



Fair Work  
Commission

20 June 2024

Mark Diamond  
Secretary  
Australian Rail, Tram and Bus Industry Union

Sent via email: [rtbu@rtbu.org.au](mailto:rtbu@rtbu.org.au)

CC: [michael.shulman@stannards.com.au](mailto:michael.shulman@stannards.com.au)

Dear Mark Diamond

**Australian Rail, Tram and Bus Industry Union  
Financial Report for the year ended 31 December 2023 – FR2023/221**

I acknowledge receipt of the financial report for the year ended 31 December 2023 for the Australian Rail, Tram and Bus Industry Union (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 14 June 2024.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009 (RO Act)* have been satisfied, all documents required under section 268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that next year's financial report may be subject to an advanced compliance review.

If you have any queries regarding this letter, please call 1300 341 665 or email [regorgs@fwc.gov.au](mailto:regorgs@fwc.gov.au).

Yours sincerely

**Fair Work Commission**

AUSTRALIAN RAIL TRAM AND BUS UNION  
s.268 Fair Work (Registered Organisations) Act 2009

**Certificate by Prescribed Designated Officer**

For the year ended 31 December 2023

I, Mark Diamond, being the National Secretary of the Australian Rail, Tram and Bus Industry Union National Office certify:

- That the documents lodged herewith are copies of the full report for the Australian Rail, Tram and Bus Industry Union National Office for the period ended 31st of December 2023 referred to in section 268 of the *Fair Work (Registered Organisations) Act 2009*; and
- That the full report was provided to members of the reporting unit on 15<sup>th</sup> of May 2024 and
- That the full report was then confirmed and passed at a meeting of the committee of management of the reporting unit in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009* on the 13<sup>rd</sup> of June 2024.

Signature of prescribed designated officer:

A handwritten signature in black ink, appearing to be 'Mark Diamond', with a long horizontal stroke extending to the right.

Name of prescribed designated officer: Mark Diamond

Title of prescribed designated officer: National Secretary

19 June 2024

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION**

**NATIONAL OFFICE**

**ABN 28 921 128 419**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE**  
**ABN 28 921 128 419**

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**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE  
FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**Operating Report**

This Operating Report covers:

- The activities of the Australian Rail, Tram & Bus Industry Union, National Office, for the financial year ended 31 December 2023, and Aakira Pty Ltd T/A Training Ahead Australia (a wholly owned controlled entity) from acquisition date 1 August 2023 to 31 December 2023;
- The results of those activities; and
- Any significant changes in the nature of those activities as required under *section 254 Fair Work (Registered Organisations) Act 2009*.

**1. Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year**

<b>Activities</b>
Making agreements with employers
Implementation of the Decisions of the National Executive and National Council
Implementation of the Union's organising agenda, including direct assistance and strategic advice on particular industry or site organising projects, the training and development of officials and assistance to branches on planning and resourcing campaigns
Industrial support including representation of individual members grievances advice on legal and legislative matters, holding of union elections as provided for in the rules of the union, and responding to the needs of branches and members as provided for within the rules of the union, within the scope of any statutory or legal obligations
The administration of federal awards, the certification of federal industrial agreements, the variations of awards following major test cases, and making application to vary federal awards on behalf of branches
National media and communications to members, branches and the broader community via media release in support of campaigns, web-based technology, including the national bulletin Transport for NOW
Coordination of and negotiation of key national industries and assistance to branches on bargaining by request
The National Office has consulted with the ACTU on the development of claims to be pursued in the FWC and union policy in general. Where appropriate, the National Office has assisted branches in the implementation of relevant decision via the variation of the awards
The National Office has been involved in campaigns and negotiations with government, political parties and industry organisations including with financial donations and/or other support around issues of importance for members, eg EBA negotiations, training, skills, shortages and fatigue laws.
Aakira Pty Ltd T/A Training Ahead Australia (TAA) is a training provider for rail owners and Tier 1 contractors, specialising in rail sector training. Its primary objective being to improve safety standards by combining industry experience and innovative training strategies. It is a registered training organisation (RTO No 45462) and the National Office acquired control of the entity on 1 August 2023.

# AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

## 2. Significant Changes in Activities

- No significant changes in the National Office's activities for the financial year occurred other than the acquisition and consolidation of Aakira Pty Ltd T/A Training Ahead Australia from 1 August 2023 to 31 December 2023, and the sale of an investment property in Redfern for gross proceeds of \$10.5million.

## 3. Significant Changes in Financial Affairs

- In the 2023 financial year, Australian Rail, Tram and Bus Industry Union – National Office entered into a purchase agreement with Aakira Pty Ltd T/A Training Ahead Australia for the purchase of 100% of its share capital. The agreement was effective on 1 August 2023. The financial statements for the Union include consolidation of the entity from 1 August 2023 to 31 December 2023 - refer further, Note 21.
- In November 2023, the sale of the investment property at 83-89 Renwick Street, Redfern, NSW was settled for a gross consideration of \$10.5million. Recognition of the gain on sale of \$3.494million has occurred - refer further, Note 10.
- On 22 December 2023, the Fair Work Commission approved the amalgamation of operations, assets and liabilities of the Australian Rail, Tram and Bus Union, Tasmanian Branch into the Australian Rail, Tram and Bus Industry Union – National Office as one operating unit (to be known as the National Office Reporting Unit (NORU)) from 1 January 2024. As a result, members of the Tasmania Branch will be serviced from the National Office from 1 January 2024 onwards. The net assets of the Tasmanian Branch of \$9,359 have been transferred to the new reporting unit as at 1 January 2024 for \$nil consideration.

## 4. Right of Members to Resign

All Members of the Union have the right to resign from the Union in accordance with Rule 14 of the Union Rules (and Section 174 of Fair Work (RO) Act 2009); namely by providing notice addressed and delivered to the Secretary of the relevant Branch, including via Email.

### **14 - RESIGNATION FROM MEMBERSHIP**

- (1) *A member may resign from membership of the Union by written notice addressed and delivered to the Secretary of his/her Branch.*
- (2) *A notice of resignation from membership of the Union takes effect:*
  - (a) *where the member ceases to be eligible to become a member of the Union:*
    - (i) *on the day on which the notice is received by the Union;  
or*
    - (ii) *on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;  
whichever is later; or*
  - (b) *in any other case:*
    - (i) *at the end of two weeks, or*
    - (ii) *on the day specified in the notice; whichever is later.*
- (3) *Any subscriptions, fees, fines and levies owing but not paid by a former member of the Union in relation to a period before the member's resignation took effect, may be sued for and recovered in the name of the Union in a court of competent jurisdiction, as a debt due to the Union.*

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE  
FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**4. Right of Members to Resign (cont'd)**

- (4) *A notice delivered to the Branch Secretary shall be deemed to have been received by the Union when it was delivered.*
- (5) *A notice of resignation that has been received by the Union is not invalid because it was not addressed and delivered to the Branch Secretary.*
- (6) *A resignation from membership of the Union is valid even if it is not effected in accordance with this Rule, if the member is informed in writing by or on behalf of the Union that the resignation has been accepted.*
- (7) *If a financial member retires from employment permanently or changes employment to a position not covered under these rules by the Union, the member shall be entitled to transfer to the status of Health Fund Member.*

**5. There are no officers or members who are superannuation fund trustees(s) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position**

**6. Number of members**

There were 32,819 members of the union as of 31<sup>st</sup> December 2023.

**7. Number of employees**

As at 31 December 2023, the National Office employed 8 full time employees and 1 part time employee.

**8. Names of committee of management members and period positions held during the financial year**

The following persons were members of the National Executive, during the year ending 31st December 2023

Mark Diamond	National Secretary	01/01/2023 – 31/12/2023
Shayne Kummerfeld	Assistant National Secretary	01/01/2023 – 31/12/2023
Victor Moore	National President	01/01/2023 – 31/12/2023
James Style	National Vice – President (Rail)	01/01/2023 – 31/12/2023
William Lekkas	National Vice – President (Road)	01/01/2023 – 31/12/2023
Leanne Holmes	National Vice – President (Affirmative Action)	01/01/2023 – 31/12/2023
Alex Claassens	Branch Secretary – New South Wales	01/01/2023 – 31/12/2023
Vikrant Sharma	Branch Secretary - Victorian	01/01/2023 – 31/12/2023
Ric Bean	Branch Secretary - Tasmanian	01/01/2023 – 31/12/2023
Peter Allen	Branch Secretary - Queensland	01/01/2023 – 31/12/2023
Darren Phillips	Branch Secretary – South Australia and Northern Territory	01/01/2023 – 31/12/2023
Josh Dekuyer	Branch Secretary – Western Australia Public Transport Authority (PTA)	01/01/2023 – 31/12/2023

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE  
FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**8. Names of committee of management members and period positions held during the financial year (cont'd)**

Darren Galea	Assistant National Secretary Rail Operations	01/01/2023 – 31/12/2023
Greg Tatnell	Assistant National Secretary Fleet Manufacture, Overhaul, Maintenance and Service	01/01/2023 – 31/12/2023
Trent Howard	Assistant National Secretary Infrastructure	01/01/2023 – 31/12/2023
Phil Altieri	Assistant National Secretary Tram and Bus	01/01/2023 – 31/12/2023
Noel Morris	Assistant National Secretary Administrative, Supervisory, Technical and Professional	01/01/2023 – 31/12/2023
Keith McMahon	Assistant National Secretary Locomotive	01/01/2023 – 31/12/2023
Carla Jones	Qld Branch Delegate	01/01/2023 – 02/06/2023
Tom Brown	Qld Branch Delegate	01/03/2023 – 31/12/2023
Craig Turner	NSW Branch Delegate	01/01/2023 – 31/12/2023
Farren Campbell	NSW Branch Delegate	01/01/2023 – 31/12/2023
Cathy Birch	VIC Branch Delegate	01/01/2023 – 31/12/2023
Dave Esqueria	VIC Branch Delegate	01/01/2023 – 31/12/2023
David Babineau	NSW Branch Delegate	01/01/2023 – 31/12/2023

**9. Subsequent Events**

As noted above in significant changes in financial affairs, on 22 December 2023, the Fair Work Commission approved the amalgamation of operations, assets and liabilities of the Australian Rail, Tram and Bus Union, Tasmanian Branch into the Australian Rail, Tram and Bus Industry Union – National Office as one operating unit (to be known as the National Office Reporting Unit (NORU)) from 1 January 2024. As a result, members of the Tasmania Branch will be serviced from the National Office from 1 January 2024 onwards.



Signature of designated officer: .....

Name and title of designated officer:

Mark Diamond  
National Secretary


Dated: Wednesday 15 May , 2024



**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE  
REPORT REQUIRED UNDER SUBSECTION 225 (2A)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 December, 2023.

<b>Categories of expenditures</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Remuneration and other employment-related costs and expenses - employees	2,335,773	675,943
Advertising	9,095	-
Operating costs	4,559,525	2,182,692
Donations to political parties	13,555	67,918
Legal costs	889,060	199,082
<b>Total</b>	<b>7,807,008</b>	<b>3,125,635</b>

Signature of designated officer:  .....

Mark Diamond  
National Secretary

Dated: Wednesday 15 May , 2024

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE  
ABN 28 921 128 419**

**COMMITTEE OF MANAGEMENT STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

On 2024, the Committee of Management of the Australian Rail Tram & Bus Industry Union National Office passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2023:

The Committee of Management declared that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that National Office will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of the National Office; and
  - (ii) the financial affairs of the National Office have been managed in accordance with the rules of the organisation including the rules of the National Office; and
  - (iii) the financial records of the National Office have been kept and maintained in accordance with the RO Act; and
  - (iv) the financial records of the National Office have been kept, as far as practicable, in a consistent manner with each of the other branches of the organisation; and
  - (v) where information has been sought in any request by a member of the National Office or the General Manager – Fair Work Commission duly made under section 272 of the RO Act, that information has been provided to the member or the General Manager; and
  - (vi) no orders for inspection of financial reports have been made by the Fair Work Commission under section 273 of the RO Act.

Signed by Mark Diamond in accordance with such resolution as is passed by the Committee of Management.



Mark Diamond  
National Secretary

Dated: Wednesday 15 May , 2024

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE**  
**ABN 28 921 128 419**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

		<b>2023</b>	<b>2022</b>
<b>REVENUE</b>	Note	<b>\$</b>	<b>\$</b>
<b>Revenue from contracts with customers</b>			
Membership subscriptions		-	-
Capitation fees and other revenue from another reporting unit	2A	2,532,475	2,432,438
Other sales of goods or services	2F	1,735,977	-
Revenue from recovery of wages activity		-	-
<b>Total revenue from contracts with customers</b>		<u>4,268,452</u>	<u>2,432,438</u>
<b>Income from furthering objectives</b>			
Grants and/or donations		2,500	-
Income recognised from volunteer services		-	-
Income recognised from transfers		-	-
<b>Total income from furthering objectives</b>		<u>2,500</u>	<u>-</u>
<b>Income from other sources</b>			
Investment Gains and Interest Income	2B	142,240	-
Rent Received	2C	64,960	221,424
Sponsorship Income		19,000	-
Gain on Sale of Investment Property	10	3,494,028	-
Other Income	2E	88,093	52,815
Gain on Plant Disposal	2D	17,582	-
<b>TOTAL REVENUE</b>		<u>8,096,855</u>	<u>2,706,677</u>
<b>EXPENSES</b>			
Employee Expenses	3A	2,335,773	675,943
Affiliation Fees	3B	247,692	248,341
Administration Expenses	3C	1,439,895	923,709
Grants or Donations	3D	20,923	86,750
Cost of Sales		387,160	-
Depreciation and Amortisation	11 & 12	174,879	22,009
Legal Costs	3E	889,060	199,082
Audit Fees	25	42,000	23,095
Other Expenses	3G	269,626	242,591
Investment Losses	2B	-	254,115
Good Faith Payment	3F	2,000,000	-
Loss on revaluation of investment property	10	-	450,000
<b>TOTAL EXPENSES</b>		<u>7,807,008</u>	<u>3,125,635</u>
<b>SURPLUS/(DEFICIT) FOR THE YEAR BEFORE TAX</b>		<u>289,847</u>	<u>(418,958)</u>
<b>INCOME TAX BENEFIT</b>	4	28,039	-
<b>SURPLUS/(DEFICIT) FOR THE YEAR AFTER TAX</b>		<u>317,886</u>	<u>(418,958)</u>

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE**  
**ABN 28 921 128 419**

**STATEMENT OF COMPREHENSIVE INCOME (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Other comprehensive income</b>		
Items that will be subsequently reclassified to profit or loss		
Fair value of property	-	780,000
<b>Total comprehensive income for the year</b>	<u>317,886</u>	<u>361,042</u>

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE**  
**ABN 28 921 128 419**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2023**

	Note	2023 \$	2022 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	5	8,350,918	3,015,349
Trade and Other Receivables	6	909,406	308,522
Financial Assets	7	-	2,512,349
Other	8	411,429	81,368
<b>TOTAL CURRENT ASSETS</b>		<b>9,671,753</b>	<b>5,917,588</b>
<b>NON CURRENT ASSETS</b>			
Financial Assets	9	20	20
Investment Property	10	-	6,800,000
Property, Plant & Equipment	11	1,380,617	929,737
Intangible Assets	12	4,457,000	595
<b>TOTAL NON CURRENT ASSETS</b>		<b>5,837,637</b>	<b>7,730,352</b>
<b>TOTAL ASSETS</b>		<b>15,509,390</b>	<b>13,647,940</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	13	820,077	190,518
Borrowings	14	10,535	9,702
Provisions	16	530,156	426,307
ROU Lease Liability	15	192,920	-
Income Tax Payable		3,585	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,557,273</b>	<b>626,527</b>
<b>NON CURRENT LIABILITIES</b>			
Trade and Other Payables	13	349,375	-
Borrowings	14	29,347	39,881
Provisions	16	28,931	15,790
ROU Lease Liability	15	260,836	-
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>668,489</b>	<b>55,671</b>
<b>TOTAL LIABILITIES</b>		<b>2,225,762</b>	<b>682,198</b>
<b>NET ASSETS</b>		<b>13,283,628</b>	<b>12,965,742</b>
<b>MEMBERS FUNDS</b>			
Accumulated Surplus		12,503,628	12,185,742
Reserves		780,000	780,000
<b>TOTAL MEMBERS FUNDS</b>		<b>13,283,628</b>	<b>12,965,742</b>

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE**  
**ABN 28 921 128 419**

**STATEMENT OF CHANGES IN EQUITY**  
**AS AT 31 DECEMBER 2023**

	Accumulated Surplus \$	Reserves \$	Total \$
<b>Balance at 1 January 2022</b>	12,604,700	-	12,604,700
Adjustment Retained Earnings	-	780,000	780,000
(Loss) / Profit for the Year	(418,958)	-	(418,958)
<b>Balance at 31 December 2022</b>	<u>12,185,742</u>	<u>780,000</u>	<u>12,965,742</u>
Profit / (Loss) for the Year	317,886	-	317,886
<b>Balance at 31 December 2023</b>	<u>12,503,628</u>	<u>780,000</u>	<u>13,283,628</u>

**NOTE TO THE STATEMENT OF CHANGES IN EQUITY**

**Note A – Compulsory Levy**

Other than capitation fees, National Office receive no other levy.

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE**  
**ABN 28 921 128 419**

**STATEMENT OF CASH FLOWS**  
**AS AT 31 DECEMBER 2023**

	Note	2023 \$	2022 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Receipts from other reporting units	6	2,208,404	2,632,621
Other Income		1,664,823	53,734
Payments to other reporting units	13	(2,034,807)	-
Payments to suppliers and employees		(5,899,509)	(2,920,142)
Rent received		64,960	210,068
Interest received		16,922	4,739
<b>Net cash provided/(used) by operating activities</b>	18	<b>(3,979,207)</b>	<b>(18,980)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for plant and equipment		(113,542)	(1,349)
Proceeds from sale of Redfern Investment (net)		10,273,028	-
Payment for controlled entity – Aakira Pty Ltd		(3,650,000)	-
Proceeds on disposal of plant and equipment		46,363	-
Liquidation of IFS asset		2,634,046	-
<b>Net cash used in investing activities</b>		<b>9,189,895</b>	<b>(1,349)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Rental payments relating to ROU liabilities		(111,742)	-
Repayment of borrowings		(10,117)	-
		<b>(121,859)</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents held</b>		5,088,829	(20,329)
<b>Cash balances acquired on acquisition of controlled entity</b>	21	246,740	-
<b>Cash and cash equivalents at the beginning of the year</b>		3,015,349	3,035,678
<b>Cash and cash equivalents at the end of the year</b>	5	<b>8,350,918</b>	<b>3,015,349</b>

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE**  
**ABN 28 921 128 419**

**NOTES TO THE FINANCIAL STATEMENTS**  
**AS AT 31 DECEMBER 2023**

**1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Preparation**

The consolidated financial statements of Australian Rail, Tram & Bus Industry Union, National Office for the financial year ended 31 December 2023 include Aakira Pty Ltd T/A Training Ahead Australia (a wholly owned controlled entity) from acquisition date 1 August 2023 to 31 December 2023.

The financial statements are general purpose financial statements that has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

For the purpose of preparing the general purpose financial statements, the Australian Rail, Tram and Bus Industry Union, National Office is a not-for-profit entity.

The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost basis except for debt and equity financial assets (including derivative financial instruments) that have been measured at fair value either through other comprehensive income or profit or loss, and certain classes of property, plant and equipment and investment properties, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

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

**Accounting Policies**

**(a) Principles of Consolidation**

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent entity and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent entity controls. The parent entity controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the controlled entities is provided in Note 19.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Union from the date on which control is obtained by the Union. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between the Union and controlled entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Union.

Equity interests in a subsidiary not attributable, directly or indirectly, to the company are presented as "non-controlling interests". The company initially measures non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

Business combinations occur where an acquirer obtains control over one or more businesses. A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is obtained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**(a) Principles of Consolidation (cont'd)**

**- Business combinations**

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

Contingent consideration classified as an asset or liability is remeasured in each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date. All transaction costs incurred in relation to business combinations, other than those associated with the issue of a financial instrument, are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase, except in circumstances of common control acquisitions.

**- Goodwill**

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

- (i) the consideration transferred;
- (ii) any non-controlling interest (determined under either the full goodwill or proportionate interest method); and
- (iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Fair value re-measurements in any pre-existing equity holdings are recognised in profit or loss in the period in which they arise. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

The amount of goodwill recognised on acquisition of each subsidiary in which the company holds less than 100% interest will depend on the method adopted in measuring the non-controlling interest. The company can elect in most circumstances to measure the non-controlling interest in the acquiree either at fair value (full goodwill method) or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets (proportionate interest method). In such circumstances, the parent entity determines which method to adopt for each acquisition and this is stated in the respective notes to these financial statements disclosing the business combination.

Under the full goodwill method, the fair value of the non-controlling interest is determined using valuation techniques which make the maximum use of market information where available. Under this method, goodwill attributable to the non-controlling interest is recognised in the consolidated financial statements.

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

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**(a) Principles of Consolidation (cont'd)**

- **Goodwill**

Goodwill is tested for impairment annually and is allocated to the Union's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored and not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

Changes in the ownership interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions and do not affect the carrying amounts of goodwill.

**(b) Income Tax**

The Union is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however the union still has obligations for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Its controlled entity; Aakira Pty Ltd is subject to income tax.

The charge for current income tax expense is based on the profit/(loss) for the period adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the 'statement of financial' position' date.

**(c) Fair Value of Assets and Liabilities**

The Union measures its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Union would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or the payments made to transfer the liability, after taking into account transaction costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are also held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

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**(d) Property Plant & Equipment**

Property Plant and equipment is carried at cost less any accumulated depreciation.

The carrying amount of plant and equipment is reviewed for impairment annually by the Committee of Management to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

**- Depreciation**

The depreciable amount of all fixed assets including buildings, motor vehicles, plant and equipment and leasehold improvements, is depreciated on either a straight line or diminishing balance basis over their useful lives to the Union commencing from the time the asset is held ready for use.

The depreciation rates used for each asset are between 3% and 50%. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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

**(e) Leases**

The Union assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**The Union as a lessee**

The Union applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Union recognises lease liabilities where a liability to make lease payments exists and right-of-use assets representing the right to use the underlying assets.

**Right-of-use assets**

The Union recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Union at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

**Lease liabilities**

At the commencement date of the lease, the Union recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Union and payments of penalties for terminating the lease, if the lease term reflects the Union exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**(e) Leases (cont'd)**

**Lease liabilities (cont'd)**

In calculating the present value of lease payments, the Union uses the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**Short-term leases and leases of low-value assets**

The Union's short-term leases are those that have a lease term of 12 months or less from the commencement. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

**(f) Impairment of Assets**

At the end of each reporting period, the Union assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying value over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. in accordance with the revaluation model in AASB116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

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

**(g) Investment Properties**

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is realised.

**(h) Intangibles**

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The useful life of the Union's intangible assets is:

	<b>2023</b>	<b>2022</b>
Website Development	2 to 3 years	2 to 3 years
ROU Asset	5 to 7 years	n/a

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**(i) Employee Entitlements**

Provision for employee entitlements in the form of Long Service Leave, Accrued Annual Leave and ADOs has been made for the estimated accrued entitlement of all employees on the basis of their terms of employment. In the case of Long Service Leave, the accrual has been measured by reference to periods of service and current salary rates as it is considered that this results in an amount not materially different to that achieved by discounting estimated future cash flows.

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

**(j) Defined Superannuation Schemes**

In respect of defined benefit plans, the cost of providing the benefits is determined using the projected unit cost method. Actuarial calculations are conducted by State Super. The amount recognised in the Statement of Financial Position represents the present value of the defined benefits obligations adjusted for any unrecognised actuarial gains and losses and unrecognised past service costs less the fair value of the plan's assets. The Union has defined benefit obligations for members participating in the State Authorities Superannuation Scheme and the State Authorities Non-Contributory Superannuation Scheme. All Schemes are closed to new members.

**(k) Financial Instruments**

Financial assets and financial liabilities are recognised when the Union becomes a party to the contractual provisions to the instrument.

**Financial assets**

**Contract assets and receivables**

A contract asset is recognised when the Union's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Union's future performance or some other condition. A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

**Initial recognition and measurement**

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Union's business model for managing them. With the exception of trade receivables that do not contain a significant financing component the Union initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Union's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**(k) Financial Instruments (cont'd)**

**Initial recognition and measurement (cont'd)**

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Union commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified into five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss.

**Financial assets at amortised cost**

The Union measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (**EIR**) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Union's financial assets at amortised cost includes trade receivables and loans to related parties.

**Financial assets at fair value through other comprehensive income**

The Union measures debt instruments at fair value through other comprehensive income (**OCI**) if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost.

The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Union's debt instruments at fair value through other comprehensive income includes investments in quoted debt instruments included under other non-current financial assets.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**(k) Financial Instruments (cont'd)**

**Financial assets at fair value through profit or loss (including designated)**

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

**Derecognition**

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Union has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a. The Union has transferred substantially all the risks and rewards of the asset; or
  - b. The Union has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Union has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Union continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

**Offsetting**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**Impairment**

Expected credit losses (ECLs)

**(i) Debt instruments other than trade receivables**

The Union recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the reporting unit expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**(k) Financial Instruments (cont'd)**

**Impairment (cont'd)**

ECLs are recognised in two stages:

- For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).
- For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Union considers a financial asset in default when internal or external information indicates that the Union is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**(ii) Trade receivables**

For trade receivables that do not have a significant financing component, the Union applies a simplified approach in calculating ECLs. Therefore, the Union does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Union has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, at amortised cost or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Union's financial liabilities include trade and other payables.

**Subsequent measurement**

**Financial liabilities at fair value through profit or loss (including designated)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 Financial Instruments are satisfied.

**Financial liabilities at amortised cost**

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR derecognised process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**(k) Financial Instruments (cont'd)**

**Financial liabilities (cont'd)**

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

**(l) Impairment of Assets**

At the end of each reporting period, the Union assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**(m) Revenue**

The Union enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of capitation fees, levies, grants, and donations.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

**Revenue from contracts with customers**

Where the Union has a contract with a customer, the Union recognises revenue when or as it transfers control of goods or services to the customer. The Union accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**(m) Revenue (cont'd)**

**Capitation fees**

Where the Union arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Union recognises the capitation fees promised under that arrangement when or as it transfers the contracted services.

In circumstances where the criteria for a contract with a customer are not met, the Union will recognise capitation fees as income upon receipt (as specified in the income recognition policy below).

**Affiliation fees**

Where the Union arrangement with a branch or another reporting unit meets the criteria to be a contract with a customer, the Union recognises the affiliation fees promised under that arrangement when or as it transfers the contracted services.

In circumstances where the criteria for a contract with a customer are not met, the Union will recognise affiliation fees as income upon receipt (as specified in the income recognition policy below).

**Levies**

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when or as the Union transfers the contracted services.

In circumstances where the criteria for a contract with a customer are not met, the Union will recognise levies as income upon receipt (as specified in the income recognition policy below).

**Income of the Union as a Not-for-Profit Entity**

Consideration is received by the Union to enable the entity to further its objectives. The Union recognises each of these amounts of consideration as income when the consideration is received (which is when the Union obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the Union recognition of the cash contribution does not give to any related liabilities.

**Income recognised from transfers**

Where, as part of an enforceable agreement, the Union receives consideration to acquire or construct a non-financial asset such as property, plant and equipment to an identified specification and for the Union's own use, a liability is recognised for the obligation to acquire or construct the asset. Income is recognised as the obligation to acquire or construct the asset is satisfied, which is typically over time. The asset that is being acquired or constructed is recognised in accordance with the policy on property, plant and equipment.

**Gains from sale of assets**

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is realised.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**(m) Revenue (cont'd)**

**Interest income**

Interest revenue is recognised on an accrual basis using the effective interest method.

**Rental income**

Leases in which the Union as a lessor, does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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

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

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows within receipts from customers or payments to suppliers.

**(o) Comparatives**

The 2023 financial year statements include the consolidation of Aakira Pty Ltd (a wholly owned controlled entity) from acquisition date 1 August 2023 to 31 December 2023 with Australian Rail, Tram & Bus Industry Union, National Office. Prior year figures represent Australian Rail, Tram & Bus Industry Union, National Office on a standalone basis. When required by Accounting Standards and the Fair Work (Registered Organisation) Act 2009, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**(p) Adoption of new accounting standards**

The Union has not adopted any new accounting standards in the financial year.

**(q) Critical Accounting Estimates and Judgements**

The Committee of Management evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data obtained both externally and within the Union. There are no significant estimates or judgements underpinning this financial report except:

- Key Estimates – Impairment
- The Union assesses impairment at each reporting date by evaluating conditions specific to it that may lead to the impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined and reflected in the financial report.

**(r) Going Concern**

The financial report has been prepared on a going concern basis which contemplates the realisation of assets and settlement of liabilities in the ordinary course of business.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**(r) Going Concern (cont'd)**

The Committee of Management considered the going concern basis as appropriate for the following reason:

- The Union has generated a surplus this year. It has a positive net asset position and is forecasting ongoing surpluses.

No adjustments have been made in the financial report relating to the recoverability and classification of recorded asset values or to the amounts and classification of liabilities that might be necessary should the Union not continue as a going concern. The Union is not reliant on the financial support to any other reporting unit to continue as a going concern, nor has it provided financial support to any other reporting unit to enable them to continue as a going concern.

**(s) Contingent liabilities and contingent assets**

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported as required in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**2 REVENUE AND INCOME**

**Disaggregation of revenue from contracts with customers**

A disaggregation of the Group's revenue by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of contract revenue by type of customer: -

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Type of customer</b>		
Members	-	-
Other reporting units	2,532,475	2,432,438
Government	-	-
Other parties	1,735,977	-
<b>Total revenue from contracts with customers</b>	4,268,452	2,432,438

**Disaggregation of income for furthering activities**

The table below also sets out a disaggregation of income for furthering objectives: -

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Income funding sources</b>		
Members	-	-
Other reporting units	-	-
Government	2,500	-
Other parties	-	-
<b>Total income for furthering activities</b>	2,500	-

**Disaggregation of other income**

The table below also sets out a disaggregation of other income of the Group: -

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Income funding sources</b>		
Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	3,825,903	274,239
<b>Total income for furthering activities</b>	3,825,903	274,239

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>2A Revenue – Other Reporting Units</b>		
NSW Branch	931,220	903,589
QLD Branch	433,431	419,042
SA & NT Branch	75,634	70,305
VIC Branch	745,253	708,793
TAS Branch	17,828	20,055
WA Branch	147,030	132,043
	2,350,396	2,253,827

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<b>2A Revenue – Other Reporting Units (cont'd)</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Affiliation Fees</b>		
NSW Branch	79,303	80,400
QLD Branch	38,187	38,427
SA & NT Branch	4,866	5,204
VIC Branch	48,280	43,006
TAS Branch	1,733	2,140
WA Branch	9,710	9,434
	<u>182,079</u>	<u>178,611</u>
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Levies</b>		
NSW Branch	-	-
QLD Branch	-	-
SA & NT Branch	-	-
VIC Branch	-	-
TAS Branch	-	-
WA Branch	-	-
	<u>-</u>	<u>-</u>
Total	<u>2,532,475</u>	<u>2,432,438</u>
	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>2B: Investment Income</b>		
Interest Received	16,922	4,559
(Losses)/Income & Gains on Investment Fund Portfolio (IFP)	125,318	(258,674)
	<u>142,240</u>	<u>(254,115)</u>
<b>2C: Rent Received</b>	<u>64,960</u>	<u>221,424</u>
Property at Redfern	64,960	221,424
	-	-
<b>2D: Net Gain on Asset Disposal</b>	<u>17,582</u>	<u>-</u>
Plant & Equipment and Vehicles	17,582	-
	-	-
<b>2E: Other Income</b>	<u>88,093</u>	<u>52,815</u>
Other income	88,093	52,815
	-	-
<b>2F: Sales</b>		
Trading Revenue – Aakira Pty Ltd	1,735,977	-
	<u>1,735,977</u>	<u>-</u>

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**3 EXPENSES**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>3A: Employee Expenses</b>		
<i>Holder of Office:</i>		
Wages and Salaries	360,752	339,919
Superannuation	38,739	34,266
Leave and Other Entitlements	34,272	8,167
Retirement Benefit Expenses	(50,785)	(522,367)
Other Expenses	-	-
	382,978	(140,015)
 <i>Employees Other than Officeholders:</i>		
Wages and Salaries	1,711,084	707,689
Superannuation	185,364	72,696
Leave and Other Entitlements	56,347	35,573
Retirement Benefit Expenses	-	-
Other Expenses	-	-
	1,952,795	815,958
	2,335,773	675,943
 <b>3B: Affiliation Fees</b>		
ACTU	182,180	178,611
International Transport Workers Federation	52,161	54,978
Rail Industry Safety Standards Board	5,757	3,967
International Conference for Labour Solidarity	2,668	8,993
Australian People For Health Education & Development Abroad Inc	4,926	-
Union Aid Abroad	-	1,792
	247,692	248,341
 <b>3C: Administration Expenses</b>		
Fee/Allowances – Meeting and Conferences		
Attendance	-	3,427
Conference and Meeting Expenses		
Accommodation	6,464	1,553
Airmiles & Travelling Expenses	319,292	237,189
Conference and Meetings	135,730	64,833
National Executive & Council Costs	83,311	-
Accountancy – Other Accountants	106,209	71,992
Bank Charges & Fees	17,325	11,768
Consultants	84,824	46,770
Property Expenses		
Building Expenses	102,819	197,575
Rent Paid	27,680	83,227
Office Expenses		
General Expenses	320,680	52,742
Postage	1,357	419
Printing and Stationery	3,091	60,017
Staff Training	104,535	34,069
Subscription and Membership	72,377	39,098
Telephone	25,339	19,030
Merchandise	28,862	-
	1,439,895	923,709

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	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>3D: Grants or Donations</b>		
Grants: -	-	-
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
Donations: -		
Total expensed that were \$1,000 or less	655	1,850
Total expensed that exceeded \$1,000	20,268	84,900
	20,923	86,750
Donations: -		
Political Parties	13,555	67,918
Other Parties	7,368	18,832
	20,923	86,750
<b>3E: Legal Costs</b>		
Litigation	493,686	-
Other Legal Matters	395,374	199,082
	889,060	199,082
<b>3F: Good Faith Payment</b>	2,000,000	-
This reflects a "Good Faith" payment to Rail, Tram & Bus Union NSW Branch for exiting the Redfern Property.		
<b>3G: Other Expenses</b>		
Campaigns	59,221	52,036
Fringe Benefit Tax	31,057	20,675
Fines	-	-
General Expense	99,780	114,553
Insurances – General	65,962	36,933
Interest	3,737	2,540
Interest – ROU Liability	18,013	-
Motor Vehicle Expenses	35,556	17,916
Penalties - via RO Act or RO Regulations	-	-
Repairs and Maintenance	763	-
Doubtful Debt Expenses	(489,094)	(2,062)
Bad debts write off	444,631	-
Consideration to employers for making payroll deductions	-	-
Compulsory Levies	-	-
	269,626	242,591

**4 INCOME TAX EXPENSE**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Income Tax Expense</b>		
- Current Tax Benefit	(28,039)	-
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2022: 25%)	72,462	-
Exempt Income	(101,058)	-
Non-Deductible Expenses	557	-
Income Tax Expense / (Benefit)	(28,039)	-



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**5 CASH AND CASH EQUIVALENTS**

	<b>2023</b>	<b>2022</b>
	\$	\$
Cash at Bank and on Hand	8,350,918	3,015,349
	8,350,918	3,015,349

**6 TRADE AND OTHER RECEIVABLES**

	<b>2023</b>	<b>2022</b>
	\$	\$
Receivables from the Branches (gross)	21,502	565,451
Total trade receivables from the Branches	21,502	565,451
Less allowance for expected credit losses	-	(489,094)
Trade Receivable from the Branches	21,502	76,357
Other receivables:		
Accrued income receivable from the Branches	687,425	232,165
Sundry debtors	200,479	-
Total trade and other receivables (net)	909,406	308,522

The movement in the allowance for expected credit losses of trade and other receivables is as follows:

At 1 January	489,094	491,156
Provision for expected credit losses	(489,094)	(2,062)
At 31 December	-	489,094

The below table amounts are net of GST.

	VIC	NSW	SA/NT	QLD	TAS	WA	TOTAL
Trade Receivables Opening Balances 1/1/2023	52,697	10,411	6,308	-	-	444,631	514,047
Other Receivables - Opening Balances 1/1/2023	55,820	143,534	-	31,371	1,440	-	232,165
<b>Bad Debt write off</b>	-	-	-	-	-	<b>(444,631)</b>	<b>(444,631)</b>
Capitation fees charged	745,253	931,220	75,634	433,431	17,828	147,030	2,350,396
Affiliation fees charged	48,280	79,303	4,866	38,187	1,733	9,710	182,079
ACTU charged	-	-	-	-	-	-	-
Other charges / reimbursements	1,188	12,634	1,621	2,794	61,714	3,325	83,276
<b>Total amounts charged to branches</b>	<b>794,721</b>	<b>1,023,157</b>	<b>82,121</b>	<b>474,412</b>	<b>81,275</b>	<b>160,065</b>	<b>2,615,751</b>
Capitation fees received	(714,321)	(608,372)	(74,260)	(393,400)	(17,703)	(134,994)	(1,943,050)
Affiliation fees received	(48,280)	(79,303)	(4,866)	(38,187)	(1,733)	(9,710)	(182,079)
ACTU received	-	-	-	-	-	-	-
Other charges / reimbursements received	(1,188)	(12,634)	(1,621)	(2,794)	(61,714)	(3,325)	(83,275)
<b>Total amounts received from Branches</b>	<b>(763,789)</b>	<b>(700,309)</b>	<b>(80,747)</b>	<b>(434,381)</b>	<b>(81,150)</b>	<b>(148,029)</b>	<b>(2,208,404)</b>
Trade Receivables Closing Balances	9,790	10,411	1,301	-	-	-	21,502
Other Receivables Closing Balances	129,659	466,381	6,381	71,402	1,566	12,036	687,425
<b>Total Closing Balance 31/12/2023</b>	<b>139,449</b>	<b>476,792</b>	<b>7,682</b>	<b>71,402</b>	<b>1,566</b>	<b>12,036</b>	<b>708,927</b>

There are no unsatisfied performance obligations included in receivables.

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<b>7</b>	<b>FINANCIAL ASSETS - CURRENT</b>	<b>2023</b>	<b>2022</b>
		<b>\$</b>	<b>\$</b>
	Opening Investment with Industry Fund Services	2,512,349	2,782,830
	(Losses)/Income & Gains on IFP (Note 2B)	125,318	(258,674)
	Management Fees	(3,621)	(11,807)
	IFS liquidation – Transfer to General Account	(2,634,046)	-
	Investment with Industry Fund Services	-	2,512,349
<b>8</b>	<b>OTHER CURRENT ASSETS</b>		
	Prepayments	411,429	81,368
<b>9</b>	<b>FINANCIAL ASSETS – NON-CURRENT</b>		
	Shares Encompass Credit Union – at Cost	20	20
<b>10</b>	<b>INVESTMENT PROPERTY</b>		
	Redfern Property – at Valuation	-	6,800,000

In November 2023, the sale of the investment property at 83-89 Renwick Street, Redfern, NSW was settled for a total purchase consideration of \$10.5million (\$10.273million net of commission costs). Recognition of the gain on sale of \$3.494million has been recorded in the statement of comprehensive income.

In 2022, the investment property was measured at fair value, being the amount for which the property could be exchanged between willing parties in an arm's length transactions, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases. The fair value of the investment property was determined by an independent valuer using recognised valuation techniques. These techniques comprise both the Discounted Cash Flow (DCF) method and Income Capitalisation method and resulted in a loss of \$450,000 being reported.

Under the DCF method, a property's fair value is estimated using explicit assumptions regarding the benefits and liabilities of ownership over the asset's life including estimated rental income and an exit or terminal value. This involves the projection of a series of cash flows and to this an appropriate, market-derived discount rate is applied to establish the present value of the income stream. Under the income capitalisation method, a property's fair value is estimated based on the normalised net operating income generated by the property, which is divided by the capitalisation rate (the investor's rate of return).

Rental income earned and received from the investment property during the year was \$64,960 (2022: \$221,424).

Direct expenses incurred in relation to the investment property that generated rental income during the year were \$96,657 (2022: \$173,767).

The fair value of investment property was included within Level 2 - refer Note 25D in 2022.

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**11 PROPERTY, PLANT AND EQUIPMENT**

	Land & buildings	Leasehold Improvements	Plant & Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
Property, Plant and Equipment	780,000	401,681	364,922	226,386	1,772,989
Less: Accumulated Depreciation	-	(82,007)	(257,181)	(53,184)	(392,372)
	<u>780,000</u>	<u>319,674</u>	<u>107,741</u>	<u>173,202</u>	<u>1,380,617</u>

**MOVEMENTS IN CARRYING AMOUNTS OF PROPERTY, PLANT AND EQUIPMENT**

31 December 2023

	Land & buildings	Leasehold Improvements	Plant & Equipment	Motor Vehicle	Total
	\$	\$	\$	\$	\$
Balance at Beginning of Year	780,000	59,294	11,277	79,166	929,737
Additions – Aakira Pty Ltd assets	-	272,609	93,017	52,874	418,500
Additions	-	-	18,198	95,344	113,542
Disposals	-	-	-	(28,781)	(28,781)
Depreciation	-	(12,229)	(14,751)	(25,401)	(52,381)
<i>Carrying Amount at End of Year</i>	<u>780,000</u>	<u>319,674</u>	<u>107,741</u>	<u>173,202</u>	<u>1,380,617</u>

31 December 2022

	Land & buildings	Leasehold Improvements	Plant & Equipment	Motor Vehicles	Total
Balance at Beginning of Year	-	62,415	13,086	45,629	121,130
Additions	780,000	-	1,226	48,865	830,091
Disposals	-	-	-	-	-
Depreciation	-	(3,121)	(3,036)	(15,327)	(21,484)
<i>Carrying Amount at End of Year</i>	<u>780,000</u>	<u>59,294</u>	<u>11,277</u>	<u>79,166</u>	<u>929,737</u>

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**12 INTANGIBLE ASSETS**

	<b>2023</b>	<b>2022</b>
	\$	\$
Website Development – at Cost	85,397	78,547
Less: Accumulated Amortisation	(81,234)	(77,952)
	4,163	595
Balance at Beginning of Year	595	1,120
Additions – Aakira Pty Ltd assets	5,275	-
Amortisation	(1,707)	(525)
	4,163	595
Goodwill on consolidation – Fair Value	4,026,143	-
Balance at Beginning of Year	-	-
Additions	4,026,143	-
	4,026,143	-
Right of Use Assets - at Fair Value	547,485	-
Less: Accumulated Amortisation	(120,791)	-
	426,694	-
Balance at Beginning of Year	-	-
Right of Use Asset Recognised	547,485	-
Amortisation Expense	(120,791)	-
	426,694	-
Total Intangibles	4,457,000	595

**13 TRADE AND OTHER PAYABLES**  
**Current**

	<b>2023</b>	<b>2022</b>
	\$	\$
Consideration to Employers for Payroll Deductions Payable to the Branches	-	-
NSW Branch	896	-
TAS Branch	-	-
QLD Branch	696	-
WA Branch	1,513	-
SA Branch	-	-
VIC Branch	-	-
Trade Creditors	158,481	296
Legal Costs – Other Matters	43,861	-
Legal Costs - Litigation	47,522	-
Other Payables and Accruals	567,108	190,222
	820,077	190,518
<b>Non Current</b>		
Other Payables and Accruals	349,375	-

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The below table amounts are net of GST.

	VIC	NSW	SA/NT	QLD	TAS	WA	TOTAL
Trade Payables Opening Balances 1/1/2023	-	-	-	-	-	-	-
Amounts charged from Branches:							
Other Charges / reimbursements	2,122	12,345	-	20,528	1,441	1,476	37,912
Amounts paid to Branches:							
Other Charges / reimbursements	(2,122)	(11,449)	-	(19,832)	(1,441)	37	(34,807)
Trade Payable Closing Balances 31/12/2023		896		696	-	1,513	3,105

In addition to the above, the Australian Rail, Tram and Bus Industry Union – National Office paid \$2,000,000 as a “Good Faith” payment to Rail, Tram & Bus Union NSW Branch for exiting the Redfern Property.

**14 BORROWINGS**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Current Borrowings (vehicle)	10,535	9,702
Non Current Borrowings (vehicle)	29,347	39,881
Total Borrowings	39,882	49,583

**15 ROU LEASE LIABILITY**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	-	-
Recognition of Lease	547,485	-
Interest	18,013	-
Lease Payments	(111,742)	-
Carrying Amount of Lease Liability	453,756	-
Maturity		
<1 year	192,920	-
1-5 years	260,836	-
>5 years	-	-
	453,756	-

The Union has recognised a right-of-use asset and lease liability for the leased premises at Suite 5.01, Level 5, 377-383 Sussex Street, Sydney NSW 2000 for lease terms to 30 April 2027 and the premises at 8 Sloane Street, Maribyrnong VIC 3032 for lease terms to 31 July 2025.

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**16 PROVISIONS**

	<b>2023</b>	<b>2022</b>
	\$	\$
<i>Officeholders:</i>		
Provision for Annual Leave	68,101	49,757
Provision for Long Service Leave	24,528	18,510
Provision for ADO	19,513	9,603
Provision for Retirement Benefits	106,582	157,367
Provision for Separations and Redundancies	-	-
	218,724	235,237
 <i>Employees Other than Officeholders:</i>		
Provision for Annual Leave	246,789	134,702
Provision for Long Service Leave	42,025	30,640
Provision for ADO	51,549	41,518
Provision for Separations and Redundancies	-	-
	340,363	206,860
	559,087	442,097
 Total Provisions		
Current (including annual leave, long service leave and ADO)	530,156	426,307
Non Current (long service leave)	28,931	15,790
	559,087	442,097

Movement during the Year:

	Annual Leave	Long Service Leave	ADO	Retirement Benefits
	\$	\$	\$	\$
Benefits Balance at the Beginning of the Year	184,459	49,151	51,120	157,367
Increase/(Decrease) in Provision	130,431	17,402	19,942	(50,785)
Balance at the End of Year	314,890	66,553	71,062	106,582

The current portion for the provisions include the total amount accrued for annual leave entitlements, ADOs and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Union does not expect the full amount of annual leave, ADOs or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Union does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

**17 EQUITY**

	<b>2023</b>	<b>2022</b>
	\$	\$
Compulsory levy/voluntary contribution fund – if invested in assets	-	-
Other fund(s) required by rules	-	-
	-	-

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**18 CASH FLOW INFORMATION**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Reconciliation of cash flow from operations		
Surplus/(Deficit)	317,886	(418,958)
<i>Adjustments for non-cash items:</i>		
Depreciation and Amortisation	174,879	22,009
Interest – ROU Liability	18,013	-
Losses /(Gains) on Financial Assets (Net)	(121,697)	270,481
Loss on Revaluation of Investment Property	-	450,000
Gain on Plant Disposal	(17,582)	-
Profit on Disposal of Investment Property	(3,494,028)	-
<i>Changes in operating assets and liabilities (net of acquired assets and liabilities):</i>		
Decrease/(Increase) in receivables	(175,727)	196,237
Decrease/(Increase) in other assets	(330,061)	(48,740)
(Decrease)/Increase in payables	(394,309)	(1,799)
(Decrease)/Increase in provisions	39,834	(488,210)
Movement in tax liabilities	3,585	-
Net cash flows from operations	(3,979,207)	(18,980)

**19 INTERESTS IN SUBSIDIARIES**

Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Union's financial statements.

**Significant Restrictions**

There are no significant restrictions over the Union's ability to access or use assets, and settle liabilities, of the subsidiary companies.

**Acquisition of Controlled Entities**

By holding the majority of the voting shares in an entity, the company holds the majority of the seats on the Board, thereby giving the company the current ability to direct the relevant activities of the subsidiary company.

**Information about Principal Subsidiaries**

The subsidiaries listed below have share capital or units which are held directly by the company. The proportion of ownership interests held equals the voting rights held by the company.

Name of Controlled Entity	Principal Place of Business and Place of Incorporation	Ownership Interest Held by the Union	Proportion of Non-controlling Interests
Aakira Pty Ltd T/A Training Ahead Australia	Australia	100%	0%

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**20 PARENT INFORMATION**

The following information has been extracted from the books and records of the parent entity and has been prepared in accordance with Australian Accounting Standards.

Statement of Financial Position	2023 \$	2022 \$
<b>ASSETS</b>		
Current assets	8,867,507	5,917,588
Non-current assets	6,081,020	7,730,352
<b>TOTAL ASSETS</b>	<b>14,948,527</b>	<b>13,647,940</b>
<b>LIABILITIES</b>		
Current liabilities	902,228	626,527
Non-current liabilities	590,744	55,671
<b>TOTAL LIABILITIES</b>	<b>1,492,972</b>	<b>682,198</b>
<b>NET ASSETS</b>	<b>13,455,555</b>	<b>12,965,742</b>
Accumulated Surplus	13,455,555	12,965,742
<b>TOTAL EQUITY</b>	<b>13,455,555</b>	<b>12,965,742</b>
<b>Statement of Profit or Loss and Other Comprehensive Income</b>		
Total Profit/(Loss)	489,813	(418,958)
Other Comprehensive Income	-	780,000
<b>Total Comprehensive Income/(Loss)</b>	<b>489,813</b>	<b>361,042</b>

**21 ACQUISITION OF CONTROLLED ENTITY**

The Union accounts for business acquisition using the acquisition method when control is transferred to the Union. The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred.

**Acquisition of the assets of Aakira Pty LTD**

In the 2023 financial year, Australian Rail, Tram and Bus Industry Union – National Office entered into a purchase agreement with Aakira Pty Ltd for the purchase of 100% of its share capital, and subsequently settled the acquisition on 1 August 2023. The consolidated financial statements for the Union include the consolidation of Aakira Pty Ltd from 1 August 2023.

Details of the initial purchase consideration paid by Australian Rail, Tram and Bus Industry Union – National Office, the net assets acquired and goodwill are as follows:

Purchase consideration	2023 \$
Cash Paid	3,650,000
Deferred Consideration*	723,207
<b>Total Consideration</b>	<b>4,373,207</b>

\* Payable 12-24 months after completion, discounted at 7%.



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**21 ACQUISITION OF CONTROLLED ENTITY (cont'd)**

<b>Net Assets of Aakira Pty Ltd Acquired</b>	<b>2023</b>
	<b>\$</b>
Working Capital – Assets (Excluding PPE and Cash)	425,157
Working Capital – Liabilities (Excluding Provisions)	(671,238)
Property, Plant and Equipment	423,558
Provisions	(77,156)
Cash Balances Acquired (Net of Debt Instruments)	246,740
<b>Total Identifiable Net Assets Acquired</b>	<u>347,061</u>
Goodwill on Acquisition	<u>4,026,141</u>
<b>Total Consideration</b>	<u>4,373,202</u>

**22 RETIREMENT BENEFITS OBLIGATIONS**

For one employee, the National Council participated in an employer sponsored defined benefits plan during the year. The benefit provided by the plan is based on the length of service of the member at retirement. Employees contribute various percentages of their gross income and the union may contribute up to 4.5 times the employees final average salary at retirement depending on the length of membership and the employees own contributions.

**Reconciliation of the defined benefit obligation -**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Accrued Liability (i)	1,514,954	1,481,676
Estimated Reserve Account Balance	<u>(1,408,372)</u>	<u>(1,324,309)</u>
Retirement Benefit Obligation at end of year	<u>106,582</u>	<u>157,367</u>

(i) The accrued liability includes a contribution tax provision. This is calculated based on grossing up the deficit less the allowance for past service expenses and insurable death and disability liabilities at a contribution tax rate of 15%.

**23 INVESTMENT PORTFOLIO**

The percentage of the Fund's assets invested in each asset class at 31 December noted below. The investment portfolio was liquidated in June 2023.

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Australian Equities	n/a	19.2
Overseas Equities	n/a	38.0
Australian Fixed Interest	n/a	0.3
Overseas Fixed Interest	n/a	3.9
Property	n/a	2.3
Cash	n/a	13.7
Other	n/a	22.7

All fund assets were invested at arm's length through independent fund managers.

**Description of risks**

There are a number of risks to which the fund exposes the Employer. The more significant risks relating to the defined benefits are:

- Investment risk - The risk that investment returns will be lower than assumed and the Employer will need to increase contributions to offset this shortfall.

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- Longevity risk - The risk that pensioners live longer than assumed, increasing future pensions.

**23 INVESTMENT PORTFOLIO (cont'd)**

- Pension indexation risk - The risk that pensions will increase at a rate greater than assumed, increasing future pensions.

- Salary growth risk - The risk that wages or salaries (on which future benefit amounts for active members will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contributions.

- Legislative risk - The risk is that legislative changes could be made which increase the cost of providing the defined benefits.

The defined benefit fund assets were invested with independent fund managers and have a diversified asset mix. The fund had no significant concentration of investment risk or liquidity risk.

**24 RELATED PARTY DISCLOSURES**

**24A: RELATED PARTY TRANSACTIONS**

	\$ VIC	\$ NSW	\$ SA/NT	\$ QLD	\$ TAS	\$ WA
<b>Revenue Earned from (Net GST)</b>						
Capitation Fees	745,253	931,220	75,634	433,431	17,828	147,030
Affiliation Fees	48,280	79,303	4,866	38,187	1,733	9,710
ACTU Levies	-	-	-	-	-	-
Other Charges/Reimbursements	1,188	12,634	1,621	2,794	61,714	3,325
	<u>794,721</u>	<u>1,023,157</u>	<u>82,121</u>	<u>474,412</u>	<u>81,275</u>	<u>160,065</u>
<b>Total amount owed in trade and other receivables by (Net GST)</b>	139,449	476,792	7,682	71,402	1,566	12,036

In addition to the above related party transactions, Australian Rail, Tram and Bus Industry Union – National Office advanced a loan of \$500,000 to Aakira Pty Ltd T/A Training Ahead Australia in November 2023. TAA will repay the loan within 13 months of written demand by the National Office. No interest is payable on the advance. No repayments have been made to National Office at reporting date.

	\$ VIC	\$ NSW	\$ SA/NT	\$ QLD	\$ TAS	\$ WA
<b>Expenses Incurred (Net GST)</b>						
Other Charges/Reimbursements	2,122	12,345	-	20,528	1,441	1,476
<b>Amount owed to (Gross)</b>	-	896	-	696	-	1,513
	<u>-</u>	<u>896</u>	<u>-</u>	<u>696</u>	<u>-</u>	<u>1,513</u>

The Australian Rail, Tram and Bus Industry Union – National Office paid \$2,000,000 as “Good Faith” to Rail, Tram & Bus Union NSW Branch for exiting the Redfern Property.

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	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>24B: KEY MANAGEMENT PERSONNEL REMUNERATION</b>		
Short-Term Employee Benefits		
Salary (including annual leave taken)	346,067	339,919
Annual Leave Accrued	68,100	49,757
ADO Accrued	19,513	9,602
Bonus Paid	9,000	-
	<u>442,680</u>	<u>399,278</u>
Post-Employment Benefits		
Superannuation	38,142	34,266
Retirement Benefit Accrued	(50,785)	157,367
	<u>12,643</u>	<u>191,633</u>
Other Long-Term Benefits:		
Long-Service Leave Accrued	37,622	18,511
	<u>37,622</u>	<u>18,511</u>
Total	<u>467,659</u>	<u>609,422</u>

**25 AUDITORS' REMUNERATION**

Remuneration of the auditor for:		
- auditing or reviewing the financial report	20,000	23,095
- due diligence services	22,000	-
	<u>42,000</u>	<u>23,095</u>

**26 FINANCIAL INSTRUMENTS**

The Union's financial instruments consist mainly of deposits with banks, accounts receivable and payable and bank borrowings.

The totals for each category of financial instruments as detailed in the accounting policies to these financial statements, are as follows:

**26A: Categories of Financial Instruments**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>		
Cash and cash equivalents	8,350,918	3,015,349
Trade and other receivables	909,406	308,522
Financial assets	-	2,512,349
<b>Carrying amount of financial assets</b>	<u>9,260,324</u>	<u>5,836,220</u>
<b>Financial Liabilities</b>		
Financial liabilities at amortised cost		
Trade and other payables	1,666,675	240,101
<b>Carrying amount of financial liabilities</b>	<u>1,666,675</u>	<u>240,101</u>

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**26B: Financial risk management policies**

The Committee of Management's overall risk management strategy seeks to assist the Union in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Committee on a regular basis. These include the credit risk policies and future cash flow requirements.

**26C: Specific financial risk exposures and management**

The main risks the Union is exposed to through its financial instruments are credit risk, liquidity risk and interest rate risk.

**(a) Interest Rate Risk**

Exposure to interest rate risk arises on financial assets recognised at reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Net Income and Expense from Financial Assets</b>		
<b>Cash &amp; Financial Assets</b>		
Interest Received	16,922	4,559
Income & Gains on IFP	125,318	(258,674)
<b>Net gain from cash and receivables</b>	142,240	(254,115)

The Union has the following classes of financial assets and financial liabilities that are exposed to interest rate risk:

31 December 2022

	Fixed Interest Rate	Floating Interest Rate	Non Interest	Total
	\$	\$	\$	\$
Cash and Cash Equivalents	-	3,015,349	-	3,015,349
Financial Assets	-	2,512,349	-	2,512,349
Trade and Other Receivables	-	-	308,522	308,522
	-	5,527,698	308,522	5,836,220

Weighted Average Interest Rate (4.6%)

31 December 2023

	Fixed Interest Rate	Floating Interest Rate	Non Interest	Total
	\$	\$	\$	\$
Cash and Cash Equivalents		8,350,918	-	8,350,918
Financial Assets		-	-	-
Trade and Other Receivables		-	909,406	909,406
		8,350,918	909,406	9,260,324

Weighted Average Interest Rate 1.7%

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**26 FINANCIAL INSTRUMENTS (cont'd)**

**Sensitivity analysis**

The following table illustrates sensitivities to the Union's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that the Committee of Management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

Sensitivity analysis of the risk that the Union is exposed to for 2022	Change in risk variable %	Effect on	
		Equity	Profit or Loss
Interest Rate risk	+/- 0.5%	27,638	27,638

Sensitivity analysis of the risk that the Union is exposed to for 2023	Change in risk variable %	Effect on	
		Equity	Profit or Loss
Interest Rate risk	+/- 0.5%	41,755	41,755

**(b) Liquidity Risk**

Liquidity risk arises from the possibility that the Union might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Union manages this risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and matching the maturing profiles of financial assets and financial liabilities.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities and assets. The Union does not hold directly any derivative financial liabilities. Cash flows realised from financial assets reflect the Committee of Management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates.

**Contractual maturities for financial liabilities 2022**

	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
<b>Financial liabilities due for payment</b>						
Trade & Other Payables (excluding leave provisions)	190,518	9,702	39,881	-	-	240,101
<b>Total expected outflows</b>	<b>190,518</b>	<b>9,702</b>	<b>39,881</b>	<b>-</b>	<b>-</b>	<b>240,101</b>

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**26 FINANCIAL INSTRUMENTS (cont'd)**

**Contractual maturities for financial liabilities 2023**

Financial liabilities due for payment	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Trade & Other Payables (excluding leave provisions)	820,077	207,040	443,931	195,627	-	1,666,675
<b>Total expected outflows</b>	<b>820,077</b>	<b>207,040</b>	<b>443,931</b>	<b>195,627</b>	<b>-</b>	<b>1,666,675</b>

**Contractual maturities for financial assets 2022**

Financial assets - cash flows realisable	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Cash and cash equivalents	3,015,349	-	-	-	-	3,015,349
Trade and other receivables	308,522	-	-	-	-	308,522
Financial assets	2,512,349	-	-	-	-	2,512,349
<b>Total expected inflows</b>	<b>5,836,220</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,836,220</b>

**Contractual maturities for financial assets 2023**

Financial assets - cash flows realisable	On Demand	< 1 year \$	1– 2 years \$	2– 5 years \$	>5 years \$	Total \$
Cash and cash equivalents	8,350,918	-	-	-	-	8,350,918
Trade and other receivables	909,406	-	-	-	-	909,406
Financial assets	-	-	-	-	-	-
<b>Total expected inflows</b>	<b>9,260,324</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,260,324</b>

**(c) Credit Risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Union.

Credit risk is managed and reviewed regularly by the Committee of Management. Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness and includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counterparties. Such monitoring is used in assessing receivables for impairment.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the Committee of Management has otherwise cleared as being financially sound.

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**26 FINANCIAL INSTRUMENTS (cont'd)**

**Credit Risk Exposures**

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Union has no significant concentration of credit risk with any single counterparty or group of counterparties.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 6. There is no collateral held by the Union securing trade and other receivables.

The Union does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Union.

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved Union policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA-.

**Ageing of financial assets for 2022**

	<b>0 to 30 days \$</b>	<b>31 to 60 days \$</b>	<b>61 to 90 days \$</b>	<b>90+ days \$</b>	<b>Total \$</b>
Trade and other receivables (Gross)	299,676	-	1,431	496,509	<b>797,616</b>

**Ageing of financial assets for 2023**

	<b>0 to 30 days \$</b>	<b>31 to 60 days \$</b>	<b>61 to 90 days \$</b>	<b>90+ days \$</b>	<b>Total \$</b>
Trade and other receivables (Gross)	391,177	148,844	369,385	-	<b>909,406</b>

**(d) Fair Value Estimation**

The net carrying amounts of all financial assets and financial liabilities approximate net fair values.

The Union measures and recognises Investment Property at fair value on a recurring basis after initial recognition.

The Union does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

**NOTES TO THE FINANCIAL STATEMENTS**  
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**26 FINANCIAL INSTRUMENTS (cont'd)**

**Fair Value Hierarchy**

AASB 13 Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

**Valuation Techniques**

The Union selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Union are consistent with one or more of the following valuation approaches:

-Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

-Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

-Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Union gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the Union's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:



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**26 FINANCIAL INSTRUMENTS (cont'd)**

31 December, 2022	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Recurring fair value measurements</b>				
<i>Non-financial assets</i>	-	-	-	-
Investment property	-	6,800,000	-	6,800,000
<b>Total non-financial assets recognised at FV</b>	-	6,800,000	-	6,800,000

31 December, 2023	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Recurring fair value measurements</b>				
<i>Non-financial assets</i>	-	-	-	-
Investment property	-	-	-	-
<b>Total non-financial assets recognised at FV</b>	-	-	-	-

Description	Fair Value at 31-Dec-2023	Valuation technique	Inputs used
Investment property	-	Market approach using recent observable market data for similar properties;	Price per square metre

(i) The fair value of the investment property and buildings was determined at least every three years based on valuations by an independent valuer. At the end of each intervening period, the Committee reviewed the independent valuation and, when appropriate, updated the fair value measurement to reflect current market conditions using a range of valuation techniques, including recent observable market data and discounted cash flow methodologies.

There were no changes during the period in the valuation techniques used by the Union to determine Level 2 fair values.

**27 SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or the General Manager:

(1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application made under subsection (1).

**28 REGISTERED OFFICE**

The registered office and principal place of business of National Office:

Suite 5.01, Level 5, 377-383 Sussex Street  
 Sydney NSW 2000

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ABN 28 921 128 419**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**29 RECOVERY WAGES**

The Union has not derived any revenue during the year as a result of any recovery of wages activity it may have undertaken on behalf of members.

**30 GOING CONCERN**

The Union's ability to continue as a going concern at reporting date is not reliant on any other reporting units.

**31 FINANCIAL SUPPORT**

The Union has not agreed to provide any financial support to any reporting units nor did it require any financial support from another reporting unit.

**32 ACCOUNTING JUDGEMENTS AND ESTIMATES**

There are no accounting assumptions or estimates that have been identified that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**33 AMALGAMATION**

On 22 December 2023, the Fair Work Commission approved the amalgamation of operations, assets and liabilities of the Australian Rail, Tram and Bus Union, Tasmanian Branch into the Australian Rail, Tram and Bus Industry Union – National Office as one operating unit (to be known as the National Office Reporting Unit (NORU)) from 1 January 2024. As a result, members of the Tasmania Branch will be serviced from the National Office from 1 January 2024 onwards. The net assets of the Tasmanian Branch of \$9,359 have been transferred to the new reporting unit as at 1 January 2024 for \$nil consideration.

**34 FUNDS ANALYSIS**

For the year ended 31 December 2023, there was no applicable fund or account operated in respect of compulsory levies, voluntary contributions or required by the rules of the Union and there was no transfer and/or withdrawal from a fund, account, asset or controlled entity which is kept for a specific purpose except as disclosed in the Statement of Changes in Equity. There was no balance held within a general fund, nor any compulsory or voluntary contributions and funds invested in specific assets, except as disclosed in the Statement of Changes in Equity.

**35 SEGMENT REPORTING**

The Union provides services to members of the Australian Rail, Tram and Bus Industry Union. Its principal place of business is Suite 5.01, Level 5, 377-388 Sussex Street, Sydney NSW 2000.

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE  
OFFICER DECLARATION STATEMENT**

I, Mark Diamond, being the National Secretary of the Australian Rail, Tram and Bus Union National Office, declare that the following activities did not occur during the reporting period ending 31 December, 2023.

The reporting unit did not:

- receive periodic or membership subscriptions
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees to another reporting unit
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit
- pay any compulsory levies

All activities (including \$nil activities) required to be disclosed have been disclosed in the financial report

Signed by the Designated Officer:



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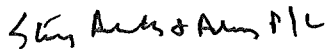
Dated: Wednesday 15 May, 2024

AUDITOR'S INDEPENDENCE DECLARATION

TO THE COMMITTEE OF MANAGEMENT OF AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION  
- NATIONAL OFFICE

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2023 there have been:-

- (i) no contraventions of the auditor independence requirements in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Stannards Accountants and Advisors



Michael B Shulman  
Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate  
Approved Auditor (FWC Act and Regulations – AA2017/45)

Dated: 15/5/24

**INDEPENDENT AUDIT REPORT**

To the Members of Australian Rail, Tram and Bus Industry Union – National Office

**Report on the Audit of the Financial Report*****Auditor's Opinion***

We have audited the accompanying general purpose financial report of the National Office, which comprises the statement of financial position as at 31 December, 2023, and the statement of comprehensive income, statement of cash flows, statement of changes in equity for the year then ended, a summary of significant accounting policies, other explanatory notes, the Committee of Management Statement, the subsection 255(2A) and the Officer Declaration Statement.

In our opinion under the Fair Work (Registered Organisations) Act 2009 (RO Act), the general purpose financial report is presented fairly in accordance with any of the following that apply in relation to the reporting unit:

- a) Australian Accounting Standards, and Australian Accounting Interpretations; and
- b) Any other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

In our opinion, there were kept by the organisation satisfactory accounting records detailing the source and nature of all income and the nature of all expenditure.

As part of our audit of the organisation for the year ended 31 December 2023, we are of the opinion that the Committee of Management's use of the going concern basis of accounting in the preparation of its financial statements is appropriate.

***Basis for Opinion***

We conducted our audit in accordance with Australian Auditing Standards. Our responsibility under those standards is further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Branch in accordance with the independence requirements of Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other responsibilities in accordance with the Code.

We confirm that the independence declaration, which has been given to the Committee of Management, would be in the same terms if given to the Committee as at the time of this auditor's report.

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

***Information Other than the Financial Report and Auditor's Report Thereon***

The Committee of Management is responsible for the other information. The other information obtained at the date of this report is in the Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## INDEPENDENT AUDIT REPORT (cont'd)

### *Committee of Management Responsibility for the Financial Report*

The Committee of Management are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the RO Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and true and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making estimates that are responsible in the circumstances.

In preparing the financial report, the Committee of Management are responsible for assessing the National Office's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intends to liquidate the National Office or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the National Office's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the auditing 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 Branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Branch's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the National Office to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the National Office to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the National Office audit. We remain solely responsible for our audit opinion.

**INDEPENDENT AUDIT REPORT (Cont'd)*****Auditor's Responsibilities for the Audit of the Financial Report***

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

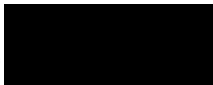
We also provide the Committee of Management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>.

I declare that I am an auditor registered under the RO Act.



Stannards Accountants and Advisors



Michael B Shulman  
Registered Company Auditor (163888)  
Holder of Current Public Practice Certificate  
Approved Auditor (FWC Act and Regulations – AA2017/45)

Dated: 15 May 2024