



Fair Work
Commission

11 June 2025

Alexander Claassens
Secretary
Australian Rail, Tram and Bus Industry Union

Sent via email: rtbu@rtbu.org.au

CC: advisors@stannards.com.au

Dear Alexander Claassens

**Australian Rail, Tram and Bus Industry Union
Financial Report for the year ended 31 December 2024 – FR2024/217**

I acknowledge receipt of the financial report for the year ended 31 December 2024 for the Australian Rail, Tram and Bus Industry Union (the reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 2 June 2025.

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

Reporting Requirements

The Commission's website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the section 253 reporting guidelines and a model set of financial statements.

The Commission recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

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

Section 268 *Fair Work (Registered Organisations) Act 2009*

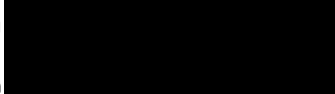
Certificate by prescribed designated officer

Certificate for the year ended 31 December 2024.

I, Alexander Claassens, being the National Secretary of the Australia Rail, Tram & Bus Industry Union certify:

- that the documents lodged herewith are copies of the full report for the Australian Rail, Tram & Bus Industry Union 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 of the reporting unit on 9 May 2025 and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 28 May 2025 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designated officer: Alexander Claassens

Title of prescribed designated officer: National Secretary

Dated:

2 June 2025.

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION

NATIONAL OFFICE

ABN 28 921 128 419

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

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 2024

Operating Report

This Operating Report covers:

- The activities of the Australian Rail, Tram & Bus Industry Union, National Office, Australian Rail, Tram & Bus Industry Union, Tasmanian Branch for the financial year ended 31 December 2024, and Aakira Pty Ltd T/A Training Ahead Australia (a wholly owned controlled entity);
- 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

Activities
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)

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE
FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. Significant Changes in Activities

- No significant changes in the activities for the financial year occurred.

3. 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 Industry 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 are now serviced from the National Office. The net assets of the Tasmanian Branch of \$9,359 were 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 2024

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 31,975 members of the union as of 31 December 2024.

7. Number of employees

As at 31 December 2024, the National Office employed 9 full time employees, 1 part time employee and 1 casual 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 2024

Alexander Claassens	National Secretary	29/06/2024 – 31/12/2024
Mark Diamond	National Secretary	01/01/2024 – 28/06/2024
Shayne Kummerfeld	Assistant National Secretary	01/01/2024 – 31/12/2024
Victor Moore	National President	01/01/2024 – 31/12/2024
James Styles	National Vice – President (Rail)	01/01/2024 – 31/12/2024
William Lekkas	National Vice – President (Road)	01/01/2024 – 31/12/2024
Leanne Holmes	National Vice – President (Affirmative Action)	01/01/2024 – 31/12/2024
Toby Warnes	Branch Secretary - New South Wales	29/06/2024 – 31/12/2024
Alexander Claassens	Branch Secretary – New South Wales	01/01/2024 – 28/06/2024
Vikrant Sharma	Branch Secretary - Victorian	01/01/2024 – 31/12/2024
Byron Cubit	Branch Secretary - Tasmanian	01/01/2024 – 31/12/2024
Peter Allen	Branch Secretary - Queensland	01/01/2024 – 31/12/2024
Darren Phillips	Branch Secretary – South Australia and Northern Territory	01/01/2024 – 31/12/2024
Joshua Dekuyer	Branch Secretary – Western Australia	01/01/2024 – 31/12/2024

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE
FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

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

Darren Galea	Assistant National Secretary Rail Operations	01/01/2024 – 31/12/2024
Greg Tatnell	Assistant National Secretary Fleet Manufacture, Overhaul, Maintenance and Service	01/01/2024 – 31/12/2024
Trent Howard	Assistant National Secretary Infrastructure	01/01/2024 – 31/12/2024
Phil Altieri	Assistant National Secretary Tram and Bus	01/01/2024 – 31/12/2024
Noel Morris	Assistant National Secretary Administrative, Supervisory, Technical and Professional	01/01/2024 – 31/12/2024
Keith McMahon	Assistant National Secretary Locomotive	01/01/2024 – 31/12/2024
Tom Brown	Qld Branch Delegate	01/03/2024 – 31/12/2024
Craig Turner	NSW Branch Delegate	01/01/2024 – 31/12/2024
Farren Campbell	NSW Branch Delegate	01/01/2024 – 31/12/2024
Cathy Birch	VIC Branch Delegate	01/01/2024 – 31/12/2024
Dave Esqueria	VIC Branch Delegate	01/01/2024 – 31/12/2024
David Babineau	NSW Branch Delegate	01/01/2024 – 31/12/2024
Stef Whyte	QLD Branch Delegate	14/05/2024 – 31/12/2024

9. Subsequent Events

The operating activities of Aakira Pty Ltd may be transferred to a new 'Not for Profit' entity in 2025. This matter is currently under consideration, further details are not available at current date pertaining to this transfer. There are no other subsequent events to report.

Signature of designated officer: 

Name and title of designated officer:

Alexander Claassens
National Secretary of the Australian Rail, Tram and Bus Industry Union

Dated: 30 April, 2025

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE
REPORT REQUIRED UNDER SUBSECTION 225 (2A)
FOR THE YEAR ENDED 31 DECEMBER 2024**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 December, 2024.

Categories of expenditures	2024 \$	2023 \$
Remuneration and other employment-related costs and expenses - employees	3,603,844	2,335,773
Advertising	13,598	9,095
Operating costs	3,359,464	4,559,525
Donations to political parties	72,395	13,555
Legal costs	609,935	889,060
Total	7,659,236	7,807,008

Signature of designated officer:

Alexander Claassens
National Secretary of the Australian Rail, Tram and Bus Industry Union

Dated: 30 April 2025

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

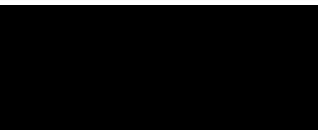
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

On *30 April* 2025, 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 2024:

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 Australian Rail, Tram and Bus Industry Union (ARTBIU) 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 Alexander Claassens in accordance with such resolution as is passed by the Committee of Management.



Alexander Claassens

National Secretary of Australian Rail, Tram and Bus Industry Union

Dated *30 April*, 2025

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

		2024 \$	2023 \$
REVENUE	Note		
Revenue from contracts with customers			
Membership subscriptions		-	-
Capitation fees and other revenue from another reporting unit	2A	2,609,966	2,532,475
Other sales of goods or services	2F	3,891,322	1,735,977
Revenue from recovery of wages activity		-	-
Total revenue from contracts with customers		<u>6,501,288</u>	<u>4,268,452</u>
Income from furthering objectives			
Grants and/or donations		42,632	2,500
Income recognised from volunteer services		-	-
Income recognised from transfers		-	-
Total income from furthering objectives		<u>42,632</u>	<u>2,500</u>
Income from other sources			
Investment Gains and Interest Income	2B	262,059	142,240
Rent Received	2C	-	64,960
Sponsorship Income		-	19,000
Gain on Sale of Investment Property	10	-	3,494,028
Other Income	2E	109,421	88,093
Gain on Plant Disposal	2D	-	17,582
TOTAL REVENUE		<u>6,915,400</u>	<u>8,096,855</u>
EXPENSES			
Employee Expenses	3A	3,603,844	2,335,773
Affiliation Fees	3B	295,566	247,692
Administration Expenses	3C	1,481,949	1,439,895
Grants or Donations	3D	80,011	20,923
Cost of Sales		775,779	387,160
Depreciation and Amortisation	11 & 13	400,482	174,879
Legal Costs	3E	609,935	889,060
Audit Fees	25	36,400	42,000
Other Expenses	3G	374,533	269,626
Investment Losses	2B	-	-
Good Faith Payment	3F	-	2,000,000
Loss on Plant Disposal	2D	737	-
TOTAL EXPENSES		<u>7,659,236</u>	<u>7,807,008</u>
SURPLUS/(DEFICIT) FOR THE YEAR BEFORE TAX		<u>(743,836)</u>	<u>289,847</u>
INCOME TAX BENEFIT	4	<u>(49,742)</u>	<u>28,039</u>
SURPLUS/(DEFICIT) FOR THE YEAR AFTER TAX		<u>(793,578)</u>	<u>317,886</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE
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STATEMENT OF COMPREHENSIVE INCOME (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	\$	\$
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(793,578)</u>	<u>317,886</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE
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STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	2024 \$	2023 \$
CURRENT ASSETS			
Cash and Cash Equivalents	5	6,374,506	8,350,918
Trade and Other Receivables	6	1,449,957	909,406
Financial Assets	7	-	-
Other	8	165,883	411,429
TOTAL CURRENT ASSETS		<u>7,990,346</u>	<u>9,671,753</u>
NON CURRENT ASSETS			
Financial Assets	9	20	20
Investment Property	10	-	-
Property, Plant & Equipment	11	1,356,483	1,380,617
Courseware Development In Progress	12	99,723	-
Intangible Assets	13	4,840,574	4,457,000
TOTAL NON CURRENT ASSETS		<u>6,296,800</u>	<u>5,837,637</u>
TOTAL ASSETS		<u>14,287,146</u>	<u>15,509,390</u>
CURRENT LIABILITIES			
Trade and Other Payables	14	849,141	820,077
Borrowings	15	10,535	10,535
Provisions	17	617,448	530,156
ROU Lease Liability	16	151,113	192,920
Income Tax Payable		28,728	3,585
TOTAL CURRENT LIABILITIES		<u>1,656,965</u>	<u>1,557,273</u>
NON CURRENT LIABILITIES			
Trade and Other Payables	14	-	349,375
Borrowings	15	18,812	29,347
Provisions	17	2,236	28,931
ROU Lease Liability	16	109,724	260,836
TOTAL NON CURRENT LIABILITIES		<u>130,772</u>	<u>668,489</u>
TOTAL LIABILITIES		<u>1,787,737</u>	<u>2,225,762</u>
NET ASSETS		<u>12,499,409</u>	<u>13,283,628</u>
MEMBERS FUNDS			
Accumulated Surplus		11,719,409	12,503,628
Reserves		780,000	780,000
TOTAL MEMBERS FUNDS		<u>12,499,409</u>	<u>13,283,628</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE
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STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2024

	Accumulated Surplus \$	Reserves \$	Total \$
Balance at 1 January 2023	12,185,742	780,000	12,965,742
Profit / (Loss) for the Year	317,886	-	317,886
Balance at 31 December 2023	12,503,628	780,000	13,283,628
Transfer of Tasmanian Branch Net Assets	9,359	-	9,359
Profit / (Loss) for the Year	(793,578)	-	(793,578)
Balance at 31 December 2024	11,719,409	780,000	12,499,409

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
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STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2024

	Note	2024 \$	2023 \$
CASH FLOW FROM OPERATING ACTIVITIES:			
Receipts from other reporting units	6	2,563,429	2,208,404
Other Income		3,794,907	1,664,823
Payments to other reporting units	14	(15,737)	(2,034,807)
Payments to suppliers and employees		(7,500,361)	(5,899,509)
Rent received		-	64,960
Interest received		262,059	16,922
Net cash provided/(used) by operating activities	19	<u>(895,703)</u>	<u>(3,979,207)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for plant and equipment and intangible assets		(761,659)	(113,542)
Courseware Development in Progress		(99,723)	-
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		1,000	46,363
Liquidation of IFS asset		-	2,634,046
Net cash used in investing activities		<u>(860,382)</u>	<u>9,189,895</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Rental payments relating to ROU liabilities		(209,792)	(111,742)
Repayment of borrowings		(10,535)	(10,117)
		<u>(220,327)</u>	<u>(121,859)</u>
Net increase/(decrease) in cash and cash equivalents held		(1,976,412)	5,088,829
Cash balances acquired on acquisition of controlled entity	22	-	246,740
Cash and cash equivalents at the beginning of the year		<u>8,350,918</u>	<u>3,015,349</u>
Cash and cash equivalents at the end of the year	5	<u>6,374,506</u>	<u>8,350,918</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE
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NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2024

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 2024 include Aakira Pty Ltd T/A Training Ahead Australia (a wholly owned controlled entity).

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 20.

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).

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(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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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

(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.

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(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:

	2024	2023
Website Development	2 to 3 years	2 to 3 years
Database and Software	2 to 5 years	-
ROU Asset	5 to 7 years	5 to 7 years

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(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.

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(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.

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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.

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(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.

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(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.

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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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(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 financial statements include the consolidation of Aakira Pty Ltd (a wholly owned controlled entity) for the full year. Prior year figures represent Australian Rail, Tram & Bus Industry Union, National Office consolidated with Aakira Pty Ltd from its acquisition date 1 August 2023 to 31 December 2023. 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.

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(r) Going Concern (cont'd)

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

- The Union has incurred a loss this year, however it has a positive net asset position and is forecasting future 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 uncertainly 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.

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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: -

	2024	2023
	\$	\$
Type of customer		
Members	-	-
Other reporting units	2,609,966	2,532,475
Government	-	-
Other parties	3,891,322	1,735,977
Total revenue from contracts with customers	6,501,288	4,268,452

Disaggregation of income for furthering activities

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

	2024	2023
	\$	\$
Income funding sources		
Members	-	-
Other reporting units	-	-
Government	42,632	2,500
Other parties	-	-
Total income for furthering activities	42,632	2,500

Disaggregation of other income

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

	2024	2023
	\$	\$
Income funding sources		
Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	371,480	3,825,903
Total income for furthering activities	371,480	3,825,903

	2024	2023
	\$	\$
2A Revenue – Other Reporting Units		
NSW Branch	1,075,823	931,220
QLD Branch	458,501	433,431
SA & NT Branch	81,955	75,634
VIC Branch	701,553	745,253
TAS Branch	135,095	17,828
WA Branch	157,039	147,030
	2,609,966	2,350,396

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2A Revenue – Other Reporting Units (cont'd)	2024	2023
	\$	\$
Affiliation Fees		
NSW Branch	-	79,303
QLD Branch	-	38,187
SA & NT Branch	-	4,866
VIC Branch	-	48,280
TAS Branch	-	1,733
WA Branch	-	9,710
	-	182,079
	2024	2023
	\$	\$
Levies		
NSW Branch	-	-
QLD Branch	-	-
SA & NT Branch	-	-
VIC Branch	-	-
TAS Branch	-	-
WA Branch	-	-
	-	-
Total	2,609,966	2,532,475
	2024	2023
	\$	\$
2B: Investment Income		
Interest Received	262,059	16,922
(Losses)/Income & Gains on Investment Fund Portfolio (IFP)	-	125,318
	262,059	142,240
2C: Rent Received	-	64,960
Property at Redfern	-	64,960
	-	-
2D: Net Gain / (Loss) on Asset Disposal	(737)	17,582
Plant & Equipment and Vehicles	(737)	17,582
2E: Other Income	109,421	88,093
Sundry income	109,421	88,093
2F: Sales		
Trading Revenue – Aakira Pty Ltd	3,891,322	1,735,977
	3,891,322	1,735,977

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

3 EXPENSES

	2024	2023
	\$	\$
3A: Employee Expenses		
<i>Holders of Office:</i>		
Wages and Salaries	544,450	360,752
Superannuation	74,285	38,739
Leave and Other Entitlements	161,674	34,272
Retirement Benefit Expenses	-	(50,785)
Other Expenses	-	-
	<u>780,409</u>	<u>382,978</u>
<i>Employees Other than Officeholders:</i>		
Wages and Salaries	2,719,558	1,711,084
Superannuation	278,351	185,364
Leave and Other Entitlements	(174,474)	56,347
Retirement Benefit Expenses	-	-
Other Expenses	-	-
	<u>2,823,435</u>	<u>1,952,795</u>
	<u>3,603,844</u>	<u>2,335,773</u>
3B: Affiliation Fees		
ACTU	218,698	182,180
International Transport Workers Federation	59,267	52,161
Rail Industry Safety Standards Board	4,460	5,757
International Conference for Labour Solidarity	3,051	2,668
Australian People For Health Education & Development Abroad Inc	3,134	4,926
– Union Aid Abroad - APHEDA	978	-
Australian Labour Party Tasmanian Branch	978	-
Unions Tasmania	5,000	-
The McKell Institute	295,566	247,692
	<u>295,566</u>	<u>247,692</u>
3C: Administration Expenses		
Fee/Allowances – Meeting and Conferences		
Attendance	-	-
Conference and Meeting Expenses		
Accommodation	1,290	6,464
Airfares & Travelling Expenses	330,410	319,292
Conference and Meetings	53,177	135,730
National Executive & Council Costs	13,711	83,311
Accountancy – Other Accountants	126,662	106,209
Bank Charges & Fees	23,550	17,325
Contractors		
Consultants	79,668	84,824
Property Expenses	42,405	-
Building Expenses	30,383	102,819
Rent Paid	28,335	27,680
Office Expenses		
Course Development	132,344	-
General Expenses	444,490	320,680
Postage	330	1,357
Printing and Stationery	1,829	3,091
Staff Training	33,934	104,535
Software	39,226	-
Subscription and Membership	60,057	72,377
Telephone	34,215	25,339
Merchandise	5,933	28,862
	<u>1,481,949</u>	<u>1,439,895</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	\$	\$
3D: Grants or Donations		
Grants: -	-	-
Total expensed that were \$1,000 or less	-	-
Total expensed that exceeded \$1,000	-	-
Donations: -		
Total expensed that were \$1,000 or less	1,944	655
Total expensed that exceeded \$1,000	78,067	20,268
	<u>80,011</u>	<u>20,923</u>
Donations: -		
Political Parties	72,395	13,555
Other Parties	7,616	7,368
	<u>80,011</u>	<u>20,923</u>
3E: Legal Costs		
Litigation	-	493,686
Other Legal Matters	609,935	395,374
	<u>609,935</u>	<u>889,060</u>
3F: Good Faith Payment	-	2,000,000
In 2023, a "Good Faith" payment to Australian Rail, Tram & Bus Industry Union - New South Wales Branch was paid for exiting the Redfern Property.		
3G: Other Expenses		
Campaigns	37,826	59,221
Fringe Benefit Tax	46,352	31,057
Fines	-	-
General Expense	131,249	99,780
Insurances – General	77,766	65,962
Interest	26,168	3,737
Interest – ROU Liability	16,873	18,013
Motor Vehicle Expenses	23,839	35,556
Penalties - via RO Act or RO Regulations	-	-
Repairs and Maintenance	9,909	763
Doubtful Debt Expenses	-	(489,094)
Bad debts write off	4,551	444,631
Consideration to employers for making payroll deductions	-	-
Compulsory Levies	-	-
	<u>374,533</u>	<u>269,626</u>

4 INCOME TAX EXPENSE

	2024	2023
	\$	\$
Income Tax Expense		
- Current Tax Benefit	49,743	(28,039)
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2023: 25%)	(185,959)	72,462
Exempt Income	(139,728)	(101,058)
Non-Deductible Expenses	375,429	557
Income Tax Expense / (Benefit)	<u>49,742</u>	<u>(28,039)</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

5 CASH AND CASH EQUIVALENTS

	2024 \$	2023 \$
Cash at Bank and on Hand	6,374,506	8,350,918
	<u>6,374,506</u>	<u>8,350,918</u>

6 TRADE AND OTHER RECEIVABLES

	2024 \$	2023 \$
Receivables from the Branches (gross)	419,288	21,502
Total trade receivables from the Branches	419,288	21,502
Less allowance for expected credit losses	-	-
Trade Receivable from the Branches	<u>419,288</u>	<u>21,502</u>
Other receivables:		
Accrued income receivable from the Branches	439,200	687,425
Sundry debtors	<u>591,469</u>	<u>200,479</u>
Total trade and other receivables (net)	<u>1,449,957</u>	<u>909,406</u>

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

At 1 January	-	489,094
Provision for expected credit losses	-	(489,094)
At 31 December	<u>-</u>	<u>-</u>

The table below sets out asset balances inclusive of GST.

	VIC	NSW	SA/NT	QLD	TAS	WA	TOTAL
Trade Receivables Opening Balances 1/1/2024	9,790	10,411	1,301	-	-	-	21,502
Other Receivables - Opening Balances 1/1/2024	129,659	466,381	6,381	71,402	1,566	12,036	687,425
Bad Debt write off	-	-	-	-	-	-	-
Capitation fees charged	701,553	1,075,823	81,955	458,501	135,095	157,039	2,609,966
Affiliation fees charged	-	-	-	-	-	-	-
Other charges / reimbursements	51,008	52,016	-	-	-	-	103,024
Total amounts charged to branches	752,561	1,127,839	81,955	458,501	135,095	157,039	2,712,990
Capitation fees received	757,310	876,196	82,512	450,581	136,662	157,144	2,460,405
Affiliation fees received	-	-	-	-	-	-	-
Other charges / reimbursements received	51,008	52,016	-	-	-	-	103,024
Total amounts received from Branches	808,318	928,212	82,512	450,581	136,662	157,144	2,563,429
Trade Receivables Closing Balances	10,769	408,519	-	-	-	-	419,288
Other Receivables Closing Balances	72,923	267,900	7,125	79,322	-	11,930	439,200
Total Closing Balance 31/12/2024	83,692	676,419	7,125	79,322	-	11,930	858,488

There are no unsatisfied performance obligations included in receivables.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

7 FINANCIAL ASSETS - CURRENT

	2024 \$	2023 \$
Opening Investment with Industry Fund Services	-	2,512,349
(Losses)/Income & Gains on IFP (Note 2B)	-	125,318
Management Fees	-	(3,621)
IFS liquidation – Transfer to General Account	-	(2,634,046)
Investment with Industry Fund Services	-	-

8 OTHER CURRENT ASSETS

Prepayments and Deposits	165,883	411,429
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9 FINANCIAL ASSETS – NON-CURRENT

Shares Encompass Credit Union – at Cost	20	20
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10 INVESTMENT PROPERTY

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

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

11 PROPERTY, PLANT AND EQUIPMENT
31 December 2024

	Land & buildings	Leasehold Improvements	Plant & Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$
Property, Plant and Equipment	820,000	401,681	452,642	226,386	1,900,709
Less: Accumulated Depreciation	(15,000)	(122,662)	(315,607)	(90,957)	(544,226)
	<u>805,000</u>	<u>279,019</u>	<u>137,035</u>	<u>135,429</u>	<u>1,356,483</u>

MOVEMENTS IN CARRYING AMOUNTS OF PROPERTY, PLANT AND EQUIPMENT

31 December 2024

	Land & buildings	Leasehold Improvements	Plant & Equipment	Motor Vehicle	Total
	\$	\$	\$	\$	\$
Balance at Beginning of Year	780,000	319,674	107,741	173,202	1,380,617
Transfer of Tasmanian assets (NBV)	25,000	-	6,015	-	31,015
Additions	-	-	56,961	-	56,961
Disposals	-	-	(1,736)	-	(1,736)
Depreciation	-	(40,655)	(31,946)	(37,773)	(110,374)
<i>Carrying Amount at End of Year</i>	<u>805,000</u>	<u>279,019</u>	<u>137,035</u>	<u>135,429</u>	<u>1,356,483</u>

31 December 2023

	Land & buildings	Leasehold Improvements	Plant & Equipment	Motor Vehicles	Total
Balance at Beginning of Year	780,000	59,294	11,277	79,166	929,737
Additions	-	272,609	111,215	148,218	532,042
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>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

12 COURSEWARE DEVELOPMENT IN PROGRESS

	2024	2023
	\$	\$
Courseware Development in Progress	99,273	-
	<u>99,273</u>	<u>-</u>

13 INTANGIBLE ASSETS

	2024	2023
	\$	\$
Website Development – at Cost	85,397	85,397
Less: Accumulated Amortisation	(84,809)	(81,234)
	<u>588</u>	<u>4,163</u>
Balance at Beginning of Year	4,163	595
Additions	-	5,275
Amortisation	(3,575)	(1,707)
	<u>588</u>	<u>4,163</u>
Database and Software – at Cost	673,682	-
Less: Accumulated Amortisation	(93,571)	-
	<u>580,111</u>	<u>-</u>
Balance at Beginning of Year	-	-
Additions	673,682	-
Amortisation	(93,571)	-
	<u>580,111</u>	<u>-</u>
Goodwill on consolidation – Fair Value	<u>4,026,143</u>	<u>4,026,143</u>
Balance at Beginning of Year	4,026,143	-
Additions	-	4,026,143
	<u>4,026,143</u>	<u>4,026,143</u>
Right of Use Assets - at Fair Value	547,485	547,485
Less: Accumulated Amortisation	(313,753)	(120,791)
	<u>233,732</u>	<u>426,694</u>
Balance at Beginning of Year	426,694	-
Right of Use Asset Recognised	-	547,485
Amortisation	(192,962)	(120,791)
	<u>233,732</u>	<u>426,694</u>
Total Intangibles	<u>4,840,574</u>	<u>4,457,000</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

14 TRADE AND OTHER PAYABLES
Current

	2024	2023
	\$	\$
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	254,620	158,481
Legal Costs – Other Matters	1,872	43,861
Legal Costs - Litigation	-	47,522
Other Payables and Accruals	592,649	567,108
	<u>849,141</u>	<u>820,077</u>
Non Current		
Other Payables and Accruals	<u>-</u>	<u>349,375</u>

The table below sets out liability balances inclusive of GST.

	VIC	NSW	SA/NT	QLD	TAS	WA	TOTAL
Trade Payables	-	896	-	696	-	1,513	3,105
Opening Balances 1/1/2024							
Amounts charged from Branches:							
Other Charges / reimbursements	-	1,898	-	10,734	-	-	12,632
Amounts paid to Branches:							
Other Charges / reimbursements	-	(2,794)	-	(11,430)	-	(1,513)	(15,737)
Trade Payable Closing Balances 31/12/2024	-	-	-	-	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15 BORROWINGS

	2024	2023
	\$	\$
Current Borrowings (vehicle)	10,535	10,535
Non Current Borrowings (vehicle)	18,812	29,347
Total Borrowings	<u>29,347</u>	<u>39,882</u>

16 ROU LEASE LIABILITY

	2024	2023
	\$	\$
Opening Balance	453,756	-
Recognition of Lease	-	547,485
Interest	16,873	18,013
Lease Payments	(209,792)	(111,742)
Carrying Amount of Lease Liability	<u>260,837</u>	<u>453,756</u>
Maturity		
<1 year	151,113	192,920
1-5 years	109,724	260,836
>5 years	<u>-</u>	<u>-</u>
	<u>260,837</u>	<u>453,756</u>

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. The lease agreement for 8 Sloane Street, Maribyrnong has not yet been renewed.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

17 PROVISIONS

	2024	2023
	\$	\$
<i>Officeholders:</i>		
Provision for Annual Leave	64,556	68,101
Provision for Long Service Leave	107,382	24,528
Provision for ADO	29,078	19,513
Provision for Retirement Benefits	106,582	106,582
Provision for Separations and Redundancies	-	-
	<u>307,598</u>	<u>218,724</u>
<i>Employees Other than Officeholders:</i>		
Provision for Annual Leave	227,654	246,789
Provision for Long Service Leave	21,120	42,025
Provision for ADO	63,312	51,549
Provision for Separations and Redundancies	-	-
	<u>312,086</u>	<u>340,363</u>
	<u>619,684</u>	<u>559,087</u>
 Total Provisions		
Current (including annual leave, long service leave and ADO)	617,448	530,156
Non Current (long service leave)	2,236	28,931
	<u>619,684</u>	<u>559,087</u>

Movement during the Year:

	Annual Leave	Long Service Leave	ADO	Retirement Benefits
	\$	\$	\$	\$
Benefits Balance at the Beginning of the Year	314,890	66,553	71,062	106,582
Increase/(Decrease) in Provision	(22,680)	61,949	21,328	-
Balance at the End of Year	<u>292,210</u>	<u>128,502</u>	<u>92,390</u>	<u>106,582</u>

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.

No adjustments are deemed necessary in respect of 'Retirement Benefits' this year.

18 EQUITY

	2024	2023
	\$	\$
Compulsory levy/voluntary contribution fund – if invested in assets	-	-
Other fund(s) required by rules	-	-
	<u>-</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

19 CASH FLOW INFORMATION

	2024	2023
	\$	\$
Reconciliation of cash flow from operations		
Surplus/(Deficit)	(793,578)	317,886
<i>Adjustments for non-cash items:</i>		
Depreciation and Amortisation	400,482	174,879
Interest – ROU Liability	16,873	18,013
Interest – Investment Payable Liability	26,168	-
Losses /(Gains) on Financial Assets (Net)	-	(121,697)
(Gain)/loss on Plant Disposal	737	(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	(540,551)	(175,727)
Decrease/(Increase) in Other Assets	245,546	(330,061)
(Decrease)/Increase in Payables	(346,479)	(394,309)
(Decrease)/Increase in Provisions	60,597	39,834
Movement in Tax Liabilities	25,143	3,585
Net Assets on Amalgamation – Tasmanian Branch	9,359	-
Net cash flows from operations	(895,703)	(3,979,207)

20 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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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

21 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	2024 \$	2023 \$
ASSETS		
Current assets	7,452,919	8,867,507
Non-current assets	6,596,412	6,081,020
TOTAL ASSETS	14,049,331	14,948,527
LIABILITIES		
Current liabilities	1,098,141	987,810
Non-current liabilities	130,772	590,744
TOTAL LIABILITIES	1,228,913	1,578,554
NET ASSETS	12,820,418	13,369,973
Accumulated Surplus	12,820,418	13,369,973
TOTAL EQUITY	12,820,418	13,369,973
Statement of Profit or Loss and Other Comprehensive Income		
Total Profit/(Loss)	(558,913)	404,231
Other Comprehensive Income	-	-
Total Comprehensive Income/(Loss)	(558,913)	404,231

22 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 were as follows:

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

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

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22 ACQUISITION OF CONTROLLED ENTITY (cont'd)

Net Assets of Aakira Pty Ltd Acquired	2023
	\$
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
Total Identifiable Net Assets Acquired	347,061
Goodwill on Acquisition	4,026,141
Total Consideration	4,373,202

23 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 -

	2024	2023
	\$	\$
Accrued Liability (i)	1,514,954	1,514,954
Estimated Reserve Account Balance	(1,408,372)	(1,408,372)
Retirement Benefit Obligation at end of year	106,582	106,582

- (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%.

24 RELATED PARTY DISCLOSURES

24A: RELATED PARTY TRANSACTIONS

	\$	\$	\$	\$	\$	\$
Revenue Earned from (GST Excl)	VIC	NSW	SA/NT	QLD	TAS	WA
Capitation Fees	701,553	1,075,823	81,955	458,501	135,095	157,038
Affiliation Fees	-	-	-	-	-	-
ACTU Levies	-	-	-	-	-	-
Other Charges/Reimbursements	51,008	52,016	-	-	-	-
	752,561	1,127,839	81,955	458,501	135,095	157,038
Total amount owed in trade and other receivables by (GST Incl)	83,692	676,419	7,125	79,322	-	11,930
	\$	\$	\$	\$	\$	\$
Expenses Incurred (GST Excl)	VIC	NSW	SA/NT	QLD	TAS	WA
Other Charges/Reimbursements	-	1,898	-	10,734	-	-
Amount owed to trade payables by (GST Incl)	-	-	-	-	-	-
	-	-	-	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS
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	2024	2023
	\$	\$
24B: KEY MANAGEMENT PERSONNEL REMUNERATION		
Short-Term Employee Benefits		
Salary (including annual leave taken)	570,759	346,067
Annual Leave Accrued	43,834	68,100
ADO Accrued	19,098	19,513
Bonus Paid	-	9,000
	<u>633,691</u>	<u>442,680</u>
Post-Employment Benefits		
Superannuation	59,061	38,142
Retirement Benefit Accrued	-	(50,785)
	<u>59,061</u>	<u>(12,643)</u>
Other Long-Term Benefits:		
Long-Service Leave Accrued	<u>88,655</u>	<u>37,622</u>
	<u>88,655</u>	<u>37,622</u>
Total	<u>781,407</u>	<u>467,659</u>

25 AUDITORS' REMUNERATION

Remuneration of the auditor for:		
- auditing or reviewing the financial report	20,000	20,000
- due diligence services	16,400	22,000
	<u>36,400</u>	<u>42,000</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

	2024	2023
	\$	\$
Financial Assets		
Cash and cash equivalents	6,374,506	8,350,918
Trade and other receivables	1,449,957	909,406
Financial assets	-	-
Carrying amount of financial assets	<u>7,824,463</u>	<u>9,260,324</u>
Financial Liabilities		
Financial liabilities at amortised cost		
Trade and other payables	1,168,053	1,666,675
Carrying amount of financial liabilities	<u>1,168,053</u>	<u>1,666,675</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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.

	2024	2023
	\$	\$
Net Income and Expense from Financial Assets		
Cash & Financial Assets		
Interest Received	262,059	16,922
Income & Gains on IFP	-	125,318
Net gain from cash and receivables	<u>262,059</u>	<u>142,240</u>

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

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
	<u>-</u>	<u>8,350,918</u>	<u>909,406</u>	<u>9,260,324</u>

Weighted Average Interest Rate 1.7%

31 December 2024

	Fixed Interest Rate	Floating Interest Rate	Non Interest	Total
	\$	\$	\$	\$
Cash and Cash Equivalents	5,000,000	1,374,506	-	6,374,506
Financial Assets	-	-	-	-
Trade and Other Receivables	-	-	1,449,957	1,449,957
	<u>5,000,000</u>	<u>1,374,506</u>	<u>1,449,957</u>	<u>7,824,463</u>

Weighted Average Interest Rate 5.2%

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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 2023	Change in risk variable %	Effect on	
		Equity	Profit or Loss
Interest Rate risk	+/- 0.5%	41,755	41,755

Sensitivity analysis of the risk that the Union is exposed to for 2024	Change in risk variable %	Effect on	
		Equity	Profit or Loss
Interest Rate risk	+/- 0.5%	31,873	31,873

(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 2023

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

26 FINANCIAL INSTRUMENTS (cont'd)

Contractual maturities for financial liabilities 2024

	On Demand	< 1 year	1– 2 years	2– 5 years	>5 years	Total
Financial liabilities due for payment		\$	\$	\$	\$	\$
Trade & Other Payables (excluding leave provisions)	849,141	190,376	128,536	-	-	1,168,053
Total expected outflows	849,141	190,376	128,536	-	-	1,168,053

Contractual maturities for financial assets 2023

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

Contractual maturities for financial assets 2024

	On Demand	< 1 year	1– 2 years	2– 5 years	>5 years	Total
Financial assets - cash flows realisable		\$	\$	\$	\$	\$
Cash and cash equivalents	1,374,506	5,000,000	-	-	-	6,374,506
Trade and other receivables	1,449,957	-	-	-	-	1,449,957
Financial assets	-	-	-	-	-	-
Total expected inflows	2,824,463	5,000,000	-	-	-	7,824,463

(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.

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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 2023

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

Ageing of financial assets for 2024

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade and other receivables (Gross)	932,434	179,444	125,262	212,817	1,449,957

(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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

26 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).

27 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

28 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.

29 GOING CONCERN

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

30 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.

31 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.

32 AMALGAMATION

On 22 December 2023, the Fair Work Commission approved the amalgamation of operations, assets and liabilities of the Australian Rail, Tram and Bus Industry 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 have been 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.

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

33 FUNDS ANALYSIS

For the year ended 31 December 2024, 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.

34 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.

35 SUBSEQUENT EVENTS

The operating activities of Aakira Pty Ltd may be transferred to a new 'Not for Profit' entity in 2025. This matter is currently under consideration, further details are not available at current date pertaining to this transfer. There are no other subsequent events to report.

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

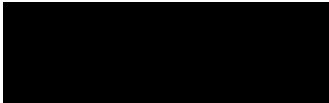
I, Alexander Claassens, being the National Secretary of the Australian Rail, Tram and Bus Industry Union, declare that the following activities did not occur during the reporting period ending 31 December, 2024.

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:



Dated 30 April, 2025

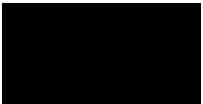
AUDITOR'S INDEPENDENCE DECLARATION**TO THE COMMITTEE OF MANAGEMENT OF AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION -
NATIONAL OFFICE**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2024 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: 30th April 2025

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, 2024, 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 2024, 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: 30th April 2025