

**UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2010**

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

CONTENTS

Committee Report	1
Income Statement	3
Detailed Income and Expenditure Statement	4
Balance Sheet	6
Statement of Changes in Equity	7
Cash Flow Statement	8
Notes to the Financial Statements	9
Compilation Report	24

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

OPERATING REPORT

Your committee members submit the financial report of the United Firefighters Union of Australia - Aviation Branch for the financial Year ended 30 June 2010.

Committee Members

The names of committee members throughout the Year and at the date of this report are:

Andrew Stenhouse
Michael Farrell
John Hancox
Jon Vaughan
Christos Sachlikidis
David Arnott
Michael Scanlon
Mark Suridge
Simon Osborn
Andrew Gannon
Alan Lerpiniere

Principal Activities

The principal activities of the United Firefighters Union of Australia - Aviation Branch during the financial Year was a Union.

Significant Changes

No significant change in the nature of the financial affairs of United Firefighters Union of Australia - Aviation Branch occurred during the Year.

Operating Result

The profit from ordinary activities after providing for income tax amounted to \$17,858.

Superannuation Trustees

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

Resignation From Membership

A member of the Union may resign membership under section 174 of the Fair work (Registered organisations) Act 2009 and under Rule 8 of the Union's Rules.

Membership

The number of members in the Union as at 30 June 2010 was 656.

Recovery of Wages Activity

The committee declares that there was no recovery of wages activity for the financial year.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

OPERATING REPORT

Employees

The number of employees in the Union as at 30 June 2010 was 2.

Committee Member: _____
ANDREW STENHOUSE

Committee Member: _____
MICHAEL FARRELL

Dated this 9th day of August 2010

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
Revenue	2	363,276.62	325,755.46
Changes in inventories of finished goods and work in progress		2,411.00	(348.86)
Raw materials and consumables used		(4,570.86)	(1,374.00)
Auditor's remuneration	3	(5,075.00)	(4,504.50)
Depreciation and amortisation expenses		(1,477.05)	(2,295.19)
Employee benefits expenses		(200,572.15)	(188,278.77)
Lease expenses		(9,583.44)	(9,583.44)
Other expenses		(126,551.00)	(146,719.80)
Profit (Loss) before income tax	4	17,858.12	(27,349.10)
Retained earnings at the beginning of the financial year		255,176.65	282,525.75
Profit attributable to the association		<u>273,034.77</u>	<u>255,176.65</u>

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
<hr/>		
REVENUE		
Reimbursable Expenses	1,364.92	2,988.18
Membership Fees & Dues	349,186.09	302,808.91
	<hr/>	<hr/>
	350,551.01	305,797.09
OTHER REVENUE		
Interest Received	10,678.13	19,416.56
Sundry Income	91.91	22.73
Gross loss from trading	(204.29)	(1,203.78)
	<hr/>	<hr/>
	10,565.75	18,235.51
	<hr/>	<hr/>
	361,116.76	324,032.60
	<hr/>	<hr/>

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$	2009 \$
EXPENDITURE		
Affiliation Fees - UFU	15,631.07	13,830.72
Affiliation Fees - ACTU	1,856.66	1,643.08
Affiliation Fees - CISFMA	-	80.00
Affiliation Fees - Union Shopper	456.75	434.87
YRAW Levy	-	2,740.00
Auditor's Remuneration	5,075.00	4,504.50
Bank Charges	2,906.32	2,715.26
Computer Software	520.41	1,207.68
Depreciation	1,477.05	2,295.19
Donations	2,000.00	-
Fringe Benefits Tax	208.67	277.65
Honorariums	11,000.00	11,000.00
Holiday Pay Provision	19,733.78	12,168.62
Insurance - Workcover	2,526.26	4,296.45
Insurance	2,251.60	2,480.52
Leasing Charges	9,583.44	9,583.44
Legal Costs	8,150.79	12,952.06
Light & Power	1,688.73	1,161.63
Long Service Leave	9,687.78	36,163.89
Postage	1,026.06	814.33
Printing & Stationery	2,021.15	1,512.96
Rates & Taxes	1,330.89	1,251.61
Reference Materials	2,072.49	205.85
Rent	11,784.17	10,754.64
Repairs & Maintenance	1,259.72	48.05
Staff & Office Amenities	1,226.07	1,040.44
Subscriptions & Memberships	698.96	2,092.82
Sundry Expenses	339.23	375.77
Superannuation Contributions	39,995.52	30,180.82
Telephone	11,591.30	16,555.36
Travelling Expenses	-	8.18
Travelling Expenses - Attendance & Meeting Costs	42,125.25	54,990.27
Travelling Expenses - Other Courses & Seminars	3,609.43	2,753.98
Travelling Expenses - Other	(1,081.25)	-
Union Fees	576.34	536.06
Wages - Office Holders	83,587.00	65,636.88
Wages - Employees	46,342.00	43,088.12
	<u>343,258.64</u>	<u>351,381.70</u>
Profit (Loss) from ordinary activities before income tax	17,858.12	(27,349.10)
Retained profits at the beginning of the financial year	<u>255,176.65</u>	<u>282,525.75</u>
Retained profits at the end of the financial year	<u><u>273,034.77</u></u>	<u><u>255,176.65</u></u>

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

BALANCE SHEET
AS AT 30 JUNE 2010

	Note	2010 \$	2009 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	235,231.03	192,339.29
Financial assets	6	150,139.53	144,054.70
Inventories	7	3,406.50	995.50
TOTAL CURRENT ASSETS		<u>388,777.06</u>	<u>337,389.49</u>
NON-CURRENT ASSETS			
Financial assets	6	10.00	10.00
Property, plant and equipment	8	2,426.00	3,903.05
TOTAL NON-CURRENT ASSETS		<u>2,436.00</u>	<u>3,913.05</u>
TOTAL ASSETS		<u>391,213.06</u>	<u>341,302.54</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	5,050.66	2,419.82
Provisions	10	67,275.96	47,542.18
TOTAL CURRENT LIABILITIES		<u>72,326.62</u>	<u>49,962.00</u>
NON-CURRENT LIABILITIES			
Provisions	10	45,851.67	36,163.89
TOTAL NON-CURRENT LIABILITIES		<u>45,851.67</u>	<u>36,163.89</u>
TOTAL LIABILITIES		<u>118,178.29</u>	<u>86,125.89</u>
NET ASSETS		<u>273,034.77</u>	<u>255,176.65</u>
EQUITY			
Retained earnings	11	273,034.77	255,176.65
TOTAL EQUITY		<u>273,034.77</u>	<u>255,176.65</u>

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

STATEMENT OF RECOGNISED INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2010

	Note	Retained Earnings \$	Total \$
Balance at 1 July 2008		282,526	282,526
Profit attributable to equity shareholders		<u>(27,349)</u>	<u>(27,349)</u>
Balance at 30 June 2009		255,177	255,177
Profit attributable to equity shareholders		<u>17,858</u>	<u>17,858</u>
Balance at 30 June 2010		<u><u>273,035</u></u>	<u><u>273,035</u></u>

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Gross Receipts	387,745.49	337,050.90
Interest Received	10,678.13	19,416.56
Payments to Suppliers & Employees	(349,152.05)	(337,204.36)
Net cash provided by operating activities	<u>49,271.57</u>	<u>19,263.10</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	-	(344.50)
Payments for investments	(6,084.83)	(9,849.89)
Other current liabilities paid	(295.00)	-
Receipts held in trust	-	295.00
Net cash used in investing activities	<u>(6,379.83)</u>	<u>(9,899.39)</u>
Net increase in cash held	42,891.74	9,363.71
Cash at beginning of financial year	<u>192,339.29</u>	<u>182,975.58</u>
Cash at end of financial year	<u><u>235,231.03</u></u>	<u><u>192,339.29</u></u>

The accompanying notes form part of these financial statements.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

1 Statement of Significant Accounting Policies

This financial report covers United Firefighters Union of Australia - Aviation Branch as an individual entity. United Firefighters Union of Australia - Aviation Branch is a Union registered under the Commonwealth Industrial Relations Act 1988.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Fair Work (Registered Organisations) Act 2009.

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.

Accounting Policies

Inventories

Inventories are measured at the lower of cost and net realisable value.

Property, Plant and Equipment

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

Plant and Equipment

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

The carrying amount of plant and equipment is reviewed annually by the union to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated on a straight line or diminishing value basis over their estimated useful lives to the union commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. 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 asset are:

Class of Fixed Asset	Depreciation Rate
	7.5%-40%
Office Furniture & Equipment	Diminishing and 10%-25% Prime Cost

The useful life for each class of depreciable asset are:

Class of Fixed Asset	Useful Life
Office Furniture & Equipment	4-10 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation relating to that assets are transferred to retained earnings.

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the association, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the lease rental expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement

(i) Financial assets at fair value through profit and loss

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

(ii) 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 subsequently measured at amortised cost using the effective interest rate method.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Fair value

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

Impairment

At each reporting date, the union 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.

Impairment of Assets

At each reporting date, the entity reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Fair Value

Fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Financial Assets

Financial assets are initially recognised on the cost basis, including acquisition charges associated with the financial asset. The carrying amounts of financial assets are reviewed annually by the Committee. The expected net cash flows from financial assets have not been discounted to their present value in determining the recoverable amounts, unless otherwise stated.

Held-to-Maturity Investments

A financial asset is classified as a "Held-to-Maturity Investment" if it is a non-derivative financial asset that has a fixed original maturity date of greater than three months, fixed or determinable payments and the Association has a positive intention and ability to hold the investment to maturity. The intention to hold the investment is determined when the financial asset is first purchased and is then re-assessed at the end of each financial year.

Employee Benefits

Employee benefits expense comprise wages and salaries, annual and long service leave, contract wages and agency fees, staff training and welfare and superannuation expense. Provisions for employee benefits including annual leave and long service leave payable within 12 months from the reporting date are based on current wage and salary levels and periods of service. The amount of these provisions would change should wage and salary levels change in the next 12 months.

The amount charged to the income statement in respect of superannuation represents the contributions made by the association to superannuation funds during the financial year.

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.

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 borrowings in current liabilities on the balance sheet.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

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 Australian 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 Statement of Financial Position 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.

Comparative Figures

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

Critical Accounting Estimates and Judgments

The committee members evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the union.

Key estimates - Significant accounting estimates and assumptions

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Key estimates - Provision for employee benefits

Provisions for employee benefits payable under 12 months from the reporting date are based on current wage and salary levels and periods of service. The amount of these provisions would change should these factors change in the next 12 months.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

The financial report was authorised for issue on 9 August 2010.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
2 Revenue		
Operating activities		
Membership Fees	349,186.09	302,808.91
Reimbursements	1,364.92	2,988.18
Sale of goods	1,955.57	519.08
Interest	10,678.13	19,416.56
Other revenue	91.91	22.73
	<u>363,276.62</u>	<u>325,755.46</u>
3 Auditor's Remuneration		
Auditor's Remuneration		
Accounting Standards	3,045.00	2,325.00
Accounting Advice	2,030.00	2,179.50
	<u>5,075.00</u>	<u>4,504.50</u>
4 Profit		
Expenses		
Cost of sales	2,159.86	1,722.86
Depreciation of property, plant and equipment	1,477.05	2,295.19
Leasing Charges		
Novated Lease	9,583.44	9,583.44
	<u>9,583.44</u>	<u>9,583.44</u>
5 Cash and Cash Equivalents		
Current		
Petty Cash Imprest	19.60	38.95
Cash at Bank - Credit Union Australia	208.96	29.30
Cash at Bank - Conference Account	63,620.42	64,318.43
Cash at Bank - Staff Account	69,025.14	66,345.24
Cash at Bank - Bendigo Bank	63,775.89	24,638.50
Cash at Bank - Members Equity	38,202.65	36,591.84
Cash at Bank - RegionalOne Credit Union	378.37	377.03
	<u>235,231.03</u>	<u>192,339.29</u>

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash and Cash Equivalents	235,231.03	192,339.29
Bank overdraft per Financial Liabilities	-	-
Cash at end of Financial Year	<u>235,231.03</u>	<u>192,339.29</u>
6 Financial Assets		
Current		
Term Deposit - Bendigo Bank	68,628.22	67,427.00
Term Deposit - Credit Union Australia	57,522.11	53,434.38
Term Deposit - RegionalOne Credit Union	23,989.20	23,193.32
	<u>150,139.53</u>	<u>144,054.70</u>
Non-Current		
Shares in Unlisted Companies	<u>10.00</u>	<u>10.00</u>
These shares are held in the Regional One Credit Union.		
7 Inventories		
Current		
At cost:		
Stock	<u>3,406.50</u>	<u>995.50</u>
8 Property, Plant and Equipment		
Office Furniture & Equipment - at Cost	19,259.24	19,259.24
Less: Accumulated Depreciation	<u>(16,833.24)</u>	<u>(15,356.19)</u>
	2,426.00	3,903.05
Total Plant and Equipment	<u>2,426.00</u>	<u>3,903.05</u>
Total Property, Plant and Equipment	<u>2,426.00</u>	<u>3,903.05</u>

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009			
	\$	\$			
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.					
	Freehold Land	Buildings	Plant and Equipment	Leased Plant and Equipment	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2008	-	-	5,853.74	-	5,853.74
Additions	-	-	344.50	-	344.50
Depreciation expense	-	-	(2,295.19)	-	(2,295.19)
Balance at 30 June 2009	-	-	3,903.05	-	3,903.05
Depreciation expense	-	-	(1,477.05)	-	(1,477.05)
Carrying amount at 30 June 2010	-	-	2,426.00	-	2,426.00

9 Trade and Other Payables

Current

Other Creditors	3,148.00	1,615.00
Trust Funds Held	-	295.00
GST Clearing	1,902.66	509.82
	5,050.66	2,419.82

10 Provisions

	Current Employee Benefits	Long-term Employee Benefits	Total
	\$	\$	\$
Opening balance at 1 July 2009	47,542.18	36,163.89	83,706.07
Additional Provisions raised during the year	19,733.78	9,687.78	29,421.56
Balance at 30 June 2010	67,275.96	45,851.67	113,127.63

Analysis of Total Provisions

Current	67,275.96	47,542.18
Non-current	45,851.67	36,163.89
	113,127.63	83,706.07

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.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
11 Retained Earnings		
Retained earnings at the beginning of the financial year	255,176.65	282,525.75
Net profit (Net loss) attributable to the association	<u>17,858.12</u>	<u>(27,349.10)</u>
Retained earnings at the end of the financial year	<u><u>273,034.77</u></u>	<u><u>255,176.65</u></u>
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	12,988.80	20,827.44
Between 12 months and five years	<u>13,635.60</u>	<u>-</u>
	<u><u>26,624.40</u></u>	<u><u>20,827.44</u></u>
<p>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) year 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.</p>		
13 Key Management Personnel		
Remuneration of Committee Member		
Short-term employee benefits		
Total Salary & Wages	83,587.00	65,636.88
Total compensation	<u><u>83,587.00</u></u>	<u><u>65,636.88</u></u>

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	\$	\$
<hr/>		
14 Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Profit (Loss) after income tax	17,858.12	(27,349.10)
Non-cash flows in profit:		
Provision for Annual Leave	19,733.78	12,168.62
Provision for Long Service Leave	9,687.78	36,163.89
Depreciation	1,477.05	2,295.19
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
Decrease/(Increase) in Inventories	(2,411.00)	348.86
Increase/(Decrease) in GST Control	1,392.84	(745.18)
Increase/(Decrease) in Creditors	1,533.00	(3,619.18)
	49,271.57	19,263.10

15 Financial Risk Management

Financial Risk Management Policies

The association's financial instruments consists primarily of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries, bills and leases.

The committee members 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 included the credit risk policies and future cash flow requirements.

The union does not have any derivative instruments at 30 June 2010.

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$	2009 \$
i) Financial Risk exposures and Management		
<p>The main risks the association is exposed to through its financial instruments are interest rate risk, liquidity risk and .</p> <p>Interest rate risk</p> <p>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.</p> <p>Liquidity risk</p> <p>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.</p>		

Financial Instrument Composition and Maturity Analysis

The table below reflects the contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

2010	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate Maturing		Non Interest Bearing	Total
	%	\$	Within 1 Year	1 to 5 Years	\$	\$
Financial Assets						
Cash and cash equivalents	1.4	235,211	-	-	20	235,231
Short term deposits	4.1	-	150,140	-	-	150,140
Investments	-	-	-	-	10	10
Total Financial Assets		235,211	150,140	-	30	385,381
Financial Liabilities						
Trade and other payables	-	-	-	-	(5,051)	(5,051)
Total Financial Liabilities		-	-	-	(5,051)	(5,051)

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

		2010			2009	
		\$			\$	
2009	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate Maturing		Non Interest Bearing	Total
	%	\$	Within 1 Year	1 to 5 Years	\$	\$
Financial Assets						
Cash and cash equivalents	3.3	192,300	-	-	39	192,339
Short term deposits	5.0	-	144,055	-	-	144,055
Investments	-	-	-	-	10	10
Total Financial Assets		192,300	144,055	-	49	336,404
Financial Liabilities						
Trade and other payables	-	-	-	-	(2,420)	(2,420)
Total Financial Liabilities		-	-	-	(2,420)	(2,420)

Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date and adjusted for transaction costs expected to be incurred. For other assets and other liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the association intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date:

	2010		2009	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	235,231	235,231	192,339	192,339
Short term deposits	150,140	150,140	144,055	144,055
Investments	10	10	10	10
Total Financial Assets	385,381	385,381	336,404	336,404
Financial Liabilities				
Trade and other payables	(5,051)	(5,051)	(2,420)	(2,420)
Total Financial Liabilities	(5,051)	(5,051)	(2,420)	(2,420)

16 Change in Accounting Policy

UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

2010
\$

2009
\$

17 Union Details

The principal place of business of the union is:

86a O'Shanassy Street
Sunbury Vic 3429

**COMPILATION REPORT
TO UNITED FIREFIGHTERS UNION OF AUSTRALIA - AVIATION BRANCH
A.B.N. 96 533 521 914**

Scope

On the basis of information provided by the Committee of Management of United Firefighters Union of Australia - Aviation Branch, I have compiled, in accordance with APS 9: Statement on Compilation of Financial Reports the general purpose financial report of United Firefighters Union of Australia - Aviation Branch for the year ended 30 June 2010.

The specific purpose for which the general purpose financial report has been prepared is to provide financial information to the Committee of Management. Australian Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the general purpose financial report.

The Committee of Management is solely responsible for the information contained in the general purpose financial report and has determined that the accounting policies used are consistent with the financial reporting requirements of the Association's Constitution and are appropriate to meet the needs of the Committee of Management for the purposes of complying with the Association's Constitution.

My procedures use accounting expertise to collect, classify and summarise the financial information, which the Committee of Management provided into a financial report. My procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, I do not accept liability for any loss or damage which any person, other than the Association, may suffer arising from any negligence on my part. No person should rely on the general purpose financial report without having an audit or review conducted.

The general purpose financial report was prepared exclusively for the benefit of the Association and the purpose identified above. I do not accept responsibility to any other person for the contents of the general purpose financial report.

Name of Firm: Baguley & Associates Pty Ltd
Certified Practising Accountants

Name of Principal: _____
Barry Martin Baguley

Address: Suite 10 33 Macedon Street Sunbury 3429

Dated this 19th day of August 2010