

**FILE COPY**

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**UNITED FIREFIGHTERS UNION  
OF AUSTRALIA  
AVIATION BRANCH  
ABN: 96 533 521 914**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2011**



**United Firefighters Union of Australia - Aviation Branch**

**ABN 96 533 521 914**

**For the year ended 30 June 2011**

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**Contents**

Operating Report.....	3
Committee of Management Certificate.....	6
Independent Audit Report.....	8
Statement of Comprehensive Income .....	10
Balance Sheet.....	11
Statement of Changes in Members' Funds .....	12
Cash Flow Statement .....	13
Notes to the Financial Statements.....	14

The accompanying notes form part of these financial statements.

# United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

Operating Report

For the year ended 30 June 2011

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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 2011.

## **Principal Activities**

The principal activities of United Firefighters' Union of Australia - Aviation Branch during the financial year was to represent professional firefighters and their safety.

No significant change in the nature of these activities occurred during the year.

## **Operating result**

The operating surplus of the Union for the financial year amounted to \$17,243 (2010: \$17,858). No provision for tax was necessary as the reporting unit is exempt from income tax.

## **Significant Changes in State of Affairs**

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

## **After balance day events**

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

## **Rights of Members**

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

## **Superannuation Officeholders**

One member of the committee, David Arnott, is a Director of AvSuper Pty Ltd which acts as trustee of AvSuper. Av Super was established to provide superannuation benefits to employees in Airservices Australia and some employees of the Civil Aviation Safety Authority.

# United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

Operating Report

For the year ended 30 June 2011

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## Other Prescribed Information

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

- (a) the number of persons that were at the end of the financial year recorded in the register of members for section 230 of the Fair Work (Registered Organisations) Act 2009 and who are taken to be members of the registered organisation under section 244 of the Fair Work (Registered Organisations) Act 2009 was 663.
- (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 2.
- (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:

<b>Names</b>	<b>Position</b>	<b>Period</b>
Andrew Stenhouse	President	1 July 2010 - present
Michael Farrell	Branch Secretary	1 July 2010 - present
John Hancox	Senior Vice President	1 July 2010 - present
Jon Vaughan	Branch Committee of Management	1 July 2010 - present
Jake Callaghan	Branch Committee of Management	1 July 2010 - present
David Arnott	Branch Committee of Management	1 July 2010 - present
Mal Lacy	Branch Committee of Management	1 July 2010 - present
Ricky Nolan	Branch Committee of Management	1 July 2010 - present
Simon Osborn	Branch Committee of Management	1 July 2010 - present
Mark Nind	Branch Committee of Management	1 July 2010 - present
Alan Lerpiniere	Branch Committee of Management	1 July 2010 - present
John Ring	Branch Committee of Management	1 July 2010 - present

The accompanying notes form part of these financial statements.

United Firefighters Union of Australia - Aviation Branch  
ABN 96 533 521 914  
Operating Report  
For the year ended 30 June 2011

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**Other Relevant Information**

Nil.

Signed for and on behalf of the Committee of Management:



**MICHAEL FARRELL  
BRANCH SECRETARY**

Dated this 14<sup>th</sup> day of November 2011.

**United Firefighters Union of Australia - Aviation Branch**  
**ABN 96 533 521 914**  
**Committee of Management Certificate**  
**For the year ended 30 June 2011**

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On the 14 day of November 2011 the Committee of Management of the United Firefighters' Union of Australia - Aviation 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 2011.

The Committee of Management declares that in relation to the GPFR that in its opinion:

- (a) the financial statements and notes have been prepared in accordance with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Fair Work Australia;
- (c) the financial statements and notes show a true and fair view of the financial performance, financial position and cash flows of the reporting unit as at 30 June 2011;
- (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 the GPFR relates and since the end of the year;
  - (i) meetings of the Committee were held during the year ended 30 June 2011, in accordance with the rules of the organisation including the rules of a branch concerned;
  - (ii) the financial affairs of the Union have been managed in accordance with the rules of the organisation including the rules of a branch concerned, and
  - (iii) the financial records of the Union have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009, and
  - (iv) the financial records of the union have been kept as far as practicable, in a consistent manner to each of the other branches of the organisation; and
  - (v) no information was sought by any member of the reporting unit or General Manager of Fair Work Australia under section 272 of the 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.
- (f) In relation to the recovery of wages activity
  - (i) There were no recovery of wages activity for the Union during the year ended 30 June 2011.

**The accompanying notes form part of these financial statements.**

**United Firefighters Union of Australia - Aviation Branch**  
**ABN 96 533 521 914**  
**Committee of Management Certificate**  
**For the year ended 30 June 2011**

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Signed on behalf of the Committee of Management:

President: 

**Mr Andrew Stenhouse**

Secretary: 

**Mr Michael Farrell**

Dated this 14<sup>th</sup> day of November 2011.

The accompanying notes form part of these financial statements.

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

**The Financial Report and committee of management's responsibility**

We have audited the financial report of United Firefighters' Union of Australia- Aviation Branch for the financial year ended 30 June 2011 comprising the committee of management statement, balance sheet, income statement, statement of changes in members' funds, statement of cash flows and accompanying notes to the financial statements as set out on pages 6 to 7 and 10 to 29.

The committee of management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

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

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

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

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

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

**Independence**

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

**JOHN AGOSTINELLI - HENRY V PERLEN**

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

**Auditor's Opinion**

In our opinion, the general purpose financial report of United Firefighters' Union of Australia-Aviation Branch presents fairly the financial position and results of its operations and its cash flows for the financial year ended 30 June 2011, in accordance with the following that apply in relation to the reporting unit:

- (a) the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009; and
- (b) Australian Accounting Standards (including the Australian Accounting Interpretations); and
- (c) Other mandatory professional reporting requirements.



**AGOSTINELLI PERLEN**  
**CHARTERED ACCOUNTANTS**



**HENRY PERLEN**  
**PARTNER**

Dated at Carlton, Victoria this 25<sup>th</sup> day of November 2011

**United Firefighters Union of Australia - Aviation Branch**  
**ABN 96 533 521 914**  
**Statement of Comprehensive Income**  
**For the year ended 30 June 2011**

		2011 \$	2010 \$
Revenue	3	420,694	363,277
Cost of sales		<u>(1,605)</u>	<u>(6,319)</u>
<b>Gross profit</b>		<b>419,089</b>	<b>356,958</b>
Selling expenses		(1,133)	(520)
Administration expenses		(391,130)	(328,996)
Finance Costs		<u>(9,583)</u>	<u>(9,583)</u>
<b>Operating profit</b>		<b>17,243</b>	<b>17,858</b>

The accompanying notes form part of these financial statements.

**United Firefighters Union of Australia - Aviation Branch**  
**ABN 96 533 521 914**  
**Balance Sheet**  
**For the year ended 30 June 2011**

	Note	2011 \$	2010 \$
<b>Current Assets</b>			
Cash assets	5	403,420	385,370
Inventories	6	<u>5,085</u>	<u>3,406</u>
<b>Total Current Assets</b>		<u><b>408,505</b></u>	<u><b>388,776</b></u>
<b>Non-Current Assets</b>			
Other financial assets	7	10	10
Property, plant and equipment	8	<u>10,481</u>	<u>2,426</u>
<b>Total Non-Current Assets</b>		<u><b>10,491</b></u>	<u><b>2,436</b></u>
<b>Total Assets</b>		<u><b>418,996</b></u>	<u><b>391,212</b></u>
<b>Current Liabilities</b>			
Trade & Other Payables	9	14,143	5,051
Provisions	10	<u>114,575</u>	<u>67,276</u>
<b>Total Current Liabilities</b>		<u><b>128,718</b></u>	<u><b>72,327</b></u>
<b>Non-Current Liabilities</b>			
Provisions	10	<u>-</u>	<u>45,852</u>
<b>Total Non-Current Liabilities</b>		<u><b>-</b></u>	<u><b>45,852</b></u>
<b>Total Liabilities</b>		<u><b>128,718</b></u>	<u><b>118,179</b></u>
<b>Net Assets</b>		<u><b>290,278</b></u>	<u><b>273,033</b></u>
<b>Equity</b>			
Surplus attributable to members	11	<u>290,278</u>	<u>273,033</u>
<b>Total Members' Funds</b>		<u><b>290,278</b></u>	<u><b>273,033</b></u>

The accompanying notes form part of these financial statements.

**United Firefighters Union of Australia - Aviation Branch**  
**ABN 96 533 521 914**  
**Statement of Changes in Members' Equity**  
**For the year ended 30 June 2011**

	<b>Retained Earnings</b>	<b>Asset Revaluation Reserve</b>	<b>Total</b>
	\$	\$	\$
Balance at 1 July 2010	273,035	-	273,035
Surplus attributable to members	17,243	-	17,243
<b>Balance at 30 June 2011</b>	<b>290,278</b>	<b>-</b>	<b>290,278</b>

	<b>Retained Earnings</b>	<b>Asset Revaluation Reserve</b>	<b>Total</b>
	\$	\$	\$
Balance at 1 July 2009	255,177	-	255,177
Surplus attributable to members	17,858	-	17,858
<b>Balance at 30 June 2010</b>	<b>273,035</b>	<b>-</b>	<b>273,035</b>

The accompanying notes form part of these financial statements.

**United Firefighters Union of Australia - Aviation Branch**  
**ABN 96 533 521 914**  
**Statement of Cash Flow**  
**For the year ended 30 June 2011**

	<b>2011</b>	<b>2010</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>Cash Flow From Operating Activities</b>		
Receipts from customers	401,929	352,598
Payments to Suppliers and employees	(383,058)	(304,717)
Interest received	18,764	10,678
Interest and other costs of finance	(9,913)	(9,583)
Net cash provided by (used in) operating activities (Note 17)	<b>27,722</b>	<b>48,976</b>
<b>Cash Flow From Investing Activities</b>		
<b>Payment for:</b>		
Payments for property, plant and equipment	(9,672)	-
Net cash provided by (used in) investing activities	<b>(9,672)</b>	<b>-</b>
Net increase (decrease) in cash held	18,050	48,976
Cash at the beginning of the year	385,370	336,394
Cash at the end of the year (Note 16)	<b>403,420</b>	<b>385,370</b>

The accompanying notes form part of these financial statements.

**United Firefighters Union of Australia - Aviation Branch**  
**ABN 96 533 521 914**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2011**

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**Note 1: Statement of Significant Accounting Policies**

**(a) General information**

This financial report covers United Firefighters' Union of Australia - Aviation Branch as an individual entity, United Firefighters' Union of Australia - Aviation Branch.

**(b) Basis of preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**(c) Comparatives**

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

**(d) Inventories**

Inventories are made up of promotional stock on hand and are measured at the lower of cost and net realisable value.

**(e) Property, plant and equipment**

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

The accompanying notes form part of these financial statements.

## United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

### Notes to the Financial Statements

For the year ended 30 June 2011

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#### Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

#### Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line or diminishing value basis over the asset's useful life, and to the union commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Office Equipment – Diminishing value basis	7.5 – 40 %
Office Equipment – Prime cost basis	10 – 25 %

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

#### (f) Investments (financial assets)

##### Available-for-sale financial assets

All investments are classified as available-for-sale financial assets. Available-for-sale financial assets are reflected at fair value unless their fair value cannot be reliably measured. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

##### Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

##### Recognition

Financial assets are initially measured at cost of trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

#### (g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

The accompanying notes form part of these financial statements.

## United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

### Notes to the Financial Statements For the year ended 30 June 2011

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**(h) Employee benefits**

Provision is made for the union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits. A probability of the future payout was determined.

**(i) Provisions**

Provisions are recognised when the union has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

**(j) Income Taxes**

No provision for income tax has been raised as the Union is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

**(k) Revenue**

Revenue from membership dues is accounted for on a cash receipts basis.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the reporting date and where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of goods and services tax (GST).

**(l) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit and loss the period in which they are incurred.

The accompanying notes form part of these financial statements.



**United Firefighters Union of Australia - Aviation Branch**

**ABN 96 533 521 914**

**Notes to the Financial Statements**

**For the year ended 30 June 2011**

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

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**Note 2: Notice Required Under The Fair Work (Registered Organisation) Act 2009**

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

United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

Notes to the Financial Statements

For the year ended 30 June 2011

2011  
\$

2010  
\$

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**Note 3: Revenue and Other Income**

**Revenue:**

Interest revenue	18,764	10,678
Membership Fees	396,044	349,186
Reimbursements	5,886	3,413
	<u>420,694</u>	<u>363,277</u>

**Note 4: Surplus from Ordinary Activities**

Surplus from ordinary activities has been determined after:

**Charging as an Expense:**

Change in Inventories	(1,679)	2,160
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*Depreciation of non-current assets:*

- Property, Plant & Equipment	1,617	1,477
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**Leasing Charges**

Novated Lease	9,583	9,583
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The accompanying notes form part of these financial statements.

# United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

Notes to the Financial Statements

For the year ended 30 June 2011

	2011 \$	2010 \$
<b>Note 5: Cash assets</b>		
<b>Cash and Cash Equivalents:</b>		
Cash At Bank - Conference Account	84,604	63,620
Cash at Bank - Staff Account	76,873	69,025
Cash at Bank - Bendigo Bank	40,884	63,776
Cash at Bank - Members Equity	40,233	38,203
Cash at Bank - RegionalOne Credit Union	26,419	378
Cash at Bank - Credit Union Australia	189	209
Petty Cash Imprest	20	20
<b>Financial Assets:</b>		
Term Deposit - Bendigo Bank	73,886	68,628
Term Deposit - Credit Union Australia	60,312	57,522
Term Deposit - RegionalOne Credit Union		23,989
	<u>403,420</u>	<u>385,370</u>

## Note 6: Inventories

### Current

Stock on Hand	5,085	3,406
	<u>5,085</u>	<u>3,406</u>

## Note 7: Financial Assets

### Non-Current

Shares in other companies - at cost:		
Regional One Credit Union	10	10
	<u>10</u>	<u>10</u>

The accompanying notes form part of these financial statements.

**United Firefighters Union of Australia - Aviation Branch**

ABN 96 533 521 914

Notes to the Financial Statements

For the year ended 30 June 2011

	2011 \$	2010 \$
<b>Note 8: Property, Plant and Equipment</b>		
Office Furniture and Equipment:		
- At cost	28,931	19,259
- Less: Accumulated Depreciation	<u>(18,450)</u>	<u>(16,833)</u>
	<u><b>10,481</b></u>	<u><b>2,426</b></u>

**Movements in Carrying Amounts**

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

	<b>Plant &amp; Equipment</b> \$	<b>Total</b> \$
Balance at 1 July 2009	3,903	3,903
Depreciation Expense	<u>(1,477)</u>	<u>(1,477)</u>
Balance at 30 June 2010	<u>2,426</u>	2,426
Additions	9,672	9,672
Depreciation Expense	<u>(1,617)</u>	<u>(1,617)</u>
Carrying amount at 30 June 2011	<u><b>10,481</b></u>	<u><b>10,481</b></u>

**Note 9: Trade and Other Payables**

**Current**

Unsecured Liabilities		
Trade and other payables	<u>14,143</u>	<u>5,051</u>
	<u><b>14,143</b></u>	<u><b>5,051</b></u>

The accompanying notes form part of these financial statements.

**United Firefighters Union of Australia - Aviation Branch**  
**ABN 96 533 521 914**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2011**

	2011 \$	2010 \$	
<hr/>			
<b>Note 10: Provisions</b>			
	<b>Current Employee Benefits \$</b>	<b>Long-term Employee Benefits \$</b>	<b>Total \$</b>
Opening balance at 1 July 2010	67,276	45,852	113,128
Additional Provisions raised during the year	29,333	8,605	37,938
	<u>96,609</u>	<u>54,457</u>	<u>151,066</u>
Less Provisions no longer due or paid	11,228	25,263	36,491
Balance as at 30 June 2011	<u>85,381</u>	<u>29,194</u>	<u>114,575</u>
<b>Analysis of Total Provisions</b>			
Current	114,575	67,276	
Non-current	-	45,852	
	<u>114,575</u>	<u>113,128</u>	

There were 3 employees at the end of the year.

**Provision for Long-Term Employee Benefits**

A provision has been recognised for employee benefits relating to long service leave for employees. The measurement and recognition criteria for employee benefits has been included in Note 1.

**Note 11: Retained Earnings**

Retained earnings at the beginning of the financial year	273,035	255,177	
Net profit (Net loss) attributable to the union	17,243	17,858	
Retained earnings at the end of the financial year	<u>290,278</u>	<u>273,035</u>	

The accompanying notes form part of these financial statements.

# United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

Notes to the Financial Statements

For the year ended 30 June 2011

2011  
\$

2010  
\$

## Note 12: Capital and Leasing Commitments

### Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

Payable – minimum lease payments

Not later than 12 months	13,636	12,989
Between 12 months and five years	-	13,636
	<u>13,636</u>	<u>26,625</u>

The union has a lease on the building at 86a O'Shanassy Street, Sunbury that expired on 30 June 2010 and was renewed for a further two (2) years to 30 June 2012. The union also pays a novated lease for a motor vehicle as part of a salary sacrifice arrangement with Michael Farrell.

*All figures include GST.*

## Note 13: Auditors' Remuneration

Remuneration of the auditor of the company for:

Auditing or reviewing the financial report	<u>5,446</u>	<u>5,075</u>
	<u>5,446</u>	<u>5,075</u>

## Note 14: Key Management Personnel

### Remuneration of the Committee Member

#### Short-term employee benefits

Total Salary & Wages	<u>90,797</u>	<u>83,587</u>
	<u>90,797</u>	<u>83,587</u>

The accompanying notes form part of these financial statements.

**United Firefighters Union of Australia - Aviation Branch**  
**ABN 96 533 521 914**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2011**

2011                      2010  
 \$                              \$

**Note 15: Financial Risk Management**

The union's financial assets comprise cash and cash equivalents and held-to-maturity investments. In addition the association has various financial liabilities including amounts payable to trade and other creditors.

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

**Financial Assets**

Cash and cash equivalents	269,221	235,231
Short term deposits	134,198	150,140
Investments	10	10
<b>Total Financial Assets</b>	<b>403,429</b>	<b>385,381</b>

**Financial Liabilities**

Trade and other payables	14,142	5,051
<b>Total Financial Liabilities</b>	<b>14,142</b>	<b>5,051</b>

**Financial Risk Management Policies**

The committee's overall risk management strategy seeks to assist the union in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the committee on a regular basis. These include the credit risk policies and future cash flow requirements.

The association does not have any derivative instruments at 30 June 2011.

**United Firefighters Union of Australia - Aviation Branch**

ABN 96 533 521 914

Notes to the Financial Statements

For the year ended 30 June 2011

2011  
\$

2010  
\$

**Specific Financial Risk Exposures and Management**

**Interest Rate Risk**

Interest rate risk refers to the risk that the value of financial instruments or cash flows associated with instruments will fluctuate due to changes in market interest rates. The union is exposed to interest rate fluctuations on its cash at bank. Interest rate risk is managed by continually reviewing the cash balances and transferring excess funds to term deposit accounts that earn a better rate of return.

	<b>Weighted Average Effective Interest Rate</b>	<b>2011</b>	<b>Weighted Average Effective Interest Rate</b>	<b>2010</b>
	%	\$	%	\$
<b>Floating Rate instruments</b>				
Cash and cash equivalents	3.98	269,202	1.40	235,211
<b>Total floating rate financial assets</b>		<u><b>269,202</b></u>		<u><b>235,211</b></u>
<b>Fixed Rate Instruments</b>				
Short term deposits	6.00	134,198	4.10	150,140
<b>Total fixed rate financial assets</b>		<u><b>134,198</b></u>		<u><b>150,140</b></u>

**Liquidity Risk**

Liquidity risk arises from the possibility that the union might encounter difficulty in settling its debts related to financial liabilities. The union manages this risk by monitoring the operational, investing & financing activities of the union.

The following table shows the expected maturities of cash inflows and outflows from financial assets and trade and other payables.

The accompanying notes form part of these financial statements.



**United Firefighters Union of Australia - Aviation Branch**

ABN 96 533 521 914

Notes to the Financial Statements

For the year ended 30 June 2011

<u>2011</u>	Floating Interest at Call	Fixed Interest Within 1 year	Rate Maturing Greater than 1 year	Non Interest Bearing	Total
	\$	\$	\$	\$	\$
<b>Financial assets – cash flows realisable</b>					
Cash and cash equivalents	269,202	-	-	20	269,222
Short term deposits	-	134,198	-	-	134,198
Investments	-	-	-	10	10
<b>Total anticipated inflows</b>	<b>269,202</b>	<b>134,198</b>	<b>-</b>	<b>30</b>	<b>403,430</b>
<b>Financial liabilities due for payment</b>					
Trade and other payables	-	-	-	14,142	14,142
<b>Total expected outflows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,142</b>	<b>14,142</b>
Net (outflow)/inflow on financial Instruments	269,202	134,198	-	(14,112)	389,288

The accompanying notes form part of these financial statements.

**United Firefighters Union of Australia - Aviation Branch**  
**ABN 96 533 521 914**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2011**

<u>2010</u>	Floating Interest at Call	Fixed Interest Within 1 year	Rate Maturing Greater than 1 year	Non Interest Bearing	Total
	\$	\$	\$	\$	\$
<b>Financial assets – cash flows realisable</b>					
Cash and cash equivalents	235,211	-	-	20	235,231
Short term deposits	-	150,140	-	-	150,140
Investments	-	-	-	10	10.00
<b>Total anticipated inflows</b>	<b>235,211</b>	<b>150,140</b>	<b>-</b>	<b>30</b>	<b>385,381</b>
<b>Financial liabilities due for payment</b>					
Trade and other payables	-	-	-	5,051	5,051
<b>Total expected outflows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,051</b>	<b>5,051</b>
Net (outflow)/inflow on financial Instruments	235,211	150,140	-	(5,021)	380,330

The accompanying notes form part of these financial statements.

# United Firefighters Union of Australia - Aviation Branch

ABN 96 533 521 914

## Notes to the Financial Statements

For the year ended 30 June 2011

### Net Fair Values

The fair value of financial assets and liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

	2011		2010	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
	\$	\$	\$	\$
<b>Financial Assets</b>				
Cash and cash equivalents	269,241	269,241	235,231	235,231
Short term deposits	134,198	134,198	150,140	150,140
Investments	10	10	10	10
<b>Total Financial Assets</b>	<b>403,449</b>	<b>403,449</b>	<b>385,381</b>	<b>385,381</b>
<b>Financial Liabilities</b>				
Trade and other payables	14,142	14,142	5,051	5,051
<b>Total Financial Liabilities</b>	<b>14,142</b>	<b>14,142</b>	<b>5,051</b>	<b>5,051</b>

The accompanying notes form part of these financial statements.

**United Firefighters Union of Australia - Aviation Branch**

ABN 96 533 521 914

**Notes to the Financial Statements**

For the year ended 30 June 2011

	2011 \$	2010 \$
<b>Note 16. Reconciliation Of Cash</b>		
For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.		
Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash At Bank - Conference Account	84,604	63,620
Cash at Bank - Staff Account	76,873	69,025
Cash at Bank - Bendigo Bank	40,884	63,776
Cash at Bank - Members Equity	40,233	38,203
Cash at Bank - RegionalOne Credit Union	26,419	378
Cash at Bank - Credit Union Australia	189	209
Petty Cash Imprest	20	20
Term Deposit - Bendigo Bank	73,886	68,628
Term Deposit - Credit Union Australia	60,312	57,522
Term Deposit - RegionalOne Credit Union		23,989
	<u>403,420</u>	<u>385,370</u>

**Note 17. Reconciliation Of Net Cash Provided By/Used In Operating**

**Activities To Net Profit**

Operating profit (loss) after tax	17,243	17,859
Depreciation	1,617	1,477
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in finished goods	(1,679)	(2,411)
Increase (decrease) in other creditors	8,587	1,238
Increase (decrease) in sundry provisions	1,954	30,814
<b>Net cash provided by operating activities</b>	<u>27,722</u>	<u>48,976</u>

The accompanying notes form part of these financial statements.

**United Firefighters Union of Australia - Aviation Branch**  
**ABN 96 533 521 914**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2011**

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**Note 18: Events After The Balance Sheet Date**

There have not been any material events between the balance sheet date and the date of signing of the operating report.

**Note 19: Related Party Transactions**

There have been no related party transactions made throughout the year.

**Note 20: Union Details**

**(a) Registered office**

The registered office of the company is:

United Firefighters' Union of Australia - Aviation Branch  
86A O'Shanassy Street  
Sunbury 3429  
Victoria

**(b) Principal place of business**

The principal place of business is:

86A O'Shanassy Street  
Sunbury 3429  
Victoria

The accompanying notes form part of these financial statements.