

**UNITED FIREFIGHTERS UNION – ACT BRANCH
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016**



RSM Australia Pty Ltd

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
UNITED FIREFIGHTERS UNION - ACT BRANCH

We have audited the accompanying general purpose financial report of United Firefighters Union - ACT Branch ("the entity"), which comprises the balance sheet as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

Committee's Responsibility for the General Purpose Financial Report

The committee is responsible for the preparation and fair presentation of the general purpose financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Fair Work (Registered Organisations) Act 2009*, and for such internal control as the committee determine is necessary to enable the preparation of the general purpose financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the general purpose financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the general purpose financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the general purpose financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the general purpose financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the general purpose financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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RSM Australia Pty Ltd ACN 009 321 377 atf Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

Liability limited by a scheme approved under Professional Standards Legislation

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion the general purpose financial report presents fairly, in all material respects, the financial position of the United Firefighters Union - ACT Branch as at 30 June 2016 and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Fair Work (Registered Organisations) Act 2009* and that the management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.



RSM Australia Pty Ltd



GED STENHOUSE
Director

Canberra, ACT
Dated: 2nd November 2016

UNITED FIREFIGHTERS UNION – ACT BRANCH

COMMITTEE OF MANAGEMENT STATEMENT

On the 20th of October 2016 the Committee of Management of United Firefighters Union - ACT Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2016.

The Committee of management declares 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 the reporting guidelines of the Industrial Registrar;
- (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;
- (e) during the financial year to which GPFR related 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 the 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 the 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. the financial records of the reporting unit have been kept,as far as practicable, in a consistent manner to each of the other reporting units of the organization; and
 - v. there has been no requests by any member or the Registrar that required a report under Section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - vi. no orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.
- (f) there has been no recovery of wages activity by the Branch during the year.

For committee of management:

Title of Office held: Branch Secretary

Signature: 

Dated this 20 day of October 2016



BRANCH PRESIDENT
Mate Peric

BRANCH SECRETARY
Greg McConville

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17 October 2016

**UNITED FIREFIGHTERS UNION OF AUSTRALIA ACT BRANCH
OPERATING REPORT
Financial Year Ending 30 June 2016**

Number of members

The number of financial members as at the 30th June 2016 was 342

Number of Employees

1 full time (office bearer)
1 part time (office bearer)
1 part time (staff member)

Full time equivalent of staff and office bearers: 1.25

Principal Activities

UFU ACT is a trade union whose members are Firefighters with the ACT Fire & Rescue Service. The union acts on their behalf in all industrial and workplace matters.

Significant Changes

There have been no significant changes in the financial affairs of the Branch during the year.

Members right to resign

A member has the right to resign from the Union under **Rule 8 –Resignation from Membership** by providing written notice to the Secretary of the Branch.

Superannuation Trustees

Details of officers or members who are trustees, or directors of a company that is a trustee, of a superannuation entity because they are a member or an officer of a registered organisation

- Nil

Membership of the Branch Committee of Management

Attachment I sets out the names of persons who are or were members of the Committee of Management during the financial year, and the periods for which they held those

Report prepared by
Greg McConville
Secretary
UFU ACT Branch

Dated this 17th day of October 2016

Attachment I: Persons who are or have been members of the Branch Committee of Management during the financial year

Position on BCOM	Person	Dates office held
President	Mr Mate Peric (Acting President)	5 August 2015 to 10 February 2016
	Mr Mate Peric (President elected unopposed 10 Feb 2016)	10 February 2016 to 30 June 2016
	Mr Brett Baulmann	1 July 2015 to 5 August 2015
Secretary	Mr Greg McConville (Acting Secretary from 16 October 2015)	16 October 2015 to 10 February 2016
	Mr Greg McConville (Secretary elected unopposed 10 February 2016)	10 February 2016 to 30 June 2016
	Mr Paul Swain	Resigned 1 July 2015
Vice President	Mr Mate Peric	1 July 2015 to 10 February 2016
	Graeme Gallagher	16 February 2016 to 30 June 2016
Junior Vice President	Damian Holloway.	29 February 2016 to 30 June 2016
Trustee	Mr Damian Holloway	1 July 2015 to 29 February 2016
Trustee	Mr Graeme Gallagher	1 July 2015 to 16 February 2016
Trustee	Mr Rob Thompson	1 July 2015 to 6 March 2016
Trustee	Mr Stephen Gerhard Geerdink	1 July 2015 to 30 June 2016
Trustee	Mr Adam Gresham	1 April 2016 to 30 June 2016
Trustee	Mr Neal Hall	20 June 2016 to 30 June 2016

UNITED FIREFIGHTERS UNION – ACT BRANCH

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

		2016	2015
	Note	\$	\$
Revenue	3	231,479	213,464
Depreciation charges	4(b)	(5,862)	(6,106)
Other expenses	3(a)	<u>(258,531)</u>	<u>(237,540)</u>
Surplus/(deficit) for the year		<u>(32,914)</u>	<u>(30,182)</u>

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS UNION – ACT BRANCH

**BALANCE SHEET
AS AT 30 JUNE 2016**

	Note	2016	2015
		\$	\$
CURRENT ASSETS			
Cash at bank		536,967	533,881
Term deposits		14,261	13,877
Trade and other receivables		1,101	-
Prepayments		645	-
TOTAL CURRENT ASSETS		<u>552,974</u>	<u>547,758</u>
NON CURRENT ASSETS			
Property, plant and equipment	4	25,428	29,483
TOTAL NON CURRENT ASSETS		<u>25,428</u>	<u>29,483</u>
TOTAL ASSETS		<u>578,402</u>	<u>577,241</u>
CURRENT LIABILITIES			
Trade and other payables		27,908	1,752
Provision	13	8,201	1,436
TOTAL CURRENT LIABILITIES		<u>36,109</u>	<u>3,188</u>
NON CURRENT LIABILITIES			
Provision		1,154	-
TOTAL NONCURRENT LIABILITIES		<u>1,154</u>	<u>-</u>
TOTAL LIABILITIES		<u>37,263</u>	<u>3,188</u>
NET ASSETS		<u><u>541,139</u></u>	<u><u>574,053</u></u>
EQUITY			
Retained earnings at start of year		574,053	604,235
Current year surplus (deficit)		(32,914)	(30,182)
TOTAL EQUITY		<u><u>541,139</u></u>	<u><u>574,053</u></u>

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS UNION – ACT BRANCH

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Retained surplus	Total
	\$	\$
Balance at 30 June 2014	604,235	604,235
Net surplus attributable to the Entity	(30,182)	(30,182)
Balance at 30 June 2015	574,053	574,053
Net surplus attributable to the Entity	(32,914)	(32,914)
Balance at 30 June 2016	541,139	541,139

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS UNION – ACT BRANCH

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016**

	Note	2016	2015
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members		246,720	200,100
Inflow/outflow to/from other reporting Units - UFU of Australia		(28,136)	(26,427)
Payments to suppliers and employees		(219,494)	(217,492)
Interest received		6,187	13,171
Other income		-	194
Net cash provided by (used in) operating activities	5(b)	<u>5,277</u>	<u>(30,455)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Movement in term deposits		-	-
Purchase of property, plant and equipment		(1,807)	(1,545)
Net cash provided by (used in) investing activities		<u>(1,807)</u>	<u>(1,545)</u>
Net increase/(decrease) in cash held		3,470	(32,000)
Cash at beginning of the financial year		<u>547,758</u>	<u>579,758</u>
Cash at end of the financial year	5(a)	<u><u>551,228</u></u>	<u><u>547,758</u></u>

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS UNION – ACT BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1- Basis of Preparation of the Financial Statements

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 – ACT Branch is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities are 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.

1.2- Significant Accounting Judgements and Estimates

There has been no accounting assumptions or estimates identified that would indicate any significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.3- New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date stated in the standard. The accounting policies adopted are consistent with those of the previous financial year except that the Branch has now adopted the accrual basis for membership fee income (previously recorded on a cash basis) this change has only a minor effect on this year' financial statements.

The management consider that the carrying values as stated on the statement of Financial Position are a reasonable indication of their fair value at balance date.

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are not expected to have a future financial impact on United Firefighters Union - ACT Branch.

1.4- Capitation fees / levies and Member's Subscriptions

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

1.5- 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 due 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 are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

UNITED FIREFIGHTERS UNION – ACT BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.6- Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the group's intention to hold these investments to maturity. Any held-to-maturity investments held by the group are stated at amortised cost using the effective interest rate method.

Impairment of Assets

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement. 1.7- Financial Liabilities

1.7 – 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 either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the managers together and has a recent actual patterns of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument

UNITED FIREFIGHTERS UNION – ACT BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.7 – Financial Liabilities (continued)

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition
- inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or managed and its performance is evaluated on a fair value basis, in accordance with the units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB Instruments: Recognition and Measurement' permits the entire combined contract to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

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 costs using the effective interest method, with interest expense recognised on an effective yield basis.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using effective interest rate method.

1.8- 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.

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 assets are based on the following useful lives:

Class of asset	Useful life
Plant and equipment	3-8 years
Motor vehicles	5-10 years

UNITED FIREFIGHTERS UNION – ACT BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1.9- Taxation

United Firefighters Union - ACT 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.

NOTE 2 - INFORMATION TO BE PROVIDED TO MEMBERS OR GENERAL MANAGER OF THE FAIR WORK COMMISSION

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Section 272, which indicates as follows:

- 1) A member of the 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) The reporting unit must comply with an application made under subsection (1).

NOTE 3. REVENUE

	2016	2015
	\$	\$
Operating activities		
Membership subscriptions	225,292	200,100
Other revenue from operating activities	-	193
	<u>225,292</u>	<u>200,293</u>
Non-operating activities		
Interest received	6,187	13,171
Other revenue	-	-
	<u>6,187</u>	<u>13,171</u>
Total revenue	<u><u>231,479</u></u>	<u><u>213,464</u></u>

UNITED FIREFIGHTERS UNION – ACT BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 3(a). PROFIT

		2016	2015
		\$	\$
Other expenses			
Accountancy and audit		5,000	3,120
Affiliation fees paid to United Firefighters Union of Australia		1,434	1,249
Capitation fees paid to UFU of Australia		24,911	25,178
Other Affiliation Fees - Unions ACT		1,791	1,798
Bank fees		261	520
Donations	6	4,000	1,723
Insurance		1,570	694
Legal Costs -member's legal matter (non-litigation)		12,805	4,000
Motor vehicle expenses		7,682	6,201
Administration expenses		15,353	4,116
Rent and property costs		7,085	6,941
Functions and meetings		1,164	1,632
Other employment costs and training		1,408	124
Publications and campaign costs		10,895	8,520
Telephone and internet		3,084	4,587
Travel, accommodation and conference costs		8,619	10,351
Wages and superannuation - Office holders	10	109,562	101,830
Wages and superannuation - General staff	10	41,907	54,956
		<u>258,531</u>	<u>237,540</u>
Surplus/(deficit) for the year		<u>(32,914)</u>	<u>(30,182)</u>

UNITED FIREFIGHTERS UNION – ACT BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 3(b). OTHER EXPENSES AND DISCLOSURES

	2016	2015
	\$	\$
Other expenses and disclosures		
Penalties -via RO Act or RO Regulations	-	-
Legal Costs:		
- Litigation	-	-
- Other - Special Projects/Equal Pay Case	12,805	4,000
Accounts other than general funds held (Investment Acc)	14,261	13,877
Consideration to Employers for payroll deductions	-	-
Entrance fees -Payment or received	-	-
Donations or grant income	-	-
Transfer/withdrawals from special purpose accounts	-	-
Fees or allowances paid to office - holders for attendance at meetings, (other than their normal salary etc)	-	-
Payables to - Other reporting Units:		
- to employers (payroll)	-	-
- Legal Costs	-	-
Separation/redundancy or other provisions for Office Holder;	-	-
Separation/redundancy or	-	-
	<u>27,066</u>	<u>17,877</u>

NOTE 3(c). OTHER DISCLOSURE REQUIREMENTS

- No capitation fees were received during the year.
- No donations were received during the year.
- There is no agreed going concern financial support received or paid to another reporting unit.
- There were no assets or liabilities acquired as a result of an amalgamation or restructure.
- No entrance fees were paid or received during the year.
- There has been no financial support from any other reporting units.
- There were no compulsory levies paid during the year.
- There were no fees or allowances paid to office-holders for attendance at meetings, other than their normal salary.
- There are no accounts or investments held in respect of compulsory levies or voluntary contributions.
- There has been no administration of financial affairs by a third party.

UNITED FIREFIGHTERS UNION – ACT BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 4. PROPERTY, PLANT AND EQUIPMENT

(a) Reconciliation of property, plant and equipment

	2016	2015
	\$	\$
Plant and equipment		
At cost	9,105	7,298
Accumulated depreciation	<u>(5,317)</u>	<u>(3,274)</u>
	<u>3,788</u>	<u>4,024</u>
Motor vehicle		
At cost	40,445	40,445
Accumulated depreciation	<u>(18,805)</u>	<u>(14,986)</u>
	<u>21,640</u>	<u>25,459</u>
	<u>25,428</u>	<u>29,483</u>

The management consider that the value of the leasehold property shown above represents its fair value due its recent purchase at market value.

(b) Reconciliation of the opening and closing balances of property, plant and equipment

	Plant and equipment	Motor vehicles	Total
Opening balance at 1 July 2015	4,024	25,459	29,483
Additions	1,807	-	1,807
Revaluations	-	-	-
Depreciation/impairment	(2,043)	(3,819)	(5,862)
Disposals	-	-	-
Closing balance at 30 June 2016	<u>3,788</u>	<u>21,640</u>	<u>25,428</u>

UNITED FIREFIGHTERS UNION – ACT BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 5. CASH FLOW INFORMATION

	2016	2015
	\$	\$
(a) Reconciliation of cash		
Cash at bank	536,967	533,881
Term deposit	14,261	13,877
	<u>551,228</u>	<u>547,758</u>
(b) Reconciliation of cash flows from operations		
Operating surplus/(deficit)	(32,914)	(30,182)
Add Back Non-Cash Items:		
Depreciation of Plant & Equipment	2,043	1,613
Depreciation of Motor Vehicles	3,819	4,493
Changes in Assets & Liabilities		
Decrease/(increase) in debtors and prepayments	(1,746)	-
Increase(decrease) in Leave provisions	7,919	(8,131)
Increase(decrease) in Creditors	26,156	1,752
	<u>5,277</u>	<u>(30,455)</u>

NOTE 6. DONATIONS/GRANTS MADE

General Community Donations < \$1001	-	1,723
ACT Fire Brigade Benevolent Fund - Donation over \$1000	4,000	-
Grants made over \$1000	-	-
Grants made under \$1000	-	-
	<u>4,000</u>	<u>1,723</u>

UNITED FIREFIGHTERS UNION – ACT BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 7. KEY MANAGEMENT PERSONNEL REMUNERATION

	2016	2015
	\$	\$
Short-term employee benefits		
Salary	89,027	78,583
Annual leave accrued or paid	6,899	15,389
Performance bonus	-	-
Total short-term employee benefits	<u>95,926</u>	<u>93,972</u>
Post-employment benefits	-	-
Superannuation	12,684	7,858
Total post-employment benefits	<u>12,684</u>	<u>7,858</u>
Other long-term benefits	-	-
Long service leave accrued or paid	952	-
Total other long-term benefits	<u>952</u>	<u>-</u>
Total remuneration of Key Management Personnel	<u><u>109,562</u></u>	<u><u>101,830</u></u>

NOTE 8. TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL AND THEIR IMMEDIATE FAMILY

There were no loans or other transactions between the reporting entity and its key management personnel, or their immediate family members, during the financial year.

NOTE 9. AUDITORS' REMUNERATION

Audit of financial statements	5,000	2,800
Other fees	-	320
	<u>5,000</u>	<u>3,120</u>

UNITED FIREFIGHTERS UNION – ACT BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 10. EMPLOYEE EXPENSES

	2016	2015
	\$	\$
Holders of Office		
Wages and salaries	89,027	78,583
Superannuation	12,684	7,858
Leave and other entitlements	7,851	15,389
Separation and redundancies	-	-
Other employee expenses	-	-
	<u>109,562</u>	<u>101,830</u>
Employees other than office holders		
Wages and salaries	38,496	48,512
Superannuation	3,343	5,008
Leave and other entitlements	68	1,436
Separation and redundancies	-	-
Other employee expense	-	-
	<u>41,907</u>	<u>54,956</u>
Total employee expenses	<u><u>151,469</u></u>	<u><u>156,786</u></u>

NOTE 11. FINANCIAL RISK MANAGEMENT

The Union's financial instruments consist mainly of deposits with banks, short and long-term investments, accounts receivable and accounts payable.

The main risks arising from the Union's financial instruments are liquidity risk, credit risk and market price risk. The Branch does not use derivative instruments to manage risks associated with its financial instruments.

The Union's Council have overall responsibility for risk management, including risks associated with financial instruments.

This note presents, information about the Union's exposure to liquidity, credit and market price risk, and its objectives, policies and processes for measuring and managing risk.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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NOTE 11. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity Risk

Liquidity risk is the risk that the Union will not be able to fund its obligations as they fall due.

The following are the contractual maturities of financial assets and liabilities:

	Within 1 year		1 to 5 years		Over 5 years		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities due for payment								
Trade and other payables	27,908	1,752	-	-	-	-	27,908	1,752
Total expected outflows	27,908	1,752	-	-	-	-	27,908	1,752
Financial assets - Cash flows realisable								
Cash and cash equivalents	551,228	547,758	-	-	-	-	551,228	547,758
Trade and other receivables	1,101	-	-	-	-	-	1,101	-
Total anticipated inflows	552,329	547,758	-	-	-	-	552,329	547,758
Net inflow on financial instruments	524,421	546,006	-	-	-	-	524,421	546,006

Credit Risk

Credit risk is the risk of financial loss to the Union if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Exposure of credit risk

The carrying amount of the Union's financial assets best represents its maximum credit risk exposure.
The Union's maximum exposure to credit risk at the reporting date was:

	2016	2015
	\$	\$
Cash and cash equivalents	551,228	547,758
Trade debtors	1,101	-
Other receivables	-	-
	<u>552,329</u>	<u>547,758</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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NOTE 12. FAIR VALUE MEASUREMENT

Management of the reporting unit assessed that (cash, trade receivables, trade payables, and other current liabilities) approximate their carrying amounts largely due to the short term maturities and instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

Fair values of the reporting entities interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuers borrowing rate as at the end of the reporting period. The own performance risk as at 30 June 2016 was assessed to be insignificant.

- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets
- Long-term fixed rate and variable-rate receivables / borrowings are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 30 June 2016 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The management consider that the carrying values of assets and liabilities as stated on the Statement of Financial Position are a reasonable indication of their Fair Value balance date.

NOTE 13. PROVISION FOR STAFF LEAVE ENTITLEMENTS

	2016	2015
	\$	\$
Current Liabilities		
General Staff		
Provision for Annual Leave	-	-
Provision for Long Service Leave	1,302	-
Liability for Separation/redundancies	-	-
Liability for other Staff Provisions	-	-
	<u>1,302</u>	<u>-</u>
Office Holder		
Provision for Annual Leave	6,899	1,436
Provision for Long Service Leave	-	-
Liability for Separation/redundancies	-	-
Liability for other Staff Provisions	-	-
	<u>6,899</u>	<u>1,436</u>
TOTAL CURRENT STAFF LEAVE ENTITLEMENTS	<u>8,201</u>	<u>1,436</u>
Non Current Liability		
Provision for Long Service Leave -General Staff	202	-
Provision for Long Service Leave - Office Holders	952	-
TOTAL NON-CURRENT STAFF LEAVE ENTITLEMENTS	<u><u>1,154</u></u>	<u><u>-</u></u>

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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NOTE 14. RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions unless otherwise stated.

Transactions with related parties:

	2016	2015
	\$	\$
Income	-	-
Expenses		
- Affiliation fees to UFU of Australia	1,434	1,249
- Capitation fees to UFU of Australia	24,911	25,178
	<u>26,345</u>	<u>26,427</u>

No money was owing to or from the related reporting entity at balance date.

NOTE 15. CONTINGENT LIABILITIES

There are no contingent liabilities outstanding at balance date.

NOTE 16. EVENTS AFTER BALANCE DATE

There has not been any other material events between the balance date and the date of signing of the operating report