

# **UNITED FIREFIGHTERS UNION OF AUSTRALIA**

**ABN 51 824 544 079**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2017**

**UNITED FIREFIGHTERS UNION OF AUSTRALIA**  
**ABN 51 824 544 079**

**GENERAL PURPOSE FINANCIAL REPORT FOR THE**  
**YEAR ENDED 30 JUNE 2017**

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**UNITED FIREFIGHTERS UNION OF AUSTRALIA**  
**ABN 51 824 544 079**

**OPERATING REPORT**  
**30 JUNE 2017**

In accordance with section 254 of the Fair Work (Registered Organisations) Act 2009, your Committee of Management present their report on the Union for the financial year ended 30 June 2017.

**Principal activities**

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

- Providing an industrial advocacy and representation service with regard to national matters, and relationships with industry, employers and other parties.
- Acting as a national spokesperson on national issues and major matters.
- Providing assistance and advice to the branches with regards to industrial matters, disputes, industrial relations, legislation, health and safety, bargaining and other issues of national significance.
- Representation on the ACTU.
- Representation on Australian Standards, International Standards Organisation.
- 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.
- Identification of issues at state and national level and coordinating an approach for desired outcomes for members' interests.
- Assisting Branches with branch specific issues including bargaining terms and conditions.
- 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.
- Maintaining the Union's national and international affiliations including drawing on the experience of international industry experts to further the interests of members.
- Undertaking and commissioning research on issues affecting members' interest.

**Operating result**

The Union continued its principal activities during the year being the representation of professional fire fighters and their safety. The results of those activities are the continued successful provision of services to members and result in a net operating surplus of \$89,995 (2016: \$86,117). No provision for tax was necessary as the reporting unit is exempt from income tax.

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**30 JUNE 2017**

**Significant changes in state of affairs**

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

The dispute with one of the state branches, as reported in previous financial reports, remains unresolved. Legal proceeding ceased during the 2012 financial year and no further action has been undertaken by the Union during the 2017 financial year regarding this matter.

Outstanding dues owing from the branch continue to be fully provided for.

**After balance day events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations or the state of affairs of the Union in future financial years.

**Rights of members**

Subject to the rules of the organisation and Sec 174 of the Fair Work (Registered Organisations) Act 2009, members have the right to resign from membership of the organisation by written notice addressed to and delivered to the secretary of the organisation.

**Superannuation officeholders**

The following members of the committee of management are directors of a company that is a trustee of a superannuation entity.

Name	Branch	Company
Greg Northcott	South Australia	SA Metropolitan Fire Service Superannuation Pty Ltd
Michael Vander-Jeugd	South Australia	SA Metropolitan Fire Service Superannuation Pty Ltd
Chris Read	New South Wales	NSW Fire Brigades Superannuation Pty Ltd

No members of the committee of management are an individual trustee of a superannuation entity.

**Other prescribed information**

In accordance with Regulation 159 of the Fair Work (Registered Organisations) Act 2009:

- (a) the number of persons that were at the end of the financial year recorded in the register of members for section 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the registered organisations under section 244 of the Fair Work (Registered Organisations) Act 2009 was 9,937.
- (b) the number of persons who were at the end of the financial year employees of the organisation was 1.5 full time equivalent employee.

The role of National Secretary is not included in the above employee numbers. From 1 April 2014 the National Secretary is solely employed by the United Firefighters Union – Victorian Branch. The services of the National Secretary are contracted out from the Victorian Branch.

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**30 JUNE 2017**

- (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:

Office	Name	Period
National Office	Greg Northcott	1 July 2016 – 30 June 2017
	Peter Marshall	1 July 2016 – 30 June 2017
Representing New South Wales	Chris Read	1 July 2016 – 30 June 2017
Representing Victoria	Peter Marshall	1 July 2016 – 30 June 2017
	David Hamilton	1 July 2016 – 30 June 2017
	Anthony Trimble	1 July 2016 – 30 June 2017
	Ken Brown	1 July 2016 – 30 June 2017
	Danny Ward	1 July 2016 – 30 June 2017
Representing Queensland	John Oliver	1 July 2016 – 30 June 2017
	Lawrence Cullen	1 July 2016 – 30 June 2017
	Shane Malley	1 July 2016 – 30 June 2017
	Peter Draper	1 July 2016 – 30 June 2017
Representing South Australia	Greg Northcott	1 July 2016 – 30 June 2017
	Michael Vander Jeugd	1 July 2016 – 30 June 2017
Representing Western Australia	Kevin Jolly	1 July 2016 – 30 June 2017
	Lea Anderson	1 July 2016 – 30 June 2017
Representing Aviation	Henry Lawrence	1 July 2016 – 30 June 2017
	Jon Vaughan	1 July 2016 – 30 June 2017
Representing Australian Capital Territory	Greg McConville	1 July 2016 – 30 June 2017

**Other relevant information**

Nil.

Signed for and on behalf of the Committee of Management:

**GREG NORTHCOTT**  
**PRESIDENT**



Dated at Adelaide this 14<sup>th</sup> day of November 2017.

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**ABN 51 824 544 079**

**COMMITTEE OF MANAGEMENT STATEMENT**  
**For the year ended 30 June 2017**

On the 14<sup>th</sup> day of November the Committee of Management of the United Firefighters' Union of Australia passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2017.

The Committee of Management declares that in relation to the GPFR 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 RO Act; 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 General Manager of Fair Work Australia under section 272 of the RO Act; and
  - (vi) no orders have been made by the Registered Organisations Commission under section 273 of the RO Act.
- (f) In relation to the recovery of wages activity
  - (i) There were no recovery of wages activity for the Union during the year ended 30 June 2017.

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

**GREG NORTHCOTT**  
**PRESIDENT**



Dated at Adelaide this 14<sup>th</sup> day of November 2017

**UNITED FIREFIGHTERS UNION OF AUSTRALIA**  
**ABN 51 824 544 079**

**INDEPENDENT AUDIT REPORT**  
**TO THE MEMBERS OF UNITED FIREFIGHTERS UNION OF AUSTRALIA**

**Report on the Audit of the Financial Report**

**Opinion**

I have audited the financial report of United Firefighters Union of Australia (the Reporting Unit), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Certificate.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of United Firefighters Union of Australia as at 30 June 2017, 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 or 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.

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**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.

**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:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- 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.
- 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.



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- 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 approved auditor, a member of the Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

**Kidmans Partners Audit Pty Ltd**  
**Chartered Accountants**



Heinz Mai  
Director

Date at Melbourne this 17<sup>th</sup> day of November 2017

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

**UNITED FIREFIGHTERS UNION OF AUSTRALIA**  
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**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Notes	<u>2017</u>	<u>2016</u>
		\$	\$
<b>INCOME</b>			
Membership Subscriptions		-	-
Capitation Fees	3(a)	707,373	660,077
Levies	3(b)	55,387	39,789
Magazine revenue		54,546	18,182
Interest received		418	280
Other income		-	-
		<u>817,724</u>	<u>718,328</u>
 <b>Administration and other operating costs</b>			
Affiliation fees	4(c)	57,113	63,124
Doubtful debts		18,306	61
Bank charges		27	180
Campaign costs		34,338	1,545
Computer expenses		1,459	30
Consultancy		-	17,128
Depreciation		857	984
General expenses		1,174	7,280
Legal fees	4(g)	9,778	44,345
Printing, postage and stationery		2,090	18,059
Promotional and magazine expenses		9,000	8,426
Administration and other operating expenses	4(f)	32,667	32,227
Storage		3,269	2,636
Subscriptions and donations	4(d)	-	1,000
Interest expense		87	-
Web hosting		10,000	10,000
		<u>180,165</u>	<u>207,025</u>
 <b>Accounting fees</b>		18,000	20,000
<b>Audit fees</b>	5	<u>12,000</u>	<u>12,000</u>
 <b>Employment costs</b>	4(a)	<u>331,780</u>	<u>286,333</u>
 <b>Conference and meetings</b>	4(e)	<u>185,784</u>	<u>106,853</u>
 <b>TOTAL EXPENDITURE</b>		<u>727,729</u>	<u>632,211</u>
 <b>OPERATING SURPLUS</b>		89,995	86,117
Accumulated surplus at beginning of year		<u>267,548</u>	<u>181,431</u>
<b>ACCUMULATED SURPLUS AT 30 JUNE 2017</b>		<u>357,543</u>	<u>267,548</u>

The accompanying notes form part of these accounts

**UNITED FIREFIGHTERS UNION OF AUSTRALIA**  
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**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2017**

	Notes	<u>2017</u> \$	<u>2016</u> \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash at bank	11(a)	506,901	405,997
Trade and other receivables	6	5,005	-
Other current Assets	7	3,000	-
<b>Total current assets</b>		<u>514,906</u>	<u>405,997</u>
<b>Non current assets</b>			
Plant and equipment	8	3,631	2,915
<b>Total non current assets</b>		<u>3,631</u>	<u>2,915</u>
<b>TOTAL ASSETS</b>		<u>518,537</u>	<u>408,912</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	9	37,844	16,031
Other payables	9	31,783	50,902
Employee Provisions	10	91,367	70,528
<b>Total current liabilities</b>		<u>160,994</u>	<u>137,461</u>
<b>Non current liabilities</b>			
Employee Provisions	10	-	3,903
<b>Total non current liabilities</b>		<u>-</u>	<u>3,903</u>
<b>TOTAL LIABILITIES</b>		<u>160,994</u>	<u>141,364</u>
<b>NET ASSETS</b>		<u>357,543</u>	<u>267,548</u>
<b>MEMBERS' EQUITY</b>			
Members' funds		357,543	267,548
<b>TOTAL MEMBERS' EQUITY</b>		<u>357,543</u>	<u>267,548</u>

**UNITED FIREFIGHTERS UNION OF AUSTRALIA**  
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**STATEMENT OF CHANGES IN MEMBERS' EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	<b>Members' funds \$</b>	<b>Total \$</b>
<b>Balance at 1 July 2015</b>	181,431	181,431
<b>Surplus for the year</b>	86,117	86,117
<b>Balance at 30 June 2016</b>	267,548	267,548
<b>Surplus for the year</b>	89,995	89,995
<b>Balance at 30 June 2017</b>	357,543	357,543

**UNITED FIREFIGHTERS UNION OF AUSTRALIA**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Note	<u>2017</u> \$	<u>2016</u> \$
<b>Cash flows from operating activities</b>			
Receipts from customers (including members and related activities)	11(c)	873,554	796,911
Payment to suppliers and employees	11(c)	(771,247)	(701,484)
Interest received		418	280
Interest paid		(87)	-
<b>Net cash provided by operating activities</b>	11(b)	<u>102,638</u>	<u>95,707</u>
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment		(1,734)	-
<b>Net cash provided by investing activities</b>		<u>100,904</u>	<u>-</u>
<b>Net increase in cash held</b>		100,904	95,707
Cash at the beginning of the financial year		<u>405,997</u>	<u>310,290</u>
<b>Cash at end of financial year</b>	11(a)	<u><u>506,901</u></u>	<u><u>405,997</u></u>

**UNITED FIREFIGHTERS UNION OF AUSTRALIA**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**Note 1 –Significant accounting policies**

**Statement of compliance**

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.

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 United Firefighters Union of Australia is a not-for-profit entity.

**Basis of preparation**

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities at measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

(a) Comparative amounts

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

(b) 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.

Payments to employee superannuation funds 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 terminations 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.

(c) Provisions

Provisions are recognised when the Union has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**Note 1 – Significant accounting policies (continued)**

**(d) Plant and equipment and leasehold improvements**

Plant and equipment, and leasehold improvements are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The depreciation rates used for each class of depreciable assets are as follows:

Plant and equipment	15 – 67%	Depreciating value
Leasehold improvements	2.5%	Prime Cost

An item of leasehold improvements and 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.

All plant and equipment is assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Union were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

**(e) Taxation**

No provision for income tax is necessary as Trade Unions are exempt bodies under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for the Goods and Services Tax (GST).

**(f) Cash and cash equivalents**

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 maturing 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.

**UNITED FIREFIGHTERS UNION OF AUSTRALIA**  
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**Note 1 – Significant accounting policies (continued)**

**(g) Goods and Services Tax (GST)**

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

- where the amount of GST incurred is not recoverable from the tax authority; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables.

Cash flows are included in the cash flow statement 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.

**(h) Revenue**

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

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

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.



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**Note 1 – Significant accounting policies (continued)**

**(i) Financial assets**

Financial assets are classified into the following specified categories: held-to-maturity investments, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

*Held-to-maturity investments*

Financial assets with fixed or determinable payments and fixed maturity dates that the United Firefighters Union of Australia has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

*Loan and receivables*

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

*Effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

*Derecognition of financial assets*

The United Firefighters Union of Australia 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

**Note 1 – Significant accounting policies (continued)**

**(j) Impairment of financial assets**

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the assets carrying amount and the present estimated value of future cash flows, discounted at the financial asset's original effective interest rate.

**(k) Financial liabilities**

Financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The United Firefighters Union of Australia derecognises financial liabilities when, and only when, the Union's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**(l) Financial instruments**

Financial assets and financial liabilities are recognised when a reporting entity 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 are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

**(m) 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.

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(n) 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.

(o) Fair value measurement

The United Firefighters Union of Australia 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 11B.

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 United Firefighters Union of Australia. 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.

(p) Going concern

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

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

(q) 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 payment are expensed on a straight-line basis which is representative of the pattern of benefits derived from the leased assets.

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**Note 2 – Application of new and revised Accounting Standards**

New or amended accounting standards and interpretations that became applicable to the United Firefighters Union of Australia for the first time for the 30 June 2017 year end did not result in a change to the accounting policies.

**Standards and Interpretations in issue not yet adopted**

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

<u>Standard/Interpretation</u>	<u>Effective for annual reporting periods beginning on or after</u>	<u>Expected to be initially applied in the financial year ending</u>
AASB 9 'Financial Instruments' Includes requirements for the classification and measurement of financial assets	1 January 2018	30 June 2018
AASB 15 'Revenue from contracts with customers' Establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entities contracts with customers.	1 January 2018	30 June 2018
AASB 16 'Lease' Introduces a single lessee accounting model and requires lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.	1 January 2019	30 June 2019

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

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	<u>2017</u>	<u>2016</u>
	\$	\$

**Note 3 – Income**

**(a) Capitation fees**

Capitation fees are receivable from State Branches based on membership numbers and paid quarterly in arrears.

Capitation fees rendered for the year ended 30 June 2017 are made up as follows:

United Firefighters' Union – Queensland Branch	159,076	152,932
United Firefighters' Union – South Australian Branch	72,552	68,080
United Firefighters' Union – Tasmanian Branch	26,685	25,729
United Firefighters' Union – Victorian Branch	266,821	241,520
United Firefighters' Union – Western Australian Branch	90,922	85,752
United Firefighters' Union – New South Wales Branch	107	104
United Firefighters' Union – Australian Capital Territory	25,984	24,911
United Firefighters' Union – Aviation Branch	65,227	61,050
<b>Total capitation fees</b>	<u>707,373</u>	<u>660,077</u>

**(b) Levies**

ACTU affiliation levies rendered for the year ended 30 June 2017 are made up as follows:

United Firefighters' Union – Queensland Branch	13,583	10,036
United Firefighters' Union – South Australian Branch	6,071	4,358
United Firefighters' Union – Tasmanian Branch	2,001	1,481
United Firefighters' Union – Victorian Branch	20,087	14,009
United Firefighters' Union – Western Australian Branch	6,806	4,941
United Firefighters' Union – New South Wales Branch	17	13
United Firefighters' Union – Australian Capital Territory	1,944	1,434
United Firefighters' Union – Aviation Branch	4,879	3,515
<b>Total levies</b>	<u>55,387</u>	<u>39,789</u>

**(c) Grants or donations**

Grants	-	-
Donations	-	-
<b>Total Grants or donations</b>	<u>-</u>	<u>-</u>

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	<b><u>2017</u></b>	<b><u>2016</u></b>
	<b>\$</b>	<b>\$</b>
<b>Note 4 – Expenses</b>		
<b>(a) Employee expenses</b>		
<b>Holders of office</b>		
Wages and salaries	-	-
Back pay adjustment	-	-
Contract services (i)	84,854	84,854
Superannuation	3,278	2,946
Movement in leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Honorarium	34,502	31,009
Subtotal employee expenses – holders of office	<u>122,634</u>	<u>118,809</u>
<b>Employees other than office holders</b>		
Wages and salaries	161,970	137,980
Superannuation	28,626	23,187
Movement in leave and other entitlements	16,937	4,564
Separation and redundancies	-	-
Other employee expenses	133	429
Subtotal employee expenses – employees other than office holders	<u>207,666</u>	<u>166,160</u>
Other employee expenses - work cover insurance	1,480	1,364
<b>Total employee expenses</b>	<u>331,780</u>	<u>286,333</u>
 (i) Reimbursement of wages paid to National Secretary by the United Firefighters Union – Victorian Branch. The total amount paid to the Victorian Branch from 1 July 2016 to 30 June 2017 included in the above holders of office amounts:		
Contract services	84,854	84,854
Superannuation	-	-
Movement in leave and other entitlements	-	-
	<u>84,854</u>	<u>84,854</u>
 <b>(b) Capitation fees</b>		
Total Capitation fees	<u>-</u>	<u>-</u>
 <b>(c) Affiliation fees</b>		
ACTU Affiliation	56,270	45,645
ACTU IR Levy	-	16,660
APHEDA	843	818
<b>Total Affiliation fees</b>	<u>57,113</u>	<u>63,124</u>

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	<u>2017</u>	<u>2016</u>
	\$	\$
<b>(d) Grants or donations</b>		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	1,000
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	<u>-</u>	<u>1,000</u>
<b>(e) Conference and meeting costs</b>		
Conference and meeting travel expenses	125,852	68,511
Conference and meeting fees/allowances	-	-
Venue, speakers and catering costs	53,810	26,345
Teleconferencing	3,144	7,605
Other conference and meeting expenses	2,978	4,392
	<u>185,784</u>	<u>106,853</u>
<b>(f) Administration and other operating expenses</b>		
Rent and Services		
Rent and Services	30,655	30,790
Other expense	2,012	1,436
Compulsory Levies	-	-
Consideration to employers for payroll deductions	-	-
	<u>32,667</u>	<u>32,227</u>
<b>(g) Legal costs</b>		
Litigation	-	-
Other legal matters	9,778	44,346
<b>Total legal costs</b>	<u>9,778</u>	<u>44,346</u>
<b>(h) Other expenses</b>		
Penalties – via RO Act or RO Regulations	-	-
	-	-
<b>Note 5 – Remuneration of auditors</b>		
Remuneration of the auditor of the Union for:		
Audit of the financial report	12,000	12,000
Other services	-	-
<b>Total remuneration of auditors</b>	<u>12,000</u>	<u>12,000</u>

The auditor of United Firefighters Union of Australia is Kidman Partners Pty Ltd.  
Kidmans Partners Pty Ltd did not receive any fees for other services.

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	<u>2017</u>	<u>2016</u>
	\$	\$
<b>Note 6 – Trade and other receivables</b>		
<b>Receivables from other reporting units</b>		
United Firefighters' Union – New South Wales	288,958	288,822
<b>Total receivables from other reporting units</b>	<u>288,958</u>	<u>288,822</u>
<b>Less provision for doubtful debts</b>		
United Firefighters' Union – New South Wales	288,958	288,822
<b>Total provision for doubtful debts</b>	<u>288,958</u>	<u>288,822</u>
<b>Net receivables from other reporting units</b>	<u>-</u>	<u>-</u>
A provision for doubtful debts has been booked in the accounts representing a disputed amount payable by a State Branch.		
<b>Other receivables</b>		
Other trade receivables	25,005	-
Provision for doubtful debts	<u>(20,000)</u>	<u>-</u>
<b>Total other receivables</b>	<u>5,005</u>	<u>-</u>
<b>Total net trade and other receivables</b>		
<b>Note 7 – Other current assets</b>		
<b>Prepayments</b>	<u>3,000</u>	<u>-</u>
	<u>3,000</u>	<u>-</u>
<b>Note 8 – Plant and equipment</b>		
<b>Office furniture and equipment - at cost</b>	4,904	4,191
<b>Less: accumulated depreciation</b>	<u>(3,434)</u>	<u>(3,503)</u>
	<u>1,470</u>	<u>688</u>
<b>Leasehold Improvements</b>	2,591	2,591
<b>Less: accumulated depreciation</b>	<u>(429)</u>	<u>(364)</u>
	<u>2,162</u>	<u>2,227</u>
	<u>3,631</u>	<u>2,915</u>



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**Note 8 – Plant and equipment (continued)**

**Movements in carrying amounts**

Movement in the carrying amount for each class of plant and equipment between the beginning and the end of the current financial year:

	Office furniture and equipment \$	Computer software \$	Leasehold improvements \$	Total \$
<b>Cost</b>				
Balance at 1 July 2015	4,191	-	2,591	6,782
Additions/(Disposals)		-	-	-
Balance at 30 June 2016	4,191	-	2,591	6,782
Additions	1,576	-	-	1,576
Disposals	(863)	-	-	(863)
Balance at 30 June 2017	4,904	-	2,591	7,495
<b>Accumulated depreciation</b>				
Balance at 1 July 2015	(2,584)	-	(299)	(2,883)
Disposals	-	-	-	-
Depreciation expense	(919)	-	(65)	(984)
Balance at 30 June 2016	(3,503)	-	(364)	(3,867)
Disposals	860	-	-	860
Depreciation expense	(792)	-	(65)	(857)
Balance at 30 June 2017	(3,435)	-	(429)	(3,864)

	<u>2017</u>	<u>2016</u>
	\$	\$
<b>Note 9 – Trade and other payables</b>		
<b>Payables to other reporting units</b>		
United Firefighters' Union – South Australia	421	-
United Firefighters' Union – Victorian Branch	17,695	11,000
United Firefighters' Union – Western Australian Branch	-	1,702
Subtotal payables to other reporting units	18,116	12,702

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	<u>2017</u>	<u>2016</u>
	\$	\$
<b>Trade and other payables</b>		
Wages and salaries	-	3,373
Trade creditors	31,149	14,329
GST payable	(1,145)	6,914
PAYG Withholding Tax Payable	-	6,646
Superannuation	2,785	3,050
Accrued expenses	18,722	-
Legal Costs:		
Litigation	-	-
Other legal matters	-	-
Consideration to employers for payroll deductions	-	-
Other	-	19,919
Subtotal trade and other payables	<u>51,511</u>	<u>54,231</u>
<b>Total trade and other payables</b>	<u>69,627</u>	<u>66,933</u>
Settlement is usually made within 30 days		

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	<u>2017</u>	<u>2016</u>
	\$	\$
<b>Note 10 – Provisions</b>		
<b>Employee provisions</b>		
<b>Office holders</b>		
Annual leave	28,483	28,483
Long service leave	19,900	19,900
Separation and redundancies	-	-
Other employee provisions	-	-
<b>Subtotal employee provisions – office holders</b>	<u>48,383</u>	<u>48,383</u>
<b>Employees other than office holders</b>		
Annual leave	24,532	22,145
Long service leave	18,452	3,903
Separation and redundancies	-	-
Other employee provisions	-	-
<b>Subtotal employee provisions – employees other than office holders</b>	<u>42,984</u>	<u>26,048</u>
<b>Total employee provisions</b>	<u>91,367</u>	<u>74,431</u>
<b>Current</b>		
Employee benefits	91,367	70,528
Other provisions	-	-
<b>Total current provisions</b>	<u>91,367</u>	<u>70,528</u>
<b>Non-current</b>		
Employee benefits	-	3,903
Other provisions	-	-
<b>Total current provisions</b>	<u>-</u>	<u>3,903</u>
<b>Total</b>	<u>91,367</u>	<u>74,431</u>

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	<u>2017</u>	<u>2016</u>
	\$	\$
<b>Note 11 – Notes to the statement of cash flows</b>		
<b>(a) Reconciliation of cash</b>		
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:		
Cash at Bank – Commonwealth Bank	425,591	324,890
Cash at Bank – Credit Union	81,310	81,107
	<u>506,901</u>	<u>405,997</u>
<b>(b) Reconciliation of cash flow from operating activities</b>		
Operating surplus	89,995	86,117
<b>Adjustments for non-cash income and expense items:</b>		
Depreciation expense	857	984
Doubtful debts	18,306	61
Asset write off	3	
<b>Changes in operating assets and liabilities:</b>		
(Increase)/decrease in trade and other receivables	(23,311)	6,416
(Increase)/decrease in prepayments	(3,000)	-
Increase/(decrease) in trade and other payables	2,852	(2,436)
Increase/(decrease) in provisions	16,936	4,565
<b>Cash Inflow from operating activities</b>	<u>102,638</u>	<u>95,707</u>
<b>(c) Cash flow information</b>		
Cash inflows	873,554	796,911
<b>Total cash inflows</b>	<u>873,554</u>	<u>796,911</u>
Cash outflows	771,247	701,484
<b>Total cash outflows</b>	<u>771,247</u>	<u>701,484</u>

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The following amounts relate to cash inflows/outflows from related party entities. The cash flows presented are on a gross basis including GST.

	2017		
	Capitation	Levies	Total
	\$	\$	\$
<b>Cash inflows from operating activities</b>			
Receipts from members and related activities include the following amounts received from related parties:			
United Firefighters' Union – Queensland Branch	174,983	14,941	189,924
United Firefighters' Union – South Australian Branch	79,807	6,678	86,485
United Firefighters' Union – Tasmanian Branch	29,353	2,201	31,554
United Firefighters' Union – Victorian Branch	293,503	22,095	315,598
United Firefighters' Union – Western Australian Branch	100,014	7,486	107,500
United Firefighters' Union – Australian Capital Territory	28,582	2,138	30,720
United Firefighters' Union – Aviation Branch	71,750	5,367	77,117
	<u>777,992</u>	<u>60,906</u>	<u>838,898</u>

	2017		
	Rent and other services	Contract services	Total
	\$	\$	\$
<b>Cash outflows from operating activities</b>			
Payments to suppliers and employees include the following amounts paid to related parties:			
United Firefighters' Union – Victorian Branch	76,993	93,339	170,332
	<u>76,993</u>	<u>93,339</u>	<u>170,332</u>

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The following amounts relate to cash inflows/outflows from related party entities. The cash flows presented are on a gross basis including GST.

	2016		
	Capitation	Levies	Total
	\$	\$	\$
<b>Cash inflows from operating activities</b>			
Receipts from members and related activities include the following amounts received from related parties:			
United Firefighters' Union – Queensland Branch	168,225	11,040	179,265
United Firefighters' Union – South Australian Branch	74,888	4,795	79,683
United Firefighters' Union – Tasmanian Branch	28,302	1,629	29,931
United Firefighters' Union – Victorian Branch	265,672	15,410	281,082
United Firefighters' Union – Western Australian Branch	94,327	5,435	99,762
United Firefighters' Union – Australian Capital Territory	27,402	1,577	28,979
United Firefighters' Union – Aviation Branch	67,155	3,866	71,021
	<u>725,971</u>	<u>43,752</u>	<u>769,723</u>

	2016		
	Rent and other Services	Contract Services	Total
	\$	\$	\$
<b>Cash outflows from operating activities</b>			
Payments to suppliers and employees include the following amounts paid to related parties:			
United Firefighters' Union – Victorian Branch	33,869	93,339	127,208
	<u>33,869</u>	<u>93,339</u>	<u>127,208</u>

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	<u>2017</u>	<u>2016</u>
	\$	\$

**Note 12 - Financial risk management**

The Union'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 on hand	506,901	405,997
Loans and receivables		
Trade and other receivables	5,005	-
<b>Carrying amount of financial assets</b>	<u>511,906</u>	<u>405,997</u>

**Financial liabilities**

Other financial liabilities		
Trade and other payables	69,627	66,932
<b>Carrying amount of financial liabilities</b>	<u>69,627</u>	<u>66,932</u>

The main risks the Union is exposed to through its financial instruments are liquidity risk and market risk through credit risk.

**(a) Net income and expense from financial assets and financial liabilities**

Cash and cash on hand		
Interest revenue	418	280
Net gain on cash and cash on hand	418	280
<b>Net gain from financial assets</b>	<u>418</u>	<u>280</u>

The net income/expense from financial liabilities is \$nil (2016: \$nil)

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**Note 12 - Financial risk management (continued)**

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

	<b>2017</b>		<b>2016</b>	
	<b>Carrying amount \$</b>	<b>Fair value \$</b>	<b>Carrying amount \$</b>	<b>Fair value \$</b>
<b>Financial assets</b>				
Cash and cash on hand	506,901	506,901	405,997	405,997
Trade and other receivables	5,005	5,005	-	-
<b>Total</b>	<b>511,906</b>	<b>511,906</b>	<b>405,997</b>	<b>405,997</b>
<b>Financial liabilities</b>				
Trade and other payables	69,627	69,627	66,932	66,932
<b>Total</b>	<b>69,627</b>	<b>69,627</b>	<b>66,932</b>	<b>66,932</b>

**(c) Credit risk**

Credit risk refers to the risk of any default on any type of debt owing to the Union. The Union is exposed to credit risk on its subscription fees, trade debtors, and other debtors.

The following table illustrates the Unions' gross exposure to credit risk, excluding any collateral or credit enhancements

	<b><u>2017</u></b>	<b><u>2016</u></b>
	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>		
Trade and other receivables	5,005	-
<b>Total</b>	<b>5,005</b>	<b>-</b>

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

	<b>2017</b>		<b>2016</b>	
	<b>Not past due nor impaired \$</b>	<b>Past due or impaired \$</b>	<b>Not past due nor impaired \$</b>	<b>Past due or impaired \$</b>
Trade and other receivables	5,005	308,959	-	288,822
	5,005	308,959	-	288,822



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**Note 12 - Financial risk management (continued)**

**(c) Credit risk (continued)**

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

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade and other receivables	5,005	-	-	-	5,005
	5,005	-	-	-	5,005

**Ageing of financial assets that were past due but not impaired for 2016**

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade and other receivables	-	-	-	-	-
	-	-	-	-	-

**(d) Liquidity risk**

Liquidity risk arises from the possibility that the Union might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Union manages risk through the following mechanisms:

- Comparing the maturity profile of financial liabilities with the realisation profile of financial assets;
- Managing credit risk related to financial assets;
- Maintaining a reputable credit risk profile; and
- Monitoring undrawn credit facilities.

**Financial liability and financial asset maturity analysis**

	On demand		Within 1 year		Total contractual cash flow	
	2017	2016	2017	2016	2017	2016
	\$	\$	\$	\$	\$	\$
<b>Financial assets – cash flow realisable</b>						
Cash and cash equivalents	506,901	405,997	-	-	506,901	405,997
Trade and other receivables	-	-	-	-	8,005	-
Total anticipated inflows	506,901	405,997			405,997	405,997
Trade and other payables	-	-	69,627	66,932	69,627	66,932
Total contractual outflows	-	-	69,627	66,932	69,627	66,932
<b>Net inflow/(outflow) on financial instruments</b>	506,901	405,997	(69,627)	(66,932)	336,370	339,065

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	<u>2017</u>	<u>2016</u>
	\$	\$
<b>Note 13 – Related party transactions</b>		
Revenue transactions in relation to capitation fees GST exclusive:		
United Firefighters' Union – Queensland Branch	159,076	152,932
United Firefighters' Union – South Australian Branch	72,552	68,080
United Firefighters' Union – Tasmanian Branch	26,685	25,729
United Firefighters' Union – Victorian Branch	266,821	241,520
United Firefighters' Union – Western Australian Branch	90,922	85,752
United Firefighters' Union – New South Wales Branch	107	104
United Firefighters' Union – Australian Capital Territory	25,984	24,911
United Firefighters' Union – Aviation Branch	65,227	61,050
	<u>707,373</u>	<u>660,077</u>
Revenue transactions in relation to levies GST exclusive:		
United Firefighters' Union – Queensland Branch	13,583	10,036
United Firefighters' Union – South Australian Branch	6,071	4,359
United Firefighters' Union – Tasmanian Branch	2,001	1,481
United Firefighters' Union – Victorian Branch	20,087	14,009
United Firefighters' Union – Western Australian Branch	6,806	4,941
United Firefighters' Union – New South Wales Branch	17	13
United Firefighters' Union – Australian Capital Territory	1,944	1,434
United Firefighters' Union – Aviation Branch	4,879	3,515
	<u>55,387</u>	<u>39,789</u>
The above levies are collected by the National Office and paid to the Australian Council of Trade Unions (ACTU) on behalf of the branches.		
Revenue transactions in relation to other charges GST exclusive		
United Firefighters' Union – South Australia Branch	3,818	-
United Firefighters' Union – Tasmanian Branch	736	-
United Firefighters' Union – Victorian Branch	2,536	-
United Firefighters' Union – Australian Capital Territory	2,363	-
<b>Total revenue transactions with related parties</b>	<u><u>772,213</u></u>	<u><u>699,866</u></u>
<b>Expense transactions with related parties</b>		
United Firefighters' Union – Queensland Branch	390	-
United Firefighters' Union – South Australian Branch	14,882	-
United Firefighters' Union – Victorian Branch		
Rent and other services	69,994	30,790
Contract services (note 4(a))	84,854	84,854
United Firefighters' Union – Western Australia Branch	11,148	-
United Firefighters' Union – Aviation Branch	2,726	-
<b>Total expense transactions with related parties</b>	<u><u>183,994</u></u>	<u><u>115,644</u></u>

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**Note 13 – Related party transactions (continued)**

Expense reimbursements to related parties are not included in the above disclosure. Amounts reimbursed to branches are equal to the total amount charged by the third party.

The following balances were outstanding at the end of the period:

Trade receivables

United Firefighters' Union – New South Wales Branch	288,959	288,822
	288,959	288,822

Provision for doubtful debts

United Firefighters' Union – New South Wales Branch	(288,959)	(288,822)
<b>Total amounts owed by related parties</b>	<b>-</b>	<b>-</b>

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	<u>2017</u>	<u>2016</u>
	\$	\$
<b>Note 13 – Related party transactions (continued)</b>		
Trade payables		
United Firefighters' Union – South Australia	421	-
United Firefighters' Union – Victorian Branch	17,695	11,000
United Firefighters' Union – Western Australian Branch	-	1,702
<b>Total amounts owed to related parties</b>	<u>18,116</u>	<u>12,702</u>

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

**Note 14 – Key management personnel**

The total remuneration paid to elected officials of the Branch during the period is as follows:

Short-term employee benefits		
Salary	-	-
Contract services (i)	84,854	84,854
Allowances	-	-
Honorarium	34,502	31,009
<b>Total short-term employee benefits</b>	<u>119,356</u>	<u>115,863</u>
Post-employment benefits		
Superannuation	3,278	2,946
<b>Total post-employment benefits</b>	<u>3,278</u>	<u>2,946</u>
<b>Total employee benefits</b>	<u>122,634</u>	<u>118,809</u>

- (i) 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. The United Firefighters Union of Australia reimburses the Victorian Branch for all payroll expenses for the National Secretary.

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**Note 15 - Commitments and contingencies**

The dispute between the National Office and a State Branch remains unresolved at the date of signing the committee report despite cessation of legal proceedings during the 2012 financial year. Membership dues owing from that Branch are in dispute and remain unpaid at year end. These amounts were fully provided for as at 30 June 2017 and will continue to be provided for until the dispute is resolved.

United Firefighters Union of Australia rents office space from the United Firefighters Union - Victorian Branch. Under the current arrangement the space is leased to the Victorian Branch on a month by month basis with rent payable one month in advance. On the basis the arrangement may be ended at any stage it has not been treated as an on-going commitment for disclosure purposes.

**Note 16 - 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.

The on-going dispute with one of the state branches, as disclosed in Note 15, remains unchanged after balance date up to the date of signing of this report.

**Note 17 - 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 General Manager:

- (1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**Note 18 - Union details**

**(a) Registered office**

The registered office of the Union is:  
United Firefighters' Union of Australia  
410 Brunswick Street  
Fitzroy VIC 3065

**(b) Principal place of business**

The principal place of business is:  
410 Brunswick Street  
Fitzroy VIC 3065