

United Firefighters' Union of Australia

General Purpose Financial Report

For the year ended 30 June 2006

JOHN AGOSTINELLI CA HENRY V PERLEN CA

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**UNITED FIREFIGHTERS' UNION OF AUSTRALIA
GENERAL PURPOSE FINANCIAL REPORT FOR THE
YEAR ENDED 30 JUNE 2006**

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UNITED FIREFIGHTERS' UNION OF AUSTRALIA

OPERATING REPORT

I, *Peter Marshall*, being the officer responsible for keeping the accounting records of the United Firefighters' Union of Australia certify that as at 30 June, 2006 the number of members of the organisation was 13,817.

The principal activity of the Union is to represent professional firefighters and their safety. No significant change in the nature of these activities occurred during the year.

The number of persons employed by the Union as at 30 June 2006 were three part-time employees and one full-time employee.

The National Committee of Management members as at 30 June 2006 were as follows:

		Period Position Held
Representing National Office	Mr Peter Marshall	3 years, 1 month
	Mr Ron Hanna	2 years, 8 months
Representing New South Wales	Mr Ken Smith	3 years, 1 month
	Mr Darin Sullivan	1 month
	Mr Simon Flynn	1 month
	Mr Chris Windsor	1 month
	Mr Jim Casey	1 month
	Mr Travis Broadhurst	1 month
	Mr Chris Perrin	1 month
Representing Victoria	Mr Peter Marshall	3 years, 1 month
	Mr Tony Scully	1 month
	Mr Tony Trimble	1 month
	Mr Wade Slaugher	1 month
	Mr Brendan Angwin	1 month
Representing Queensland	Mr Mark Walker	10 years, 10 months
	Mr Henry Lawrence	10 years, 10 months
	Mr Rob Walker	1 month
	Mr Bryan Taylor	1 month
Representing South Australia	Mr William Jamieson	3 years, 1 month
	Mr Terry Leach	1 month
Representing Western Australia	Mr Dave Bowers	1 month
	Mr Kevin Jolly	1 month
Representing Aviation	Mr Mick Farrell	4 years, 9 months
	Mr Andrew Stenhouse	1 year, 9 months
Representing Tasmania	Mr Richard Warwick	9 years, 9 months
Representing Australian Capital Territory	Mr Brett Baulman	1 year, 10 months

A member of the Union may resign from membership by written notice addressed and delivered to the Secretary of the Branch to which such member belongs.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

In my opinion:

- (i) the attached accounts show a true and fair view of the financial affairs of the organisation as at 30 June, 2006;
- (ii) a record has been kept of all moneys paid by or collected from members of the organisation and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the organisation;
- (iii) before any expenditure was incurred, approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation;
- (iv) with regard to funds of the organisation raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules of the organisation, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- (v) no loans or other financial benefits, other than remuneration in respect of their employment with the organisation, were made to persons holding office in the organisation;
- (vi) the register of members of the organisation was maintained in accordance with the Workplace Relations Act 1996;

Dated at Wellington this 21st day of November 2006.


PETER MARSHALL

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF THE COMMITTEE OF MANAGEMENT

I, *Ron Hanna*, being a member of the National Committee of Management of the United Firefighters' Union of Australia, do state on behalf of the Committee and in accordance with a resolution passed by the Committee that:

The Committee of Management declares that in relation to the general purpose financial reports (GPFR) that in its opinion:

- (a) the financial statements and notes have been prepared in accordance with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes show a true and fair view of the financial performance, financial position and cash flows of the Union as at 30 June, 2006;
- (d) the Union has reasonable grounds to believe that the association will be able to pay its debts as they fall due;
- (e) during the financial year to which the GPFR relates and since the end of the year
 - (i) meetings of the Committee were held during the year ended 30 June 2006, in accordance with the rules of the organisation;
 - (ii) the financial affairs of the Union 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 Union have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the union is a sole reporting unit, therefore the financial records of the union have been kept in a consistent manner specifically relating to the union; and
 - (v) No information was sought by any member of the Union or the Registrar under section 272 of the RAO Schedule; and
 - (vi) No orders have been made by the Commission under section 273 of the RAO Schedule during the period.

Signed on behalf of the Committee of Management

Dated at *Elliston* this *14th* day of *May* 200*6*'*7*

R. U. Hanna.
RON HANNA

INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

Scope**The financial report and committee of management's responsibility**

We have audited the financial report of United Firefighters' Union of Australia for the financial year ending 30 June 2006 comprising the Committee of Management Statement, Statement of Financial Position, Statement of Financial Performance, Statement of Cash flows and accompanying notes to the financial statements as set out on pages 4 and 7 to 16.

The committee of management is responsible for the preparation and presentation of the financial report and the information contained therein. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the organisation. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Union's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee of management.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the general purpose financial report of United Firefighters' Union of Australia presents fairly the financial position and results of its operations and its cashflows for the financial year ended 30 June 2006, in accordance with the following that apply in relation to the reporting unit:

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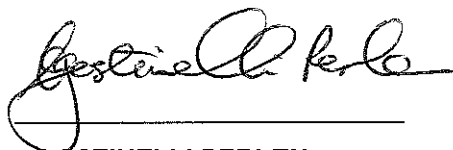
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INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

- (a) the requirements imposed by Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996, and
- (b) Australian Accounting Standards; and
- (c) other mandatory professional reporting requirements.



AGOSTINELLI PERLEN
CHARTERED ACCOUNTANTS



JOHN AGOSTINELLI
PARTNER

Dated at Carlton VIC 3053

This 14 day of May 2007.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2006

	<u>Notes</u>	<u>2006</u> \$	<u>2005</u> \$
MEMBERS' FUNDS		205,650	313,848
		=====	=====
REPRESENTED BY:			
CURRENT ASSETS			
Cash at Bank	5(a)	18,478	51,369
Subscriptions and Levies in Arrears	4(c)	254,597	346,147
Other debtors		1,395	--
		-----	-----
Total Current Assets		274,470	397,516
		-----	-----
NON-CURRENT ASSETS			
FIXED ASSETS			
Motor Vehicles, Office Furniture & Equipment	3	39,422	6,957
		-----	-----
Total Non-Current Assets		39,422	6,957
		-----	-----
TOTAL ASSETS		313,892	404,473
		-----	-----
CURRENT LIABILITIES			
Trade Creditors		62,421	57,544
Subscriptions Paid in Advance		--	8,463
Accrued Charges		34,018	18,863
Provision for Employee Entitlements		11,803	5,755
		-----	-----
TOTAL CURRENT LIABILITIES		108,242	90,625
		-----	-----
TOTAL LIABILITIES		108,242	90,625
		-----	-----
NET ASSETS		205,650	313,848
		=====	=====

The accompanying notes form part of these accounts

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

MEMBERS' FUNDS

FOR THE YEAR ENDED 30 JUNE 2006

	<u>2006</u> \$	<u>2005</u> \$
Accumulated Funds as at 1st July 2005	313,848	150,426
Operating Surplus/(Deficit)	(108,198)	163,422
Accumulated Funds as at 30 June 2006	<u>205,650</u> =====	<u>313,848</u> =====

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2006

<u>INCOME</u>	<u>Notes</u>	<u>2006</u> \$	<u>2005</u> \$
Branch Subscriptions	4(b)	209,355	204,176
Affiliation Fees		16,703	22,917
Conference Expenses Reimbursement		51,113	16,816
Magazine Revenue		67,260	15,000
Interest Received		395	253
ACTU Media Campaign		--	37,472
Debt Waivered	4(d)	8,462	174,712
ACTU IR Campaign		58,235	--
		<hr/>	<hr/>
		411,523	471,346
		<hr/>	<hr/>

Administration and other operating costs

Affiliation Fees		29,078	29,631
Bank Charges		1,347	512
Computer Expenses		4,458	--
Courier		654	--
Depreciation of motor vehicles		--	177
Depreciation of plant and equipment		8,459	912
Entertainment		639	--
Fines & Penalties		265	--
Fringe Benefits Tax		2,046	--
Gifts		--	319
Industrial Campaigns		69,443	52,644
Internet expense		2,477	872
Legal fees		1,160	3,250
Loss on sale of asset		--	636
Media Release		174	1,295
Motor Vehicle		4,968	981
National ITAB		325	4,005
National Members Polling		8,750	--
O H & S Campaigns		2,287	8,222
Printing & Stationery		2,996	2,273
Postage		912	714
Promotional and magazine expenses		9,902	4,109
Rent		23,537	22,274
Storage		1,982	2,075
Subscriptions and Donations		3,092	2,085
Sundry Expenses		1,325	92
Telephone and facsimile		11,889	6,266
Travelling		1,129	1,238
		<hr/>	<hr/>
		193,294	144,582
		<hr/>	<hr/>

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2006

	<u>Notes</u>	<u>2006</u> \$	<u>2005</u> \$
<u>Professional Fees</u>			
Audit Fees		5,000	5,000
Other Services		8,705	5,000
		<hr/>	<hr/>
		13,705	10,000
		<hr/>	<hr/>
<u>Employment Costs</u>			
PAYG tax shortfall		1,567	--
Salaries and benefits – Office Bearers		28,134	29,609
Salaries and Benefits – Other employees		140,452	36,255
Superannuation		24,147	7,951
Workcover		1,188	1,356
Provision for Leave		6,048	12
Honorarium		218	--
Industrial Consultancy		--	6,084
Staff Costs		5,038	1,612
		<hr/>	<hr/>
		206,792	82,879
		<hr/>	<hr/>
<u>Conference and Meetings</u>			
National Officers' Travel		12,410	20,441
Branch Travel		84,760	46,322
Travel Allowance		5,120	650
Conference Catering		3,640	3,050
		<hr/>	<hr/>
		105,930	70,463
		<hr/>	<hr/>
<u>TOTAL EXPENDITURE</u>		519,721	307,924
		<hr/>	<hr/>
OPERATING SURPLUS / (DEFICIT)		(108,198)	163,422
Accumulated Surplus at 1 July 2005		313,848	150,426
		<hr/>	<hr/>
ACCUMULATED SURPLUS AT 30 JUNE 2006		205,650	313,848
		=====	=====

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2006

	<u>Note</u>	<u>2006</u> \$	<u>2005</u> \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from Branch Subscriptions and Affiliation Fees		492,818	209,644
Payment to Suppliers and employees		(485,182)	(248,761)
Interest received		395	253
Net Cash Inflow/(Outflow) From Operating Activities	5 (b)	<hr/> 8,031	<hr/> (38,864)
<u>CASH FLOWS FROM INVESTING & FINANCING ACTIVITIES</u>			
Payments for Property, Plant & Equipment		(40,922)	(6,663)
Proceeds from Sale of Property, Plant & Equipment		--	1,364
Net Cash Inflow/(Outflow) From Investing Activities		<hr/> (40,922)	<hr/> (5,299)
NET INCREASE (DECREASE) IN CASH HELD		(32,891)	(44,163)
Cash at the Beginning of the Financial Year		51,369	95,532
CASH AT THE END OF FINANCIAL YEAR	5 (a)	<hr/> <u>18,478</u> =====	<hr/> <u>51,369</u> =====

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

Note 1 - Accounting Policies

The Union is a non-reporting economic entity. These financial statements are a general purpose financial report prepared in order to satisfy the requirements of the Workplace Relations Act, 1996.

In accordance with generally accepted accounting principles for such organisations, membership contributions are accounted for on an accruals basis. Unless otherwise stated, the accounts are prepared under the historical cost convention and do not take into account changing money values, or except where stated, current valuations of non-current assets. The accounts have been drawn up in accordance with the Accounting Standards jointly issued by the Australian Accounting Bodies and as required by law.

(a) Depreciation

Fixed assets are depreciated over the period of their expected effective lives.

(b) Employee Entitlements

Provision is made for the Union's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries and annual leave which will be settled after one year, have been measured at their nominal amount.

Contributions are made by the Union to an employee superannuation fund and are charged as expenses when incurred.

(c) Comparatives

The comparative figures in the accounts are for the twelve months ended 30 June, 2005.

(d) Income Tax

No provision for income tax is necessary as Trade Unions are exempt bodies under Section 50-15 of the Income Tax Assessment Act 1997.

(e) Stock on Hand

All stocks of stationery, printed materials and other consumables are written off immediately on acquisition through the income and expenditure account.

Note 2 – Basis of Preparation

These accounts are the accounts of the national body of the United Firefighters Union of Australia. They do not include the accounts of each of the branches of the Union which are constituted under its rules and in accordance with the provisions of Section 271 of the Workplace Relations Act 1996.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

	<u>2006</u>	<u>2005</u>
	\$	\$
Note 3 - Motor Vehicles, Office Furniture & Equipment		
Office Furniture & Equipment - at Cost	13,861	11,497
Less: Accumulated Depreciation	8,044	4,727
	<u>5,817</u>	<u>6,770</u>
	=====	=====
Computer Software	41,641	3,081
Less: Accumulated Depreciation	8,036	2,894
	<u>33,605</u>	<u>187</u>
	=====	=====
Total Written Down Value	<u>39,422</u>	<u>6,957</u>
	=====	=====

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

Note 4 – Subscriptions

(a) Subscriptions are receivable from State Branches based on membership numbers and paid quarterly in arrears.

(b) Subscriptions receivable for the year ended 30 June 2006 are made up as follows:

	<u>2006</u>	<u>2005</u>
	\$	\$
New South Wales	66,552	69,178
Victoria	46,902	44,276
Queensland	37,998	36,548
South Australia	15,930	14,745
Western Australia	18,473	17,675
Tasmania	6,545	6,378
Australian Capital Territory	6,906	6,478
Australian Government Employees	10,049	8,898
Prior year AGE Subscriptions forgiven		--
	=====	=====
Total Subscriptions	209,355	204,176
	=====	=====

(c) The amount of subscriptions and levies in arrears at 30 June 2006 comprises:

Subscriptions:

Victoria	22,182	(2,439)
New South Wales	115,712	269,656
Tasmania	1,636	1,762
Western Australia	4,596	--
Australian Capital Territory	1,774	--
Queensland	9,499	--
South Australia	4,477	--
Aviation	2,676	--
ACTU Affiliation – New South Wales	--	48,526
ACTU Affiliation – South Australia	4,798	2,908
ACTU Affiliation – Western Australia	3,518	2,425
ACTU Affiliation – Tasmania	386	214
ACTU Affiliation - Queensland	2,238	--
ACTU Affiliation - Victoria	5,802	--
ACTU Affiliation – Australian Capital Territory	403	--
ACTU Affiliation – Aviation	538	--
Austral Media	38,786	--
Conference Reimbursement	280	8,480
ACTU Media Campaign	--	14,615
ACTU IR Campaign	35,296	--
	=====	=====
Total Subscriptions and levies in Arrears	254,597	346,147
	=====	=====

(d) State Branches who previously paid the National Office additional subscriptions to sustain a sufficient level of funds have now resolved to waive their right to any repayment from the National Office.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

Note 5 - Notes To The Statement of Cash Flows

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand, cash at bank and deposits. Cash at the beginning and end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	<u>2006</u>	<u>2005</u>
	\$	\$
Cash at Bank – Commonwealth Bank	18,478	51,369
	=====	=====

(b) Reconciliation of Cash Flow from Operations with Operating Surplus:

<u>Operating Surplus/(Deficit)</u>	(108,198)	163,422
Depreciation & Amortisation	8,459	1,089
Loss on sale of asset	--	636

Changes in Operating Assets
& Liabilities:

(Increase)/Decrease in Subscriptions in Arrears	91,549	(86,735)
(Increase)/Decrease in Other Debtors	(1,395)	--
Increase/(Decrease) in Trade Creditors and Accruals	20,032	57,424
Increase/(Decrease) in Provisions	6,048	12
Increase/(Decrease) in Subscriptions Paid in Advance	(8,464)	(174,712)
	-----	-----
Cash Inflow from Operating Activities	8,031	(38,864)
	=====	=====

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

Note 6 - Notice Required Under The Workplace Relations Act 1996 As Amended

In accordance with the requirements of the Workplace Relations Act 1996 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 a Registrar, 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)."