
2014 Annual Report



NAFC provides national collaboration and cooperation; developing excellence and a safe, effective and efficient aerial capability; supporting and enhancing the delivery of landscape fire management in Australia.



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2013-2014 Highlights



- A major Invitation to Tender for Aerial Firefighting Services for 2013 onwards (ITT AFS 2013+) was finalised in December 2013. The aircraft contracted through this process make up the largest and most sophisticated National Fleet to date, comprising 73 contracted aircraft providing 77 separate services.
- The National Fleet consists of: 6 High Volume Helicopters; 2 Type 1 Firebombing Helicopters, 25 Type 2 firebombing helicopters; 12 Type 3 Air Attack Supervision helicopters; 23 Type 4 Fixed Wing Firebombing Aircraft and 9 Fixed Wing specialist intelligence gathering aircraft.
- NAFC-contracted aircraft were activated on a total of 3,018 occasions, comprising 1,674 firebombing operations and 1,344 support operations such as intelligence gathering and other emergency operations.
- National Fleet aircraft made more than 36,000 firebombing drops, delivering in excess of 86 million litres of fire retardant and suppressant across the country.
- The recently revised contractual arrangements and Resource Management Agreement ensured a smooth transfer of resources between jurisdictions with several key redeployments taking place throughout the season. Of particular note was the redeployment of three Bell 412s from the ACT and NSW to Gisborne, Victoria, to assist with bushfire operations over a nine day period during February 2014.
- Under the new Funding Agreement between the Commonwealth and NAFC, the Australian Government provided \$14.4 million in support of aerial firefighting across the country. The May 2014 federal budget also contained an ongoing commitment to continue funding for aerial firefighting until at least 2017/18.
- NAFC facilitated an industry-wide workshop on the implementation of changes to flight crew licensing and provided consolidated feedback to CASA.
- NAFC facilitated a Professional Development workshop on fire and emergency aviation as part of the AFAC2013 conference in Melbourne.
- NAFC maintained its membership of key organisations including the Flight Safety Foundation and the International Association of Wildland Fire.
- NAFC General Manager, Mr Richard Alder, continued to Chair the International Fire Aviation Working Group (IFAWG) and to represent Australia on the group. Mr Alder presented on behalf of IFAWG to a United Nations forum on international co-operation in Geneva during November 2013 where IFAWG's draft Fire Aviation Guidelines were formally endorsed.
- NAFC commenced development of ARENA, a national registry of aircraft for fire and emergency aviation. The development of this database is a joint project between NAFC and its Members.
- The NAFC Board established a Research and Development Fund to encourage targeted research and development activities in fire and emergency aviation.
- The NAFC Board established a formal Research and Development Committee, to be chaired by Director, Mr Greg Nettleton.

From the Chairman

Dear Members,

It is with great pleasure that I present the eleventh Annual Report of the National Aerial Firefighting Centre (the NAFC). It has been prepared in accordance with Section 9 of the NAFC Constitution while satisfying the reporting requirements of the Corporations Act 2001 (Cth). It also satisfies, in part, the requirements of Section 9 of the Funding Agreement between the Commonwealth of Australia and NAFC.

This 2013/14 Annual Report is my first since being elected as NAFC's Chair last November upon the conclusion of the second two-year term of the outgoing Chair, Shane Fitzsimmons, Commissioner of the NSW Rural Fire Service. Our sincere thanks are extended to Mr Fitzsimmons for his hard work and commitment to NAFC and the broader aerial firefighting business over the last four years. We are pleased that he will continue as a member of the Board.



Over the last twelve months, NAFC has continued to prosper by fostering collaboration between Members, facilitating industry growth, supporting innovation, and improving efficiency in fire and emergency aviation across the country.

Increasingly extreme and protracted fire seasons have become a feature of recent years and, in many ways, 2013/14 saw a continuation of this trend. Below average rainfall and above average temperatures across most of the country heralded an earlier than normal start to the season in some jurisdictions, including New South Wales, where three serious bushfires burnt through more than 118,000 hectares during October.

Drier than normal conditions also saw operations extend well beyond the normal conclusion of the fire season in Queensland, when a bushfire on Stradbroke Island during January burnt through more than half of the island's vegetation. Also during January, heat wave conditions across much of southern and eastern Australia, coupled with dry lightning activity, sparked a number of large bushfires across that part of the country, including campaign fires in the Flinders Ranges at Bangor in South Australia and in Gippsland in Victoria. Heatwave conditions during this period also contributed to the rapid spread of a grassfire into Victoria's Hazelwood open cut coal mine which subsequently burned for more than 45 days.

To assist in meeting these operational challenges, it is pleasing to report that Members had access to the largest and most sophisticated fleet of fire and emergency aircraft ever contracted via the NAFC arrangements.

In assembling this fleet, NAFC staff worked with the NAFC Procurement Committee and expert evaluators around the country to assess tenders for more than seventy specialised aerial firefighting services including for firebombing, air attack supervision, and specialist intelligence gathering. The success of this large and complex process was largely built on extensive prior planning. This included the consolidation and refinement of contract documentation, standards and guidelines; and the establishment of an electronic tendering system which was developed over the preceding year. These initiatives provided significant advantages for Members and the broader aerial firefighting industry.

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Through this process a total of seventy-three separate aircraft were contracted to provide seventy-seven aerial firefighting services across the country during 2013/14. This increased capacity saw aircraft usage increase yet again, with National Fleet aircraft delivering some 86 million litres of suppressant and retardant. A detailed summary of the aircraft that comprise the new National Fleet can be found on page 16.

In mid-2014, NAFC commenced yet another procurement process, this time seeking Type 4 fixed-wing firebombing services and conventional fixed-wing services for air attack supervision and reconnaissance based in Victoria, Queensland, and Tasmania for the 2014/15 fire season. At the conclusion of this latest process, almost all term-contracted aircraft services employed for fire and emergency management across the country will have been contracted through the NAFC arrangements.

This is a key achievement that illustrates the extent of NAFC's development in just over a decade of operations. On behalf of the Board, I would like to take this opportunity to congratulate and thank the NAFC team and those representatives from each jurisdiction who have ensured the success of these arrangements.

In addition to the change of Chairman, several other changes to NAFC office-bearers were enacted during 2013/14. Mr Dominic Lane, Commissioner of the Australian Capital Territory Emergency Services Agency, was elected Deputy Chair; and Mr Rod Applegate, Chief Executive Officer of the Northern Territory Department of Land Resource Management, was appointed as Treasurer. Our thanks are extended to Major General (retired) Jim Molan for diligently undertaking the role of Treasurer in recent years.

The NAFC Board also appointed Mr Greg Nettleton to chair the newly established NAFC Research and Development Committee. This Committee is responsible for identifying strategic research needs for Australian fire and emergency aviation; advising the NAFC Board and Members on research and development needs and priorities; and monitoring fire and emergency related research activities in Australia. The Board also established a NAFC Fire and Emergency Aviation Research and Development Fund.

The success of the NAFC arrangements would simply not be possible without the hard work and dedication of the staff within each Member's agencies. I would like to convey the Board's gratitude for your continued support, and the ability to keep operations running efficiently. This is particularly so in light of the additional effort that was involved in the various procurement processes in 2013/14, often in the midst of significant operational challenges during the fire season.

To the ever growing group of aviation industry suppliers who work with NAFC Members to deliver an increasing range of aerial services safely and professionally, I would like to record the Board's sincere thanks. Thanks are also extended to the Australasian Fire and Emergency Service Authorities Council (AFAC) for their ongoing and highly valued collaboration.

The NAFC Board would also like to acknowledge both the important financial contribution and the overall support of the Australian Government for aerial firefighting, through Emergency Management Australia. Without this commitment, the level of aerial support being afforded to firefighters and emergency workers around the country would not be possible.

Finally, I would like to acknowledge the contribution of NAFC General Manager, Mr Richard Alder, and his team, who have facilitated unprecedented levels of collaboration and cooperation between Members. As Chair of the Board, I am confident that the achievements of 2013/14 have laid a strong foundation for the continued success of the National Aerial Firefighting Centre.

Yours sincerely,



Michael Brown AFSM
Chair

General Manager's Report



The 2013/14 year marks the start of NAFC's second decade of operations and it is pleasing to report that this beginning continued as the last decade had ended with another demanding but rewarding year.

The year saw a significant expansion in fleet capability and capacity following the finalisation of NAFC's major tender process (ITT AFS 2013+). The National Fleet comprised 73 contracted aircraft providing 77 individual services. It is hard to believe that the first NAFC National Fleet in 2005 comprised just 23 aircraft.

The substantial increase in the size of the National Fleet over such a short period demonstrates the increasing value Members place on collaborative procurement and the benefits of inter-operability that flow from the establishment of common procurement standards and contract conditions. This also benefits aircraft service providers given that more companies are now providing aircraft services in multiple jurisdictions. A pictorial guide to the aircraft types contracted through NAFC is available on page 16.

The 2013/14 Fire Season

A protracted fire season, extending from July 2013 to April 2014, presented a range of operational challenges to Members. Above-average temperatures and below-average rainfall during winter and spring resulted in an earlier than normal start to the fire season in New South Wales where three large fires affected approximately 118,000 hectares during October,

including in and around the Blue Mountains. More than 200 homes were lost during these fires.

A much later than normal start to the wet season in Queensland coincided with significant bushfire activity on Stradbroke Island where approximately sixty per cent of the island's vegetation was burnt during January.

Heatwave conditions were once again experienced across southern and eastern parts of Australia with lightning strikes responsible for the ignition of significant fires in Western Australia, South Australia, New South Wales and Victoria. Heavy rainfall across parts of South Australia in mid-February bought welcome relief to crews who had battled the month-long fire at Bangor in the Flinders Ranges, although some communities were left counting the cost of both fire and flood damage to their properties.

In February, a grass fire spread into the Hazelwood open cut coal mine in Victoria where it continued to burn for 45 days. The operation to extinguish this fire was complex, involving crews and specialist equipment from many agencies and jurisdictions. Aircraft played important roles including delivering suppressants and gathering fire intelligence. The unusual circumstances of an extensive coal fire required flexibility and adaptability and some innovative approaches were applied to the use of aerial resources.

Table 1 summarises some of the significant bushfire events that occurred throughout the 2013/14 season.



Table 1: Summary of Australia's major and significant bushfires in 2013-14

Month	State	Location	Approximate Area burnt (ha)	Other damage
September	NT	Tipperary Station	30,000	
	WA	Kimberley		
October	NSW	Blue Mountains / Various Fires	118,000	200+ homes destroyed 2 fatalities
November	NSW	Milroy / Kemps Creek	450	
	WA	Manjimup / Karijini National Park	80,000+	
December	SA	Tintinara	1,000	
	WA	Toodyay / Perth Hills	50+	
	QLD	Stradbroke Island	16,200	60% of the island's vegetation impacted
January	WA	Perth Hills	650	52 homes destroyed 1 fatality
	SA	Bangor, Flinders Ranges	35,000	9 homes destroyed 700+ livestock destroyed
	SA	Barossa Valley	24,000	2 homes destroyed
	VIC	Grampians National Park	52,000	30+ buildings destroyed (32 homes 90 structures) 7000+ livestock destroyed
	VIC	East Gippsland	130,000	15 homes destroyed 100+ farm properties damaged
	TAS	Lake Burbury, Queenstown	2,114	
	VIC	Mallee (Wyperfeld National Park, Big Desert Wilderness Park and Bronzewing Flora and Fauna Reserve)	90,000+	
February	VIC	Mickleham Road Complex	40,000	13 homes destroyed 10,000+ livestock destroyed
	VIC	Hazelwood Open Cut Mine	407	Air quality and ash impacts
March	TAS	Tasman Highway, Buckland	743	

The increase in fleet capacity this season saw aircraft usage far exceed that of previous years, with more than 3,000 activations recorded across the season. Of these, 1,674 were for firebombing, resulting in some 36,000 drops which delivered more than 86 million litres of fire retardant and suppressant to the fire ground. Aircraft were also activated on 1,344 occasions to provide other support functions such as air attack supervision, intelligence gathering and crew and cargo transport.

The work conducted by the NAFC office over the past two years to consolidate and improve procurement standards and contract conditions has strengthened resource sharing arrangements between Members. Accordingly, several key resource redeployments took place throughout the 2013/14 season. This included one of the Erickson S.64-E Aircranes being re-deployed from New South Wales to South Australia when extreme fire conditions were forecast; while during February, three Bell 412 helicopters from NSW and the ACT were deployed for nine days to assist firefighting operations in the Gisborne area of central Victoria.

These redeployments were again facilitated by the Aerial Suppression Operations Group chaired by Mr Greg Nettleton, which met periodically via teleconference throughout the southern fire season to consider the strategic placement of aerial resources around the country.



Procurement

A highlight of 2013/14 was the finalisation of a series of procurement processes, referred to broadly as the Invitation to Tender Aerial Firefighting Services for 2013 onwards (ITT AFS 2013+). Commencing in November 2012, this was the largest and most complex procurement process undertaken by NAFC so far, with tenders invited for more than seventy individual services including aircraft for firebombing and specialist intelligence gathering.

For the first time, the tender process was conducted entirely using the NAFC Electronic Tender Portal, a web-based system which provided advantages not only for tenderers but also for the team of expert evaluators based around the country. Although the preparation for this process was extensive and resource intensive, the implementation of common national procurement standards, processes and conditions have produced considerable advantages for NAFC Members and the broader aerial firefighting industry.

In May 2014, NAFC commenced a process which sought tenders for Type 4 fixed-wing firebombing services and conventional fixed-wing services for air attack supervision and reconnaissance based in Victoria, Queensland and Tasmania. Contracts are scheduled to be finalised in time for the 2014-15 fire season. At the conclusion of this latest process almost all term-contracted aircraft services employed for fire and emergency management across the country will be contracted through the NAFC arrangements.

Development and other activities

The 2013/14 year was an active one for developmental work. After some time in planning, NAFC was able to commence actual programming work on a national, quality-managed database for

aircraft and associated resources to support fire and emergency operations. This system, referred to as ARENA, is a joint project between NAFC and its Members [see page 12]. The NAFC also conducted demonstrations of traffic awareness technology aimed at reducing the risk of mid-air collisions. [see page 12].

In August 2013, the NAFC Board established a formal Research and Development Sub-Committee, to identify and advise the Board on strategic research needs and priorities for Australian fire and emergency aviation [see page 12]. During 2013/14, NAFC also entered into a partnership with Monash University's Department of Mechanical and Aerospace Engineering. Dr Andrew Matthews has provided industry supervision to Mr Simon Green, who is undertaking his fourth year project entitled 'Firebomber Plume Modelling' which aims to assess the use of computational fluid dynamics to analyse the efficacy of firebombing drops.

NAFC was also pleased to facilitate a Professional Development event on fire and emergency aviation in conjunction with the annual AFAC and Bushfire Cooperative Research Centre conference (AFAC2013) in Melbourne. The well-attended session aimed to provide incident management team personnel with updated knowledge and insight into aviation capabilities and management techniques.

NAFC continued to be actively involved in aviation regulatory processes, and provided a number of formal submissions to the Civil Aviation Safety Authority on aspects of regulatory reform. In August 2013, NAFC conducted an industry workshop to develop a detailed proposal on the new Civil Aviation Safety Regulations governing pilot licencing and training.

Memberships, Partnerships and Alliances

Throughout 2013/14 NAFC's role in the fire and emergency aviation industry continued to be strengthened through partnerships and memberships with the following organisations:

- Fire Management Actions Alliance
- Flight Safety Foundation
- Bushfire Cooperative Research Centre
- International Association of Wildland Fire



- Monash University
- United Nations International Strategy for Disaster Reduction Wildland Fire Advisory Group
- International Fire Aviation Working Group (Chair)

Finance

At the conclusion of the 2013/14 financial year, NAFC remains in a sound financial position. Audited details of NAFC's finances are provided in the accompanying Special Purpose Financial Report.

AFAC

The success of NAFC's operations would not be possible without the administrative support provided by the Australasian Fire and Emergency Service Authorities Council (AFAC) under a management services agreement.

NAFC appreciates the support it receives from the AFAC team and places great value on the highly productive working relationship led by AFAC Chief Executive Officer and NAFC Company Secretary, Mr Stuart Ellis; Business and Finance Director, Mr Trevor Essex; and Finance Officer, Mrs Kate Eagles.

During 2013/14 NAFC continued to provide executive support for the AFAC Fire and Emergency Aviation Technical Group (FEAT), a sub-group of AFAC's Rural and Land Management Group.

NAFC Operations

NAFC staff once again attended a range of stakeholder meetings, contractor briefings and jurisdictional workshops throughout 2013/14.

After ten years of service, the NAFC team farewelled Mrs Claire Bunday who transferred to the AFAC team to provide support to Ms Sandra Lunardi, Director, Workforce Development.

Thanks

First and foremost, NAFC would like to acknowledge the invaluable contribution made

by staff of the aviation units in each jurisdiction. The professionalism and expert knowledge of this group ensures the ongoing efficiency and effectiveness of fire and emergency aviation operations across the country. Thanks are particularly due to those staff who lent significant time and expertise to the various stages of procurement over the last twelve months.

Thank you also to Mr Mark Crosweller and Mr Chris Collett and their team at Emergency Management Australia for their ongoing and engaged support throughout the year.

NAFC would like to acknowledge the aircraft contractors and industry suppliers, particularly those for whom 2013/14 was the first year of NAFC operations. On behalf of our Members, I would like to thank the flight crews, engineers and administration teams of these companies for their professionalism and dedication to aerial firefighting. Your cooperative approach ensures fire and emergency aviation services are delivered efficiently and safely around the country.

I would like to take this opportunity to thank the NAFC Board, and in particular, the new Chairman, Mr Mike Brown for the time and dedication they invest, not only in NAFC but in aerial firefighting more broadly. Special thanks are also extended to outgoing Chairman, Mr Shane Fitzsimmons, for his valuable contribution over the last four years.

Last, but by no means least, I would like to thank the dedicated NAFC team. Their hard work and dedication, often behind-the-scenes, ensures that the national arrangements continue to prosper and develop to provide Members with the best possible aviation support.



Richard Alder AFSM
General Manager



In brief

ARENA

During 2013/14, NAFC partnered with its Members to commence programming work on ARENA – a national information system to support fire and emergency aviation activities. At its core, ARENA provides a single source of consistent, quality-managed information regarding aviation resources. The cloud-based architecture of ARENA allows the information to be accessible from a range of devices and locations and provides for interoperability with other systems used by Members, such as Computer Aided Dispatch and situational awareness systems. It is planned that ARENA will also interoperate with AFAMS, the national resource tracking and event logging system.

The development of a collaborative approach to collecting, storing and distributing support information has long been a priority of the AFAC Fire and Emergency Aviation Technical Group so it was pleasing to get work underway after a period of planning.

The overall design of the web-based system is focused on ensuring inter-operability and flexibility with the ultimate aim of increasing efficiency for both agencies and the broader aerial firefighting industry. Most data is entered once and then maintained by the “owner” of the data, including aircraft operators and individual pilots. ARENA then makes appropriate data available to Member agencies. Where data is available from external sources such as CASA, this is pre-entered to reduce user effort and improve data quality. Once data has been entered, users will only be required to refresh any changed or expired data or documents.

As development continues, further modules will be built into ARENA to increase its functionality. Modules to assist with aircraft dispatch and tasking, readiness and reporting are currently in development and scheduled for release during the southern Australian fire season.

For more information contact the NAFC office or go to <http://arena.nafc.org.au/>

Research and Development Fund

The NAFC Board places considerable emphasis on evidence-based decision making and strongly supports research and development to improve the use of aviation in fire and emergency management. During 2013-14, the Board established a dedicated sub-committee, chaired by Mr Greg Nettleton to monitor, oversight and promote research and development activities. Most importantly the Board also created a Fire and Emergency Aviation Research and Development Fund. The primary aims of establishing the Fund are to promote targeted, user-driven research in fire and emergency aviation, and to facilitate initiation and commissioning of research and development projects. Operation of the Research and Development Fund will also assist in ensuring an ongoing, specialised research capacity is accessible to NAFC and its Members. The NAFC Research and Development Committee will consider applications, via Members, to fund targeted research and developments. Contact the NAFC office for more details.

Traffic awareness technology

NAFC took the opportunity during 2013-14 to examine technologies that will aid pilots to see and avoid other aircraft when working in close proximity. Research information indicates that alerted see and avoid is the most effective means of reducing the risk of a mid-air collision. As part of the assessment process an operational demonstration of FLARM (“flight alarm”), a system widely used by the gliding fraternity, was undertaken in Queensland.

FLARM assesses relative aircraft positions in four dimensions (including time), reducing the risk of unwanted alerts which are an issue of some other technologies. The demonstration indicated that further effort to implement awareness technologies appeared to be warranted and it is intended to conduct operational trialling during 2014-15.

VALE

Sadly we record the tragic passing of two people who had been heavily involved in aerial firefighting over many years.

David Black was killed when his firebombing aircraft crashed during firefighting operations near Ulladulla, New South Wales in October 2013. ‘Blackie’ was a much respected firefighting pilot and our sincere sympathies are extended to his family, friends and colleagues. Although it had not commenced at the time, David’s company, Rebel Ag, had only recently been successful in obtaining a new firebombing contract with NAFC as part of the revised National Fleet arrangements. It was heartening that despite David’s death, Rebel Ag, managed by David’s wife Julie, was still able to subsequently commence and carry out the contract into which David had put so much effort.

Peter Brereton tragically died when the aircraft he was piloting crashed whilst he was returning from bushfires in southern NSW where he had been providing logistical support. Although on leave at the time of the accident, Peter was a long-serving and highly respected officer of the Country Fire Authority of Victoria. He had been an active Air Attack Supervisor and Air Observer, mostly in central Victoria, for many years and had been involved in training others in those roles. Peter had only recently assisted NAFC in running the Professional Development event at AFAC2013. Again, our sympathies go to Peter’s family, friends and colleagues.

Table 2: Total Aircraft Activations – 2013-14 Fire Season

State	Service ID	Aircraft	Firebombing			Other Activations	Total Activations
			Activations	Number of Drops	Amount of Suppressant or Retardant Dropped		
ACT	RW13018	Bell 412SP ²	5	255	331,500	3	8
ACT	RW13019	Eurocopter AS.350-BA	1	19	10,450	13	14
NT	FW13525	Air Tractor AT-802	16	146	468,000	0	16
NT	FW13527	Air Tractor AT-602	6	40	96,000	0	6
NSW	HV13401	Erickson Aircrane S64E	34	1,604	5,336,134	5	39
NSW	RW13006	Bell 206 L	0	0	0	25	25
NSW	HV13402	Erickson Aircrane S64E	25	1,182	8,912,455	10	35
NSW	RW13004	Eurocopter AS365	33	936	960,336	14	47
NSW	RW13005	Eurocopter EC145	39	1,730	1,557,000	13	52
NSW	RW13007	Bell 214B	19	612	1,621,800	9	28
NSW	RW13008	Bell 214B	35	1,749	4,634,850	2	37
NSW	RW13009	Bell 412SP	23	1,276	1,656,300	13	36
NSW	RW13010	Bell 412SP	25	970	1,261,000	22	47
NSW	RW13011	Kawasaki BK 117*	40	1,521	1,368,900	25	65
NSW	RW13012	Kawasaki BK 117*	58	2,417	2,070,400	39	97
NSW	RW13013	Kawasaki BK 117	45	1,588	1,269,600	39	84
NSW	RW13014	Eurocopter AS350	57	2,546	2,608,600	19	76
NSW	RW13015	Bell 206 L	0	0	0	19	19
NSW	RW13016	Eurocopter EC145	31	1,054	942,300	18	49
NSW	RW13017	Kawasaki BK 117	25	1,461	1,314,900	6	31
NSW	RW13018	Bell 412SP ²	2	42	54,600	10	12
NSW	FW13501	Air Tractor AT-802F (Fireboss)	45	939	2,535,300	2	47
NSW	FW13503	Air Tractor AT-802	23	141	423,000	2	25
NSW	FW13504	Air Tractor AT-802	41	303	909,000	11	52
NSW	FW13505	Air Tractor AT-802 ¹	19	146	438,000	2	21
NSW	FW13506	Cessna Caravan 208B	0	0	0	39	39
NSW	FW13507	Air Tractor AT-802	26	202	571,550	5	31

State	Service ID	Aircraft	Firebombing			Other Activations	Total Activations
			Activations	Number of Drops	Amount of Suppressant or Retardant Dropped		
NSW	FW13508	Air Tractor AT-802	15	59	177,000	0	15
NSW	FW13535	Air Tractor AT-802	20	134	402,000	6	26
NSW	FW13536	Air Tractor AT-802 ¹	37	213	639,000	4	41
NSW	FW13539	Cessna C182-T	0	0	0	32	32
QLD	RW13001	Bell 214B ¹	3	108	286,200	2	5
QLD	RW13002	Bell 214B ¹	10	233	614,450	4	14
QLD	RW13003	Bell 204*	0	0	0	0	0
QLD	RW13051	Eurocopter AS355	0	0	0	17	17
SA	HV13406	Erickson Aircrane S64E	9	143	603,790	1	10
SA	RW13032	Eurocopter AS350 BA	1	0	0	49	50
SA	RW13033	Eurocopter AS350 BA	0	0	0	51	51
SA	FW13509	Air Tractor AT-802A	46	241	763,520	25	71
SA	FW13510	Cessna Caravan 208B	0	0	0	78	78
SA	FW13511	Air Tractor AT-802A	45	233	755,200	23	68
SA	FW13512	Air Tractor AT-802A	60	172	550,400	1	61
SA	FW13513	Air Tractor AT-802A	60	165	528,000	1	61
SA	FW13514	Air Tractor AT-802A	20	125	400,000	3	23
SA	FW13515	Air Tractor AT-802	26	148	473,600	4	30
SA	FW13516	Air Tractor AT-802A	23	15	48,000	5	28
SA	FW13517	Air Tractor AT-802	22	21	67,200	3	25
SA	FW13518	Cessna 182	0	0	0	34	34
SA	FW13519	Cessna 182	0	0	0	51	51
SA	FW13520	Air Tractor AT-802A	17	68	217,600	2	19
SA	FW13521	Air Tractor AT-802A	15	64	204,800	2	17
SA	FW13540	Cessna 182	0	0	0	19	19
TAS	RW13026	Eurocopter AS350 B3	12	191	171,900	7	19
TAS	RW13027	Eurocopter AS350 B3+	12	501	517,770	7	19

State	Service ID	Aircraft	Firebombing			Other Activations	Total Activations
			Activations	Number of Drops	Amount of Suppressant or Retardant Dropped		
TAS	RW13028	Bell 214B	25	1,916	4,282,400	5	30
TAS	RW13029	Bell 214B1	12	521	1,380,650	1	13
TAS	RW13030	Eurocopter AS350 FX2	4	62	55,800	15	19
VIC	HV13403	Erickson Aircrane S64E	26	715	2,340,957	21	47
VIC	RW13020	Bell 206 L-3	0	0	0	47	47
VIC	HV13404	Erickson Aircrane S64E	30	841	3,378,076	12	42
VIC	RW13021	Bell 206 L-3	0	0	0	46	46
VIC	RW13023	Sikorsky S61N	71	2,786	7,312,627	15	86
VIC	RW13024	Sikorsky S61N	58	2,717	8,064,016	38	96
VIC	FW13541	Air Tractor AT-802	43	132	392,000	8	51
VIC	FW13542	Cessna 337-G	0	0	0	99	99
VIC	FW13543	Cessna 337-G	0	0	0	79	79
VIC	FW13544	Cessna 337-H	0	0	0	107	107
WA	HV13407	Erickson Aircrane S64E	27	601	2,034,941	0	27
WA	RW13036	Bell 214B	54	746	1,976,900	2	56
WA	RW13037	Bell 214B	46	714	1,892,100	7	53
WA	RW13038	Bell 214B	40	635	1,650,850	1	41
WA	RW13039	Bell 214B	37	606	1,605,900	2	39
WA	RW13040	Bell 214B ¹	15	193	511,450	4	19
WA	RW13041	Bell 214B	12	207	469,050	5	17
WA	RW13052	Eurocopter AS355	0	0	0	34	34
WA	FW13523	Air Tractor AT-802A F	24	56	168,000	0	24
WA	FW13524	Air Tractor AT-802 F	24	53	159,000	0	24
TOTALS			1,674	39,214	86,447,122	1,344	3,018

FW - Fixed Wing
RW - Rotary Wing
AAS - Air Attack Supervisor Platform
HV - High Volume
S - Secondary Contract

* Aircraft on partial availability

¹ Complementary - same aircraft used for consecutive Service Periods

² Shared - same aircraft used for single Service Period in two different states

The National Fleet 2013/14

In 2013/14, 73 aircraft were in place around the country providing valuable support for fire and emergency operations.

The following pages provide a full pictorial of the 15 main types of aircraft in the 2013/14 fleet.



The National Fleet 2013/14



Cessna 337G Skymaster – “Birddog”

Roles: Supervision, reconnaissance, utility. Twin piston engines, centre line thrust. Three passengers. 250km/h, 420HP.



Sikorsky S61N – “Helitak”

Roles: Firebombing, Fire crew insertion, transport. Twin engined. Eighteen passengers. 4000 litre capacity belly tank or 2850 litre power fill bucket. 225km/h, 3000HP.



Bell 412SP – “Helitak”

Roles: Firebombing, fire crew insertion, transport, utility. Twin turbine engined. 10 passengers. 270KG, 75m winch. 1400 litre capacity belly tank. 225km/h, 1800HP.



Erickson S64E Air Crane – “Helitak”

Role: Firebombing. Twin turbine engine. Two Pilots. No passengers. Hover Fill and Sea skimming snorkels. 7560 litre capacity tank 215km/h, 9000HP.



Air Tractor AT802F – “Bomber”

Role: Fire bombing. Single engined, turbo prop air tanker. 3200 litre capacity. Drops water, foam, gel or fire retardant solutions. 350km/h, 1600HP



Bell 214B Big Lifter – “Helitak”

Roles: Firebombing, transport. Single turbine engine. Fourteen passengers, 2650 litre capacity belly tank or bucket. 240km/h, 2950HP



Eurocopter EC145 – “Helitak”

Roles: Fire crew insertion, Firebombing, Transport, utility. Twin turbine engined. Eight Passengers. 270KG, 91m winch. 910 litre capacity bucket. 220km/h, 1500HP



MBB/Kawasaki BK 117 – “Helitak”

Roles: Fire crew insertion, Firebombing, Transport, utility. Twin turbine engined. Eight Passengers. 270KG, 75m winch. 900 litre capacity bucket. 215km/h, 1500HP



Eurocopter AS355F1 Twin Squirrel – “Firebird”

Roles: Firebombing, supervision, utility. Twin turbine engines. Five passengers. 680 litre capacity bucket. 230km/h, 840HP.



Air Tractor AT802F Fireboss – “Bomber”

Roles: Firebombing. Amphibious, single engined turbo prop air tanker. 3200 litre capacity. Scoops water from lakes and rivers, adds foam, gel concentrates before dropping. 275km/h, 1600HP



Eurocopter AS350B3 Squirrel – “Firebird”

Roles: Firebombing, supervision, winching, utility. Single turbine engine. Five passengers. 1100 litre capacity bucket or belly tank. 200km/h, 850HP.



Cessna 182T Skylane – “Firespotter”

Roles: Reconnaissance, supervision, utility. Single piston engine. Three passengers. Often used for fire spotting patrols. 270km/h, 230HP.



Eurocopter AS365N2 Dauphin – “Helitak”

Roles: Fire crew insertion, firebombing, transport, utility. Twin turbine engined. Eight Passengers. 270KG, 100m winch. 1025 litre capacity bucket. 260km/h, 1500HP



Cessna 208B Grand Caravan – “Birddog”

Roles: Air attack supervision, reconnaissance, utility aircraft. Single engined, turbo prop, high wing. Nine passengers. 300km/h 675HP



Bell 206L-3 LongRanger – “Firebird”

Roles: Supervision, reconnaissance, utility. Single turbine engine. Six passengers. Often used to supervise firebombing operations. 220km/h, 650HP.

Special purpose financial report

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Directors' report

The directors of National Aerial Firefighting Centre ("NAFC") submit herewith the annual financial report of the Company for the financial year ended 30 June 2014. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

The names of the directors of the Company during or since the end of the financial year are:

Name

- Mr R Applegate
- Mr M Brown
- Mr S Ellis
- Mr E Ferguson
- Mr S Fewster
- Mr S Fitzsimmons
- Mr L Johnson
- Mr D Lane
- Mr A J Molan
- Mr G Nettleton

Directors have been in office since the start of the financial year to the date of this report unless stated otherwise.

Company Secretary

The following person held the position of Company secretary at the end of the financial year: Mr S Ellis

Principal activities

The principal activity of the Company during the financial year was coordinating and managing the acquisition and deployment of a national aerial firefighting fleet. No significant change in the nature of these activities occurred during the year.

Short and long term objectives of the entity

Objectives of the organisation are defined in the Constitution (revised Nov 2011). The objectives for which the Company has been established are all or any of the following:

- to support collaboration and cooperation between members with respect to the sharing of resources and information for the purposes of fire and emergency management;
- to coordinate and manage the acquisition and deployment of fire and emergency resources and logistical support on behalf of members in order to benefit the community; and
- to raise funds by any lawful means for the achievement of its objects including, without limitation, securing funding from Federal or State Government bodies, or other entities.

The entity's strategy for achieving its objectives

- Maintain a Funding Agreement (with the Australian Government)
 - A new Funding Agreement was executed on 1 July 2013 and maintained throughout 2013/14.

- Maintain a Resource Management Agreement with members
 - A new Resource Management Agreement was executed on 1 July 2013 and maintained throughout 2013/14.
- Procure aircraft services and maintain contract supply arrangements (Supply Agreements) with aircraft service suppliers, as required by members
 - Supply Agreements maintained with aircraft operators to supply services (including secondary or reserve agreements).
- Range of other activities to support harmonization, collaboration, communication and cooperation and to promote best-practice.

Key performance indicators used by the entity

- NAFC is recognised for its good governance practices:
 - all regulatory requirements are met
 - feedback from stakeholders endorses Company structure, governance and operations
- NAFC structure meets the needs of stakeholders:
 - stakeholder lists are maintained
 - stakeholders continue to resource and support NAFC
 - structure is reviewed and options are considered





- NAFC resource management meets stakeholder expectations:
 - members are satisfied with resource allocation
 - Commonwealth expectations are met
 - members participate in the Aerial Suppression Operations Group
- NAFC risk management is best practice:
 - up-to-date risk register is in place
 - risk plan is reviewed regularly
 - risks are treated
 - standards are benchmarked with industry
- NAFC fosters national collaboration and sharing in support of aerial fire management:
 - NAFC facilitates member participation
- NAFC facilitates continuous improvement and innovation in aerial fire management:
 - NAFC collects and measures data to support evidence-based decisions
 - NAFC contributes to and influences appropriate research and development

Review of operations

A review of the operations of the Company during the financial year and the results of

those operations found that during the year, the Company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

The surplus of the Company for the financial year amounted to \$89,401 (2013: \$386,489).

Changes in state of affairs

There was no significant change in the state of affairs of the Company during the financial year.

Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Future developments

The Company expects to maintain the present status and level of operations.

Environmental regulations

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends

The Company's constitution precludes the directors of the Company from recommending payment of any dividend.

Information on directors

The information on directors is as follows:

Mr R Applegate

Chief Executive Officer
Department of Land Resource Management,
Northern Territory

Mr M Brown AFSM

Chief Officer
Tasmania Fire Service

Mr S Ellis AM

Chief Executive Officer
Australasian Fire and Emergency Service
Authorities Council

Mr E Ferguson AFSM

Chief Officer
Country Fire Authority, Victoria

Mr S Fewster

Deputy Commissioner, Capability Command
Department of Fire and Emergency Services,
Western Australia

Mr S Fitzsimmons AFSM

Commissioner
New South Wales Rural Fire Service

Mr L Johnson AFSM

Commissioner
Queensland Fire and Emergency Services

Mr D Lane

Commissioner
Australian Capital Territory Emergency Services
Agency

Mr A J Molan

Major General AO DSC (retired)

Mr G Nettleton

Chief Executive Officer and Chief Officer
South Australian Country Fire Service

Meetings of director

Directors	Number eligible to attend	Number attended
Mr R Applegate	5	5
Mr M Brown	5	5
Mr S Ellis	5	5
Mr E Ferguson	5	5
Mr S Fewster	5	5
Mr S Fitzsimmons	5	4
Mr L Johnson	5	4
Mr D Lane	5	5
Mr A J Molan	5	3
Mr G Nettleton	5	5

Member's guarantee

The Company is limited by guarantee. Upon winding up each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of the company. At 30 June 2014 there were 8 members (30 June 2013: 8).

Indemnification of officers and auditors

The Company has provided and paid premiums for Directors' and Officers' Liability insurance. The insurance is in respect of legal liability for damages and legal costs arising from claims made by reason of any omission or acts (other than dishonesty) by them, whilst acting in their individual or collective capacity as Directors or Officers of the Company. The total amount of insurance contract premiums paid during the year was \$5,301.37 ex GST.

The Company has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such by an officer or auditor.

Proceedings on behalf of the Company

At this time there are no legal proceedings active or pending against NAFC, or in which NAFC is involved. Further, NAFC has not issued any legal proceedings against any entity or individual.

The Company was not a party to any such proceedings during the year.

Auditor's independence declaration

The auditor's independence declaration is included on page 5 of the annual report.

Signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the Directors



Mr M Brown (Chair)
Director
Melbourne, 19 August 2014

The Board of Directors
National Aerial Firefighting Centre
5/340 Albert Street
EAST MELBOURNE VIC 3002

19 August 2014

Dear Board Members,

National Aerial Firefighting Centre

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of National Aerial Firefighting Centre.

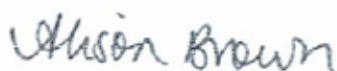
As the lead audit partner for the audit of the financial statements of National Aerial Firefighting Centre for the financial year ended 30 June 2014, I declare to the best of my knowledge and belief, there have been no contraventions of:

- i. the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. any applicable code of professional conduct in relation to the audit.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



A M Brown
Partner
Chartered Accountants

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu

Independent Auditor's Report to the Members of National Aerial Firefighting Centre

We have audited the accompanying financial report, being a special purpose financial report, of National Aerial Firefighting Centre, which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 25 to 37.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 3 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors 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 have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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.

Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of National Aerial Firefighting Centre would be in the same terms if given to the directors as at the time of this auditor's report.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu Limited.



Opinion

In our opinion, the financial report of National Aerial Firefighting Centre is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 3, and the *Corporations Regulations 2001*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 3 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU

Alison Brown

Alison Brown
Partner
Chartered Accountants
Melbourne, 13 September 2013

Directors' declaration

As detailed in Note 3 to the financial statements, the company is not a reporting entity because in the opinion of the directors there are unlikely to exist users of the financial statements who require information specific to their needs. Accordingly, these special purpose financial statements have been prepared to satisfy the directors' reporting requirements under the Corporations Act 2001.

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the company.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors



Mr M Brown (Chair)
Director
Melbourne, 19 August 2014



Profit or loss and other comprehensive income

Statement of profit or loss and other comprehensive income for the year ended 30 June 2014

	Note	2014 \$	2013 \$
Revenue	4	15,168,662	14,829,231
Disbursements made under the federal Attorney General's Department Funding Agreement		(14,121,900)	(13,647,100)
AFAC Staff Support and Office expenses		(808,437)	(725,531)
Consultant expenses		(20,908)	(21,097)
Travel expenses		(43,515)	(38,370)
Other expenses		(84,501)	(10, 644)
Surplus before tax		89,401	386,489
Income tax expense	3(a)	-	-
Surplus for the year	5	89,401	386,489
Other comprehensive income		31,789	-
Total comprehensive income for the year		121,190	386,489

Notes to the financial statements are included on pages 30 to 37.

Financial position

Statement of financial position at 30 June 2014

	Note	2014 \$	2013 \$
Current assets			
Cash and cash equivalents	11(a)	10,938,606	11,134,207
Financial Assets	6	2,074,717	-
Goods and services tax recoverable		1,360,199	1,362,189
Other receivables		212,076	251,007
Prepayments		8,280	7,513
Total current assets		14,593,878	12,754,916
Non-current assets			
Property, plant and equipment	7	1,891	624
Intangible assets	8	65,623	-
Total non-current assets		67,514	624
Total assets		14,661,392	12,755,540
Current liabilities			
Trade and other payables	9	11,471,703	9,687,041
Total current liabilities		11,471,703	9,687,041
Total liabilities		11,471,703	9,687,041
Net assets		3,189,689	3,068,499
Equity			
Fair value reserve		31,789	-
Retained earnings		3,157,900	3,068,499
Total equity		3,189,689	3,068,499

Notes to the financial statements are included on pages 30 to 37.

Changes in equity

Statement of changes in equity for the year ended 30 June 2014

	Fair value reserve \$	Retained earnings \$	Total \$
Balance at 1 July 2012	-	2,682,010	2,682,010
Surplus for the year	-	386,489	386,489
Total comprehensive income for the year	-	386,489	386,489
Balance at 30 June 2013	-	3,068,499	3,068,499
Surplus for the year	-	89,401	89,401
Net fair value gain on investments	31,789	-	31,789
Total comprehensive income for the year	31,789	89,401	121,190
Balance at 30 June 2014	31,789	3,157,900	3,189,689

Notes to the financial statements are included on pages 30 to 37.

Cash flows

Statement of cash flows for the year ended 30 June 2014

	Note	2014 \$	2013 \$
Cash flows from operating activities			
Receipts from Members		345,000	339,000
Operating grant receipts		14,524,921	13,601,183
Supply agreement disbursements		(12,463,959)	(9,082,398)
Payments to suppliers and employees		(830,759)	(1,140, 819)
Interest received		293,810	493,231
Net cash generated by operating activities	11(b)	1,869,013	4,210,197
Cash flows from investing activities			
Payments to acquire financial assets		(2,042,927)	-
Interest received		45,852	-
Purchase of property, plant, equipment		(1,916)	-
Purchase of intangible assets		(65,623)	-
Net cash (used in)/generated by investing activities		(2,064,614)	-
Net increase in cash and cash equivalents		(195,601)	4,210,197
Cash and cash equivalents at the beginning of the year		11,134,207	6,924,010
Cash and cash equivalents at the end of the year	11(a)	10,938,606	11,134,207

Notes to the financial statements are included on pages 30 to 37.

Notes to the financial statements

1. General information

National Aerial Firefighting Centre is a company limited by guarantee, incorporated and domiciled in Australia.

National Aerial Firefighting Centre's registered office and its principal place of business are as follows:

5/340 Albert Street
EAST MELBOURNE VIC 3002

2. Adoption of new and revised Accounting Standards

2.1 Standards and Interpretations affecting amounts reported in the current period (and/or prior periods)

In the current year, the Company has applied a number of new and revised AASBs issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2013.

Standards affecting presentation and disclosure

AASB 119 'Employee Benefits' (2011) and AASB 2011-10 'Amendments to Australian Accounting Standards arising from AASB 119 (2011)'

In the current year, the Company has applied AASB 119 (as revised in 2011) 'Employee Benefits' and the related consequential amendments for the first time.

AASB 119 (as revised in 2011) changes the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of AASB 119 and accelerate the recognition of past service costs. All actuarial gains and losses are recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the statement of financial position to reflect the full value of the plan deficit or surplus. Furthermore, the interest cost and expected return on plan assets used in the previous version of AASB 119 are replaced with a 'net interest' amount under AASB 119 (as revised in 2011), which is calculated by applying the discount rate to the net defined benefit liability or asset. These changes have had an impact on the amounts recognised in profit or loss and other comprehensive income in prior years (see the tables below for details). In addition, AASB 119 (as revised in 2011) introduces certain changes in the presentation of the defined benefit cost including more extensive disclosures.

Specific transitional provisions are applicable to first-time application of AASB 119 (as revised in 2011). The Company has applied the relevant transitional provisions and restated the comparative amounts on a retrospective basis (see the tables below for details).

2.2 Standards and Interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards.	1 January 2017	30 June 2018
AASB 1031 'Materiality' (2013)	1 January 2014	30 June 2015
AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'	1 January 2014	30 June 2015
AASB 2013-3 'Amendments to AASB 135 – Recoverable Amount Disclosures for Non-Financial Assets'	1 January 2014	30 June 2015
AASB 2013-9 'Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments'	1 January 2014	30 June 2015

3. Significant accounting policies

Financial reporting framework

The company is not a reporting entity because in the opinion of the directors there are unlikely to exist users of the financial report who require information specific to their needs. Accordingly, these special purpose financial statements have been prepared to satisfy the directors' reporting requirements under the Corporations Act 2001.

Statement of compliance

The financial statements have been prepared in accordance with the Corporations Act 2001, the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101 'Presentation of Financial Statements', AASB 107 'Cash Flow Statements', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors' and AASB 1054 Australian Additional Disclosures.

Basis of preparation

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

For the purposes of preparing this financial report, the company is a not for profit entity.

Critical accounting judgments and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described below, the directors are required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

(a) Income Tax

The company is exempt from income tax under Subdivision 50-B of the Income Tax Assessment Act 1997.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments net of outstanding bank overdrafts.

(c) Revenue

Government grants are assistance by the government in the form of transfers of resources in return for past or future compliance with certain conditions relating to the operating activities of the entity. Government grants, when there is a non-reciprocal transfer, are recognised as income when the Company obtains control or the right to receive a contribution, it is probable that the economic benefits comprising the contribution will flow to the Company and the amount of the grant can be measured reliably.

Other revenue is recognised when the right to receive the revenue has been established.

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

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

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable, from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

(e) Payables

Trade payables and other accounts payable are recognised when the entity becomes obliged to make future payments resulting from the purchase of goods and services.

(f) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation.

Depreciation is provided on plant and equipment, including freehold buildings but excluding land.

Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The following useful lives are used in the calculation of depreciation:

Plant and equipment: 2-5 years

(g) Financial Assets

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

Other financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', 'held-to-maturity' investments, 'available-for-sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis for debt instruments other than those financial assets 'at fair value through profit or loss'.

Held to maturity investments

Bank bills and other deposits with fixed or determinable payments and fixed maturity dates where the Company has the positive intent and ability to hold to maturity are classified as held to maturity investments. Held to maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

Loans and receivables

Trade receivables, loans, and other receivables are measured at amortised cost using the effective method less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.

Derecognition of financial assets

The entity derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the entity recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the entity continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(h) Intangible Assets

Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

	2014 \$	2013 \$
4. Revenue		
Operating grants – Attorney General's Department	14,484,000	13,997,000
Fees collected from Members	345,000	339,000
Investment Income	45,852	-
Interest received	293,810	493,231
	15,168,662	14,829,231

5. Surplus for the year

Surplus for the year has been arrived at after crediting/(charging) the following items of income and expense:

Depreciation expense	(649)	(731)
Remuneration of the auditors for:		
Audit services <i>The auditor of the company is Deloitte Touche Tohmatsu</i>	(5,700)	(5,775)

6. Financial Assets

Available for sale investments carried at fair value

Current	2,074,717	-
Non-current	-	-
	2,074,717	-

7. Plant and equipment

Plant and equipment at cost	10,623	8,707
Accumulated depreciation	(8,732)	(8,083)
	1,891	624



8. Intangible Assets

Software:		
At cost	65,623	-
Accumulated amortisation	-	-
	65,623	-

9. Trade and other payables

Trade payables	10,965,483	9,307,541
GST payable	46,020	34,500
Prepaid fees from States	355,000	345,000
National Aircraft Registry	105,200	-
	11,471,703	9,687,041

10. Economic dependency

The majority of revenue is received by way of recurrent grants from the Commonwealth Government.

11. Cash and cash equivalents

(a) Reconciliation of cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

	2014 \$	2013 \$
Cheque account	9,918,680	1,376,117
Term deposits	1,019,926	9,758,090
	10,938,606	11,134,207

(b) Reconciliation of surplus for the year to net cash flows from operating activities

Surplus for the year	89,401	386,489
Depreciation	649	731
Movement in working capital		
(Increase)/decrease in assets:		
Other receivables	(6,921)	(79,245)
Goods and services tax recoverable	1,990	(316,572)
Prepayments	(767)	344
Increase/(decrease) in liabilities:		
Trade and other payables	1,657,941	4,564,702
Accruals	-	(352,852)
Prepaid Fees Collected States	115,200	6,000
GST payable	11,520	600
Net cash generated by operating activities	1,869,013	4,210,197

12. Member's guarantee

The company is limited by guarantee. Upon winding up each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of the company. At 30 June 2014 there were 8 members (2013: 8).

13. Subsequent events

There are no significant events subsequent to the reporting date.



Members as at 30 June 2014

Australian Capital Territory
Northern Territory
State of New South Wales
State of Queensland
State of South Australia
State of Tasmania
State of Victoria
State of Western Australia

Executive Committee

Chair
Mr Mike Brown AFSM

Deputy Chair
Mr Dominic Lane

Secretary
Mr Stuart Ellis AM

Treasurer
Mr Rodney Applegate

Directors as at 30 June 2014



Mr Rodney Applegate
Chief Executive Officer,
Department of Land
Resource Management,
Northern Territory



Mr Michael Brown AFSM
Chief Officer
Tasmania Fire Service



Mr Stuart Ellis AM
Chief Executive Officer
Australasian Fire and
Emergency Service
Authorities Council



Mr Euan Ferguson AFSM
Chief Officer
Country Fire Authority,
Victoria



Mr Stephen Fewster
Deputy Commissioner,
Capability Command,
Department of Fire and
Emergency Services,
Western Australia



**Mr Shane Fitzsimmons
AFSM**
Commissioner
New South Wales
Rural Fire Service



Mr Lee Johnson AFSM
Commissioner
Queensland Fire and
Emergency Services



Mr Dominic Lane
Commissioner
Australian Capital
Territory Emergency
Services Agency



**Major General Andrew
James Molan AO DSC
(retired)**
Independent Director



Mr Greg Nettleton
Chief Officer and Chief
Executive Officer
South Australian
Country Fire Service



Company Directory

National Aerial Firefighting Centre
ACN 105 736 392
ABN 96 105 736 392

Registered Address

Level 5, 340 Albert Street
EAST MELBOURNE VICTORIA 3002

Contact Information

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Website: www.nafc.org.au

Auditor

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550 Bourke Street
MELBOURNE VICTORIA 3000

Photo Acknowledgements

NAFC would like to thank the following people for their photo contributions to the 2013-2014 Annual Report:

Pages 1 and 15 Eddie Shepard, Western Australia

Page 2 Walt Bilault, McDermott Aviation

Pages 4, 7, 9, 18, 20, 35 and 37 Wayne Rigg, Country Fire Authority, Victoria

Page 10 Department of Fire and Emergency Services, Western Australia

Page 25 John Walsh, Kestrel Aviation

Page 39 Andrew Matthews, NAFC



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