<b>Financial liabilities</b>			
<i>Amortised cost</i>			
Trade and other payables		586,279	678,999
Other liabilities		36,578	32,794
<b>Carrying amount of financial liabilities</b>		<b><u>622,857</u></b>	<b><u>711,793</u></b>
<b>Specific financial risk exposures and management</b>			
The main risks the Branch is exposed to through its financial instruments are liquidity risk and market risk through interest rate risk.			
<b>(a) Net income and expense from financial assets and financial liabilities</b>			
<i>Cash and cash on hand</i>			
Interest revenue		<u>39,084</u>	<u>21,377</u>
Net gain/(loss) on cash and cash on hand		<u>39,084</u>	<u>21,377</u>
<b>Net gain/(loss) from financial assets</b>		<b><u>39,084</u></b>	<b><u>21,377</u></b>
<i>Other financial liabilities</i>			
Interest expense		-	-
Net gain/(loss) financial liabilities at amortised cost		-	-
<b>Net gain/(loss) from financial liabilities</b>		<b><u>-</u></b>	<b><u>-</u></b>

**UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 18: FINANCIAL RISK MANAGEMENT (CONTINUED)**

**(b) Fair value of financial instruments**

	2018		2017	
	Carrying amount	Fair value	Carrying amount	Fair value
<i>Financial assets</i>				
Cash and cash equivalents	4,071,641	4,071,641	3,538,347	3,538,347
Loans and receivables	181,580	181,580	262,037	262,037
Investments	3,365	3,365	3,365	3,365
<b>Total</b>	<b>4,256,586</b>	<b>4,256,586</b>	<b>3,803,749</b>	<b>3,803,749</b>
<i>Financial liabilities</i>				
Trade and other payables	586,279	586,279	678,999	678,999
Other liabilities	36,578	36,578	32,794	32,794
<b>Total</b>	<b>622,857</b>	<b>622,857</b>	<b>711,793</b>	<b>711,793</b>

**(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:

	2018	2017
	\$	\$
<b>Financial assets</b>		
Trade and other receivables	181,580	262,037
<b>Total</b>	<b>181,580</b>	<b>262,037</b>

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

	2018		2017	
	Not past due nor impaired	Past due or impaired	Not past due nor impaired	Past due or impaired
	\$	\$	\$	\$
Trade and other receivables	63,337	141,810	72,437	192,506
	63,337	141,810	72,437	192,506

**Ageing of financial assets that were past due but not impaired for 2018**

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	85,774	13,642	7,536	34,858	141,810
	85,774	13,642	7,536	34,858	141,810



**UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 18: FINANCIAL RISK MANAGEMENT (CONTINUED)**

**Ageing of financial assets that were past due but not impaired for 2017**

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade and other receivables	105,116	19,816	12,869	54,707	192,508
	<u>105,116</u>	<u>19,816</u>	<u>12,869</u>	<u>54,707</u>	<u>192,508</u>

**(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:

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

**Financial liability and financial asset maturity analysis**

	2018			Total
	On demand \$	< 1 year \$	1-5 years \$	\$
<b>Financial assets – cash flow realisable</b>				
Cash and cash equivalents	749,232	3,322,409	-	4,071,641
Trade and other receivables	-	181,580	-	181,580
Total anticipated inflows	<u>749,232</u>	<u>3,503,989</u>	<u>-</u>	<u>4,253,221</u>

**Financial liabilities due for payment**

Trade and other payables	-	586,279	-	586,279
Other liabilities	-	36,578	-	36,578
Total contractual outflows	<u>-</u>	<u>622,857</u>	<u>-</u>	<u>622,857</u>
<b>Net inflow/(outflow) on financial instruments</b>	<u>749,232</u>	<u>2,881,132</u>	<u>-</u>	<u>3,630,364</u>

	2017			Total
	On demand \$	< 1 year \$	1-5 years \$	\$
<b>Financial assets – cash flow realisable</b>				
Cash and cash equivalents	890,895	2,647,452	-	3,538,347
Trade and other receivables	-	262,037	-	262,037
Total anticipated inflows	<u>890,895</u>	<u>2,909,489</u>	<u>-</u>	<u>3,800,384</u>

**UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 18: FINANCIAL RISK MANAGEMENT (CONTINUED)**

	2017			Total \$
	On demand \$	< 1 year \$	1-5 years \$	
<b>Financial liabilities due for payment</b>				
Trade and other payables	-	678,999	-	678,999
Other liabilities	-	32,794	-	32,794
Total contractual outflows	-	711,793	-	711,793
<b>Net inflow/(outflow) on financial instruments</b>	<b>890,895</b>	<b>2,197,696</b>	<b>-</b>	<b>3,088,591</b>

**(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 2018**

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$	Equity \$
Interest rate risk	Interest income	+/-0.5%	20,358	20,358

**Sensitivity analysis of the risk that the Union is exposed to for 2017**

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$	Equity \$
Interest rate risk	Interest income	+/-0.5%	17,387	17,387

**UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 18: FINANCIAL RISK MANAGEMENT (CONTINUED)**

**(f) Fair Value Hierarchy**

The Union measures fair values of assets and liabilities carried at fair value in the financial report using the fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The table below categorises assets and liabilities measures and recognised at fair value at the reporting date by the level of the fair value hierarchy into which the fair value measurement is categorised.

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>2018</b>				
Land and buildings		3,277,431		3,277,431
<b>2017</b>				
Land and buildings		3,300,000		3,300,000

There have been no transfers into or out of each level during the year ended 30 June 2018 or the prior year.

The Union has a number of assets and liabilities which are not measured at fair value, but for which fair values are disclosed in Note 18(b).

Cash and cash equivalents as well as receivables from other financial institutions are short-term liquid assets which approximate fair value.

The carrying value less impairment provision of receivables and payables is a reasonable approximation of their fair values due to their short-term nature.

The unitholding in ACTU Trust is measured at cost as its fair value cannot be measured reliably. The units are not able to be publicly traded and are not redeemable.

**NOTE 19: EVENTS AFTER THE BALANCE DATE**

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

	Note	2018 \$	2017 \$
<b>NOTE 20: RELATED PARTY TRANSACTIONS</b>			
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.			
Transactions with related parties: UFU National Office			
Revenue transactions:			
Rental and other services income		27,207	57,994
Accounting Services		14,000	12,000
Contract services (1)		84,854	84,854
Total revenue transactions with related parties		126,061	154,848
 (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.			
<i>Expense transactions:</i>			
Capitation fees		279,912	266,821
Levies		21,757	20,087
Other charges		-	2,536
		301,669	289,444
The following balance was outstanding at the end of the reporting period:			
Trade receivables			
United Firefighters Union of Australia		4,808	17,695
United Firefighters Union of Australia - Tasmanian Branch		-	-
		4,808	17,695
Other receivables			
Receivables from other related parties	7(ii)	63,337	72,437
Nil Activity Disclosures			
The branch did not acquire an asset or liability due to an amalgamation under Part 2 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission;			
The branch did not have another entity administer the financial affairs of the branch; and			
The branch did not make a payment to a former related party of the branch.			
<b>NOTE 21: KEY MANAGEMENT PERSONNEL</b>			
The total remuneration paid to elected officials of the Branch during the period are as follows:			
Short-term employee benefits:			
Salary and wages		385,363	379,415
<b>Total short-term employee benefits</b>		385,363	379,415
<b>Post-employment benefits</b>			
Superannuation		48,170	50,021
<b>Total post-employment benefits</b>		48,170	50,021
<b>Other employment entitlements</b>			
Annual leave accrued		38,146	63,433
Rostered days off accrued		20,216	17,550
Long service leave accrued		15,329	22,214
<b>Total other employment entitlements</b>		73,690	103,197
<b>Total employee benefits</b>		507,224	532,633

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

**NOTE 22: UNION DETAILS**

**Registered office & Principal place of business:**

The registered office of the Union is:

United Firefighters' Union of Australia - Victorian Branch  
410 Brunswick Street  
Fitzroy 3065  
Victoria



12 February 2019

Mr Peter Marshall  
Branch Secretary  
United Firefighters' Union of Australia-Victorian Branch

By e-mail: [p.marshall@ufuvic.asn.au](mailto:p.marshall@ufuvic.asn.au)  
CC: [heinz@kidmanspartners.com.au](mailto:heinz@kidmanspartners.com.au)

Dear Mr Marshall,

**United Firefighters' Union of Australia-Victorian Branch  
Financial Report for the year ended 30 June 2018 - [FR2018/204]**

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 Registered Organisations Commission (**the ROC**) on 21 December 2018.

The financial report has not been filed.

When filing last year's financial report, the ROC raised certain issues for the reporting unit to address in the preparation of future financial reports. I note that the same errors have appeared in the current report, namely trade and other receivables disclosure and fair value measurement disclosure.

The ROC aims to assist reporting units in complying with their obligations under the *Fair Work (Registered Organisations) Act 2009* (**the RO Act**) and reporting guidelines (**RGs**) by providing advice about the errors identified in financial reports.

In order for this report to be filed, the general purpose financial report (**GPFR**) will require amendments to address the abovementioned issues. The amended report will need to be provided to members, presented to a committee of management, republished on the reporting unit's website and lodge with the ROC.

**Other matters**

During the assessment of the reporting unit's financial report the following matters have also been identified. It is recommended that these matters are also addressed when preparing the amended report.

Nil activities disclosure

Item 21 of the RGs states that if any of the activities identified within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. The notes contained nil activity information for all prescribed RG categories except the following:

- Acquiring an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission;
- Having another entity administer the financial affairs of the reporting unit; and

- Making a payment to a former related party of the reporting unit.

Please ensure in future years that the above mentioned items are disclosed in either the financial statements, the notes or in the officer's declaration statement as per the RGs.

#### Recovery of wages disclosure

Please note that under the 5th edition of the RG made under section 255 of the RO Act issued 4 May 2018 a recovery of wages activity statement is no longer required. Furthermore, the RGs no longer require a statement in regard to recovery of wages activity in the committee of management statement.

In place of the former requirements, item 13(e) of the 5<sup>th</sup> edition RGs requires the disclosure of any revenue derived from undertaking recovery of wages activity in either the statement of comprehensive income or the notes to the financial statements. RG 21 states that if any activity described within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be included in the financial statements, the notes or in an officer's declaration statement.

#### Audit scope to include subsection 255(2A) report

A GPFR prepared under section 253 of the RO Act also includes the expenditure report required to be prepared under subsection 255(2A) as prescribed by RG 22.

The subsection 255(2A) report must be identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard *ASA 700 Forming an Opinion and Reporting on a Financial Report*.

A subsection 255(2A) report was included in the copy of the documents lodged with the ROC but the auditor did not refer to the statement in the auditor's report.

Please ensure that the subsection 255(2A) report is audited before provided to members and lodged with the ROC.

#### **Action required**

To assist with the preparation of the amended report, the matters identified should be read in conjunction with the RO Act, *Fair Work (Registered Organisations) Regulations 2009*, the 5<sup>th</sup> edition RGs and Australian Accounting Standards.

The reporting unit should also refer to the template model financial statements which is available from the ROC website.

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at [Kylie.Ngo@roc.gov.au](mailto:Kylie.Ngo@roc.gov.au).

Yours sincerely



**Kylie Ngo**  
**Financial Reporting Assistant**  
**Registered Organisations Commission**



13 December 2018

Mr David Langmead  
United Firefighters' Union of Australia-Victorian Branch  
Sent via email: [officeadmin@ufuvic.asn.au](mailto:officeadmin@ufuvic.asn.au)

Dear Mr Langmead,

**Lodgement of Financial Report - Reminder to lodge**

The Registered Organisations Commission's (the ROC) records disclose that the financial year of the United Firefighters' Union of Australia-Victorian Branch (the reporting unit) ended on the 30 June 2018.

As you would be aware, the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires that a reporting unit prepare a financial report in accordance with the RO Act, make it available to the members and then must lodge the financial report within 14 days after the general meeting of members, or if the rules of the reporting unit allow, the Committee of Management meeting (s.268).

The maximum period of time allowed under the RO Act for the full financial report to be presented to a general meeting of members or a committee of management meeting is six months after the expiry date of its financial year (s.253, s254, s265, s.266, s.268). The full report must be lodged with the ROC within 14 days of that meeting.

The ROC encourages your reporting unit to lodge its financial report at the earliest opportunity in order to ensure compliance with its obligations. Failure of a reporting unit to lodge its financial report is a breach of a civil penalty provision of the RO Act. This can result in the Commissioner instituting an inquiry or investigation into a reporting unit's non-compliance under Chapter 11, Part 4 of the RO Act. The actions available to the Commissioner following an investigation include issuing Federal Court legal proceedings for breach of a civil penalty provision. The orders available to the Federal Court include imposition of a pecuniary penalty on the organisation or individual officer, whose conduct led to the contravention, of up to \$105,000 per contravention on the organisation and up to \$21,000 per contravention on an officer whose conduct led to the contravention.

We encourage you to lodge the full financial report directly to [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au). That is the official email address for electronic lodgements of material related to registered organisations matters.

Should you seek any clarification in relation to the above, please contact me on (03) 9954 2931 or via email at [Sam.Gallichio@roc.gov.au](mailto:Sam.Gallichio@roc.gov.au).

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Sam Gallichio'.

**Sam Gallichio**  
Registered Organisations Commission





25 September 2018

Mr Peter Marshall  
National Secretary  
United Firefighters' Union of Australia-Victorian Branch

By Email: [officeadmin@ufuvic.asn.au](mailto:officeadmin@ufuvic.asn.au)

Dear Mr Marshall,

**Re: Lodgement of Financial Report - [FR2018/204]  
*Fair Work (Registered Organisations) Act 2009* (the RO Act)**

The financial year of the United Firefighters' Union of Australia-Victorian Branch (the reporting unit) ended on 30 June 2018. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

### **Loans Grants and Donations Statement**

The reporting unit is required to lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 of the RO Act requires this statement to be lodged with the Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, namely on or before 28 September 2018.

The attached fact sheet *Loans Grants and Donations* (FS 009) summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our [website](#).

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty. Currently penalties are up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual and may be imposed upon your organisation and/or an officer whose conduct led to the contravention.

### **Financial report**

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines* (FS 008) summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on its rules) no later than 30 December 2018 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported (see attached *Loans Grants and Donations* fact sheet FS 009). The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement.

You can visit our website for more information regarding [financial reporting](#), and fact sheets regarding [financial reporting processes and requirements](#). A model set of financial statements developed by the

ROC is also available on our website. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty, as set out above, being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

### **Auditor's report**

When assessing the financial report we will also focus on the structure and content of the auditor's report to ensure that it complies with the revisions made to the Auditing Standards which came into operation with effect from 15 December 2016. Please find [here](#) a link to guidance note *Illustrative Auditor's Report* (GN 004) relating to these requirements (also available on our website).

## **REMINDER**

### **YOUR AUDITOR MUST BE REGISTERED (s.256)**

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our [website](#).

### **Contact**

Should you require any clarification in relation to the above, please email [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au).

Yours faithfully,



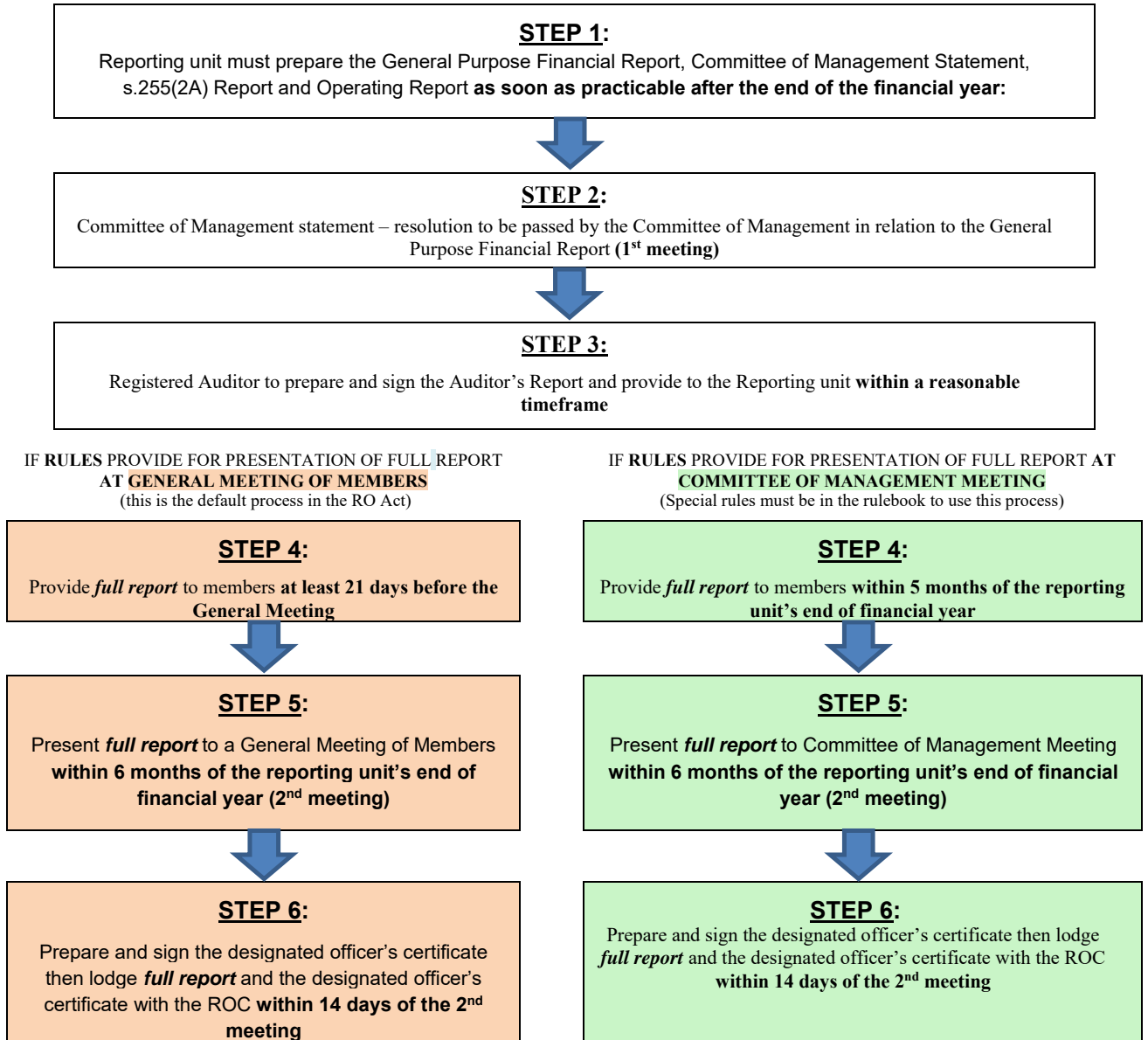
**Sarah Wilkin**  
**Registered Organisations Commission**

# Fact sheet

## Summary of financial reporting timelines – s.253 financial reports

### General Information:

- The **full report** consists of the General Purpose Financial Report, Committee of Management Statement, Operating report, s.255(2A) Report and signed Auditors' Report
- For an explanation of each of the steps below see our [Fact sheet—financial reporting process](#).



# Fact sheet

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Australian Government  
Registered Organisations Commission

**FS 009**  
(19 June 2017)

## Fact sheet

### Loans, Grants & Donations

#### The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the Commissioner's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.





#### The Loans, Grants & Donations Statement



Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceeds \$1000. The following information must be supplied to the Registered Organisations Commission (the ROC) for each relevant loan, grant or donation:

- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,\* and
- the arrangements for repaying the loan.\*

\*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the ROC has a [Template Loans, Grants and Donations Statement](#) on its website. The ROC encourages branches and organisations to lodge the statement even if all of the figures are NIL. Common misconceptions Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.

	Statements can be lodged with the financial report.		The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.
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### Grants & Donations within the Financial Report

Item 16(e) of the Commissioner’s Reporting Guidelines requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines. In the [ROC's Model Statements](#) the note appears as follows:

#### Note 4E: Grants ~~OR~~ donations\*

Grants:	[Current year]	[Previous year]
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	-	-

The Commissioner’s Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

### Implications for filing the Financial Report

During their review of the financial report staff of the ROC may confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their last financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the website.

### Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the ROC on [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)