



20 June 2024

Darren Phillips
Secretary
Australian Rail, Tram and Bus Industry Union - South Australian and Northern Territory Branch

Sent via email: theteam@rtbusant.org.au

CC: nat@ascensio.com.au

Dear Darren Phillips

**Australian Rail, Tram and Bus Industry Union - South Australian and Northern Territory Branch
Financial Report for the year ended 31 December 2023 – FR2023/223**

I acknowledge receipt of the financial report for the year ended 31 December 2024 for the Australian Rail, Tram and Bus Industry Union - South Australian and Northern Territory Branch (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.

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.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The Commission will confirm these matters have been addressed prior to filing next year's report.

1. Auditor's statement

Audit scope to include officer's declaration statement

Where nil activity disclosures are contained in an officer's declaration statement, in accordance with reporting guideline 21, the officer's declaration statement also forms part of a general purpose financial report prepared under section 253 of the RO Act.

Please also note that an officer's declaration statement must, where one is prepared, be identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard ASA 700 Forming an Opinion and Reporting on a Financial Report.

An officer's declaration statement was included in the documents lodged with the Fair Work Commission but the auditor did not refer to the statement in the auditor's statement.

If you have any queries regarding this letter, please call 1300 341 665 or email regorgs@fwc.gov.au.

Yours sincerely

Fair Work Commission

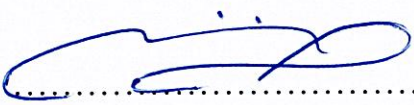
Australian Rail Tram & Bus Industry Union
(RTBU SA&NT Branch)

s.268 Fair Work (Registered Organisations) Act 2009

Certificate by prescribed designated officer
for the period ended 31 December 2023

I, DARREN BRETT PHILLIPS, being the Branch Secretary of the Australian Rail Tram and Bus Industry Union, South Australia & Northern Territory Branch, trading as the Rail Tram and Bus Industry Union, SA & NT Branch (RTBU SA & NT), certify:

- that the documents lodged herewith are copies of the full financial report for the Australian Rail Tram & Bus Industry Union South Australia & Northern Territory Branch for the period ended referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members on the 26 March 2024 in accordance with s.265; and
- that the full report was presented to the Committee of Management of the reporting unit on the second meeting on the 12 June 2024 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer: 

Name of prescribed designated officer: **DARREN BRETT PHILLIPS**

Title of prescribed designated officer: Branch Secretary

Dated: 19 June 2024

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION
SA & NT BRANCH**

FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION

SA & NT BRANCH

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AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

OPERATING REPORT

The Branch Executive, being the Committee of Management for the purposes of the Fair Work (Registered Organisations) Act 2009, presents its operating report of the Australian Rail, Tram & Bus Industry Union SA & NT Branch (ARTBIU) for the financial year ended 31 December 2023.

The Union is a 'not for profit' entity, and a registered organisation under Fair Work Act (2009).

Review of the State's Principal Activities

The ARTBIU's principal activities for the reporting period were as follows:

- Implement National and Branch Council Decisions
- Implement the Union's organizing agenda, including direct assistance and strategic advice on particular industry or site; organizing projects, the training and development of officials & delegates;
- Industrial support including representation of individual member 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 members as provide 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, and the variation of awards;
- State media and communications to members and the broader community via media releases in support of campaigns; and
- Coordination of and negotiation of state industries, and assistance to members regarding workplace agreements.

Significant Changes in Principal Activities

There were no significant changes in the nature of the Branch's principal activities during the financial year.

Results of Principal Activities

During the year to 31 December 2023 the objectives and principal activities described above were generally achieved.

The Branch's principal activities resulted in a surplus/(deficit) for the financial year of **(\$14,697)**

Significant Changes in Financial Affairs

There were no significant changes in the financial affairs of the Branch during the financial year.

The Right of Members to Resign

All members of the Union have the right to resign from the Union in accordance with Rule 14(1) and 14 (3) of the Union Rules, (and Section 254 (2)(c) of the Fair Work (Registered Organisations) Act 2009); namely by providing notice, addressed and delivered to the Secretary via email, post, facsimile or in person.

State Officers or Members who are Trustees of a Superannuation Entity

Except as stated below, to the best of our knowledge and belief, no officer of the Branch, by virtue of their office of the Australian Rail, Tram and Bus Industry Union Branch Council is:

1. A Trustee of a superannuation entity or exempt public sector superannuation scheme;
2. A director of a company that is trustee of a superannuation entity or an exempt public sector superannuation scheme; and
3. Where a criterion for the officer being trustee or director is that the officer is an officer of a registered organisation.

Other Relevant Information

The Branch Council is not aware of any other relevant information.

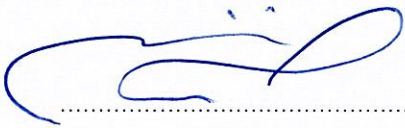
AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

Prescribed Information Required Under the Fair Work (Registered Organisations) Regulations 2009

- (a) The number of persons who were recorded in the register of members on 31 December 2023 was 1,030
- (b) The number of full-time equivalent persons who were employees of the reporting unit on 31 December 2023 was Three (3).
- (c) The name of each person who has been a member of State Branch Council, at any time during the reporting period, and the period for which he or she held such a position is as follows:

Name	Period Position Held
Delwynne Pardoe	01/01/2023 – 31/12/2023
Brett Dawson	01/01/2023 – 31/12/2023
Darren Phillips	01/01/2023 – 31/12/2023
Paul Brooks	01/01/2023 – 31/12/2023
Joshua Murdoch	01/01/2023 – 31/12/2023
Lyndon Fuller	01/01/2023 – 31/12/2023
Svetislav Krstic	01/01/2023 – 31/12/2023
Lance Edwards	01/01/2023 – 31/12/2023
Paul Hamilton	01/01/2023 – 31/12/2023
Don Kershaw	01/01/2023 – 31/12/2023

Signed in accordance with a resolution of Committee of Management



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Darren Brett Phillips

Branch Secretary

Date: 22 MARCH 2024

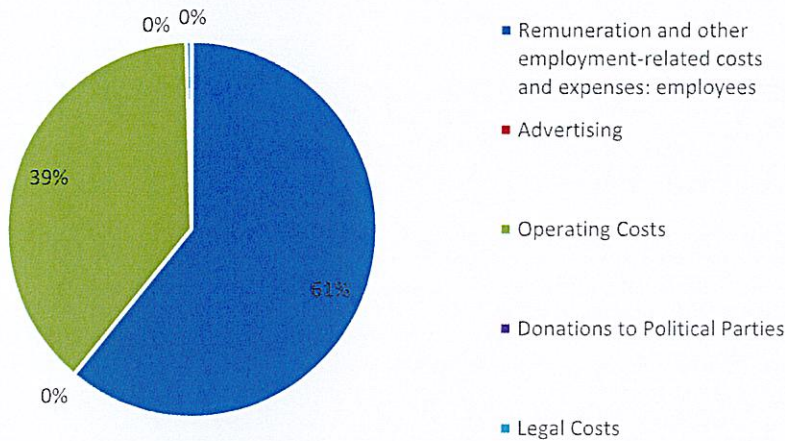
AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

Expenditure Report as required under s.255(2A) RO Act

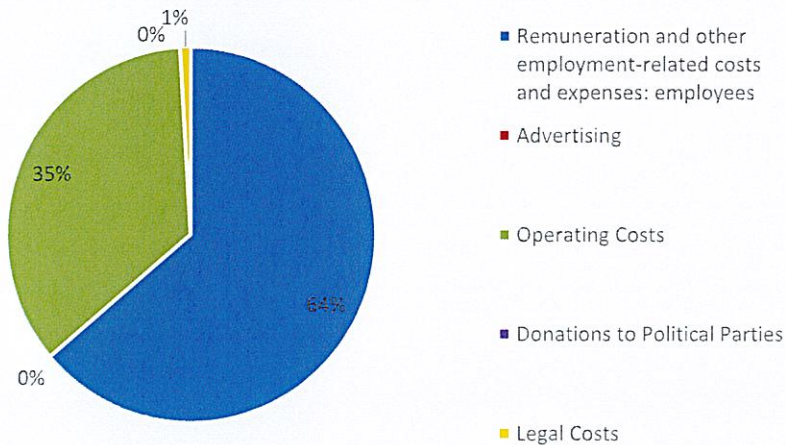
The Committee of Management, for the purposes of the *Fair Work (Registered Organisations) Act 2009* (RO Act), presents its operating report of the Australian Rail, Tram and Bus Industry Union for the financial year ended 31 December 2023

	2023	2022
Remuneration and other employment-related costs and expenses: employees	408,454	396,491
Advertising	-	-
Operating Costs	258,591	219,760
Donations to Political Parties	-	-
Legal Costs	3,368	5,824
TOTAL	670,413	622,075

2023 - Expenditure as required under s.255(2A) RO Act



2022 - Expenditure as required under s.255(2A) RO Act



Signed: 
 Brett Dawson, Branch President

Date: 22-3-24

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

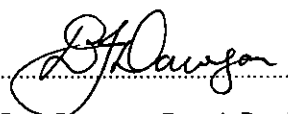
COMMITTEE OF MANAGEMENT'S STATEMENT

On 22nd March 2024 the Branch Executive of the Australian Rail, Tram and Bus Industry Union – SA & NT Branch passed the following resolution in relation to the general-purpose financial report (GPFR) of the Branch Council for the year ended 31 December 2023.

The Committee of Management declares that in its opinion:

- (a) the financial report 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 report and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year ended 31 December 2023;
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 31 December 2023 and since the end of the financial year:
 - (i) meetings of the Branch committee of management were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the Branch have been kept and maintained in accordance with the RO Act; and
 - (iv) as the organisation consists of two or more reporting units, the financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
 - (v) no information has been sought in any request by a member of the Branch or Commissioner duly made under Section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) no orders for inspection of financial records have been made by Fair Work Commission under section 273 of the RO Act.

This declaration is made in accordance with a resolution of the Committee of Management:



Brett Dawson – Branch President

22nd March 2024

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$	2022 \$
INCOME			
Revenue from Contracts with Customers			
Branch Levies		101,232	77,669
Capitation Fees		-	-
Membership Contributions	1(a)(i)	508,094	492,638
Revenue from Recovery of Wages Activity		-	-
Other Sales of Goods & Services to Members		527	66
Total Revenue from Contracts with Customers	3	<u>609,853</u>	<u>570,373</u>
Grants and/or Donations		-	-
National Office Expense Reimbursement		745	2,763
Interest Received		25,812	5,909
Sundry Income		19,306	-
TOTAL INCOME		<u>655,716</u>	<u>579,045</u>
EXPENDITURE			
Affiliation fees	4(a)	17,654	16,273
Bank charges		2,171	1,920
Capitation fees – National Office		73,545	70,305
Consideration to employers for payroll deductions		-	-
Compulsory levies		-	-
Conference & meeting expenses		2,415	1,801
Depreciation Expense		16,406	16,076
Diaries & Badges		5,695	1,087
Employee expenses	5	408,454	396,491
Fees/allowances – meeting and conferences		-	-
Finance Cost		-	-
General office expenses		9,410	7,747
Grants or donations	4(b)	-	-
Industrial Relations Expense		-	-
Insurance (Policy Held)		23,455	24,795
Emergency Transport & Funeral		16,666	18,384
Motor vehicle expenses		25,199	11,521
Penalties – via RO Act or RO Regulations		-	-
Professional services	6	9,718	14,711
Property Expenses		23,756	12,793
Sundry Expenses		179	340
Telephone & Information Technology		17,420	17,842
Training		2,177	5,423
Travel Expenses		16,092	4,567
TOTAL EXPENDITURE		<u>670,413</u>	<u>622,075</u>
NET SURPLUS/ (DEFICIT) FOR THE YEAR		<u>(14,697)</u>	<u>(43,030)</u>
OTHER COMPREHENSIVE INCOME			
Items recognised directly in Equity:			
Gain (Loss) on revaluation of Land & Buildings		-	303,473
TOTAL COMPREHENSIVE INCOME		<u>(14,697)</u>	<u>260,443</u>

The above statement should be read in conjunction with the notes.

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	2023 \$	2022 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7	878,574	863,549
Receivables	8	28,966	27,987
Accrued Interest		6,728	2,675
Prepayments		3,772	4,749
Total Current Assets		<u>918,039</u>	<u>898,960</u>
Non-Current Assets			
Land & Buildings	9(a)	746,341	746,341
Less: Accumulated Depreciation		(102,008)	(96,341)
Office Equipment & Furniture	9(b)	70,045	68,746
Less: Accumulated Depreciation		(65,760)	(64,875)
Motor Vehicles	9(c)	52,758	52,758
Less: Accumulated Depreciation		(40,051)	(33,697)
Right of Use Assets	9(d)	17,507	17,507
Less: Accumulated Depreciation		(15,173)	(11,671)
Total Non-Current Assets		<u>663,660</u>	<u>678,767</u>
TOTAL ASSETS		<u>1,581,699</u>	<u>1,577,726</u>
TOTAL LIABILITIES			
Current Liabilities			
Trade and other payables	10	1,892	5,507
Lease Liabilities		2,538	3,685
GST Payable		5,553	6,107
FBT Payable		1,295	1,551
PAYG Payable		7,617	6,833
Superannuation Payable		7,575	6,880
Employee Provisions	11	328,537	303,236
Total Current Liabilities		<u>355,007</u>	<u>333,799</u>
Non-Current Liabilities			
Lease Liabilities		-	2,538
Total Non-Current Liabilities		<u>-</u>	<u>2,538</u>
Total Liabilities		<u>355,007</u>	<u>336,338</u>
NET ASSETS (LIABILITIES)		<u>1,226,692</u>	<u>1,241,389</u>
MEMBERS' FUNDS			
General Fund		273,206	359,035
Levy Fund		550,726	479,594
Asset Revaluation Reserve		402,760	402,760
ACCUMULATED FUNDS (LOSSES)		<u>1,226,692</u>	<u>1,241,389</u>

The above statement should be read in conjunction with the notes

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

STATEMENT OF CHANGES IN ACCUMULATED FUNDS (LOSSES) FOR THE YEAR ENDED 31 DECEMBER 2023

	General Fund \$	Levy Fund \$	Asset Revaluation Reserve \$	Total Accumulated Funds \$
Balance at 1 January 2022	438,897	442,762	99,287	980,946
Net Surplus (Deficit) for the year	(43,030)	-	-	(43,030)
Other Comprehensive Income	-	-	303,473	303,473
Transfers to (from) Reserves	(36,832)	36,832	-	-
Balance at 31 December 2022	359,035	479,594	402,760	1,241,389
Net Surplus (Deficit) for the year	(14,697)	-	-	(14,697)
Transfers to (from) Reserves	(71,132)	71,132	-	-
Balance at 31 December 2023	273,206	550,726	402,760	1,226,692

The above statement should be read in conjunction with the notes

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	\$	\$
Cash Flow from Operating Activities		
Receipts from customers	624,872	562,546
Payments to Suppliers and employees	(631,352)	(576,386)
Interest received	25,812	5,909
Interest and other costs of Finance	(179)	(322)
Net cash provided by (used in) operating activities (note B)	<u>19,153</u>	<u>(8,254)</u>
Cash Flow from Investing Activities		
Payment for:		
Payments for property, plant and equipment	(1,299)	(2,055)
Net cash provided by (used in) investing activities	<u>(1,299)</u>	<u>(2,055)</u>
Cash Flow from Financing Activities		
Repayment of Borrowings	(2,829)	-
Net cash provided by (used in) investing activities	<u>(2,829)</u>	<u>-</u>
Net increase (decrease) in cash held	15,025	(10,309)
Cash at the beginning of the year	<u>863,549</u>	<u>873,858</u>
Cash at the end of the year (note A)	<u>878,574</u>	<u>863,549</u>

The above statement should be read in conjunction with the notes

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023 cont.

	2023	2022
Note A. Reconciliation of Cash		
For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.		
Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash at Bank	271,411	275,457
Cash on Hand	1,000	1,000
Term Deposits	606,163	587,092
	<u>878,574</u>	<u>863,549</u>
Note B. Reconciliation of Net Cash Provided By/Used in Operating Activities to Net Profit		
Operating profit (loss) after tax	(14,697)	(43,030)
Depreciation	16,407	16,077
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	(5,032)	(10,590)
(Increase) decrease in prepayments	977	1,791
Increase (decrease) in trade creditors and accruals	(786)	(1,551)
Increase (decrease) in lease liabilities	(3,685)	(3,542)
Increase (decrease) in employee entitlements	26,780	31,326
Increase (decrease) in sundry provisions	(810)	1,267
Net cash provided by operating activities	<u>19,153</u>	<u>(4,711)</u>

The above statement should be read in conjunction with the notes

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

1. SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Fair Work (Registered Organisations) Act 2009*.

The financial report is for the Australian Rail, Tram & Bus Industry Union SA & NT Branch (the "Branch"), an organisation registered under the RO Act. For the purpose of preparing the general purpose financial statements, the Australian Rail, Tram & Bus Industry Union SA & NT Branch is a not-for-profit entity.

The financial report has been prepared on an accrual basis and in accordance with historical cost. 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 is a summary of the significant accounting policies adopted by the Branch in the preparation of the financial report.

a) (i) Revenue

The Australian Rail, Tram & Bus Industry Union SA & NT Branch enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, Import Visa Fees, 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 Branch has a contract with a customer, the Branch recognises revenue when or as it transfers control of goods or services to the customer. The Branch 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.

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Branch.

If there is only one distinct membership service promised in the arrangement, the Branch recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect Branch's promise to stand ready to provide assistance and support to the member as required. If there is more than one distinct good or service promised in the membership subscription, the Branch allocates the transaction price to each performance obligation based on the relative standalone selling price of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that Branch charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), [reporting unit] recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Branch has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from the Branch at their standalone selling price, the Branch accounts for those sales as a separate contract with a customer.

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 Branch transfers the training, transport, legal and funeral claims as part of its specific promise to the Branch.

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

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Income of the Australian Rail, Tram & Bus Industry Union SA & NT Branch as a Not-for-Profit Entity

Consideration is received by the Branch to enable the entity to further its objectives. The Branch recognises each of these amounts of consideration as income when the consideration is received (which is when the Branch 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 Branch's recognition of the cash contribution does not give rise to any related liabilities.

Interest Income

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

(ii) **Expenditure**

Expenses represent amounts paid directly by the Branch for operational costs.

(iii) **Employee Benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the Branch in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The Branch recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

(iv) **Property, Plant and Equipment**

Depreciable property and equipment assets are written-off to their estimated residual values over their estimated useful lives using the following method of depreciation against each class of asset. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable assets along with depreciation method are based on the following useful lives:

	Depreciation Method	2023	2022
Building	Straight line	2.5%	2.5%
Furniture & Office Equipment	Diminishing Value Straight Line	13 to 50% 10 to 25%	13 to 50% N/A
Motor Vehicles	Diminishing Value	25%	25%

Land & Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class.

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

(v) Leases

The Australian Rail, Tram & Bus Industry Union SA & NT Branch 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.

Australian Rail, Tram & Bus Industry Union SA & NT Branch as a Lessee

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

Right of Use Assets

The Branch 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, as follows:

If ownership of the leased asset transfers to the Branch 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 Branch 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 Branch and payments of penalties for terminating the lease, if the lease term reflects the Branch 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.

In calculating the present value of lease payments, the Branch uses the incremental borrowing rate if the implicit lease 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.

(vi) Income Tax

No provision for income tax is necessary, as Trade Unions are exempt from income tax under Section 50-15 of the Income Tax Assessment Act 1997.

(vii) Goods and Services Tax (GST)

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

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

Cash flows are included in the statement of cash flows on a gross basis.

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

b) Going concern basis of accounting

The financial report has been prepared on the basis that the Branch is a going concern, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Branch Council believes the going concern basis is appropriate.

The Branch does not provide or rely on any financial support to/from any other Branch of the Australian Rail, Trams & Bus Industry Union.

c) Adoption of New Australian Accounting Standard requirements

All accounting policies adopted are consistent with those of the previous financial year. There are no new or amended Accounting Standards in this reporting period that are mandatory or are relevant to the Branch and as such no new Accounting Standards have been adopted.

d) Future Australian Accounting Standard requirements

New accounting standards, amendments to standards or interpretations that were issued prior to the sign off date, and are applicable to future reporting periods include:

AASB 2020-1 – Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
This standard applies to annual reporting periods beginning on or after 1 January 2023. The Branch does not expect the adoption of this amendment to have an impact on its financial statements.

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

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

(a) Critical accounting estimates and assumptions

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

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

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

3. REVENUE & INCOME

A disaggregation of the Branch'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 revenue by type of customer:

Type of Customer:	2023	2022
Members	609,853	570,373
Other Reporting Units	-	-
Government	-	-
Other Parties	-	-
	<u>609,853</u>	<u>570,373</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	\$	\$
4a. Affiliation Fees		
Australian Labor Party	5,588	5,618
SA Unions	6,193	6,004
National Office	4,866	3,903
Others	1,007	748
	<u>17,654</u>	<u>16,273</u>
4b. Grants or Donations \$1,000 or less*		
Grants	-	-
Donations	-	-
	<u>-</u>	<u>-</u>
Grants or Donations over \$1,000		
Grants	-	-
Donations	-	-
	<u>-</u>	<u>-</u>
Total grants or donations	<u>-</u>	<u>-</u>
5. EMPLOYEE EXPENSES		
Office Holders:		
Wages & Salaries	247,457	232,202
Superannuation	28,456	27,447
Leave & Other Entitlements	26,708	18,188
Separation & Redundancies	-	-
Other employee expenses	4,412	6,443
	<u>307,033</u>	<u>284,280</u>
Employees other than Office Holders		
Wages & Salaries	85,754	84,222
Superannuation	11,659	10,030
Leave & Other Entitlements	(1,407)	14,315
Separation & Redundancies	-	-
Other employee expenses	5,415	3,644
	<u>101,420</u>	<u>112,211</u>
Total Employee Expenses	<u>408,454</u>	<u>396,491</u>
6. PROFESSIONAL SERVICES		
Auditors - Auditing the financial report	6,350	6,625
- Other Services	-	2,262
Legal Costs*		
Litigation	-	-
Other Legal Matters	3,368	5,824
	<u>9,718</u>	<u>14,711</u>
7. CASH AND CASH EQUIVALENTS		
Cash at Bank – at Call Deposits	271,411	275,457
Cash at Bank – Term Deposits	606,163	587,092
Cash on Hand	1,000	1,000
	<u>878,574</u>	<u>863,549</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

8. RECEIVABLES

Receivable from other reporting units*

Net amount receivable	-	-
Less provision for doubtful debts*	-	-
	<u>-</u>	<u>-</u>

Other Receivables

Debtors	28,966	27,987
	<u>28,966</u>	<u>27,987</u>

2023

2022

9. PROPERTY, PLANT & EQUIPMENT

Reconciliation of opening and closing Balances

(a) Land & Buildings

Net book Value as at 1 January	650,000	352,194
Additions	-	-
Revaluations	-	303,473
Impairments	-	-
Depreciation Expense	(5,667)	(5,667)
Disposals	-	-
	<u>644,333</u>	<u>650,000</u>

Net book Value as at 31 December

(b) Office Equipment & Furniture

Net book Value as at 1 January	3,871	2,369
Additions	1,299	2,056
Revaluations	-	-
Impairments	-	-
Depreciation Expense	(885)	(554)
Disposals	-	-
	<u>4,285</u>	<u>3,871</u>

Net book Value as at 31 December

(c) Motor Vehicles

Net book Value as at 1 January	19,061	25,415
Additions	-	-
Revaluations	-	-
Impairments	-	-
Depreciation Expense	(6,354)	(6,354)
Disposals	-	-
	<u>12,707</u>	<u>19,061</u>

Net book Value as at 31 December

(c) Right of Use Assets

Net book Value as at 1 January	5,836	9,337
Additions	-	-
Revaluations	-	-
Impairments	-	-
Depreciation Expense	(3,502)	(3,501)
Disposals	-	-
	<u>2,334</u>	<u>5,836</u>

Net book Value as at 31 December

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

10. TRADE AND OTHER PAYABLES

Trade and other payables	-	758
Other payables – legal costs in relation to litigation	-	-
Other payables – legal costs in relation to other matters	-	-
Consideration to employers for payroll deductions	-	-
Payables to other reporting units		
National Office	5,507	6,300
	<u>5,507</u>	<u>7,059</u>

11. EMPLOYEE PROVISIONS

Office Holders:

Annual Leave	146,597	136,052
Long Service Leave	59,736	52,815
Separation and redundancy	-	-
Other employee provisions	32,737	23,495
	<u>239,070</u>	<u>212,362</u>

Employees other than Office Holders

Annual Leave	29,674	37,033
Long Service Leave	58,013	52,307
Separation and redundancy	-	-
Other employee provisions	1,779	1,534
	<u>89,466</u>	<u>90,874</u>

Total Employee Provisions

	<u>328,536</u>	<u>303,236</u>
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12. KEY MANAGEMENT PERSONNEL COMPENSATION

Employees Benefits	2023	2022
Short-term Employee Benefits	258,013	249,470
Post-employment Benefits	28,455	27,447
Other Long-term Benefits	6,921	33,459
Termination Benefits	-	-
Share-based Payments	-	-
TOTAL	<u>293,389</u>	<u>310,376</u>

13. RELATED PARTIES

Transactions with Related Parties are summarised in the table below:

Cash Flows with Other Reporting Units	2023	2022
National Office		
Cash Inflows		
Expense Reimbursement	745	2,763
Cash Outflows		
Affiliation Fees	(4,866)	(3,903)
Capitation Fees	(73,544)	(70,305)
	<u>(77,665)</u>	<u>(71,445)</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

14. FINANCIAL RISK MANAGEMENT

(a) *General objectives, policies and processes*

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

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

The Branch's financial instruments consist of deposits with banks and receivables. The main risks the Branch is exposed to through its financial instruments are interest rate risk and credit risk.

The Branch Audit & Finance Committee have overall responsibility for the determination of the Branch's risk management objectives and policies.

(b) *Credit risk*

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

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

	2023 \$	2022 \$
Cash and cash equivalents	<u>878,574</u>	<u>863,549</u>
The cash and cash equivalents are held in a high quality Australian financial institution		
Net amount receivable - National Council Debtors	<u>28,966</u>	<u>27,987</u>
Total receivables	<u>28,966</u>	<u>27,987</u>

There has been no history of default, no amounts are past due and all receivables are likely to be repaid within the expected terms.

(c) *Liquidity risk*

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

The Branch is not significantly exposed to this risk; as at 31 December 2023 it had \$878,574 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 31 December 2023 totaled \$355,007

(d) *Market risk*

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

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

(e) *Interest rate risk*

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

Sensitivity Analysis

2023	Carrying Amount	+ 0.5%	- 0.5%
	\$	Profit \$	Loss \$
Cash Assets	<u>878,574</u>	<u>4,393</u>	<u>(4,393)</u>
2022			
Cash Assets	<u>863,549</u>	<u>4,317</u>	<u>(4,317)</u>

(f) *Other Price Risks*

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

(g) *Foreign Exchange Risk*

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

15. INFORMATION TO BE PROVIDED TO MEMBERS OR THE COMMISSIONER OF REGISTERED ORGANISATIONS COMMISSION

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Section 272 of Fair Work (Registered Organisations) Act 2009 which read as follows:

- 1) A member of a reporting unit, or the Commissioner of Registered Organisations Commission, 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)

16. OTHER DISCLOSURES AS PER REPORTING GUIDELINES

No activity was recorded for the following categories as described under Section 253 of the RO Act:

- Receiving financial support from another reporting unit to continue as a going concern
- Providing financial support to another reporting unit to continue as a going concern
- Acquiring an asset or liability due to an amalgamation under part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- Having another entity administer the financial affairs of the Union
- Making a payment to a former related party of the reporting unit
- No funds from the "Levy Fund" have been invested in any assets

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

17. SUBSEQUENT EVENTS

There were no events that occurred after 31 December 2023, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

18. CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

None

18. ADDITIONAL BRANCH INFORMATION

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

Ray Hancox House
63 Ledger Road
Beverley, South Australia 5009

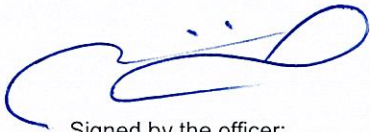
AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION – SA & NT BRANCH

OFFICER DECLARATION STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

I, Darren Brett Phillips, being the Branch Secretary of the Australian Rail, Tram and Bus Industry Union SA & NT Branch, declare that the following activities did not occur during the reporting period ending 31st December 2023.

The Australian Rail, Tram and Bus Industry Union SA & NT Branch did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- have a payable to employer as consideration for that employer making payroll deductions of membership subscriptions
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit



Signed by the officer:

Dated:

22nd March 2024

INDEPENDENT AUDITOR'S REPORT

To the members of the Australian Rail, Tram & Bus Industry Union SA & NT Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Rail, Tram & Bus Industry Union SA & NT Branch, which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, the committee of management statement and the subsection 255(2A) report.

In our opinion the accompanying financial report of Australian Rail, Tram & Bus Industry Union SA & NT Branch, presents fairly, in all material respects the reporting unit's financial position as at 31 December 2023 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*. It is also our opinion that management's use of the going concern basis of accounting is appropriate.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the reporting unit in accordance with 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 ethical responsibilities in accordance with the Code.

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

Other information

The Committee of Management are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Australian Rail, Tram & Bus Industry Union SA & NT Branch operating report but does not include the financial report and our auditor's report thereon.

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 our knowledge obtained in the audit or otherwise appears to be materially misstated.



Liability limited by a scheme
approved under Professional
Standards Legislation.

Natale Rugari BA(Acc) CPA Principal
Registered Tax Agent, Company Auditor, SMSF Auditor

Paul Rugari BEc(Acc) CPA Associate
Registered Tax Agent

Telephone: (08) 8267 4800 Fax: (08) 8239 0728
Email: admin@ascensio.com.au Website: www.ascensio.com.au

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of the Committee of Management for the Financial Report

The Committee of Management of the reporting unit are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management are responsible for assessing the registered entity'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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

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 this financial report.

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

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

Declaration by the auditor

I, Natale Rugari, declare that I am a registered auditor, a member of CPA Australia and hold a current Public Practice Certificate.



Natale Rugari, Principal

North Adelaide, 22nd March 2024

Registration Number AA2017/32(as registered by the RO Commission under the Act)