

**RURAL FIRE BRIGADES ASSOCIATION
QUEENSLAND INC**

ABN: 37 417 474 709

SPECIAL PURPOSE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2014

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RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
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CHIEF EXECUTIVE OFFICERS REPORT

I, Justin Choveaux submit the financial report of Rural Fire Brigades Association Queensland Inc for the financial year ended 30 June 2014.

Principal Activities

The principal activities of the association during the financial year were to receive gifts from the public for the purpose of supporting Rural Fire Brigades in Queensland and to raise funds by the conduct of Art Unions.

Significant Changes

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

Operating Result

The profit after providing for income tax amounted to \$557,344.61 after a write back of the overprovision for backpay.

Refer - Notes to the Accounts.

Signed in accordance with the Constitution of the Association.

Justin Choveaux - GM/Treasurer

Dated: this thirteenth day of September 2014

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
ABN: 37 417 474 709

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Revenue		4,006,170	3,353,089
Gross profit		4,006,170	3,353,089
Other revenue		-	8,574
Distribution expenses		(111,460)	(117,712)
Marketing expenses		(86,223)	(86,262)
Occupancy expenses		(50,154)	(76,701)
Administration expenses		(2,710)	(3,010)
Finance costs		(19,656)	(18,227)
Other expenses		(3,178,621)	(3,181,917)
Profit (loss) before income tax	2	557,345	(130,741)
Income tax expense		-	-
Profit (loss) for the year		557,345	(130,741)
Profit (loss) attributable to members of the entity		557,345	(130,741)

The accompanying notes form part of these financial statements.

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
ABN: 37 417 474 709

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash & Cash Equivalents		821,818	629,979
Trade & Other Receivables	3	34,114	33,433
Inventories		-	-
Other Current Assets	4	24,401	52,276
TOTAL CURRENT ASSETS		<u>880,333</u>	<u>715,688</u>
NON-CURRENT ASSETS			
Property, Plant & Equipment	5	140,525	138,166
Borrowing Costs Sinking Fund		379	1,002
TOTAL NON-CURRENT ASSETS		<u>140,904</u>	<u>139,168</u>
TOTAL ASSETS		<u><u>1,021,237</u></u>	<u><u>854,856</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade & Other Payables		107,853	436,578
Borrowings		4,003	9,867
Accrued Expenses		53,008	93,219
Goods & Services Tax		-	409
Invoice Tax Payable		-	-
Other Provisions		73,066	64,315
Finance Agreements		14,340	23,651
TOTAL CURRENT LIABILITIES		<u>252,270</u>	<u>628,039</u>
NON-CURRENT LIABILITIES			
Finance Agreements	9	-	15,194
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>15,194</u>
TOTAL LIABILITIES		<u>252,270</u>	<u>643,233</u>
NET ASSETS		<u><u>768,967</u></u>	<u><u>211,623</u></u>
MEMBERS' FUNDS			
Retained Earnings		768,967	211,623
TOTAL MEMBERS' FUNDS		<u><u>768,967</u></u>	<u><u>211,623</u></u>

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act (Queensland). The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Income Tax

The Association is a Charitable Institution from 4 December 2012. Fringe benefits tax (FBT) will be payable from 1 April 2013 on any personal usage of cars rather than being FBT exempt up to the \$30,000 capping threshold per employee. No Fringe benefits tax was payable for the 2014 FBT year.

(b) Property, Plant and Equipment

Leasehold improvements, plant and office equipment are carried at cost less any accumulated depreciation.

Depreciation

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

(c) Inventories

There is no longer any inventory as this was liquidated at 30 June 2012. A small amount of final proceeds of the liquidation is disclosed in the 2012 comparative figures. The cost of uniforms is recognised at the time of purchase and there are some associated walkout uniform storage costs.

(d) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible 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 recognised in the income and expenditure statement.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

(e) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

The Provision for Annual Leave expense represents the change in the Annual Leave liability from the beginning to the end of the financial year. Annual Leave actually paid is included in the wages expense.

(f) Provisions

Provisions are recognised when the association 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 are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(g) Cash & Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(h) Revenue & Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

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

(i) Operating Leases

Operating leases of PPE are charged as expenses in the periods in which they are incurred.

(j) Goods & 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 Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
ABN: 37 417 474 709

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
2. REVENUE & OTHER INCOME		
Revenue:		
Donations	927,593	903,415
Raffle Proceeds	2,723,539	2,404,292
Provision for Wages Backpay (Former Employees)	344,572	-
Interest Received	9,391	12,768
Other Revenue	1,075	32,614
	4,006,170	3,353,089
3. ACCOUNTS RECEIVABLE AND OTHER DEBTORS		
CURRENT		
Sundry Debtors	1,100	1,346
Outstanding GST Refunds	33,014	32,087
Goods & Services Tax	-	-
ATO Integrated Client Account	-	-
	34,114	33,433
	34,114	33,433
4. OTHER ASSETS		
CURRENT		
Deposits Refundable (Reps)	-	1,000
Rental Bonds	5,488	5,488
Prepaid Expenses	18,912	45,788
	24,400	52,276
5. PROPERTY, PLANT AND EQUIPMENT		
Buildings	10,565	10,565
Less Accumulated Depreciation	(2,919)	(1,007)
Total land & buildings	7,646	9,558
Plant & Equipment - at cost	197,279	155,009
Less Accumulated Depreciation	(100,219)	(74,159)
	97,060	80,850

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
Motor Vehicles	70,834	70,834
Less Accumulated Depreciation	(35,015)	(23,076)
	35,819	47,758
Total Plant & Equipment	132,879	128,608
Total Property, Plant & Equipment	140,525	138,166
6. FINANCE AGREEMENTS		
Esanda - Mitsubishi Triton Dual Cab	5,321	18,092
Less Unexpier Charges	(104)	(1,031)
	5,217	17,061
Esanda - Mitsubishi Outlander	9,446	23,615
Less Unexpier Charges	(324)	(1,831)
	9,122	21,784
Total Non-Current Hire Purchase Agreements	14,339	38,845
7. LEASING COMMENTS		
(a) Finance Lease		
Finance lease expensed in the accounts in accordance with the accounting policies defined in Note 1i		
Payable - Minimum Lease Payments:	-	-
Not Later Than 12 Months	-	-
Between 12 Months & Five Years	-	-
Minimum Lease Payments	-	-

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
ABN: 37 417 474 709

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

	2014	2013
	\$	\$
(a) Operating Lease Commitments		
The property lease for 101A & 101B Mary Street, Gympie is a non-cancellable lease with a three-year term, with rent payable monthly in advance. Contingent rental provisions within the lease agreements require that the minimum lease payments shall be increased by the Consumer Price Index per annum. 3 years option exists to renew the lease at the end of the expiry date of 30 September 2015. The lease allows for subletting of all leased areas.		
Payable - Minimum Lease Payments:		-
Not Later Than 12 Months	53,254	52,006
Between 12 Months & Five Years	66,568	117,014
Minimum Lease Payments	119,822	169,020

8. RELATED PARTIES

The President has been provided with a car, a laptop, a credit card and a mobile phone. A car log book has been provided nominating 100% business usage.

9. CONTINGENT LIABILITIES

All liabilities which have arisen or which will arise out of the activities of the association to the end of the financial year have been included in the financial report. This includes estimated multiple year back pay wages and superannuation due as at 30 June 2014 of \$15,428.28 as discussed with Fair Work Australia. With respect to the short payment of wage entitlements to former staff of the Association, we understand this to be a final figure though unpaid only due to being unable to locate the former employees to whom the amount relates. We had previously been advised of the extreme difficulty in making accurate calculations - especially in circumstances where staff are no longer employed by the Association, and worked for relatively short periods of time.

Further, we understand the Association has been granted a period of one year which will expire in June 2015 to make the back payment to all eligible past employees. Given the difficulty in locating the past employees, the amount with relevant details will most likely all be forwarded to the Taxation Office in accordance with Fair Work instructions.

There were no contingent liabilities, including guarantees, at balance date which are not disclosed in the financial report or the notes thereto.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

10. COMMITMENTS

There was a contractual commitment at 30 June 2014 of \$68,711 for the purchase of Art Union prizes drawn after 30 June 2014.

11. PUBLIC FUND

The Association operates a Public Fund known as The Rural Fire Brigades Association Queensland Inc Public Fund. The purpose of the fund is to solicit and receive gifts from the public solely for the purpose of supporting the volunteer based emergency service activities of the Rural Fire Brigades in Queensland. The Association is required to maintain the Fund as a gift fund to receive and record income tax deductible gifts and contributions.

Opening Balance 1 July 2013	78,954
Deposits of gifts and charitable contributions	<u>941,315</u>
	1,020,269
Payments of various expenses including prizes	<u>727,430</u>
	<u>292,839</u>
Bank statement balance 30 June 2014	301,378
Less Outstanding Cheques	<u>8,539</u>
Public Fund Balance held 30 June 2014	<u>292,839</u>

STATEMENT BY MEMBERS OF THE COMMITTEE


The committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report as set out on pages 2 to 10:

1. Presents a true and fair view of the financial position of Rural Fire Brigades Association Queensland Inc as at 30 June 2014 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Rural Fire Brigades Association Queensland Inc will be able to pay its debts as and when they fall due.

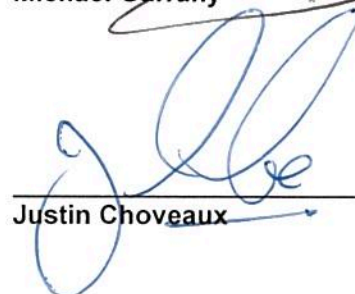
This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the committee by:

President



Michael Garrahy

GM/Treasurer



Justin Choveaux

Dated: this thirteenth day of September 2014

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC**

We have audited the accompanying financial report, being a special purpose financial report, of Rural Fire Brigades Association Queensland Inc (the association), which comprises the committee's report, the assets and liabilities statement as at 30 June 2014, the income and expenditure statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The Chief Executive Officer in accordance with the constitution of Rural Fire Brigades Association Queensland Inc is responsible for the preparation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the Association's constitution and the requirements of the QLD Associations Incorporation Act and is appropriate to meet the needs of the members. The committee's responsibility also includes such internal control as the committee determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant 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. In making those risk assessments, the auditor considers internal control relevant to the association's preparation of the financial report that gives a true and fair view, 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
ABN: 37 417 474 709

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBER OF
RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC

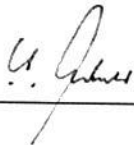
Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Rural Fire Brigades Association Queensland Inc as at 30 June 2014 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the Association's constitution and the requirements of the QLD Associations Incorporation Act .

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Rural Fire Brigades Association Queensland Inc to meet the requirements of Association's constitution and the requirements of the QLD Associations Incorporation Act .

SCHUH & COMPANY PTY LTD
58-62 MARY Street
Gympie, QLD, 4570



C.I.Schuh

Gympie

Dated: this third day of September 2014

RURAL FIRE BRIGADES ASSOCIATION QUEENSLAND INC
ABN: 37 417 474 709

CERTIFICATE BY MEMBER OF THE COMMITTEE

I, Michael Garrahy of 33 McLeans Road, Crows Nest, QLD 4355, and I, Justin Choveaux of 115 Tamaree Road, Tamaree, QLD 4570, certify that:

- a. I attended the annual general meeting of the association held on the twelfth day of September 2014.
- b. The financial statements for the year ended 30 June 2014 were submitted to the members of the association at its annual general meeting.

Dated: this thirteenth day of September 2014.

President



GM/Treasurer

