

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES
(FORMERLY NEW SOUTH WALES FIRE BRIGADE EMPLOYEES' UNION)
FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

COMMITTEE OF MANAGEMENT'S CERTIFICATE

We **JIM CASEY**, and **DARIN SULLIVAN**, being two members of the Committee of Management of the Fire Brigade Employees' Union of New South Wales, do state on behalf of the Committee, and in accordance with a resolution passed by the Committee that:

- (i) In the opinion of the Committee of Management, the attached accounts show a true and fair view of the financial affairs of the Union as at 30 June 2014.
- (ii) In the opinion of the Committee of Management, meetings of the Committee were held during the year ended 30 June 2014 in accordance with the rules of the Union.
- (iii) To the knowledge of any member of the Committee of Management during the financial year ended 30 June 2014 there have been no instances where records of the Union or other documents (not being documents containing information made available to a member of the Union under Section 512(2) of the Industrial Relations Act, 1991 as applied by sub-section 282(3) of the Industrial Relations Act, 1996), or copies of these records or documents, or copies of the rules of the Union, have not been furnished, or made available to members in accordance with the requirements of the Industrial Relations Act, 1996, the Regulations thereto, or the rules of the Union.
- (iv) The Union has complied with Sub-Sections 517(1) and (5) of the Industrial Relations Act, 1991 in relation to the financial accounts in respect of the year ended 30 June 2014 and the Auditors' Report thereon.



JIM CASEY
State Secretary



DARIN SULLIVAN
President

20 November 2014

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

ACCOUNTING OFFICER'S CERTIFICATE

I, **JIM CASEY**, being the Officer responsible for keeping the accounting records of the Fire Brigade Employees' Union of New South Wales, certify that as at 30 June 2014, the number of members of the Union was 6,208.

In my opinion:

- (i) The attached financial report shows a true and fair view of the financial affairs of the Union as at 30 June 2014.
- (ii) A record has been kept of all moneys paid by, or collected from, members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the Union.
- (iii) Approval for expenditure incurred by the Union was obtained in accordance with the rules of the Union.
- (iv) With regard to funds of the Union raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated.
- (v) All loans or other financial benefits granted to persons holding office in the Union were authorised in accordance with the rules of the Union.
- (vi) The register of members of the Union was maintained in accordance with the Industrial Relations Act, 1996.


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JIM CASEY
State Secretary

20 November 2014

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
INCOME			
Contributions		2,400,067	2,387,820
Interest		138,743	150,965
Sale of Union Merchandise		1,159	1,945
Sundry Income		449	399
TOTAL INCOME		<u>2,540,418</u>	<u>2,541,129</u>
EXPENDITURE			
Depreciation			
Buildings		207,682	207,682
Computer Equipment		10,932	11,165
Motor Vehicles		13,035	14,256
Office Furniture and Equipment		41,077	41,057
		<u>272,726</u>	<u>274,160</u>
Employee Benefits Expense			
Accrued Annual Leave – Increase/(Decrease) in Provision		(24,825)	78,701
Fringe Benefits Tax		1,337	2,102
Long Service Leave – (Decrease)/Increase in Provision		21,741	(76,170)
Payroll Tax		44,957	39,873
Salaries and Allowances - Officials		135,215	132,034
- Other staff		1,219,448	1,079,016
Superannuation		163,355	156,006
		<u>1,561,229</u>	<u>1,411,562</u>
Other Expenses			
Affiliation Fees		25,992	27,056
Awards, Transcripts and Publications		4,060	4,550
Bank Charges		1,063	981
Computer Expenses		6,988	5,099
Contributions Part time refunds		1,618	1,783
Donations and Presentations		7,200	6,800
General Office Expenses		6,315	4,886
Insurance		27,615	28,327
Meeting Expenses		14,553	18,322
Staff Travel & Accommodation Expenses		7,462	7,823
Member Mortality and Assistance Payments		15,000	11,000
Financial Relief Payments		(126)	53,766
Motor Vehicle Expenses		3,505	3,188
		<u>121,215</u>	<u>173,581</u>
Carried Forward			

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)

	Note	2014 \$	2013 \$
Brought Forward		121,215	173,581
Office Expenses - Orange		19,086	20,786
Office Expenses - Temora		24,014	20,578
Stamp Duty		1,132	2,073
State Committee Allowances and Expenses		111,866	120,325
Postage		4,831	6,785
Printing and Stationery		43,255	19,560
Professional Services	5	94,875	334,828
Promotional Materials		25,773	21,485
Property Expenses	6	68,515	73,063
Telephone & External Communications		19,898	25,243
Training		2,214	109
(Gain)/Loss on disposal of assets		-	(4,409)
		<u>537,723</u>	<u>814,007</u>
TOTAL EXPENDITURE		<u>2,370,628</u>	<u>2,499,729</u>
SURPLUS FOR YEAR		<u>169,790</u>	<u>41,400</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>169,790</u>	<u>41,400</u>
NET (DEFICIT)/SURPLUS FOR YEAR – GENERAL FUND		<u>169,790</u>	<u>41,400</u>

The accompanying notes form part of the financial report.

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash & Cash Equivalents			
Cash at Bank - Working Fund		197,799	118,112
Cash on Hand		<u>950</u>	<u>950</u>
		<u>198,749</u>	<u>119,062</u>
Receivables			
Accrued Interest		7,996	8,180
Prepayments		10,048	11,232
Sundry Deposits		<u>2,740</u>	<u>2,740</u>
		<u>20,784</u>	<u>22,152</u>
Investments			
Members Equity Business Direct Savings Account		985	954
Members Equity Term Deposit		<u>3,860,361</u>	<u>3,471,485</u>
		<u>3,861,346</u>	<u>3,472,439</u>
TOTAL CURRENT ASSETS		<u>4,080,879</u>	<u>3,613,653</u>
NON CURRENT ASSETS			
Property, Plant and Equipment			
Property	4(a)	3,861,600	4,069,282
Computer Equipment	4(b)	10,130	21,062
Motor Vehicles	4(c)	61,300	74,335
Office Furniture and Equipment	4(d)	<u>136,102</u>	<u>176,134</u>
		<u>4,069,132</u>	<u>4,340,813</u>
TOTAL NON CURRENT ASSETS		<u>4,069,132</u>	<u>4,340,813</u>
TOTAL ASSETS		<u>8,150,012</u>	<u>7,954,466</u>

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014 (Cont'd)**

	2014	2013
	\$	\$
LIABILITIES		
CURRENT LIABILITIES		
Payables		
Sundry Creditors	<u>133,300</u>	<u>108,560</u>
	<u>133,300</u>	<u>108,560</u>
 Employee Entitlements		
Employee Entitlements for Annual Leave	250,523	275,348
Employee Entitlements for Long Service Leave	<u>124,232</u>	<u>115,337</u>
	<u>374,755</u>	<u>390,685</u>
 TOTAL CURRENT LIABILITIES	<u>508,055</u>	<u>499,245</u>
 NON CURRENT LIABILITIES		
Employee Entitlements		
Employee Entitlements for Long Service Leave	<u>39,519</u>	<u>22,573</u>
 TOTAL NON CURRENT LIABILITIES	<u>39,519</u>	<u>22,573</u>
 TOTAL LIABILITIES	<u>547,574</u>	<u>521,818</u>
 NET ASSETS	<u>7,602,438</u>	<u>7,432,648</u>
 ACCUMULATED FUNDS	<u>7,602,438</u>	<u>7,432,648</u>

The accompanying notes form part of the financial report.

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

STATEMENT OF CHANGES IN ACCUMULATED FUNDS FOR THE YEAR ENDED 30 JUNE 2014

	General Fund \$	Award Fighting Fund \$	Total Accumulated Funds \$
Balance at 30 June 2012	7,180,535	210,713	7,391,248
Deficit for the Year	(17,434)	-	(17,434)
Transfer to Award Fighting Fund	-	112,600	112,600
Less Financial Relief Payments	<u>-</u>	<u>(53,766)</u>	<u>(53,766)</u>
Total Comprehensive Income for the Year	<u>(17,434)</u>	<u>58,834</u>	<u>41,400</u>
Balance at 30 June 2013	<u>7,163,101</u>	<u>269,547</u>	<u>7,432,648</u>
Surplus for the Year	54,390	-	54,390
Transfer to Award Fighting Fund	-	115,400	115,400
Transfer to General Fund	<u>384,947</u>	<u>(384,947)</u>	<u>-</u>
Total Comprehensive Income for the Year	<u>439,337</u>	<u>(269,547)</u>	<u>169,790</u>
Balance at 30 June 2014	<u>7,602,438</u>	<u>-</u>	<u>7,602,438</u>

The accompanying notes form part of the financial report.

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members		2,640,074	2,626,602
Payments to Suppliers and Employees		(2,310,970)	(2,483,587)
Interest Received		138,927	150,589
Other Receipts		<u>1,608</u>	<u>2,343</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	7(b)	<u>469,639</u>	<u>295,947</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from Property, Plant and Equipment		-	16,545
Payments for Property, Plant and Equipment		(1,045)	(29,556)
Payment for Investments		<u>(388,907)</u>	<u>(400,338)</u>
NET CASH (USED IN) INVESTING ACTIVITIES		<u>(389,952)</u>	<u>(413,349)</u>
NET (DECREASE) IN CASH		79,687	(117,402)
Cash at Beginning of Year		<u>119,062</u>	<u>236,464</u>
CASH AT END OF YEAR	7(a)	<u>198,749</u>	<u>119,062</u>

The accompanying notes form part of the financial report.

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014

1. SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the New South Wales Industrial Relations Act, 1996.

BASIS OF PREPARATION

The financial report is for the entity Fire Brigade Employees Union of New South Wales, as an individual entity. The Fire Brigade Employees Union of New South Wales is an organisation registered under the New South Wales Industrial Relations Act, 1996. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union is not subject to the Corporations Act 2001.

The financial report has been prepared on the basis of historical costs. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the economic entity in the preparation of the financial statements.

(a) Revenue

Contributions are accounted for on a cash receipts basis. Otherwise, the concept of accruals accounting has been adopted in the preparation of the financial statements.

(b) Income Tax

No provision for Income Tax is necessary as the Union is exempt from Income Tax under Section 50 - 15 of the Income Tax Assessment Act 1997.

(c) Property, Plant and Equipment

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

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(c) Property, Plant and Equipment (Cont'd)

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the union commencing from the time the asset is ready for use.

The depreciation rates used for each class of asset are:

Buildings	2.5% - 7.5%
Computers	25%
Office Furniture and Equipment	10% - 20%
Motor Vehicles	15%

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

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the statement of comprehensive income in the year that the item is derecognised.

(d) Impairment

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the statement of comprehensive income for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and value in use. For the purpose of assessing value in use of assets not held primarily to generate cash, this represents depreciated current replacement cost, as the Union is a not-for-profit organisation.

(e) Goods and Services Tax

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 on the statement of financial position are shown inclusive of GST.

(f) Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits 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.

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)

1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(f) Employee Benefits (Cont'd)

Other employee benefits payable later than one year have been measured by discounting future cash flows.

Contributions are made by the Union to employee superannuation funds and are charged as expenses when incurred.

(g) Investments

All investments are stated at cost.

(h) Accounting Standards Issued But Not Yet Effective

There have been no accounting standards issued which will have a financial impact on the financial report in future periods and which are not yet effective.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Industrial Relations Act, 1991, (NSW) the attention of members is drawn to the provisions of sub-sections (1) and (2) of section 512 which read as follows:

- (1) A member of an organisation, or the Industrial Registrar, may apply to the organisation for specified information prescribed by the regulations in relation to the organisation.
- (2) An organisation must, on the making of such an application, make the specified information available to the member or the Industrial Registrar in the manner, and within the time, prescribed by the regulations.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Union makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013 (Cont'd)**

3. ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

(b) Critical judgments in applying the Union's accounting principles

There are no critical judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

	2014	2013
	\$	\$
4. (a) PROPERTY		
1 to 7 BELMORE STREET		
Land - At Cost	1,113,475	1,113,475
Building - At Cost	4,183,034	4,183,034
Less Accumulated Depreciation - Building	<u>(1,434,909)</u>	<u>(1,227,227)</u>
	<u>3,861,600</u>	<u>4,069,282</u>
 (b) COMPUTER EQUIPMENT		
At Cost	125,687	125,687
Less Accumulated Depreciation	<u>(115,558)</u>	<u>(104,625)</u>
	<u>10,130</u>	<u>21,062</u>
 (c) MOTOR VEHICLES		
At Cost	86,829	86,829
Less Accumulated Depreciation	<u>(25,529)</u>	<u>(12,494)</u>
	<u>61,300</u>	<u>74,335</u>
 (d) OFFICE FURNITURE AND EQUIPMENT		
At Cost	452,543	451,498
Less Accumulated Depreciation	<u>(316,441)</u>	<u>(275,364)</u>
	<u>136,102</u>	<u>176,134</u>
 TOTAL PROPERTY PLANT AND EQUIPMENT	<u>4,069,132</u>	<u>4,340,813</u>

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)

4. PROPERTY PLANT AND EQUIPMENT (Cont'd)

MOVEMENTS IN CARRYING AMOUNTS

	Land and Buildings	Computer Equipment	Motor Vehicles	Office Furniture and Equipment	Total
Balance at 1 July 2013	4,069,282	21,062	74,335	176,134	4,340,813
Additions				1,045	1,045
Disposals					
Depreciation	<u>(207,682)</u>	<u>(10,932)</u>	<u>(13,035)</u>	<u>(41,077)</u>	<u>(272,726)</u>
Balance at 30 June 2014	<u>3,861,600</u>	<u>10,130</u>	<u>61,300</u>	<u>136,102</u>	<u>4,069,132</u>
				2014	2013
				\$	\$

5. PROFESSIONAL SERVICES

Audit Fees	17,200	16,750
Audit Fees - Other Accounting Services	-	-
Legal Fees	44,450	80,354
Consultants	<u>33,225</u>	<u>237,724</u>
	<u>94,875</u>	<u>334,828</u>

6. PROPERTY EXPENSES

Electricity and Gas	17,980	19,459
Office Cleaning Expenses	33,458	28,908
Rates - Water	1,612	1,493
- Municipal	10,691	11,064
Repairs and Maintenance	<u>4,774</u>	<u>12,139</u>
	<u>68,515</u>	<u>73,063</u>

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)**

	2014 \$	2013 \$
7. (a) CASH FLOW INFORMATION		
For the purpose of the statement of cash flows, cash includes cash on hand and at call deposits with banks and other financial institutions.		
Cash at the end of the year is shown in the statement of financial position as:		
Cash on Hand	950	950
Cash at Bank - Working Fund	<u>197,799</u>	<u>118,112</u>
	<u>198,749</u>	<u>119,062</u>
(b) Reconciliation of cash flow from operations with operating result		
Surplus	169,790	41,400
Non-Cash Flows in Net Surplus		
Depreciation	272,726	274,160
Net (Gain)/Loss on disposal of assets	-	(4,409)
Changes in Assets and Liabilities		
Increase in Employee Entitlements	1,016	2,531
(Increase) in Accrued Interest	183	(378)
Decrease/(Increase) in Prepayments	1,185	1,296
(Decrease)/Increase in Sundry Creditors	24,739	(18,653)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>469,639</u>	<u>295,947</u>

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)

8. FINANCIAL RISK MANAGEMENT

(a) General objectives, policies and processes

The union is exposed to risks that arise from its use of financial instruments. This note describes the union's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the union's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The union's financial instruments consist mainly of deposits with banks and payables. The main risks the union is exposed to through its financial instruments are interest rate risk (see section (e) below), liquidity risk and credit risk.

The committee of management has overall responsibility for the determination of the union's risk management objectives and policies and whilst retaining ultimate responsibility for them, the committee of management makes investment decisions after considering appropriate advice.

(b) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the union incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the union.

There is no concentration of credit risk with respect to current and non-current receivables.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

	2014	2013
	\$	\$
Cash at Bank Working Fund	197,799	118,112
Members Equity Business Direct Savings Account	984	954
Members Equity Term Deposit	<u>3,860,361</u>	<u>3,471,485</u>
	<u>4,059,144</u>	<u>3,590,551</u>

The cash and cash equivalents are held in high quality Australian financial institutions.

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)

8. FINANCIAL RISK MANAGEMENT (Cont'd)

(c) *Liquidity Risk*

Liquidity risk is the risk that the union may encounter difficulties raising funds to meet commitments associated with financial liabilities.

The union is not significantly exposed to this risk, as at 30 June 2014 it had \$4,062,835 (\$3,591,501 – 2013) of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 30 June 2014 totalled \$133,300 (\$108,560 – 2013).

(d) *Market Risk*

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

(e) *Interest Rate Risk*

The Union's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarised below:

30 June 2014	Floating interest rate \$	Non interest bearing \$	Total \$
Financial Assets			
Cash and Cash Equivalents	197,799	950	198,749
Investments	3,861,346	-	3,861,346
Sundry Debtors	-	2,740	2,740
	<u>4,059,145</u>	<u>3,690</u>	<u>4,062,835</u>
Weighted average interest rate	3.37%		
Financial Liabilities			
Payables	-	133,300	133,300
	<u>-</u>	<u>133,300</u>	<u>133,300</u>
Net Financial Assets/(Liabilities)	<u>4,059,145</u>	<u>(129,610)</u>	<u>3,929,535</u>

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)**

8. FINANCIAL RISK MANAGEMENT (Cont'd)

30 June 2013	Floating interest rate \$	Non interest bearing \$	Total \$
Financial Assets			
Cash and Cash Equivalents	118,112	950	119,062
Investments	3,472,439	-	3,472,439
Sundry Deposits	-	2,740	2,740
	<u>3,590,551</u>	<u>3,690</u>	<u>3,594,241</u>
Weighted average interest rate	4.16%		
Financial Liabilities			
Payables	-	108,560	108,560
	<u>-</u>	<u>108,560</u>	<u>108,560</u>
Net Financial Assets/(Liabilities)	<u>3,590,551</u>	<u>(104,870)</u>	<u>3,485,681</u>

(e) Interest Rate Risk

Sensitivity Analysis

2014	Carrying Amount \$	+1% (100 Basis Points) Profit \$	-1% (100 Basis Points) Loss \$
Cash and Cash Equivalents	4,059,145	40,591	(40,591)
2013	Carrying Amount \$	+1% (100 Basis Points) Profit \$	-1% (100 Basis Points) Loss \$
Cash and Cash Equivalents	3,590,551	35,906	(35,906)

FIRE BRIGADE EMPLOYEES' UNION OF NEW SOUTH WALES

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014 (Cont'd)

8. FINANCIAL RISK MANAGEMENT (Cont'd)

(f) Other Price Risks

The union does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

(g) Foreign Exchange Risk

The union is not directly exposed to foreign exchange rate risk.

9. SUPERANNUATION

All employees of the union are entitled to benefits from a superannuation plan on retirement, disability or death. The union participated in a defined contribution plan. The benefits provided under this plan are based on accumulated contributions and earnings for each employee. The union's liability is limited to paying the contributions to the plan.

10. RELATED PARTIES

- (a) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the statement of comprehensive income under Salaries and Allowances - Officials.
- (b) The aggregate amount paid during the financial period to a superannuation plan in respect of elected full time officers was \$23,325 (2013: \$22,446).
- (c) There have been no other transactions between officers and the union other than those relating to their membership of the union and the reimbursement by the union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

11. ADDITIONAL INFORMATION

The registered office and principal place of business of the Union is:

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Independent Auditor's Report To the Members of Fire Brigade Employees' Union of New South Wales

We have audited the accompanying financial report of Fire Brigade Employees' Union of New South Wales (the "Union"), which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Committee of Management.

Responsibility of the Committee of Management for the financial report

The Committee of Management of the Union is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Industrial Relations Act 1996. This responsibility includes such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Union's preparation 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 Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the applicable independence requirements of Accounting Professional and Ethical Standards Board and the Industrial Relations Act 1996.

Auditor's opinion

In our opinion,

- a. the financial report of Fire Brigade Employees' Union of New South Wales:
 - ii presents fairly, in all material respects, the Union's financial position as at 30 June 2014 and of its performance and cash flows for the year then ended
 - iii complies with Australian Accounting Standards and the Industrial Relations Act 1996; and
- b. they were kept by in respect of the year under review, satisfactory records detailing the source and nature of income (including income from members) and the nature and purposes of expenditure; and
- c. the attached financial report including the Certificates of the Committee of Management and the Accounting Officer is prepared in accordance with Section 510 of the Industrial Relations Act, 1991 (NSW), as applied by Section 282 (3) of the Industrial Relations Act, 1996.

Grant Thornton.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

N Sinclair

N Sinclair
Partner - Audit & Assurance
Sydney, 20 November 2014