

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

ABN 74 030 569 265

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

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

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

OPERATING REPORT

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

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

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

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

Operating Results

The operating surplus/ deficit of the Union for the financial year amounted to -\$159,636 (2016: \$781,689).

Significant Changes in Financial Affairs

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

After Balance Date Events

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

Rights of members to resign

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

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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OPERATING REPORT (CONTINUED)

Officers or members who are superannuation fund trustees

No officer or member of the reporting unit:

(a) is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or

(b) is a director of a company that is trustee of a superannuation entity or an exempt public sector superannuation scheme.

Other prescribed information

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

Number of members

(a) the number of persons that were at the end of the financial year recorded in the register of members for section 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the registered organisation under section 244 of the Fair Work (Registered Organisations) Act 2009 was 3,699.

Number of employees

(b) the number of persons who were at the end of the financial year employees of the organisation including both full and part time employees measured on a full time equivalent basis was 9.5.

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

(c) the name of each person who has been a member of the Committee of Management of the organisation at any time during the financial year, and the periods for which they held such a position were:

Name	Position	Period
David Hamilton	President	1 July 2016 – 30 June 2017
Peter Marshall	Secretary	1 July 2016 – 30 June 2017
Danny Ward	Vice President	1 July 2016 – 30 June 2017
Ken Brown	Junior Vice President	1 July 2016 – 30 June 2017
Brendan Angwin	Trustee	1 July 2016 – 30 June 2017
Cody Woodyatt	Trustee	1 July 2016 – 30 June 2017
Michael McGuinness	Trustee	1 July 2016 – 30 June 2017
Tony Martin	Trustee	1 July 2016 – 30 June 2017
Robert Groves	Branch Committee of Management	1 July 2016 – 30 June 2017
Anthony Trimble	Branch Committee of Management	1 July 2016 – 30 June 2017
James Kefalas	Branch Committee of Management	1 July 2016 – 30 June 2017
Chris Cleary	Branch Committee of Management	1 July 2016 – 30 June 2017
David Blundell	Branch Committee of Management	1 July 2016 – 30 June 2017
Mick Tisbury	Branch Committee of Management	1 July 2016 – 30 June 2017
Robert Psalia	Branch Committee of Management	1 July 2016 – 30 June 2017

Other relevant information

Nil

Signed for and on behalf of the Committee of Management:

DAVID HAMILTON
PRESIDENT



Dated this 29 day of November 20 17

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

COMMITTEE OF MANAGEMENT CERTIFICATE

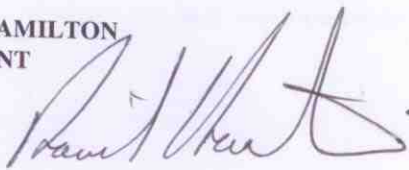
On the 29 day of November 2017 the Committee of Management of the United Firefighters' Union of Australia - Victorian Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the financial year ended 30 June 2017.

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations Act) 2009; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) no information was sought by any member of the reporting unit or Commissioner duly made under the Fair Work (Registered Organisations Act) 2009; and
 - (vi) no orders have been made by the Fair Work Commission under the Fair Work (Registered Organisations Act) 2009.
- (f) In relation to the recovery of wages activity
 - (i) The financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and
 - (ii) The committee of management instructed the auditor to include in the scope of the audit required under subsection 257(1) of the Fair Work (Registered Organisations) Act 2009 wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity; and
 - (iii) No fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers other than that reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) That prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) No fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recorded from employers on behalf of workers until distributions of recovered money were made to the workers.

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

DAVID HAMILTON
PRESIDENT



Dated this 29 day of November

2017

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

Opinion

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

In my opinion, the accompanying financial report presents fairly, in all material respects, the financial position of United Firefighters' Union Of Australia - Victorian Branch as at 30 June 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 of Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

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

Basis for opinion

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

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

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

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

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

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

Responsibilities of Committee of Management for the Financial Report

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

INDEPENDENT AUDIT REPORT (Continued)

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

I declare that I am an approved auditor, a member of Chartered Accountants Australian And New Zealand and hold a current Public Practice Certificate.

Opinion on the recovery of wages activity financial report

The scope of my work extended to the recovery of wages activity and I have audited the recovery of wages activity financial report for the year ended 30 June 2017.

In my opinion, the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the General Manager, including:

- (a) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- (b) any donations or other contributions deducted from recovered money.

INDEPENDENT AUDIT REPORT (Continued)

Responsibilities

The Committee of Management is responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with the reporting guidelines of the General Manager. My responsibility is to express an opinion on the recovery of wages activity financial report, based on my audit conducted in accordance with Australian Auditing Standards.

Kidmans Partners Audit Pty Ltd



Heinz Mai
Director

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

Date 29/11/2017

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
REVENUE			
Membership subscriptions	3 (a)	5,102,674	4,793,830
Member events		-	108,261
Other revenue	3 (b)	138,049	160,855
Total revenue		<u>5,240,723</u>	<u>5,062,946</u>
EXPENSES			
Administration expenses		439,722	406,868
Affiliation fees and levies	4 (c)	53,502	43,256
Campaign, dispute and awareness costs		2,353,034	1,238,929
Capitation fees	4 (b)	266,821	241,520
Depreciation	4 (f)	59,584	65,097
Grants and donations	4 (d)	12,482	28,553
Education and promotion		61,957	63,520
Employee benefits expense	4 (a)	1,642,910	1,425,672
Executive/shop stewards and conference expenses		165,324	181,354
Insurance		19,309	13,577
Motor vehicle expenses		31,163	57,643
Members' welfare		61,499	49,690
Office occupancy expenses		80,100	61,808
Accounting fees	4 (j)	39,877	68,264
Audit fees	5	15,500	14,000
Member events		-	231,136
Social committee expenses		97,575	90,370
Total expenses		<u>5,400,359</u>	<u>4,281,257</u>
OPERATING SURPLUS/ (DEFICIT) FOR THE YEAR		<u>(159,636)</u>	<u>781,689</u>
Other comprehensive income			
Gain on revaluation of land & buildings		916,136	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>756,500</u></u>	<u><u>781,689</u></u>

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

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

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	2017	2016
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	3,538,347	3,416,438
Trade and other receivables	7	<u>262,037</u>	<u>202,392</u>
TOTAL CURRENT ASSETS		<u>3,800,384</u>	<u>3,618,830</u>
NON-CURRENT ASSETS			
Other Financial assets	8	3,365	3,365
Property, plant and equipment	9	<u>3,448,925</u>	<u>2,555,600</u>
TOTAL NON-CURRENT ASSETS		<u>3,452,290</u>	<u>2,558,965</u>
TOTAL ASSETS		<u>7,252,674</u>	<u>6,177,795</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	678,999	452,714
Provisions	11	634,612	532,908
Other liabilities	12	<u>32,794</u>	<u>43,789</u>
TOTAL CURRENT LIABILITIES		<u>1,346,405</u>	<u>1,029,411</u>
NON-CURRENT LIABILITIES			
Long-term provisions	11	<u>8,110</u>	<u>6,725</u>
TOTAL NON-CURRENT LIABILITIES		<u>8,110</u>	<u>6,725</u>
TOTAL LIABILITIES		<u>1,354,515</u>	<u>1,036,136</u>
NET ASSETS		<u>5,898,159</u>	<u>5,141,659</u>
MEMBERS' EQUITY			
Asset revaluation reserve	13	3,225,675	2,309,539
Members funds	14	<u>2,672,484</u>	<u>2,832,120</u>
TOTAL MEMBERS' EQUITY		<u>5,898,159</u>	<u>5,141,659</u>

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

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

	Members funds	Asset revaluation reserve	Total
	\$	\$	\$
Balance at 1 July 2015	2,050,431	2,309,539	4,359,970
Surplus/(deficit) attributable to members	781,689	-	781,689
Balance at 30 June 2016	2,832,120	2,309,539	5,141,659
Surplus/(deficit) attributable to members	(159,636)	-	(159,636)
Land and buildings revaluation	-	916,136	916,136
Balance at 30 June 2017	2,672,484	3,225,675	5,898,159

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

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017	2016
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (including members and related activities)		5,663,577	5,467,453
Payments to suppliers and employees		(5,522,365)	(4,376,506)
Interest received		21,377	15,203
Net cash provided by (used in) operating activities	16 (a)	<u>162,589</u>	<u>1,106,150</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		5,000	-
Payment for property, plant and equipment		(45,680)	(48,709)
Net cash provided by (used in) investing activities		<u>(40,680)</u>	<u>(48,709)</u>
Net increase / (decrease) in cash held		121,909	1,057,441
Cash at beginning of financial year		3,416,438	2,358,997
Cash at end of financial year	6	<u><u>3,538,347</u></u>	<u><u>3,416,438</u></u>

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

UNITED FIREFIGHTERS UNION OF AUSTRALIA

ABN 74 030 569 265

**RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2017**

	2017 \$	2016 \$
Cash assets in respect of recovered money at beginning of year	-	-
Revenue		
Amount recovered from employers in respect of wages etc.	84,854	84,854
Interest received on recovered money	-	-
Total revenue	84,854	84,854
Expenditure:		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
United Firefighters' Union of Australia - Victoria Branch		
Emergency Services & State Super Fund (superannuation guarantee)	10,452	10,452
Emergency Services & State Super Fund	-	4,791
Deductions of fees or reimbursement of expenses	-	-
Amounts distributed to workers as recovered monies	74,402	69,611
Total expenditure	84,854	84,854
Cash assets in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	1	1
Aggregate payables to workers attributable to recovered monies but not yet distributes:		
Payable balance	-	-
Number of workers the payable relates to	1	1
Fund or account operated for recovery of wages:		
Nil	-	-

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial report covers United Firefighters' Union of Australia - Victorian Branch (the Union) as an individual entity. The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Union is a not-for-profit entity.

Basis of preparation

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

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

(a) Revenue

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

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

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

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

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

(b) Gains - Sale of assets

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

(c) Capitation fees and levies

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

(d) Employee benefits

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

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

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

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

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

(e) Leases

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

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

(f) Cash

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

(g) Financial instruments

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

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

(h) Financial assets

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

Fair value through profit or loss

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

Held-to-maturity investments

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

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Loan and receivables

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

Effective interest method

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

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

Impairment of financial assets

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

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

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

Derecognition of financial assets

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

(i) Financial Liabilities

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

Fair value through profit or loss

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

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

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

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other financial liabilities

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

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

Derecognition of financial liabilities

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

(j) Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

(k) Land, Buildings, Plant and Equipment

Asset Recognition Threshold

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

Revaluations—Land and Buildings

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

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

Depreciation

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

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

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

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

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

(l) Taxation

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

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

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

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

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

(m) Fair value measurement

United Firefighters' Union of Australia - Victorian Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 17.

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

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

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

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

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

(n) Going concern

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

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

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

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Comparative amounts

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

(p) Significant accounting judgements and estimates

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

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

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

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Application of new and revised Accounting Standards

New or amended accounting standards and interpretations that became applicable to the Union for the first time for the 30 June 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.

<i>Standard/ Interpretation</i>	<i>Effective for annual reporting periods beginning on or after</i>	<i>Expected to be initially applied in the financial year ending</i>
AASB 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 entity 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.

NOTE 2: NOTICE REQUIRED UNDER THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009 the attention of members is drawn to the provisions of subsections (1), (2) and (3) of Section 272, which read as follows:

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

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
NOTE 3: INCOME			
(a) Levies			
- Member subscriptions		3,865,650	3,621,563
- Litigation fees		1,072,480	1,007,610
- Social club welfare		13,271	10,475
- Fighting fund levy		151,273	154,182
Total levies		5,102,674	4,793,830
(b) Other income			
- Rental income		18,655	18,655
- Interest received		21,377	15,203
- Contract income (i)		84,854	84,854
- Gains/(Losses) on disposal of property, plant and equipment		-	-
- Accounting services		12,000	12,000
- Reimbursement of legal fees from related parties		-	-
- Arbitration settlement		-	-
- Miscellaneous income		1,163	30,143
Total other income		138,049	160,855
(c) Capitation fees			
- Capitation fees		-	-
Total capitation fees		-	-
(d) Grants or Donations			
- Grants		-	-
- Donations		-	-
Total Grants or Donations		-	-

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

NOTE 4: EXPENSES

(a) Employee expense

Holders of office:

Wages and salaries		379,415	338,671
Superannuation		55,432	51,095
Honorariums		56,958	61,647
Movement in leave and other entitlements		101,343	50,492
Separation and redundancies		-	-
Other employee expenses		-	-
Subtotal employee expenses – holders of office		593,148	501,905

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

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

	Note	2017 \$	2016 \$
NOTE 4: EXPENSES (CONTINUED)			
Employees other than office holders:			
Wages and salaries		807,836	734,359
Superannuation		91,892	81,001
Movement in leave and other entitlements		1,746	(35,535)
Separation and redundancies		-	-
Other employee expenses		148,288	143,942
Subtotal employee expenses - employees other than holders of office		<u>1,049,762</u>	<u>923,767</u>
Total employee expenses		<u><u>1,642,910</u></u>	<u><u>1,425,672</u></u>
(b) Capitation fees			
UFU of Australia		266,821	241,520
Total capitation fees		<u>266,821</u>	<u>241,520</u>
(c) Affiliation fees			
	Type		
Victorian Trades Hall Council	Affiliation fees	15,626	12,206
Victorian Labour	Affiliation fees	16,451	15,281
Geelong Trades Hall Council	Affiliation fees	338	335
Gippsland Trades & Labour Council Inc	Affiliation fees	100	192
Goulburn Valley Trades & Labour Council	Affiliation fees	44	42
Ballarat Trades Hall	Affiliation fees	472	472
Bendigo Trades Hall Council & Literary Institute	Affiliation fees	384	385
Australian Council of Trade Unions(1)	Affiliation fees	20,087	14,010
South West Trades & Labour Council Inc	Affiliation fees	-	113
Australian Labour Party	Affiliation fees	-	220
Total affiliation fees		<u>53,502</u>	<u>43,256</u>
 (1) The Australian Council of Trade Unions (ACTU) affiliation fee is paid to the United Firefighters' Union of Australia National office and is then forwarded on to the ACTU on behalf of the branch, The United Firefighters' Union of Australia – Victorian Branch			
(d) Donations			
Total paid that were \$1,000 or less		4,282	5,975
Total paid that exceeded \$1,000		8,200	22,578
Total donations		<u>12,482</u>	<u>28,553</u>
(e) Grants			
Total paid that were \$1,000 or less		-	-
Total paid that exceeded \$1,000		-	-
Total grants		<u>-</u>	<u>-</u>

UNITED FIREFIGHTERS' UNION OF AUSTRALIA - VICTORIAN BRANCH

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

	Note	2017 \$	2016 \$
NOTE 4: EXPENSES (CONTINUED)			
(f) Depreciation expense			
Depreciation of buildings		22,569	22,569
Depreciation of plant and equipment		24,861	25,853
Depreciation of motor vehicles		12,154	16,675
Total depreciation expense		59,584	65,097
(g) Administration and Conference Expenses			
Consideration to employers for payroll deductions		-	-
Compulsory Levies		-	-
Fees/allowances – meeting and conferences		-	-
Conference and meeting expenses		132,367	181,354
		132,367	181,354
(h) Rental expense on operating leases			
Minimal lease payments		11,376	11,266
		11,376	11,266
(i) Legal costs			
Litigation		1,405,778	777,010
Other legal matters		-	-
Total legal costs		1,405,778	777,010
(j) Accounting fees			
Accounting		39,877	68,264
Total accounting fees		39,877	68,264
(k) Other expenses			
Penalties - via RO Act or RO regulations		-	-
Total other expenses		-	-
NOTE 5: AUDITORS' REMUNERATION			
Remuneration of the auditor of the Union for			
- auditing or reviewing the financial report - Kidmans Partners		15,500	14,000
Total Auditor's remuneration		15,500	14,000
The auditor of United Firefighters' Union of Australia – Victorian Branch is Kidmans Partners.			

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

	Note	2017 \$	2016 \$
NOTE 6: CASH AND CASH EQUIVALENTS			
Cash on hand		50	200
Cash at bank		3,538,297	3,416,238
Total cash and cash equivalents		3,538,347	3,416,438
NOTE 7: TRADE AND OTHER RECEIVABLES			
Receivables from other reporting units			
United Firefighters' Union of Australia		17,695	11,000
United Firefighters' Union of Australia – Tasmanian Branch		-	-
		<u>17,695</u>	<u>11,000</u>
Less provision for doubtful debts		-	-
Net receivables from other reporting units		<u>17,695</u>	<u>11,000</u>
Other trade receivables		174,813	126,182
Less provision for doubtful debts		(16,563)	(16,563)
Other receivables			
- GST receivable		-	-
- Sundry receivable (FBT refund)		13,655	-
- Receivables from other related parties		72,437	81,773
Total net trade and other receivables		262,037	202,392
NOTE 8: FINANCIAL ASSETS			
Investments		3,365	3,365
		<u>3,365</u>	<u>3,365</u>
Financial assets comprise of 3,365 Units in ACTU Financial Services Pty Ltd and for the ACTU Trusts are paid up to 40% of the par value of units.			
NOTE 9: PROPERTY, PLANT AND EQUIPMENT			
Land and buildings			
Freehold land			
At fair value		2,397,222	1,597,222
Buildings			
At fair value		902,778	902,778
Accumulated depreciation		-	(93,567)
		<u>902,778</u>	<u>809,211</u>
		3,300,000	2,406,433

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

	Note	2017 \$	2016 \$
NOTE 9: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)			
An independent valuation was performed by Harrington Earl Estate Agents in July 2017 to determine the fair value of the Union's land and buildings. The valuation was determined by reference to recent market transactions on an arm's length term. Had the Union's land and buildings been measured on a historical cost basis, their carrying amount would be as follows:			
Freehold land		100,000	100,000
Buildings		<u>192,078</u>	<u>192,078</u>
		<u>292,078</u>	<u>292,078</u>
Furniture, fixture and fittings			
At cost		110,516	97,693
Accumulated depreciation		<u>(63,185)</u>	<u>(58,180)</u>
		<u>47,331</u>	<u>39,513</u>
Motor vehicles			
At cost		100,039	131,974
Accumulated depreciation		<u>(66,330)</u>	<u>(81,734)</u>
		<u>33,709</u>	<u>50,240</u>
Office equipment			
At cost		134,910	131,993
Accumulated depreciation		<u>(92,716)</u>	<u>(84,441)</u>
		<u>42,194</u>	<u>47,552</u>
Computer software			
At cost		-	-
Accumulated depreciation		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
Capital work in progress			
At fair value		12,130	-
Low value asset pool			
At cost		30,989	24,210
Accumulated depreciation		<u>(17,428)</u>	<u>(12,348)</u>
		<u>13,561</u>	<u>11,862</u>
Total plant and equipment		<u>148,925</u>	<u>149,167</u>
Total property, plant and equipment		<u>3,448,925</u>	<u>2,555,600</u>

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

NOTE 9: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

a. Movements in Carrying Amounts

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

	Land at fair value	Buildings	Furniture, fixtures and fittings	Motor Vehicles	Office equipment	Computer software	Low value asset pool	Capital work in progress ¹	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost or valuation									
Balance at 1 July 2015	1,597,222	902,778	115,955	131,974	144,739	41,209	25,168	-	2,959,045
Additions	-	-	4,500	-	38,139	-	6,070	-	48,709
Disposals	-	-	(22,762)	-	(50,885)	(41,209)	(7,028)	-	(121,884)
Balance at 30 June 2016	1,597,222	902,778	97,693	131,974	131,993	-	24,210	-	2,885,870
Additions	-	-	14,850	-	7,769	-	6,779	12,130	41,528
Revaluation ²	800,000	-	-	-	-	-	-	-	800,000
Disposals	-	-	(2,027)	(31,935)	(4,852)	-	-	-	(38,814)
Balance at 30 June 2017	2,397,222	902,778	110,516	100,039	134,910	-	30,989	12,130	3,688,584
Accumulated depreciation									
Balance at 1 July 2015	-	(70,998)	(74,938)	(65,059)	(118,421)	(41,209)	(14,299)	-	(384,924)
Depreciation expense	-	(22,569)	(5,573)	(16,675)	(15,658)	-	(4,603)	-	(65,078)
Disposals	-	-	22,331	-	49,638	41,209	6,554	-	119,732
Balance at 30 June 2016	-	(93,567)	(58,180)	(81,734)	(84,441)	-	(12,348)	-	(330,270)
Depreciation expense	-	(22,569)	(6,879)	(12,154)	(12,902)	-	(5,080)	-	(59,584)
Reverse accumulated depreciation on revaluation ²	-	116,136	-	-	-	-	-	-	116,136
Disposals	-	-	1,874	27,558	4,627	-	-	-	34,059
Balance at 30 June 2017	-	-	(63,185)	(66,330)	(92,716)	-	(17,428)	-	(239,659)

1. Capital work in progress relates to the bathroom renovation work carried out during the year and is still in progress at the year end.

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

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

	Note	2017 \$	2016 \$
NOTE 10: TRADE AND OTHER PAYABLES			
Trade payables		543,480	145,337
Wages and salaries		31,980	27,520
Consideration to employers for payroll deductions		-	-
Legal costs			
Litigation		-	-
Other legal matters		22,816	152,939
Other payables:			
GST Payable		17,479	48,316
PAYG Withholding		43,111	25,212
Superannuation		7,633	12,804
Other		12,500	40,586
		678,999	452,714
Payables to other reporting units		-	-
Settlement is usually made within 30 days		678,999	452,714
NOTE 11: PROVISIONS			
Employee provisions			
Office holders:			
Annual leave		402,506	340,928
Rostered day off leave		71,031	53,481
Long service leave		120,028	97,814
Separation and redundancies		-	-
Other		-	-
Subtotal employee provisions – office holders		593,565	492,223
Employees other than office holders:			
Annual leave		41,047	40,685
Long service leave		8,110	6,725
Separation and redundancies		-	-
Other		-	-
Subtotal employee provisions – employees other than office holders		49,157	47,410
Total employee provisions		642,722	539,633
Current		634,612	532,908
Non Current		8,110	6,725
Total employee provisions		642,722	539,633

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

	Note	2017 \$	2016 \$
NOTE 12: OTHER LIABILITIES			
Members fees received in advance		<u>32,794</u>	<u>43,789</u>
NOTE 13: RESERVES			
Asset revaluation reserve			
Balance at beginning of year		2,309,539	2,309,539
Land and buildings revaluation		<u>916,136</u>	-
Balance at end of year		<u><u>3,225,675</u></u>	<u><u>2,309,539</u></u>
The asset revaluation reserve records revaluations of non-current assets.			
NOTE 14: FUNDS			
(a) Members funds			
Opening members funds		2,832,120	2,050,431
Surplus/(Deficit) for the year		<u>(159,636)</u>	<u>781,689</u>
Closing members funds		<u><u>2,672,484</u></u>	<u><u>2,832,120</u></u>
(b) Other specific disclosures - Funds			
Compulsary levy/ voluntary contribution fund - if invested in assets		-	-
Other funds required by rules		<u>-</u>	<u>-</u>
		<u><u>-</u></u>	<u><u>-</u></u>
NOTE 15: CONTINGENT LIABILITIES AND CONTINGENT ASSETS			
The Firefighters' Union of Australia – Victorian Branch are committed to renovating the building at 410 Brunswick Street, Fitzroy. The funding for the renovation cost will be sourced from current funds. As at the date of this report there are no contracts or estimates available.			
There were no contingent liabilities or contingent assets as at balance sheet date.			
NOTE 16: CASH FLOW INFORMATION			
a. Reconciliation of Cash Flow from Operations			
Net surplus/(deficit) for the period		(159,636)	781,689
Cash flows excluded from surplus attributable to operating activities			
Non-cash flows in surplus			
Depreciation		59,584	65,097
(Gain)/Loss on disposal of plant and equipment		210	2,133
Doubtful debt expense		-	(9,009)
Wage accrual		31,980	27,520

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

	Note	2017 \$	2016 \$
NOTE 16: CASH FLOW INFORMATION (CONTINUED)			
Reconciliation of cash flow from operations			
Changes in assets and liabilities			
(Increase)/decrease in trade and other receivables		(59,645)	27,441
Increase/(decrease) in trade payables and accruals		194,305	192,833
Increase/(decrease) in provisions		103,089	14,957
Increase/(decrease) in other liabilities		(7,298)	3,489
		162,589	1,106,150

b. Cash flows with related parties

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

Cash flows from operating activities

Receipts from members and related activities include the following amounts received from related parties:

United Firefighters' Union of Australia	Accounting	13,200	13,200
United Firefighters' Union of Australia	Rent and other services	63,793	20,520
United Firefighters' Union of Australia	Contract services	93,339	93,339
		170,332	127,059

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

United Firefighters' Union of Australia	Capitation fees	293,503	265,672
United Firefighters' Union of Australia	Levies	22,095	-
		315,598	265,672

NOTE 17: FINANCIAL RISK MANAGEMENT

Operating Lease

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

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

Financial assets

Cash and cash equivalents		3,538,347	3,416,438
<i>Loans and receivables</i>			
Trade and other receivables		262,037	202,392
Fair value through profit or loss investments		3,365	3,365
Carrying amount of financial assets		3,803,749	3,622,195

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

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

	Note	2017 \$	2016 \$
NOTE 17: FINANCIAL RISK MANAGEMENT (CONTINUED)			
Financial liabilities			
<i>Amortised cost</i>			
Trade and other payables		678,999	452,714
Other liabilities		32,794	43,789
Carrying amount of financial liabilities		<u>711,793</u>	<u>496,503</u>
Specific financial risk exposures and management			
The main risks the Branch is exposed to through its financial instruments are liquidity risk and market risk through interest rate risk.			
(a) Net income and expense from financial assets and financial liabilities			
<i>Cash and cash on hand</i>			
Interest revenue		<u>21,377</u>	<u>15,203</u>
Net gain/(loss) on cash and cash on hand		<u>21,377</u>	<u>15,203</u>
Net gain/(loss) from financial assets		<u>21,377</u>	<u>15,203</u>
<i>Other financial liabilities</i>			
Interest expense		-	-
Net gain/(loss) financial liabilities at amortised cost		-	-
Net gain/(loss) from financial liabilities		<u>-</u>	<u>-</u>

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

NOTE 17: FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Fair value of financial instruments

	2017		2016	
	Carrying amount	Fair value	Carrying amount	Fair value
<i>Financial assets</i>				
Cash and cash equivalents	3,538,347	3,538,347	3,416,438	3,416,438
Loans and receivables	262,037	262,037	202,392	202,392
Investments	3,365	3,365	3,365	3,365
Total	3,803,749	3,803,749	3,622,195	3,622,195
<i>Financial liabilities</i>				
Trade and other payables	678,999	678,999	452,714	452,714
Other liabilities	32,794	32,794	43,789	43,789
Total	711,793	711,793	496,503	496,503

(c) Credit risk

Credit risk refers to the risk of any default on any type of debt owing to the Branch. The Branch is exposed to credit risk on its member subscriptions, trade debtors, and other debtors.

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

	2017	2016
	\$	\$
Financial assets		
Trade and other receivables	262,037	202,392
Total	262,037	202,392

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

	2017		2016	
	Not past due nor impaired	Past due or impaired	Not past due nor impaired	Past due or impaired
	\$	\$	\$	\$
Trade and other receivables	72,437	192,508	81,773	137,182
	72,437	192,508	81,773	137,182

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

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

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

NOTE 17: FINANCIAL RISK MANAGEMENT (CONTINUED)

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	70,371	14,095	7,704	45,012	137,182
	<u>70,371</u>	<u>14,095</u>	<u>7,704</u>	<u>45,012</u>	<u>137,182</u>

(d) Liquidity risk

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

The Branch manages risk through the following mechanisms:

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

Financial liability and financial asset maturity analysis

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

Financial liabilities due for payment

Trade and other payables	-	678,999	-	678,999
Other liabilities	-	32,794	-	32,794
Total contractual outflows	<u>-</u>	<u>711,793</u>	<u>-</u>	<u>711,793</u>
Net inflow/(outflow) on financial instruments	<u>890,895</u>	<u>2,197,696</u>	<u>-</u>	<u>3,088,591</u>

	2016			Total
	On demand \$	< 1 year \$	1-5 years \$	\$
Financial assets – cash flow realisable				
Cash and cash equivalents	1,147,606	2,268,832	-	3,416,438
Trade and other receivables	-	202,392	-	202,392
Total anticipated inflows	<u>1,147,606</u>	<u>2,471,224</u>	<u>-</u>	<u>3,618,830</u>

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

NOTE 17: FINANCIAL RISK MANAGEMENT (CONTINUED)

	2016			Total \$
	On demand \$	< 1 year \$	1-5 years \$	
Financial liabilities due for payment				
Trade and other payables	-	452,714	-	452,714
Other liabilities	-	43,789	-	43,789
Total contractual outflows	-	496,503	-	496,503
Net inflow/(outflow) on financial instruments	1,147,606	1,974,721	-	3,122,327

(e) Market risk

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect cash flows or the fair value of fixed rate financial instruments.

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

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

Sensitivity analysis of the risk that the Union is exposed to for 2016

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$	Equity \$
Interest rate risk	Interest income	+/-0.5%	14,438	14,438

UNITED FIREFIGHTERS UNION OF AUSTRALIA
ABN 74 030 569 265

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

	Note	2017 \$	2016 \$
NOTE 18: EVENTS AFTER THE BALANCE DATE			
There have not been any material events between the balance date and the date of signing of the operating report.			
NOTE 19: RELATED PARTY TRANSACTIONS			
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.			
Transactions with related parties: UFU National Office			
Revenue transactions:			
Rental and other services income		57,994	18,790
Accounting Services		12,000	12,000
Contract services (1)		84,854	84,854
Total revenue transactions with related parties		154,848	115,644
(1) From 1 April 2014 the National Secretary is solely employed by the United Firefighters Union – Victorian Branch. The services of the National Secretary are contracted out from the Victorian Branch.			
<i>Expense transactions:</i>			
Capitation fees		266,821	241,520
Levies		20,087	-
Other charges		2,536	-
		289,444	241,520
The following balance was outstanding at the end of the reporting period:			
Trade receivables			
United Firefighters Union of Australia		17,695	11,000
United Firefighters Union of Australia - Tasmanian Branch		-	-
		17,695	11,000
NOTE 20: KEY MANAGEMENT PERSONNEL			
The total remuneration paid to elected officials of the Branch during the period are as follows:			
Short-term employee benefits:			
Salary and wages		379,415	338,671
Annual leave accrued		63,433	31,181
Rostered days off		17,550	8,774
Total short-term employee benefits		460,398	378,626
Post-employment benefits			
Superannuation		50,021	45,239
Total post-employment benefits		50,021	45,239
Other long term benefits			
Long service leave accrued		22,214	14,252
Total other long-term benefits		22,214	14,252
Total employee benefits		532,633	438,117

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

Note	2017 \$	2016 \$
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NOTE 21: UNION DETAILS

(a) Registered office

The registered office of the Union is:

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

(b) Principal place of business

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