



18 February 2020

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

Dear Secretary

Re: – United Firefighters' Union of Australia, Victorian Branch - financial report for year ending 30 June 2019 (FR2019/106)

I refer to the financial report of the United Firefighters' Union of Australia, Victorian Branch. The documents were lodged with the Registered Organisations Commission (**ROC**) on 20 December 2019.

The financial report has been filed. The financial report was filed based on a primary review. This involved confirming 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.

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 2020 may be subject to an advanced compliance review.

Reporting Requirements

The ROC website provides several 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 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any questions about the above or the reporting requirements, please do not hesitate to contact me by email at stephen.kellett@roc.gov.au.

Yours faithfully

Stephen Kellett
Financial Reporting
Registered Organisations Commission



UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

ABN 74 030 569 265

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019**

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 2019

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 ...29 November 2019.....; and
- that the full report was presented to a Branch Committee of Management of the reporting unit on19 December 2019.....; in accordance with s.266 of the *Fair Work (Registered Organisations)*



Signature of designated officer: _____

David Hamilton

Name of designated officer: _____

President, UFU Vic

Title of designated officer: _____

Dated: 20 December 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 2019

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 30 June 2019.

Categories of expenditures	2019	2018
	\$	\$
Remuneration and other employment-related costs and expenses - employees	294,854	246,676
Advertising	-	-
Operating costs	3,576,454	3,580,161
Donations to political parties	25,384	20,000
Legal costs	1,519,918	1,251,918

Signature of designated officer:



Name and title of designated officer:

Danny Ward, Vice 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 2019.

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 of the Union for the financial year amounted to \$571,606 (Surplus 2018: \$509,017).

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 3,819.

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 13.7.

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:


Name	Position	Period
David Hamilton	President	1 July 2018 - 30 June 2019
Peter Marshall	Secretary	1 July 2018 - 30 June 2019
Danny Ward	Vice President	1 July 2018 - 30 June 2019
Mick Tisbury	Junior Vice President	1 July 2018 - 30 June 2019
Peter Shroder	Branch Committee of Management	1 July 2018 - 30 June 2019
Brendan Angwin	Trustee	1 July 2018 - 30 June 2019
Cory Woodyatt	Trustee	1 July 2018 - 30 June 2019
Michael McGuinness	Trustee	1 July 2018 - 30 June 2019
Tony Martin	Branch Committee of Management	1 July 2018 - 30 June 2019
Robert Groves	Branch Committee of Management	1 July 2018 - 30 June 2019
Rachel Cowling	Branch Committee of Management	1 July 2018 - 30 June 2019
James Kefalas	Branch Committee of Management	1 July 2018 - 30 June 2019
Chris Cleary	Trustee	1 July 2018 - 30 June 2019
David Blundell	Branch Committee of Management	1 July 2018 - 30 June 2019
Rob Psaila	Branch Committee of Management	1 July 2018 - 30 June 2019

Other relevant information

Nil

Signed for and on behalf of the Committee of Management:

DANNY WARD
VICE PRESIDENT



Dated this 29 day of November

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

COMMITTEE OF MANAGEMENT CERTIFICATE

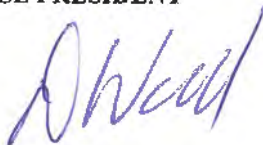
On the.....29.....day of.....November, 2019.....the Committee of Management of the United Firefighters' Australia - Victorian Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the financial year ended 30 June 2019.

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.

DANNY WARD
VICE PRESIDENT



Dated this 29 day of November

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 2019, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year ended 30 June 2019, notes to the financial statements, including a summary of significant accounting policies; the Committee of Management Certificate 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 2019, 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.

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.

Kidmans Partners Audit Pty Ltd

Suite 4, 255 Whitehorse Road, Balwyn,
Victoria, Australia 3103

Postal Address: P.O. Box 718, Balwyn,
Victoria, Australia 3103

INDEPENDENT AUDIT REPORT (Continued)

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

Date 29 / 11 / 2019

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

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

ABN 74 030 569 265

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
REVENUE			
Membership subscriptions	3 (a)	5,553,629	5,343,150
Other revenue	3 (b)	434,587	264,622
Total revenue		5,988,216	5,607,772
EXPENSES			
Accounting fees	4 (j)	56,974	26,844
Administration expenses	4 (g)	373,555	421,909
Affiliation fees and levies	4 (c)	60,081	56,981
Audit fees	5	31,500	22,000
Campaign, dispute and awareness costs		327,007	566,376
Capitation fees	4 (b)	293,956	279,912
Community support		1,896	61,268
Depreciation	4 (f)	84,999	66,260
Education and promotion		94,894	79,150
Employment costs	4 (a)	1,854,038	1,608,012
Executive/shop stewards and conference expenses	4 (h)	294,854	246,676
Finance costs		56,001	53,208
Grants and donations	4 (d) & (e)	53,434	41,626
Insurance		15,434	13,963
Legal costs	4 (i)	1,519,918	1,251,918
Loss on disposal of plant and equipment		5,099	-
Members' welfare		43,529	64,448
Motor vehicle expenses		55,948	58,255
Office occupancy expenses		84,923	80,398
Provision for doubtful debts		(7,818)	6,369
Rental expense on operating leases		10,496	11,376
Social committee expenses		105,892	81,806
Total expenses		5,416,610	5,098,755
OPERATING SURPLUS/ (DEFICIT) FOR THE YEAR		571,606	509,017
Other comprehensive income			
Gain on revaluation of land & buildings		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		571,606	509,017

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 2019**

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	4,731,515	4,071,641
Trade and other receivables	7	183,672	181,580
Other assets	9	83,184	10,394
TOTAL CURRENT ASSETS		4,998,371	4,263,615
NON-CURRENT ASSETS			
Other Financial assets	8	3,365	3,365
Property, plant and equipment	10	3,489,552	3,487,632
TOTAL NON-CURRENT ASSETS		3,492,917	3,490,997
TOTAL ASSETS		8,491,288	7,754,612
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	536,983	586,279
Provisions	12	817,005	715,253
Other liabilities	13	158,518	36,578
TOTAL CURRENT LIABILITIES		1,512,506	1,338,110
NON-CURRENT LIABILITIES			
Long-term provisions	12	-	9,326
TOTAL NON-CURRENT LIABILITIES		-	9,326
TOTAL LIABILITIES		1,512,506	1,347,436
NET ASSETS		6,978,782	6,407,176
MEMBERS' EQUITY			
Asset revaluation reserve	14	3,225,675	3,225,675
Members funds	15	3,753,107	3,181,501
TOTAL MEMBERS' EQUITY		6,978,782	6,407,176

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 2019

	Members funds	Asset revaluation reserve	Total
	\$	\$	\$
Balance at 1 July 2017	2,672,484	3,225,675	5,898,159
Surplus/(deficit) attributable to members	509,017	-	509,017
Other comprehensive income for the year:			
- Land and buildings revaluation	-	-	-
Balance at 30 June 2018	3,181,501	3,225,675	6,407,176
Surplus/(deficit) attributable to members	571,606	-	571,606
Other comprehensive income for the year:			
- Land and buildings revaluation	-	-	-
Balance at 30 June 2019	3,753,107	3,225,675	6,978,782

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 2019

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (including members and related activities)		6,517,290	6,192,721
Payments to suppliers and employees		(5,770,712)	(5,524,790)
Interest received		61,315	39,084
Finance costs		(56,001)	(53,208)
Net cash provided by (used in) operating activities	17 (a)	751,892	653,807
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(92,018)	(120,513)
Proceeds from sale of property, plant and equipment		-	-
Net cash provided by (used in) investing activities		(92,018)	(120,513)
Net increase / (decrease) in cash held		659,874	533,294
Cash at beginning of financial year		4,071,641	3,538,347
Cash at end of financial year	6	4,731,515	4,071,641

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 2019

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

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

(i) Trade receivables

For trade receivables that do not have a significant financing component, the Union applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Union does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Union has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Union recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Union expects to receive, discounted at an approximation of the original effective interest rate. ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Union considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Union may also consider a financial asset to be in default when internal or external information indicates that the Union is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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.

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.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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%

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Application of new and revised Accounting Standards

No accounting standard has been adopted earlier than the application date stated in the standard. The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year:

- ***AASB 9 Financial Instruments and relevant amending standards, which replaces AASB 139 Financial Instruments: Recognition and Measurement.***

AASB 9 is applicable for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

Impact of adoption:

AASB 9 has been adopted using the modified retrospective approach and as such comparatives have not been restated. There was no impact on opening retained profits as at 1 July 2018.

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 2020
AASB 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities in conjunction with AASB 15. AASB 1058 and AASB 15 supersede all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions.	1 January 2019	30 June 2020

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:

Information to be provided to members or the Commissioner:

- (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 2019

	Note	2019 \$	2018 \$
NOTE 3: INCOME			
(a) Levies			
- Member subscriptions		4,485,200	4,178,901
- Litigation fees		1,068,429	1,111,885
- Fighting fund levy		-	52,364
Total levies		5,553,629	5,343,150
(b) Other income			
- Rental income		20,600	20,000
- Interest received		61,315	39,084
- Contract income	(i)	84,854	84,854
- Gains on disposal of property, plant and equipment		-	5,442
- Accounting services		14,420	14,000
- Reimbursement of legal fees		227,441	22,596
- Arbitration settlement		4,545	45,455
- Miscellaneous income		2,109	13,131
- Recovery of wages		-	-
- Sale of merchandise		15,116	19,399
- Social club welfare		4,187	661
Total other income		434,587	264,622
(c) Capitation fees			
- Capitation fees		-	-
Total capitation fees		-	-
(d) Grants or Donations			
- Grants		-	-
- Donations		-	-
Total Grants or Donations		-	-

(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		391,950	385,363
Superannuation		52,463	53,382
Honorariums		68,038	54,860
Movement in leave and other entitlements		64,386	73,690
Separation and redundancies		-	-
Other employee expenses		-	-
Subtotal employee expenses – holders of office		576,837	567,295

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
NOTE 4: EXPENSES (CONTINUED)			
Employees other than office holders:			
Wages and salaries		983,576	813,140
Superannuation		140,611	92,632
Movement in leave and other entitlements		26,107	8,165
Separation and redundancies		-	-
Other employee expenses		126,907	126,780
Subtotal employee expenses - employees other than holders of office		1,277,201	1,040,717
Total employee expenses		1,854,038	1,608,012
(b) Capitation fees			
UFU of Australia		293,956	279,912
Total capitation fees		293,956	279,912
(c) Affiliation fees			
	Type		
Victorian Trades Hall Council	Affiliation fees	16,303	16,002
Victorian Labour	Affiliation fees	18,966	17,716
Geelong Trades Hall Council	Affiliation fees	352	344
Gippsland Trades & Labour Council Inc	Affiliation fees	201	251
Goulburn Valley Trades & Labour Council	Affiliation fees	49	60
Ballarat Trades Hall	Affiliation fees	472	354
Bendigo Trades Hall Council & Literary Institute	Affiliation fees	384	384
Australian Council of Trade Unions(1)	Affiliation fees	23,129	21,757
South West Trades & Labour Council Inc	Affiliation fees	225	113
Australian Labour Party	Affiliation fees	-	-
Total affiliation fees		60,081	56,981
(d) Donations			
Total paid that were \$1,000 or less		1,167	7,078
Total paid that exceeded \$1,000		52,267	34,549
Total donations		53,434	41,626
(e) Grants			
Total paid that were \$1,000 or less		-	-
Total paid that exceeded \$1,000		-	-
Total grants		-	-

(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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
NOTE 4: EXPENSES (CONTINUED)			
(f) Depreciation expense			
Depreciation of buildings		22,569	22,569
Depreciation of plant and equipment		45,467	34,062
Depreciation of motor vehicles		16,963	9,629
Total depreciation expense		84,999	66,260
(g) Administration expense			
Consideration to employers for payroll deductions		-	-
Compulsory Levies		-	-
Communications		207,242	274,858
Office administration and consumables		107,441	110,460
Other administration costs		15,057	4,485
Repairs and maintenance		43,815	32,106
		373,555	421,909
(h) Executive/shop stewards and conference expenses			
Fees/allowances – meeting and conferences		3,705	-
Conference and meeting expenses		291,149	246,677
		294,854	246,677
(i) Legal costs			
Litigation - Member Advocacy		1,519,918	1,251,918
Other legal matters		-	-
Total legal costs		1,519,918	1,251,918
(j) Accounting fees			
Accounting		56,974	26,844
Total accounting fees		56,974	26,844
(k) Other expenses			
Penalties - via RO Act or RO regulations		-	-
Total other expenses		-	-
NOTE 5: AUDITORS' REMUNERATION			
Remuneration of the auditor of the Union for:			
- payment for auditing the prior year financial report		15,500	15,500
- provision for auditing the current year financial report		16,000	-
		31,500	15,500
Remuneration of the auditor of the Union for:			
- other services		8,800	6,500
Total Auditor's remuneration		40,300	22,000

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 2019

	Note	2019 \$	2018 \$
NOTE 6: CASH AND CASH EQUIVALENTS			
Cash on hand		358	289
Cash at bank		<u>4,731,157</u>	<u>4,071,352</u>
Total cash and cash equivalents		<u><u>4,731,515</u></u>	<u><u>4,071,641</u></u>
NOTE 7: TRADE AND OTHER RECEIVABLES			
Receivables from other reporting units			
United Firefighters' Union of Australia		<u>29</u>	<u>4,808</u>
		<u>29</u>	<u>4,808</u>
Less allowance for expected credit loss		<u>-</u>	<u>-</u>
Net receivables from other reporting units	(i)	<u>29</u>	<u>4,808</u>
(i) Expense Payments on behalf of National Office to be reimbursed			
Other trade receivables		144,804	137,002
Less allowance for expected credit loss		(15,749)	(23,567)
Other receivables			
- Sundry receivable (FBT refund)		-	-
- Receivables from other related parties	(ii)	<u>54,588</u>	<u>63,337</u>
Total net trade and other receivables		<u><u>183,672</u></u>	<u><u>181,580</u></u>
(ii) Salary sacrifice advance			
This advance is unsecured, repayable by future salary sacrifice. No guarantees have been given or received and no amount is considered doubtful.			
NOTE 8: FINANCIAL ASSETS			
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.			
NOTE 9: OTHER ASSETS			
Prepayments		<u>83,184</u>	<u>10,394</u>
		<u><u>83,184</u></u>	<u><u>10,394</u></u>
NOTE 10: PROPERTY, PLANT AND EQUIPMENT			
Land and buildings			
Freehold land			
At fair value		2,397,222	2,397,222
Buildings			
At fair value		902,778	902,778
Accumulated depreciation		<u>(45,138)</u>	<u>(22,569)</u>
		<u>857,640</u>	<u>880,209</u>
		<u><u>3,254,862</u></u>	<u><u>3,277,431</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
NOTE 10: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)			
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><u>292,078</u></u>	<u><u>292,078</u></u>
Property improvements			
At cost		43,668	43,668
Accumulated depreciation		<u>(1,532)</u>	<u>(452)</u>
		<u>42,136</u>	<u>43,216</u>
Furniture, fixture and fittings			
At cost		115,196	113,111
Accumulated depreciation		<u>(68,815)</u>	<u>(74,458)</u>
		<u>46,381</u>	<u>38,653</u>
Motor vehicles			
At cost		67,332	92,481
Accumulated depreciation		<u>(20,779)</u>	<u>(23,907)</u>
		<u>46,553</u>	<u>68,574</u>
Office equipment			
At cost		145,756	147,472
Accumulated depreciation		<u>(80,553)</u>	<u>(100,172)</u>
		<u>65,203</u>	<u>47,300</u>
Computer software			
At cost		29,602	1,981
Accumulated depreciation		<u>(1,527)</u>	<u>(647)</u>
		<u>28,075</u>	<u>1,334</u>
Capital work in progress			
At fair value		-	-
Low value asset pool			
At cost		23,762	31,456
Accumulated depreciation		<u>(17,420)</u>	<u>(20,332)</u>
		<u>6,342</u>	<u>11,124</u>
Total plant and equipment		<u><u>234,690</u></u>	<u><u>210,201</u></u>
Total property, plant and equipment		<u><u>3,489,552</u></u>	<u><u>3,487,632</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

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 Improve-ments	Furniture, fixtures and fittings	Motor Vehicles	Office equipment	Computer software	Low value asset pool	Capital work in progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost or valuation										
Balance at 1 July 2017	2,397,222	902,778	-	110,516	100,039	134,910	-	30,989	12,130	3,688,584
Additions	-	-	31,538	2,595	64,569	21,705	1,981	3,324	-	125,711
Revaluation ¹	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(72,127)	(9,142)	-	(2,856)	-	(84,125)
Transfers in/(out)			12,130						(12,130)	-
Balance at 30 June 2018	2,397,222	902,778	43,668	113,111	92,481	147,473	1,981	31,457	-	3,730,171
Additions	-	-	-	23,250	-	45,765	27,622	1,291	-	97,928
Revaluation ¹	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	(21,165)	(25,149)	(47,482)	-	(8,986)	-	(102,782)
Balance at 30 June 2019	2,397,222	902,778	43,668	115,196	67,332	145,756	29,603	23,762	-	3,725,317
Accumulated depreciation										
Balance at 1 July 2017	-	-	-	(63,185)	(66,330)	(92,716)	-	(17,428)	-	(239,659)
Depreciation expense	-	(22,569)	(452)	(11,273)	(9,630)	(16,404)	(647)	(5,284)	-	(66,259)
Disposals	-	-	-	-	52,052	8,947	-	2,380	-	63,378
Balance at 30 June 2018	-	(22,569)	(452)	(74,458)	(23,908)	(100,173)	(647)	(20,332)	-	(242,539)
Depreciation expense	-	(22,569)	(1,080)	(13,703)	(16,963)	(25,522)	(881)	(4,281)	-	(84,999)
Disposals	-	-	-	19,346	20,092	45,142	-	7,193	-	91,773
Balance at 30 June 2019	-	(45,138)	(1,532)	(68,815)	(20,780)	(80,553)	(1,528)	(17,420)	-	(235,765)
Written-down value at 30 June 2019	2,397,222	857,640	42,136	46,381	46,553	65,203	28,075	6,342	-	3,489,552

1. Land and building was revalued in the 2017 year to \$3.3 million based on the valuation report prepared by independent valuer.

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NOTES TO THE FINANCIAL STATEMENTS
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	Note	2019	2018
		\$	\$
NOTE 11: TRADE AND OTHER PAYABLES			
Trade payables		131,671	94,774
Wages and salaries		64,059	34,646
Consideration to employers for payroll deductions		-	-
Legal costs			
Litigation		132,786	269,527
Other legal matters		-	-
Other payables:			
GST Payable		110,232	64,683
PAYG Withholding		34,182	30,786
Superannuation		13,714	9,099
Other		50,339	82,764
		536,983	586,279
Payables to other reporting units		-	-
Settlement is usually made within 30 days		536,983	586,279
NOTE 12: PROVISIONS			
Employee provisions			
Office holders:			
Annual leave		476,320	440,231
Rostered day off leave		111,794	91,684
Long service leave		151,619	135,360
Separation and redundancies		-	-
Other		-	-
Subtotal employee provisions – office holders		739,733	667,275
Employees other than office holders:			
Annual leave		55,830	47,978
Long service leave		21,442	9,326
Separation and redundancies		-	-
Other		-	-
Subtotal employee provisions – employees other than office holders		77,272	57,304
Total employee provisions		817,005	724,579
Current		817,005	715,253
Non Current		-	9,326
Total employee provisions		817,005	724,579

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
NOTE 13: OTHER LIABILITIES			
Members fees received in advance		78,518	36,578
Sponsorship fees received in advance		<u>80,000</u>	<u>-</u>
		<u>158,518</u>	<u>36,578</u>
NOTE 14: RESERVES			
Asset revaluation reserve			
Balance at beginning of year		3,225,675	3,225,675
Land and buildings revaluation		<u>-</u>	<u>-</u>
Balance at end of year		<u>3,225,675</u>	<u>3,225,675</u>
The asset revaluation reserve records revaluations of non-current assets.			
NOTE 15: FUNDS			
(a) Members funds			
Opening members funds		3,181,501	2,672,484
Surplus/(Deficit) for the year		<u>571,606</u>	<u>509,017</u>
Closing members funds		<u>3,753,107</u>	<u>3,181,501</u>
(b) Other specific disclosures - Funds			
Compulsory levy/ voluntary contribution fund - if invested in assets		-	-
Other funds required by rules		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>

NOTE 16: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Firefighters' Union of Australia – Victorian Branch are committed to renovating the building at 410 Brunswick Street, Fitzroy on an ongoing basis. The funding for the renovation costs 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.

NOTE 17: CASH FLOW INFORMATION

a. Reconciliation of Cash Flow from Operations

Net surplus/(deficit) for the period	571,606	509,017
Cash flows excluded from surplus attributable to operating activities		
Non-cash flows in surplus		
Depreciation	84,999	81,806
(Gain)/Loss on disposal of plant and equipment	5,099	-
Doubtful debt expense	(7,818)	(1,804)

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NOTES TO THE FINANCIAL STATEMENTS
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	Note	2019 \$	2018 \$
NOTE 17: CASH FLOW INFORMATION (CONTINUED)			
Reconciliation of cash flow from operations			
Changes in assets and liabilities			
(Increase)/decrease in trade and other receivables		(2,092)	82,261
(Increase)/decrease in prepayments		(64,972)	(10,394)
Increase/(decrease) in trade payables and accruals		(49,296)	(92,720)
Increase/(decrease) in provisions		92,426	81,857
Increase/(decrease) in other liabilities		121,940	3,784
		751,892	653,807

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	15,862	15,400
United Firefighters' Union of Australia	Rent and other services	25,652	29,928
United Firefighters' Union of Australia	Contract services	93,339	93,339
		134,853	138,667

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

United Firefighters' Union of Australia	Capitation fees	323,351	307,903
United Firefighters' Union of Australia	Levies	25,442	23,932
		348,793	331,835

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	4,731,515	4,071,641
<i>Loans and receivables</i>		
Trade and other receivables	183,672	181,580
Fair value through profit or loss investments	3,365	3,365
Carrying amount of financial assets	4,918,552	4,256,586

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019	2018
		\$	\$
NOTE 18: FINANCIAL RISK MANAGEMENT (CONTINUED)			
Financial liabilities			
<i>Amortised cost</i>			
Trade and other payables		536,983	586,279
Other liabilities		158,518	36,578
Carrying amount of financial liabilities		695,501	622,857
Specific financial risk exposures and management			
The main risks the Branch is exposed to through its financial instruments are liquidity risk and market risk through interest rate risk.			
(a) Net income and expense from financial assets and financial liabilities			
<i>Cash and cash on hand</i>			
Interest revenue		61,315	39,084
Net gain/(loss) on cash and cash on hand		61,315	39,084
Net gain/(loss) from financial assets		61,315	39,084
<i>Other financial liabilities</i>			
Interest expense		83	-
Net gain/(loss) financial liabilities at amortised cost		83	-
Net gain/(loss) from financial liabilities		83	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 18: FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Fair value of financial instruments

	2019		2018	
	Carrying amount	Fair value	Carrying amount	Fair value
<i>Financial assets</i>				
Cash and cash equivalents	4,731,515	4,731,515	4,071,641	4,071,641
Loans and receivables	183,672	183,672	181,580	181,580
Investments	3,365	3,365	3,365	3,365
Total	4,918,552	4,918,552	4,256,586	4,256,586
<i>Financial liabilities</i>				
Trade and other payables	536,983	536,983	586,279	586,279
Other liabilities	158,518	158,518	36,578	36,578
Total	695,501	695,501	622,857	622,857

(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:

	2019	2018
	\$	\$
Financial assets		
Trade and other receivables	183,672	181,580
Total	183,672	181,580

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

	2019		2018	
	Not past due nor impaired	Past due or impaired	Not past due nor impaired	Past due or impaired
	\$	\$	\$	\$
Trade and other receivables	54,588	144,833	63,337	141,810
	54,588	144,833	63,337	141,810

Ageing of financial assets that were past due but not impaired for 2019

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade and other receivables	87,666	11,407	6,798	38,963	144,833
	87,666	11,407	6,798	38,963	144,833

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FOR THE YEAR ENDED 30 JUNE 2019

NOTE 18: FINANCIAL RISK MANAGEMENT (CONTINUED)

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
	<u>85,774</u>	<u>13,642</u>	<u>7,536</u>	<u>34,858</u>	<u>141,810</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

	2019			Total
	On demand \$	< 1 year \$	1-5 years \$	\$
Financial assets – cash flow realisable				
Cash and cash equivalents	1,062,588	3,668,927	-	4,731,515
Trade and other receivables	-	183,672	-	183,672
Total anticipated inflows	<u>1,062,588</u>	<u>3,852,599</u>	<u>-</u>	<u>4,915,187</u>

Financial liabilities due for payment

Trade and other payables	-	536,983	-	536,983
Other liabilities	-	158,518	-	158,518
Total contractual outflows	<u>-</u>	<u>695,501</u>	<u>-</u>	<u>695,501</u>
Net inflow/(outflow) on financial instruments	<u>1,062,588</u>	<u>3,157,098</u>	<u>-</u>	<u>4,219,686</u>

	2018			Total
	On demand \$	< 1 year \$	1-5 years \$	\$
Financial assets – cash flow realisable				
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>

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NOTE 18: FINANCIAL RISK MANAGEMENT (CONTINUED)

	2018			Total \$
	On demand \$	< 1 year \$	1-5 years \$	
Financial liabilities due for payment				
Trade and other payables	-	586,279	-	586,279
Other liabilities	-	36,578	-	36,578
Total contractual outflows	-	622,857	-	622,857
Net inflow/(outflow) on financial instruments	749,232	2,881,132	-	3,630,364

(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 2019

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$	Equity \$
Interest rate risk	Interest income	+/-0.5%	23,658	23,658

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

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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.

	Level 1	Level 2	Level 3	Total
2019				
Land and buildings		3,254,862		3,254,862
2018				
Land and buildings		3,277,431		3,277,431

There have been no transfers into or out of each level during the year ended 30 June 2019 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
NOTE 20: RELATED PARTY TRANSACTIONS			
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.			
Transactions with related parties: UFU National Office			
Revenue transactions:			
Rental and other services income		23,320	27,207
Accounting Services		14,420	14,000
Contract services (1)		84,854	84,854
Total revenue transactions with related parties		122,594	126,061
 (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		293,956	279,912
Levies		23,129	21,757
Other charges		-	-
		317,085	301,669
The following balance was outstanding at the end of the reporting period:			
Trade receivables			
United Firefighters Union of Australia		29	4,808
United Firefighters Union of Australia - Tasmanian Branch		-	-
		29	4,808
Other receivables			
Receivables from other related parties	7(ii)	54,588	63,337
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.			
NOTE 21: KEY MANAGEMENT PERSONNEL			
The total remuneration paid to elected officials of the Branch during the period are as follows:			
Short-term employee benefits:			
Salary and wages		391,950	385,363
Honorariums		68,038	54,860
Total short-term employee benefits		459,988	440,223
Post-employment benefits			
Superannuation		52,463	53,382
Total post-employment benefits		52,463	53,382
Other employment entitlements			
Annual leave accrued		37,024	38,146
Rostered days off accrued		20,198	20,216
Long service leave accrued		19,333	15,329
Total other employment entitlements		76,554	73,690
Total employee benefits		589,006	567,295

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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