

United Firefighters' Union of Australia

General Purpose Financial Report

For the year ended 30 June 2007

JOHN AGOSTINELLI CA HENRY V PERLEN CA

Level 2 200 Lygon Street Carlton Victoria 3053

PO Box 88 Carlton South 3053

Telephone (03) 9654 2022 Facsimile (03) 9654 2044

Email: info@agpe.com.au

Website: www.agpe.com.au

UNITED FIREFIGHTERS' UNION OF AUSTRALIA
GENERAL PURPOSE FINANCIAL REPORT FOR THE
YEAR ENDED 30 JUNE 2007

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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, 2007 the number of members of the organisation was 13,993.

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 2007 were two part-time employees and one full-time employee.

The National Committee of Management members as at 30 June 2007 were as follows:

		Period Position Held
Representing National Office	Mr Peter Marshall	4 years, 1 month
	Mr Mick Farrell	7 months
Representing New South Wales	Mr Ken Smith	4 years, 1 month
	Mr Darin Sullivan	1 year, 1 month
	Mr Simon Flynn	1 year, 1 month
	Mr Chris Windsor	1 year, 1 month
	Mr Jim Casey	1 year, 1 month
	Mr Travis Broadhurst	1 year, 1 month
	Mr Chris Perrin	1 year, 1 month
Representing Victoria	Mr Peter Marshall	4 years, 1 month
	Mr Tony Scully	1 year, 1 month
	Mr Tony Trimble	1 year, 1 month
	Mr Wade Slaugher	1 year, 1 month
	Mr Brendan Angwin	1 year, 1 month
Representing Queensland	Mr Mark Walker	11 years, 10 months
	Mr Henry Lawrence	11 years, 10 months
	Mr Mark Gribble	1 year, 1 month
	Mr Bryan Taylor	1 year, 1 month
Representing South Australia	Mr William Jamieson	4 years, 1 month
	Mr Greg Northcott	7 months
Representing Western Australia	Mr Dave Bowers	1 year, 1 month
	Mr Kevin Jolly	1 year, 1 month
Representing Aviation	Mr Mick Farrell	5 years, 9 months
	Mr Andrew Stenhouse	2 year, 9 months
Representing Tasmania	Mr Richard Warwick	10 years, 9 months
Representing Australian Capital Territory	Mr Eric Williams	7 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.

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 2007 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 2007, in accordance with the following that apply in relation to the reporting unit:

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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 day of 2008.

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2007

	<u>Notes</u>	<u>2007</u> \$	<u>2006</u> \$
MEMBERS' FUNDS		95,300	205,650
		=====	=====
REPRESENTED BY:			
CURRENT ASSETS			
Cash at Bank	5(a)	71,452	18,478
Subscriptions and Levies in Arrears	4(c)	151,382	254,597
Other debtors		9,909	1,395
		-----	-----
Total Current Assets		232,743	274,470
		-----	-----
NON-CURRENT ASSETS			
FIXED ASSETS			
Office Furniture & Equipment & Website Design	3	20,467	39,422
		-----	-----
Total Non-Current Assets		20,467	39,422
		-----	-----
TOTAL ASSETS		253,210	313,892
		-----	-----
CURRENT LIABILITIES			
Trade Creditors		109,779	62,421
Accrued Charges		37,481	34,018
Provision for Employee Entitlements		10,650	11,803
		-----	-----
TOTAL CURRENT LIABILITIES		157,910	108,242
		-----	-----
TOTAL LIABILITIES		157,910	108,242
		-----	-----
NET ASSETS		95,300	205,650
		=====	=====

The accompanying notes form part of these accounts

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

MEMBERS' FUNDS

FOR THE YEAR ENDED 30 JUNE 2007

	<u>2007</u> \$	<u>2006</u> \$
Accumulated Funds as at 1st July 2006	205,650	313,848
Operating Surplus/(Deficit)	(110,350)	(108,198)
Accumulated Funds as at 30 June 2007	<u>95,300</u> =====	<u>205,650</u> =====

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2007

<u>INCOME</u>	<u>Notes</u>	<u>2007</u> \$	<u>2006</u> \$
Branch Subscriptions	4(b)	224,887	209,355
Affiliation Fees		17,045	16,703
Conference Expenses Reimbursement		107,300	51,113
Magazine Revenue		57,800	67,260
Interest Received		184	395
ACTU Marginal Seat		9,996	--
Debt Waivered	4(d)	--	8,462
ACTU IR Campaign		74,948	58,235
Other Income		4,349	--
		<hr/>	<hr/>
		496,509	411,523
		<hr/>	<hr/>
 <u>Administration and other operating costs</u>			
Affiliation Fees		39,048	29,078
Bank Charges		1,647	1,347
Bookkeeping Fees		8,045	--
Computer Expenses		1,604	4,458
Courier		2,325	654
Depreciation of plant and equipment		3,453	3,317
Depreciation of Website Design		15,502	5,142
Entertainment		607	639
Fines & Penalties		170	265
Fringe Benefits Tax		2,412	2,046
Gifts		458	--
Industrial Campaigns		55,325	69,443
Internet expense		711	2,477
Legal fees		17,981	1,160
Media Release		--	174
Motor Vehicle		6,147	4,968
National ITAB		--	325
National Members Polling		--	8,750
O H & S Campaigns		3,983	2,287
Printing & Stationery		3,444	2,996
Postage		407	912
Promotional and magazine expenses		13,597	9,902
Rent		23,690	23,537
Storage		2,205	1,982
Subscriptions and Donations		1,558	3,092
Sundry Expenses		1,689	1,325
Telephone and facsimile		8,844	11,889
Travelling		2,306	1,129
Web Hosting		9,091	--
		<hr/>	<hr/>
		226,249	193,294
		<hr/>	<hr/>

The accompanying notes form part of these accounts

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2007

	<u>Notes</u>	<u>2007</u> \$	<u>2006</u> \$
<u>Professional Fees</u>			
Audit Fees		6,000	5,000
Other Services		8,480	8,705
		<hr/>	<hr/>
		14,480	13,705
		<hr/>	<hr/>
<u>Employment Costs</u>			
PAYG tax shortfall		--	1,567
Salaries and benefits – Office Bearers		28,957	28,134
Salaries and Benefits – Other employees		151,066	140,452
Superannuation		24,259	24,147
Workcover		3,111	1,188
Provision for Leave		(1,153)	6,048
Honorarium		800	218
Staff Costs		1,636	5,038
		<hr/>	<hr/>
		208,676	206,792
		<hr/>	<hr/>
<u>Conference and Meetings</u>			
National Officers' / Executive Travel		23,775	12,410
Branch Travel		127,187	84,760
Travel Allowance		6,492	5,120
Conference Catering		--	3,640
		<hr/>	<hr/>
		157,454	105,930
		<hr/>	<hr/>
<u>TOTAL EXPENDITURE</u>		606,859	519,721
		<hr/>	<hr/>
OPERATING SURPLUS / (DEFICIT)		(110,350)	(108,198)
Accumulated Surplus at 1 July 2006		205,650	313,848
		<hr/>	<hr/>
ACCUMULATED SURPLUS AT 30 JUNE 2007		95,300	205,650
		=====	=====

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2007

	<u>Note</u>	<u>2007</u> \$	<u>2006</u> \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from Branch Subscriptions and Affiliation Fees		600,935	492,818
Payment to Suppliers and employees		(548,145)	(485,182)
Interest received		184	395
Net Cash Inflow/(Outflow) From Operating Activities	5 (b)	<hr/> 52,974	<hr/> 8,031
<u>CASH FLOWS FROM INVESTING & FINANCING ACTIVITIES</u>			
Payments for Property, Plant & Equipment		--	(40,922)
Proceeds from Sale of Property, Plant & Equipment		--	--
Net Cash Inflow/(Outflow) From Investing Activities		<hr/> --	<hr/> (40,922)
NET INCREASE (DECREASE) IN CASH HELD		52,974	(32,891)
Cash at the Beginning of the Financial Year		18,478	51,369
CASH AT THE END OF FINANCIAL YEAR	5 (a)	<hr/> <u>71,452</u> =====	<hr/> <u>18,478</u> =====

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

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, 2006.

(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 2007

	<u>2007</u>	<u>2006</u>
	\$	\$
Note 3 - Motor Vehicles, Office Furniture & Equipment		
Office Furniture & Equipment - at Cost	13,862	13,861
Less: Accumulated Depreciation	(11,498)	(8,044)
	<u>2,364</u>	<u>5,817</u>
	=====	=====
Computer Software	41,641	41,641
Less: Accumulated Depreciation	(23,538)	(8,036)
	<u>18,103</u>	<u>33,605</u>
	=====	=====
Total Written Down Value	<u>20,467</u>	<u>39,422</u>
	=====	=====

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

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 2007 are made up as follows:

	<u>2007</u>	<u>2006</u>
	\$	\$
New South Wales	76,469	66,552
Victoria	48,739	46,902
Queensland	40,950	37,998
South Australia	15,123	15,930
Western Australia	19,156	18,473
Tasmania	6,643	6,545
Australian Capital Territory	7,099	6,906
Australian Government Employees	10,708	10,049
	=====	=====
Total Subscriptions	224,887	209,355
	=====	=====

(c) The amount of subscriptions and levies in arrears at 30 June 2007 comprises:

Subscriptions:

Victoria	--	22,182
New South Wales	69,053	115,712
Tasmania	--	1,636
Western Australia	--	4,596
Australian Capital Territory	--	1,774
Queensland	--	9,499
South Australia	--	4,477
Aviation	--	2,676
ACTU Affiliation – South Australia	--	4,798
ACTU Affiliation – Western Australia	--	3,518
ACTU Affiliation – Tasmania	--	386
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
ACTU IR Campaign	81,245	35,296
Other	1,084	--
	=====	=====
Total Subscriptions and levies in Arrears	151,382	254,597
	=====	=====

(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 2007

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>2007</u>	<u>2006</u>
	\$	\$
Cash at Bank – Commonwealth Bank	71,452	18,478
	=====	=====

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

<u>Operating Surplus/(Deficit)</u>	(110,350)	(108,198)
Depreciation & Amortisation	18,955	8,459
<u>Changes in Operating Assets & Liabilities:</u>		
(Increase)/Decrease in Subscriptions in Arrears	103,215	91,549
(Increase)/Decrease in Other Debtors	1,395	(1,395)
Increase/(Decrease) in Trade Creditors and Accruals	40,912	20,032
Increase/(Decrease) in Provisions	(1,153)	6,048
Increase/(Decrease) in Subscriptions Paid in Advance	--	(8,464)
	-----	-----
Cash Inflow from Operating Activities	52,974	8,031
	=====	=====

UNITED FIREFIGHTERS' UNION OF AUSTRALIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007

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)."