



30 May 2019

Mr Owen Doogan
Secretary, Queensland Branch
Australian Rail, Tram and Bus Industry Union

Dear Mr Doogan

Re: – Australian Rail, Tram and Bus Industry Union, Queensland Branch - financial report for year ending 31 December 2018 (FR2018/366)

I refer to the financial report of the Queensland Branch of the Australian Rail, Tram and Bus Industry Union. The documents were lodged with the Registered Organisations Commission (**ROC**) on 27 May 2019.

The financial report has been filed. The financial report was filed based on a primary review. This involved confirming whether the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009 (RO Act)* have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements. Please note the report for year ending 31 December 2019 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. However I make the following comments to assist when preparing the next report.

Nil activity disclosures

Item 21 of the reporting guidelines states that if any activities identified within items 10-20 of the reporting guidelines have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in an officer's declaration statement.

The notes to the financial statements included all declaration statement contained nil activity information for all prescribed reporting guideline categories not otherwise disclosed except the following:

- RG12 - acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- RG13(e) - receive revenue from undertaking recovery of wages activity
- RG19 - have another entity administer the financial affairs of the reporting unit
- RG20 - make a payment to a former related party of the reporting unit

Audit scope - officer's declaration statement

Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report* paragraph 24(c) requires the auditor's statement to list the elements of the GPFR. In the auditor's report reference is made to an officer's declaration statement, however an officer's declaration statement was not included in the copy of the documents lodged with the ROC.

In future years only those statements which formed part of the general purpose financial report should be identified in the audit scope paragraph of the auditor's report.

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any questions about the above or the reporting requirements, please do not hesitate to contact me by email at stephen.kellett@roc.gov.au.

Yours faithfully

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Financial Reporting
Registered Organisations Commission



RTBU

27 May 2019

General Manager
Registered Organisations Commission
Level 4, 414 LaTrobe Street
MELBOURNE VIC 3000

Dear Sir/Madam,

Please find attached the reports we are required to lodge with Registered Organisations Commission according to Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

The service address for the RTBU Queensland Branch, including the electronic address for service, appears below in this letter.

Should any enquiries arise from this lodgement please direct them in the first instance to Mr Peter Allen, Principal Industrial Officer.

Yours sincerely

Owen Doogan
State Secretary
Queensland Branch

Rail, Tram & Bus Union (Brisbane Office) The Power of Union

Office: First Floor, 457 Upper Edward Street Brisbane
Phone: 3839 4988 **Fax:** 3832 1278 **Email:** info@rtbu.com.au



RTBU

General Manager
Registered Organisations Commission
Level 4, 414 LaTrobe Street
MELBOURNE VIC 3000

Dear Sir/Madam,

Re: Certificate for the period ended 31 December 2018

I, Owen Doogan, being the State Secretary of the Australian Rail, Tram and Bus Industry Union, Queensland Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Rail, Tram and Bus Industry Union, Queensland Branch for the period ended 31 December 2018 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 23 May 2019; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 24 May 2019 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*

Signature of prescribed designated officer:

Name of prescribed designated officer: **Owen Doogan**
Title of prescribed designated officer: **State Secretary**
Date: **27 May 2019**

Section 268(c) of the Act requires a certificate by a prescribed designated officer to be lodged with the reports, certifying the documents lodged are copies of the documents provided to members and the committee.

Reg. 162 provides that a prescribed designated officer is the secretary or an officer other than the secretary authorised by the organisation's rules to sign the certificate.

Rail, Tram & Bus Union (Brisbane Office) The Power of Union

Office: First Floor, 457 Upper Edward Street Brisbane
Phone: 3839 4988 Fax: 3832 1278 Email: info@rtbu.com.au

Australian Rail, Tram & Bus Industry Union Queensland Branch

Operating Report

For the period ended 31 December 2018



Unity is Strength

[Section 254 Fair Work \(Registered Organisations\) Act 2009 \(RO Act\)](#)

[Regulation 159 Fair Work \(Registered Organisations\) Regulations 2009 \(RO Regs\)](#)

This Operating Report covers the principal activities of the Australian Rail, Tram & Bus Industry Union Queensland Branch for the calendar year 1 January 2018 to 31 December 2018, the results of those activities and any significant changes in the nature of those activities during the year as required under Fair Work (Registered Organisations) Act and the Fair Work (Registered Organisations) Regulations 2009.

Review of Principal Activities, Results & Any Significant Changes

[s.254 Reporting unit to prepare operating report](#) - contains a review of the reporting unit's principal activities during the year, the results of those activities and any significant changes in the nature of those activities during the year.

Principal Activities

The RTBU (Qld Branch) is a member based, federally registered trade union representing members whose usual place of work is located within the State of Queensland. The representation of rail, tram and bus members is across employment within both the public and private arena. The reporting unit's activities are directed by the Queensland Branch Council in accordance with its objectives and rules of registration.

- Implementation of the decisions of the Branch Council
- Provision of industrial support including representation of individual member grievances; access to legal advice through the continuing provision of a legal clinic
- Continued utilisation of the divisional structure of the Union to maximise member representation and participation in bargaining for new agreements
- Continued promotion and secure participation of a Women's Forum to provide relevant links to all female members of the Union through an educative and empowerment process
- Management of information and communications as an instrument designed to support organising:
 - the on-going development, training and enhancement of electronic information management system to assist in the assembly of relevant data and the capture of knowledge to develop strategic direction in organising members and increasing the profile and relevance of the unions in general and the RTBU in particular
 - continue to engage members via social media (Facebook, Instagram)
 - continue to develop formal system appraisals to ensure integrity of data and extracted information leading to relevant knowledge

Principal Results of the Activities

The RTBU has been successful in continuing to improve the effectiveness of the organisation despite significant challenges brought about by hostile employers and tough negotiating environments in all sectors.

The RTBU is continuing with the process of reviewing and implementing new representative structures in the rules for Divisional Committees, Sub-Branches and Branch Council. This is aimed at ensuring that the Union remains contemporary with the changing face of the industries we represent.

The Union has continued to engage with women members, supported by a Women's Officer and committee. The committee has been active in campaigning around International Women's Day and involvement in the Emma Miller and Anna Stuart programs which provide opportunities for women to learn new skills and get recognition for their contribution to our industry, along with involvement in RTBU national activities.

The Branch continues to reform our communication systems, attempting to best cater to the modes and channels of communication most relevant to members. Social media has become an important means for members to interact with the Branch and we continue to review how we can best engage with these modes to improve communication.

Any Significant Changes in Activities

There have not been any significant changes to activities in the reporting period.

Significant Changes in Financial Affairs

[s.254(2)(b) give details of any significant changes in the reporting unit's financial affairs during the year]

Aurizon continued to restructure and progressively downsize its operations leading to a steady decline of membership in this Company.

Queensland Rail has slowly increased employee numbers in stations, and Traincrew and brought some positions back in-house in infrastructure. This has led to a pleasing increase in membership numbers in that company.

We have also seen some membership growth in Pacific National's companies.

Right of Members to Resign

s.254(2)(c) give details of the right of members to resign from the reporting unit under section 174

All members of the Australian Rail, Tram & Bus Industry Union (Qld Branch) have the right to resign from the Union in accordance with *Rule 14, Resignation from Membership*, of the Rules of the Rail Tram and Bus Union and Chapter 6, Part 3 of the Fair Work (Registered Organisations) Act 2009.

This is by providing notice addressed and delivered to the Secretary of the Queensland Branch, including via email.

Officers & Employees who are Superannuation Fund Trustees

s.254(2)(d)

To the best of our knowledge and belief, no officer of the organisation, by virtue of their office of the Australian Rail, Tram & Bus Industry Union Queensland Branch held positions as trustees or company directors.

Prescribed Information

Number of Members

Regulation 159(a) & s.254(2)(f)

The number of members of the Australian Rail, Tram & Bus Industry Union (Queensland Branch) as at 31 December 2018 was 6,467.

Number of Employees

Regulation 159(b) & s.254(2)(f)

The number of employees of the Australian Rail, Tram & Bus Industry Union (Queensland Branch) as at 31 December 2018 was 12 full-time and 2 part-time which is equal to 13.35 FTE.

| Position | No. of Employees (Full-time) | No. of Employees (Part-time) |
|------------------------|-------------------------------------|-------------------------------------|
| Elected Paid Officials | 3 | |
| Offices of the Union | 5 | |
| Industrial Staff | 3 | |
| Office Coordinator | 1 | |
| Clerical Support | 1 | 1 (0.75) |
| | | 1 (0.8) |
| Total | 13 | 2 |

Names of Branch Council Members who Held Office

Regulation 159(c)

Members of the Branch Council during the year ending 31 December 2018

| Division/Union Position | Name | Period of Employment |
|--|-------------------|-----------------------------|
| <i>Branch Executive</i> | | |
| Branch President | Bruce Mackie | 1/1/18 to 31/12/18 |
| Branch Senior Vice President | Les Moffitt | 1/1/18 to 31/12/18 |
| Branch Junior Vice President | Craig Allen | 1/1/18 to 31/12/18 |
| Branch Junior Vice President | Noel Morris | 1/1/18 to 9/10/18 |
| Branch Junior Vice President | Peter Allen | 9/10/18 to 31/12/18 |
| Branch Junior Vice President (Tram & Bus) and Assistant Branch Secretary | Tom Brown | 1/1/18 to 31/12/18 |
| Branch Junior Vice President (Tram & Bus) | Wendy Hodgson | 1/1/18 to 31/12/18 |
| Branch Secretary | Owen Doogan | 1/1/18 to 31/12/18 |
| <i>Regional Councillors</i> | | |
| North-West Councillor | Carl Nielsen | 1/1/18 to 31/12/18 |
| Central-West Councillor | Steven Baigent | 1/1/18 to 9/10/18 |
| Central-West Councillor | Alannah McCulloch | 9/10/18 to 31/12/18 |
| South-West Councillor | Col Greer | 1/1/18 to 31/12/18 |
| <i>Locomotive Division Committee</i> | | |
| Committee Member Passenger | Wayne Peardon | 1/1/18 to 31/12/18 |
| Committee Member Passenger | Kelvin Steer | 1/1/18 to 31/12/18 |
| Committee Member Coal | Ralph Damon | 1/1/18 to 9/10/18 |
| Committee Member Coal | David Bulloch | 9/10/18 to 31/12/18 |
| Committee Member Coal | Keith Heinemann | 1/1/18 to 31/12/18 |
| Committee Member Freight | John Dundas | 1/1/18 to 31/12/18 |
| Committee Member Freight | Donna Turner | 1/1/18 to 9/10/18 |
| Committee Member Freight | Rod MacNamara | 9/10/18 to 31/12/18 |
| <i>Operations Division Committee</i> | | |
| Committee Member Southern District | Jacqueline Wright | 1/1/18 to 31/12/18 |
| Committee Member Northern District | Josephine Burke | 1/1/18 to 31/12/18 |
| Committee Member Central District | Vacant | 1/1/18 to 9/10/18 |
| Committee Member Central District | Shane Weatherall | 9/10/18 to 31/12/18 |
| Committee Member Private Sector | Vacant | 1/1/18 to 9/10/18 |
| Committee Member Private Sector | Neil Trapp | 9/10/18 to 31/12/18 |
| <i>Infrastructure Division Committee</i> | | |
| Committee Member Southern District | Trent Howard | 1/1/18 to 31/12/18 |
| Committee Member Northern District | Vacant | 1/1/18 to 9/10/18 |

Operating Report

| Division/Union Position | Name | Period of Employment |
|---|-----------------|-----------------------------|
| Committee Member Northern District | Greg Gillett | 9/10/18 to 31/12/18 |
| Committee Member Central District | Andrew Wells | 1/1/18 to 31/12/18 |
| <i>Fleet Manufacture Overhaul, Maintenance & Service Division Committee</i> | | |
| Committee Member Southern District | Barry Monaghan | 1/1/18 to 31/12/18 |
| Committee Member Northern District | Greg Tatnell | 1/1/18 to 31/12/18 |
| Committee Member Central District | Joe Lunney | 1/1/18 to 9/10/18 |
| Committee Member Central District | Jared Falls | 9/10/18 to 31/12/18 |
| <i>Administrative, Supervisory, Technical & Professional Division Committee</i> | | |
| Committee Member Southern District | Sean Clinton | 1/1/18 to 31/12/18 |
| Committee Member Northern District | David Smith | 1/1/18 to 31/12/18 |
| Committee Member Central District | Peter Williams | 1/1/18 to 9/10/18 |
| Committee Member Central District | Erin O'Heir | 9/10/18 to 31/12/18 |
| Committee Member Metropolitan | Vacant | 1/1/18 to 9/10/18 |
| Committee Member Metropolitan | Noel Morris | 9/10/18 to 31/12/18 |
| <i>Women Delegates to Branch Council</i> | | |
| Female Delegate Central & Northern (All Divisions) | Vacant | 1/1/18 to 13/12/18 |
| Female Delegate Central & Northern (All Divisions) | Jodie Wickens | 13/12/18 to 31/12/18 |
| Female Delegate Southern (All Divisions) | Teena Carr | 1/1/18 to 9/10/18 |
| Female Delegate Southern (All Divisions) | Jullie Irving | 9/10/18 to 31/12/18 |
| <i>Tram & Bus Division Committee</i> | | |
| President | Darryl Lewis | 1/1/18 to 31/12/18 |
| Vice President | Horst Munker | 1/1/18 to 9/10/18 |
| Vice President | John Meikle | 9/10/18 to 31/12/18 |
| Secretary | Tom Brown | 1/1/18 to 31/12/18 |
| Junior Vice President | Wendy Hodgson | 1/1/18 to 31/12/18 |
| Junior Vice President (Tram & Bus) | Steven Szpaczek | 1/1/18 to 9/10/18 |
| Junior Vice President (Tram & Bus) | Mark Lahey | 9/10/18 to 31/12/18 |
| Branch Organiser (Tram & Bus) | Bennett Roche | 1/1/18 to 31/12/18 |
| Committee Member | John Meikle | 9/10/18 to 31/12/18 |
| Committee Member | Leanne Gorman | 9/10/18 to 31/12/18 |

Officers & Employees who are Directors or Board Members

Reporting Guideline 37

To the best of our knowledge and belief, no officer or employee of the organisation, by virtue of their office of the Australian Rail, Tram & Bus Industry Union Queensland Branch held positions as directors or board members.

Signature of designated officer



Name of designated officer Owen Doogan

Title of designated officer State Secretary (RTBU Qld Branch)

Date 24 May 2019

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND

AS

RAIL TRAM AND BUS UNION – (QUEENSLAND BRANCH)

FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2018

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Australian Rail, Tram & Bus Industry Union, Queensland Branch
for the period ending 31 December 2018

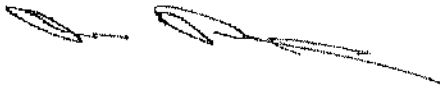

Committee of Management Statement

On 22 May 2019 the *Committee of Management* of the *Australian Rail, Tram & Bus Industry Union, Queensland Branch* passed the following resolution in relation to the general purpose financial report (GPFR) for the period ended 31 December 2018.

The *Committee of Management* declares 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 the reporting unit 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 a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

This declaration is made in accordance with a resolution of the Branch Council.

| | | |
|--|---|---|
| Signature of designated officer |  |  |
| Name of designated officer | Owen Doogan | Bruce Mackie |
| Title of designated officer | Branch Secretary | Branch President |
| Date | 22 May 2019 | 22 May 2019 |

Report Required Under Subsection 255(2a)

for the year ended 31 December 2018

The Committee of Management presents the expenditure report [1] as required under subsection 255(2A) on the Reporting Unit for the year ended 31 December 2018.

| Categories of expenditures | 2018 | 2017 |
|--|-----------|-----------|
| | \$ | \$ |
| Remuneration and other employment-related costs and expenses - employees | 1,959,363 | 1,909,363 |
| Advertising | 21,118 | 16,344 |
| Operating costs | 1,478,511 | 1,372,093 |
| Donations to political parties | 10,000 | 35,385 |
| Legal costs | 19,378 | 5,888 |

Signature of designated officer



Name of designated officer Owen Doogan

Title of designated officer Branch Secretary

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND
AS
RAIL TRAM AND BUS UNION – (QUEENSLAND BRANCH)

STATEMENT OF ACCOUNTING OFFICER

I, Owen Doogan, being the officer responsible for keeping the accounting records of the Australian Rail, Tram and Bus Industry Union (Queensland Branch) certify that as at 31 December 2018, the number of members of the Organisation was 6,467.

In my opinion:-

- (i) The accompanying accounts show a true and fair view of the financial affairs of the Branch as at 31 December 2018;
- (ii) A record has been kept of all moneys paid by, or collected from, members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the Organisation;
- (iii) Before any expenditure was incurred approval of the incurring of the expenditure was obtained in accordance with the rules of the Organisation;
- (iv) With regard to funds of the Organisation raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for the purpose other than those for which the fund was operated;
- (v) No loans or other financial benefits, other than remuneration in respect of their full time employment with the Organisation, were made to persons holding office in the Organisation;
- (vi) The register of members of the Branch was maintained in accordance with the Act; and
- (vii) The attached accounts have been prepared in accordance with applicable Australian Accounting Standards.

BRISBANE

DATE


ACCOUNTING OFFICER



ADRIAN J. BELLOTTI

CHARTERED ACCOUNTANT
A.B.N. 56 702 428 679

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION - QUEENSLAND
AS
RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of the Australian Rail, Tram and Bus Industry Union (Queensland Branch) (*the Reporting Unit*), which comprises the statement of assets and liabilities as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 December 2018, notes to the financial statements, including a summary of significant accounting policies; the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Australian Rail, Tram and Bus Industry Union (Queensland Branch) as at 31 December 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) 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).

I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 auditor's report is in the Operating Report accompanying the financial report.

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

In connection with my audit of the financial report, my 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 I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Reporting Unit'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 intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objective is 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

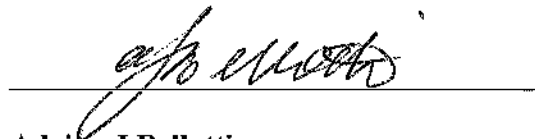
As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- 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 my 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 audit 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 Reporting Unit'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 Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit 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 entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I declare that I am an auditor registered under the RO Act, a member of Chartered Accountants Australia & New Zealand and hold a current Public Practice Certificate.

Signed this *22nd* day of *May* 2019.

A handwritten signature in black ink, appearing to read 'A J Bellotti', is written over a horizontal line.

Adrian J Bellotti
Chartered Accountant

Level 6
Ladhope Chambers
131 Wickham Terrace
Brisbane QLD 4000

Registration number AA2017/197
(as registered by the RO Commissioner under the RO Act)

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND
AS
RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)
CONSOLIDATED INCOME AND EXPENDITURE STATEMENT
FOR YEAR ENDED 31 DECEMBER 2018

| <u>INCOME</u> | <u>2018</u> | <u>2017</u> |
|-------------------------------------|--------------------|--------------------|
| Members Contributions | 3,576,011 | 3,429,701 |
| Bank & Bond Interest | 89,243 | 89,649 |
| Rented Property | 110,372 | 116,112 |
| Donations | 240 | 1,497 |
| Sundry Income | 11,532 | 3,061 |
| | <u>3,787,398</u> | <u>3,640,020</u> |
| <u>LESS EXPENDITURE</u> | | |
| Advertising/Promotion | 21,118 | 16,344 |
| Affiliation Fees | 156,053 | 151,855 |
| Advocate & Media | 33,665 | 35,028 |
| Audit fees & Accountancy | 31,000 | 28,500 |
| Bank Charges | 36,010 | 25,576 |
| Branch Council/Divisional Committee | 46,538 | 31,497 |
| Cleaning, Repairs & Maintenance | 39,812 | 38,360 |
| Training & Development | 5,289 | 26,530 |
| Depreciation | 56,899 | 67,265 |
| Donations | 12,145 | 38,325 |
| Freight & Cartage | 1,027 | 1,706 |
| Fringe Benefits Tax | 43,655 | 35,306 |
| Insurance - General | 25,628 | 25,684 |
| - Workers Compensation | 11,949 | 11,680 |
| | <u>37,577</u> | <u>37,364</u> |

| Fund Objectives | <u>2018</u> | <u>2017</u> |
|----------------------------------|-----------------|-----------------|
| Sickness & Accident Fund | 17,223 | 13,495 |
| Retirement Fund | 8,010 | 4,912 |
| Mortality Fund | 7,000 | 7,000 |
| Union Picnic Fund | 28,871 | 23,952 |
| Fighting/Div Objects Fund | 24,035 | 33,646 |
| | <hr/> 85,139 | <hr/> 83,005 |
| Labour Day | 21,655 | 19,326 |
| Legal & Court Costs | 19,378 | 5,888 |
| Levies & Fees | 2,889 | 7,747 |
| Literature | - | 1,297 |
| Meetings – Industrial/Branch | 43,532 | 24,647 |
| Mortality Scheme | 52,000 | 34,000 |
| Motor Vehicle Expenses | 47,709 | 47,897 |
| National Executive Expenses | 11,107 | 9,569 |
| National Office – Capitation | 382,482 | 363,333 |
| Office Expenses & Amenities | 641 | 1,098 |
| Organising Expenses | 26,150 | 7,019 |
| Party Expenses (Retired Members) | 3,763 | 4,450 |
| Postage | 40,072 | 32,012 |
| Payroll Tax | 61,382 | 59,233 |
| Printing & Stationery | 31,116 | 39,805 |
| Rented Property Expenses | 66,615 | 49,232 |
| Remuneration - Office Bearers | 1,341,592 | 1,240,243 |
| - Other | 369,415 | 438,486 |
| | <hr/> 1,711,007 | <hr/> 1,678,729 |
| Superannuation | 248,356 | 230,634 |
| Rent & Electricity | 87,848 | 93,591 |
| Subscriptions | 1,918 | - |
| Telephone and Internet | 76,589 | 73,932 |
| Sundries | 3,133 | 6,238 |
| <u>TOTAL EXPENDITURE</u> | <hr/> 3,545,269 | <hr/> 3,406,338 |

| | <u>2018</u> | <u>2017</u> |
|---|---------------------|---------------------|
| <u>Operating Surplus / (Deficit) before Extraordinary Items</u> | 242,129 | 233,682 |
| Profit / (Loss) on Disposal of Assets | | |
| - Motor Vehicles | (2,896) | (7,686) |
| - Property | - | (8,971) |
| | <u>(2,896)</u> | <u>(16,657)</u> |
| | 239,233 | 217,025 |
| Provisions | | |
| - Annual Leave | (50,000) | (55,000) |
| - Long Service Leave | (40,000) | (20,000) |
| - Redundancy | - | - |
| | <u>(90,000)</u> | <u>(75,000)</u> |
| <u>Surplus / (Deficit) for the year</u> | 149,233 | 142,025 |
| Balance Beginning of Year | 7,056,569 | 6,914,544 |
| <u>BALANCE AT END OF YEAR</u> | <u>\$ 7,205,802</u> | <u>\$ 7,056,569</u> |

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND
AS
RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)
GENERAL FUND INCOME AND EXPENDITURE STATEMENT
FOR YEAR ENDED 31 DECEMBER 2018

| <u>INCOME</u> | <u>2018</u> | <u>2017</u> |
|-------------------------------------|--------------------|--------------------|
| Members Contributions | 3,496,611 | 3,346,690 |
| Bank & Bond Interest | 72,199 | 71,179 |
| Rented Property | 110,372 | 116,112 |
| Sundry Income | 11,532 | 3,061 |
| | <u>3,690,714</u> | <u>3,537,043</u> |
| <u>LESS EXPENDITURE</u> | | |
| Advertising/Promotion | 21,118 | 16,344 |
| Affiliation Fees | 156,053 | 151,855 |
| Advocate & Media | 33,665 | 35,028 |
| Audit Fees & Accountancy | 31,000 | 28,500 |
| Bank Charges | 35,902 | 25,417 |
| Branch Council/Divisional Committee | 46,538 | 31,497 |
| Cleaning, Repairs & Maintenance | 39,812 | 38,360 |
| Employers Payroll Deduction Expense | - | - |
| Training & Development | 5,289 | 26,530 |
| Depreciation | 56,899 | 67,265 |
| Donations | 12,145 | 38,325 |
| Freight & Cartage | 1,027 | 1,706 |
| Fringe Benefits Tax | 43,655 | 35,306 |
| Insurance - General | 25,628 | 25,684 |
| - Workers Compensation | 11,949 | 11,680 |
| | <u>37,577</u> | <u>37,364</u> |

| | <u>2018</u> | <u>2017</u> |
|----------------------------------|------------------|------------------|
| Labour Day | 21,654 | 19,326 |
| Legal & Court Costs | 19,378 | 5,888 |
| Levies & Fees | 2,889 | 7,747 |
| Literature | - | 1,297 |
| Meetings – Industrial/Branch | 43,532 | 24,647 |
| Mortality Scheme | 52,000 | 34,000 |
| Motor Vehicle Expenses | 47,709 | 47,897 |
| National Executive Expenses | 11,107 | 9,569 |
| National Office – Capitation | 382,482 | 363,333 |
| Office Expenses & Amenities | 641 | 1,098 |
| Organising Expenses | 26,150 | 7,019 |
| Party Expenses (Retired Members) | 3,763 | 4,450 |
| Postage | 40,072 | 32,012 |
| Payroll Tax | 61,382 | 59,233 |
| Printing & Stationery | 31,116 | 39,805 |
| Rented Property Expenses | 66,615 | 49,232 |
| Remuneration - Office Bearers | 1,341,592 | 1,240,243 |
| - Other | 369,415 | 438,486 |
| | <u>1,711,007</u> | <u>1,678,729</u> |
| Superannuation | 248,356 | 230,634 |
| Rent & Electricity | 87,848 | 93,591 |
| Subscriptions | 1,918 | - |
| Telephone & Internet | 76,589 | 73,932 |
| Sundries | 3,133 | 6,238 |
| <u>TOTAL EXPENDITURE</u> | <u>3,460,021</u> | <u>3,323,174</u> |

| | <u>2018</u> | <u>2017</u> |
|---|---------------------|------------------|
| <u>Operating Surplus / (Deficit) before Extraordinary Items</u> | 230,693 | 213,869 |
| Profit / (Loss) on Disposal of Assets | | |
| - Motor Vehicles | (2,896) | (7,686) |
| - Property | - | (8,971) |
| | <u>(2,896)</u> | <u>(16,657)</u> |
| | <u>227,797</u> | <u>197,212</u> |
| Provisions | | |
| - Annual Leave | (50,000) | (55,000) |
| - Long Service Leave | (40,000) | (20,000) |
| - Redundancy | - | - |
| | <u>(90,000)</u> | <u>(75,000)</u> |
| <u>Surplus / (Deficit) for the year</u> | <u>137,797</u> | <u>122,212</u> |
| General Fund Balance Beginning of Year | 6,196,449 | 6,074,237 |
| <u>GENERAL FUND BALANCE AT END OF YEAR</u> | <u>\$ 6,334,246</u> | <u>6,196,449</u> |

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND

AS

RAIL TRAM & BUS UNION (QUEENSLAND BRANCH)

SICK AND ACCIDENT FUND – INCOME AND EXPENDITURE

FOR YEAR ENDED 31 DECEMBER 2018

| <u>INCOME</u> | <u>2018</u> | <u>2017</u> |
|---|-----------------------|-----------------------|
| Members Subscriptions | 12,547 | 13,268 |
| Interest | 7,381 | 8,102 |
| | <u>19,928</u> | <u>21,370</u> |
| <u>EXPENDITURE</u> | | |
| Payments (Rule 40(a)) | 17,223 | 11,139 |
| Tfr to Divisional Objects Funds | 2,580 | 2,580 |
| Union Payments | - | 398 |
| Medical | - | 1,958 |
| Bank Fee | 45 | 67 |
| | <u>19,848</u> | <u>16,142</u> |
| <u>NET SURPLUS / (DEFICIT)</u> | 80 | 5,228 |
| <u>Fund Balance as at 1 January 2018</u> | 445,807 | 440,579 |
| <u>FUND BALANCE AT 31 DECEMBER 2018</u> | <u>445,887</u> | <u>445,807</u> |

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND

AS

RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)

RETIREMENT FUND – INCOME & EXPENDITURE

FOR YEAR ENDED 31 DECEMEBR 2018

| <u>INCOME</u> | <u>2018</u> | <u>2017</u> |
|--|-----------------------|-----------------------|
| Members Subscriptions | 8,353 | 9,332 |
| Interest Received | 2,037 | 2,189 |
| | <u>10,390</u> | <u>11,521</u> |
| | | |
| <u>EXPENDITURE</u> | | |
| Bank Charges | 28 | 40 |
| Payments (Rule 40(b)) | 8,010 | 4,912 |
| Tfr to Divisional Objects Fund | 720 | 720 |
| | <u>8,758</u> | <u>5,672</u> |
| | | |
| <u>NET SURPLUS / (DEFICIT)</u> | 1,632 | 5,849 |
| Fund Balance as at 1 January 2018 | 155,340 | 149,491 |
| | | |
| <u>FUND BALANCE AT 31 DECEMBER 2018</u> | <u>156,972</u> | <u>155,340</u> |

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND

AS

RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)

MORTALITY FUND – INCOME & EXPENDITURE

FOR YEAR ENDED 31 DECEMBER 2018

| <u>INCOME</u> | <u>2018</u> | <u>2017</u> |
|---|----------------|----------------|
| Members Subscriptions | 8,353 | 8,387 |
| Interest Received | 2,711 | 2,909 |
| | <u>11,064</u> | <u>11,296</u> |
| | | |
| <u>EXPENDITURE</u> | | |
| Payments (Rule 40(c)) | 7,000 | 7,000 |
| Tfr to Divisional Objects Fund | 960 | 960 |
| Bank Charges | 14 | 9 |
| | <u>7,974</u> | <u>7,969</u> |
| | | |
| <u>NET SURPLUS / (DEFICIT)</u> | 3,090 | 3,327 |
| | | |
| Fund Balance as at 1 January 2018 | 121,784 | 118,457 |
| | | |
| <u>FUND BALANCE AT 31 DECEMBER 2018</u> | <u>124,874</u> | <u>121,784</u> |

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND

AS

RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)

UNION PICNIC FUND – INCOME & EXPENDITURE

FOR YEAR ENDED 31 DECEMBER 2018

| <u>INCOME</u> | <u>2018</u> | <u>2017</u> |
|---------------------------------------|--------------------|--------------------|
| Members Subscriptions | 33,425 | 34,609 |
| Interest Received | 6 | 8 |
| | <hr/> | <hr/> |
| | 33,431 | 34,617 |
| | <hr/> | <hr/> |
| <u>EXPENDITURE</u> | | |
| Amusement & Rides | 12,138 | 8,908 |
| Bank Charges | 11 | 16 |
| Catering & Meat | 13,866 | 11,037 |
| Cleaning | - | - |
| Equipment Hire | 352 | 1,507 |
| Truck Rental | 541 | 579 |
| Motor Vehicle Fuel | 44 | 41 |
| Wages | - | - |
| Prize for Raffle | 1,050 | 1,000 |
| Hire Grounds | 880 | 880 |
| | <hr/> | <hr/> |
| | 28,882 | 23,968 |
| | <hr/> | <hr/> |
| <u>NET SURPLUS / (DEFICIT)</u> | 4,549 | 10,649 |
| Fund Balance 1 January 2018 | 16,539 | 5,890 |
| | <hr/> | <hr/> |
| <u>FUND BALANCE AT</u> | | |
| <u>31 DECEMBER 2018</u> | 21,088 | 16,539 |
| | <hr/> | <hr/> |

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND

AS

RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)

FIGHTING FUND – INCOME & EXPENDITURE

FOR YEAR ENDED 31 DECEMBER 2018

| <u>INCOME</u> | <u>2018</u> | <u>2017</u> |
|--|-----------------------|-----------------------|
| Interest Received | 4,909 | 5,262 |
| Tfr from Fighting Fund & Div Objects Fund | - | - |
| | <u>4,909</u> | <u>5,262</u> |
| <u>EXPENDITURE</u> | | |
| Tfr to Fighting Fund & Divisional Objects Fund | 4,740 | 11,740 |
| Bank Fee | 5 | - |
| | <u>4,745</u> | <u>11,740</u> |
| <u>NET SURPLUS / (DEFICIT)</u> | 164 | (6,478) |
| Fund Balance as at 1 January 2018 | <u>116,971</u> | <u>123,449</u> |
| <u>FUND BALANCE AT 31 DECEMBER 2018</u> | <u>117,135</u> | <u>116,971</u> |

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND

AS

RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)

**FIGHTING FUND & DIVISIONAL OBJECTS FUND – INCOME &
EXPENDITURE**

FOR YEAR ENDED 31 DECEMBER 2018

| <u>INCOME</u> | <u>2018</u> | <u>2017</u> |
|------------------------------------|--------------------|--------------------|
| Members Subscriptions | 16,722 | 17,415 |
| Interest | - | - |
| Transfer from RCU – Investment A/c | 3,000 | 10,000 |
| Tfr from Fighting Fund | 1,740 | 1,740 |
| Tfr from Sickness & Accid. Fund | 2,580 | 2,580 |
| Tfr from Mortality Fund | 960 | 960 |
| Tfr from Retirement Fund | 720 | 720 |
| Donations | - | 1,497 |
| | <u>25,722</u> | <u>34,912</u> |

EXPENDITURE

| | | |
|--|---------------|---------------|
| Hire Fee | 260 | 139 |
| Bank Charges | 5 | 27 |
| Floral Tribute | 197 | 100 |
| Computer / Repairs | 5,987 | 1,179 |
| Stationery | 817 | 2,163 |
| Bus Charter | - | 6,282 |
| Wages | 5,086 | 11,683 |
| Legal Fees | - | 473 |
| Meetings/Training | 588 | 2,093 |
| Donations | 400 | 500 |
| Internet | 5,533 | 3,364 |
| Fares | 23 | 764 |
| International Women's Day | 1,663 | 1,907 |
| Banners / Coreflute | 53 | 211 |
| M/Vehicle – Fuel/Parking | 1,029 | 1,778 |
| Plaques | 907 | 268 |
| Membership Fees | 180 | 80 |
| Merchandise | 1,072 | 662 |
| | <u>23,800</u> | <u>33,673</u> |
| | | |
| <u>NET SURPLUS / (DEFICIT)</u> | 1,922 | 1,239 |
| | | |
| Fund Balance as at 1 January 2018 | 3,680 | 2,441 |
| | | |
| <u>FUND BALANCE AT 31 DECEMBER 2018</u> | <u>5,602</u> | <u>3,680</u> |

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND
AS

RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)

STATEMENT OF ASSETS & LIABILITIES AT 31 DECEMBER 2018

| <u>CURRENT ASSETS</u> | <u>2018</u> | <u>2017</u> |
|---|--------------------|--------------------|
| Cash on Hand | 500 | 800 |
| Cash at Bank - Current Account | 290,090 | 295,372 |
| - Investment Account | 202,489 | 202,489 |
| | <u>492,579</u> | <u>497,861</u> |
| Secured Deposits/Bank Bills | 3,459,151 | 3,161,273 |
| Deposits & Prepayments | 81,907 | 88,257 |
| Sundry Debtors & Remittances, in transit | 70,349 | 69,282 |
| Stock on Hand | 12,768 | 5,295 |
| Deposits – Non Cash | - | - |
| GST – Input Tax Credits | 13,220 | 15,955 |
| | <u>4,130,474</u> | <u>3,838,723</u> |
| <u>NON CURRENT ASSETS</u> | | |
| Real Property (5) | 4,109,835 | 4,109,835 |
| Other (5) | 251,313 | 298,791 |
| | <u>4,361,148</u> | <u>4,408,626</u> |
| <u>TOTAL ASSETS</u> | <u>8,491,622</u> | <u>8,247,349</u> |

| <u>LESS CURRENT LIABILITIES AND PROVISIONS</u> | <u>2018</u> | <u>2017</u> |
|---|-------------------------|-------------------------|
| Provision for Annual Leave (7) | 395,000 | 345,000 |
| Provision for Long Service Leave (7) | 400,000 | 360,000 |
| Sundry Creditors & Accrued Expenses (6B) | 255,818 | 250,780 |
| Provision for Sick Leave (7) | 60,000 | 60,000 |
| Provision for Separation & Redundancies (7) | - | - |
| <u>TOTAL LIABILITIES</u> | <u>1,110,818</u> | <u>1,015,780</u> |
| <u>NET ASSETS</u> | <u>7,380,804</u> | <u>7,231,569</u> |
| <u>EQUITY</u> | | |
| Retained Earnings | 7,205,804 | 7,056,569 |
| Asset Revaluation Reserve (8) | 175,000 | 175,000 |
| <u>TOTAL EQUITY</u> | <u>7,380,804</u> | <u>7,231,569</u> |

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND

AS

RAIL TRAM & BUS INDUSTRY UNION (QUEENSLAND BRANCH)

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2018

| | <i>General Fund</i> | <i>Sickness & Accident Fund</i> | <i>Retirement Fund</i> | <i>Mortality Fund</i> | <i>Union Picnic Fund</i> | <i>Fighting Fund</i> | <i>Fighting & Divisional Objects Fund</i> | <i>Asset Reval'n Reserve</i> | <i>Total</i> |
|------------------------------|-------------------------|---|----------------------------|---------------------------|------------------------------|--------------------------|---|--------------------------------------|--------------|
| Balance as at 1 January 2017 | 6,074,237 | 440,579 | 149,491 | 118,457 | 5,890 | 123,449 | 2,441 | 175,000 | 7,089,544 |
| Profit for the year | 122,212 | 5,228 | 5,849 | 3,327 | 10,649 | (6,478) | 1,239 | | 142,026 |
| Closing Bal at 31 Dec. 2017 | 6,196,449 | 445,807 | 155,340 | 121,784 | 16,539 | 116,971 | 3,680 | 175,000 | 7,231,570 |
| Profit (Loss) for year | 137,797 | 80 | 1,632 | 3,090 | 4,549 | 164 | 1,922 | | 149,234 |
| Closing Bal at 31 Dec. 2018 | 6,334,246 | 445,887 | 156,972 | 124,874 | 21,088 | 117,135 | 5,602 | 175,000 | 7,380,804 |

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND

AS

RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)

STATEMENT OF CASH FLOWS

FOR YEAR ENDED 31 DECEMBER 2018

| <u>CASH FLOW FROM OPERATING ACTIVITIES</u> | <u>2018</u> | <u>2017</u> |
|---|--------------------|--------------------|
| Receipts from other reporting units/controlled entities | - | - |
| Receipts from Members | 3,576,642 | 3,434,616 |
| Interest | 98,477 | 95,785 |
| Donations | - | 1,497 |
| Rental Property | 108,674 | 152,565 |
| Payments to Suppliers and Employees | (3,096,697) | (2,978,134) |
| Payments to other reporting units/controlled entities -Aust. Rail Tram & Bus Industry Union- National office | (382,482) | (363,333) |
| Net Cash provided by (used in) Operating Activities | <u>304,613</u> | <u>342,997</u> |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u> | | |
| (Payments) for Plant & Equipment | (36,383) | (117,930) |
| Proceeds from Plant & Equipment | 24,069 | 96,375 |
| (Payment) on Non Cash Deposits | - | - |
| Proceeds for Investments | - | - |
| Petty Cash | - | - |
| Net cash provided by (used in) Investing Activities | <u>(12,314)</u> | <u>(21,555)</u> |
| Net increase (decrease) in cash held | 292,299 | 321,442 |
| Cash at Beginning of Year | 3,659,931 | 3,338,489 |
| Cash at End of Year | <u>3,952,230</u> | <u>3,659,931</u> |

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND

AS

RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)

STATEMENT OF CASH FLOWS

FOR YEAR ENDED 31 DECEMBER 2018

NOTES TO STATEMENT OF CASH FLOWS

1. Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the period as shows in the Statement of Cash Flows is reconciled to the related items in the Statement of Assets & Liabilities as follows:

| | <u>2018</u> | <u>2017</u> |
|-----------------------------|------------------|------------------|
| Cash on Hand | 500 | 800 |
| Cash at Bank | 290,090 | 295,372 |
| Savings Investment A/c | 202,489 | 202,489 |
| Secured Deposits/Bank Bills | 3,459,151 | 3,161,270 |
| | <u>3,952,230</u> | <u>3,659,931</u> |

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND

AS

RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

| | <u>2018</u> | <u>2017</u> |
|--|----------------|----------------|
| 2. Reconciliation of Cash Flow from operations with Profit from Ordinary Activities: | | |
| Profit (loss) from ordinary Activities | 149,233 | 142,026 |
| Non-cash flows in profit / (loss) from Ordinary Activities: | | |
| Net loss on disposal of property / plant & equip | 2,896 | 16,657 |
| Depreciation | 56,899 | 67,265 |
| Changes in assets and liabilities net of the effects of purchase and disposals of subsidiaries | | |
| (Increase) / Decrease in Inventories | (7,473) | 4,243 |
| (Increase) / Decrease in Prepayments | 6,350 | 2,513 |
| (Increase) / Decrease in Receivables | (1,067) | 41,367 |
| Increase / (Decrease) in GST Liabilities | 2,733 | (6,778) |
| Increase / (Decrease) in Payables | 5,042 | 703 |
| Increase / (Decrease) in Other Provisions | 90,000 | 75,000 |
| Cashflows from operations | <u>304,613</u> | <u>342,996</u> |

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION - QUEENSLAND

AS

RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1. Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the requirement of 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 (Qld Branch) (RTBU) is a not-for-profit entity.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

Comparative Amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Significant Accounting Judgements and Estimates

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

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION - QUEENSLAND

AS

RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year.

Future Australian Accounting Standards Requirements

It has been assessed that there are no new standards, amendments to standards or interpretations that were issued prior to the sign-off date, and are applicable to the future reporting period, that are expected to have a future financial impact on the Union.

Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards or ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION - QUEENSLAND

AS

RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

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

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Income Tax

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

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in-first out basis.

AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION – QUEENSLAND

AS

RAIL TRAM AND BUS UNION (QUEENSLAND BRANCH)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

a) Property

Freehold land buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length-transaction. It is a policy of the entity to have periodic independent valuation with annual appraisals being made by the directors.

b) Plant and Equipment

Plant & Equipment are included at fair value. The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from those assets.

(c) Depreciation

The depreciable amount of all fixed assets but excluding freehold land and buildings is depreciated on a straight line basis over their useful lives commencing from the time the asset is held ready for use. Properties held for investment purposes and for own use are not subject to a depreciation charge.

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The depreciation rates used for each class of depreciable asset are:-

| <u>Class of Asset</u> | <u>Depreciation</u> |
|-----------------------------|---------------------|
| Units, Furniture & Fittings | 11.25% - 30% |
| Office, Plant & Equipment | 15% - 50% |
| Furniture & Fittings | 7.5% - 20% |
| Motor Vehicles | 22.5% - 25% |

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Employee Entitlements

Provision for employee entitlements in the form of Long Service Leave and Accrued Annual Leave has been made for the estimated 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 difference to that achieved by discounting estimated future cash flows.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

Cash

For the purpose of the statement of cash flows, cash includes cash on hand and in all call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts.

Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to confirm with changes in presentation for the current financial year.

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Going Concern

The entity is not reliant on financial support from another reporting unit to ensure it can continue as a going concern.

The entity has not agreed to provide financial support to another reporting unit to ensure they can continue as a going concern.

Business Combinations

The entity has not acquired assets and liabilities during the year as part of a business combination.

2. Events after Reporting Period

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

3. Income

| | <u>2018</u> | <u>2017</u> |
|------------------------------|--------------------|--------------------|
| (a) Capitation Fees Received | - | - |
| (b) Grants or Donations | | |
| Grants | - | - |
| Donations | - | 1,497 |

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| | <u>2018</u> | <u>2017</u> |
|---|----------------|----------------|
| (c) Compulsory Levies | | |
| Organising/Training | 839,639 | 819,440 |
| Sickness & Accident | 13,874 | 14,492 |
| Retirement | 9,237 | 9,175 |
| Mortality | 9,237 | 9,175 |
| Picnic | 36,953 | 37,920 |
| Divisional Objects/Fighting Fund | 18,488 | 18,963 |
| Traffic | - | - |
| Traincrew | 42,199 | 38,699 |
| | <u>969,627</u> | <u>947,864</u> |
| (d) Financial Support from another Reporting Unit | - | - |

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| 4. Expense | <u>2018</u> | <u>2017</u> |
|--------------------------------------|--------------|--------------|
| (a) Employee Expenses | | |
| Holders of Office: - | | |
| Wages and Salaries | 1,239,058 | 1,118,479 |
| Leave and Other Entitlements | 102,534 | 121,764 |
| Separation & Redundancies | - | - |
| Other Employee Expenses | - | - |
| | \$ 1,341,592 | \$ 1,240,243 |
| | <hr/> | <hr/> |
| Employees Other than Officeholders:- | | |
| Wages and Salaries | 341,052 | 415,517 |
| Leave and Other Entitlements | 28,363 | 22,969 |
| Separation & Redundancies | - | - |
| Other Employee Expenses | - | - |
| | \$ 369,415 | \$ 438,486 |
| | <hr/> | <hr/> |
| Superannuation:- | | |
| Holders of Office | 196,650 | 170,704 |
| Other | 51,706 | 59,330 |
| | \$ 248,356 | \$ 230,634 |
| | <hr/> | <hr/> |

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| | <u>2018</u> | <u>2017</u> |
|--|-------------|-------------|
| (b) Legal Costs:- | | |
| Litigation | - | - |
| Other legal costs | 19,378 | 5,888 |
| | \$ 19,378 | \$ 5,888 |
| (c) Affiliation Fees:- | | |
| - Australian Labour Party | 48,753 | 48,465 |
| - Queensland Council of Unions | 46,681 | 44,122 |
| - Ipswich Trades Hall | 33 | 30 |
| - Brisbane Labour History Assn | 100 | 50 |
| - Aust Council of Trade Unions | 35,131 | 33,766 |
| - Industrial Relations Society | 335 | 110 |
| - Queensland Conservation | 150 | 30 |
| - Union Shopper | 15,997 | 16,918 |
| - Qld Community Organising Alliance | 8,000 | 8,000 |
| - Aust Palestine Advocacy Network | 873 | 364 |
| - Asbestos Related Disease Support | - | - |
| | \$ 156,053 | \$ 151,855 |
| (d) Penalties imposed under the Fair Work (Registered Organisations) Act 2009 | - | - |
| | \$ - | \$ - |

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| | <u>2018</u> | <u>2017</u> |
|--|-------------|-------------|
| (e) Compulsory Levies | - | - |
| (f) Grants Paid that were \$1,000 or less | - | - |
| Grants Paid that exceeded \$1,000 | - | - |
| (g) Donations Paid that were \$1,000 or less | 545 | 1,340 |
| Donations Paid that exceeded \$1,000 | 11,600 | 36,985 |
| (h) Fees/Allowance - representation (not employees) attending meetings / conferences | 10,903 | 6,928 |
| (i) Key Management Personnel Remuneration:- | | |
| Short-term employee benefits | | |
| Salaries (including annual leave taken and accrued) | 310,978 | 283,115 |
| Post-employment benefits | | |
| Superannuation | 42,372 | 38,871 |
| Other long-term benefits | | |
| Long-service leave | 7,193 | 6,651 |
| Termination benefits | - | - |
| | \$ 360,543 | \$ 328,637 |
| (j) Audit Fees | | |
| Financial Statement Audit Services | 17,000 | 16,000 |
| Other Services | 14,000 | 12,500 |
| | \$ 31,000 | \$ 28,500 |

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| | <u>2018</u> | <u>2017</u> |
|---|------------------|------------------|
| 5. <u>Property Plant & Equipment</u> | | |
| (a) Land & Buildings At Cost/Valuation | 4,109,835 | 4,109,835 |
| Reconciliation of opening and closing balances of Land and Buildings | | |
| As at 1 January | | |
| Gross Book Value | 4,109,835 | 4,190,364 |
| Accum. Depreciation | - | - |
| Net Book Value 1 January | <u>4,109,835</u> | <u>4,190,364</u> |
| Loss on Disposal | - | (8,971) |
| Disposal | - | (71,558) |
| Net Book Value 31 December | <u>4,109,835</u> | <u>4,109,835</u> |
| (b) Furniture & Fittings at Cost | 276,354 | 276,354 |
| Less: Provision for Depreciation | (169,366) | (158,590) |
| | <u>106,988</u> | <u>117,764</u> |
| Reconciliation of opening and closing balances of Furniture & Fittings | | |
| As at 1 January | | |
| Gross Book Value | 276,354 | 270,177 |
| Accum. Depreciation | (158,590) | (146,883) |
| | <u>117,764</u> | <u>123,294</u> |

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| | <u>2018</u> | <u>2017</u> |
|---|--------------------|--------------------|
| Additions – by purchase | - | 6,177 |
| Depreciation expense | (10,776) | (11,707) |
| Net Book Value at 31 December | <u>106,988</u> | <u>117,764</u> |
| (c) Office Equipment at Cost | 317,514 | 308,043 |
| Less: Provision for Depreciation | (281,880) | (272,650) |
| | <u>35,634</u> | <u>35,393</u> |
| Reconciliation of opening and closing balances of Office Equipment | | |
| As at 1 January | | |
| Gross Book Value | 308,043 | 299,807 |
| Accum. Depreciation | (272,650) | (263,886) |
| Net Book Value at 1 January | <u>35,393</u> | <u>35,921</u> |
| Additions – by purchase | 9,471 | 8,236 |
| Depreciation expense | (9,230) | (8,764) |
| Net Book Value 31 December | <u>35,634</u> | <u>35,393</u> |

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| | <u>2018</u> | <u>2017</u> |
|--|--------------------|--------------------|
| (d) Motor Vehicle at Cost | 242,078 | 250,594 |
| Less: Provision for Depreciation | (133,386) | (104,961) |
| | <u>108,692</u> | <u>145,633</u> |
| Reconciliation of opening and closing balances of Motor Vehicle | | |
| As at 1 January | | |
| Gross Book Value | 250,594 | 249,492 |
| Accum depreciation | (104,961) | (128,073) |
| Net Book Value 1 January | <u>145,633</u> | <u>121,419</u> |
| Additions – by purchase | 26,916 | 103,511 |
| Depreciation expense | (36,892) | (46,794) |
| Loss on Disposal | (2,896) | (7,686) |
| Disposals | (24,069) | (24,817) |
| Net Book Value 31 December | <u>108,692</u> | <u>145,633</u> |

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6. *Financial Statements*

Investments

Non-current investments are measured on the cost basis. The carrying amount of non-current investments is reviewed annually to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for listed investments or underlying net assets for other non-listed investments.

The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

Credit Risk Exposure

Credit risk is the risk that counter parties to a financial asset will fail to discharge their obligations causing the Branch to incur a financial loss. The credit risk exposure of the Branch to financial assets which have been recognised in the Statement of Financial position is generally the carrying amounts. The carrying amounts of cash and investments approximate net fair values.

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6A Categories of Financial Instruments

| <i>Financial Assets</i> | <u>2018</u> | <u>2017</u> |
|--|---------------------|---------------------|
| Cash at Bank | | |
| Current Accounts | 290,090 | 295,372 |
| Investment Accounts | 202,489 | 202,489 |
| | <u>\$ 492,579</u> | <u>\$ 497,861</u> |
| Secured Deposits/Bank Bills | <u>\$ 3,459,151</u> | <u>\$ 3,161,270</u> |
| Loans/Receivables | | |
| Deposits/Prepayments | 81,907 | 88,257 |
| Receivables | 61,086 | 62,200 |
| Receivables from other reporting unit(s) | 9,263 | 7,082 |
| -Aust Rail Tram & Bus Industry Union-Nat. Office | | |
| | <u>\$ 152,256</u> | <u>\$ 157,539</u> |
| Stock on Hand | <u>\$ 12,768</u> | <u>\$ 5,295</u> |
| TOTAL | <u>\$ 4,116,754</u> | <u>\$ 3,821,965</u> |

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Financial Liabilities

| | <u>2018</u> | <u>2017</u> |
|---|--------------------|--------------------|
| 6B Other Creditors (Payables) | | |
| Trade Payables | | |
| Trade creditors and accruals | 50,031 | 33,216 |
| Operating lease rentals | - | - |
| Subtotal trade creditors | \$ <u>50,031</u> | \$ <u>33,216</u> |
| Payables to other reporting unit(s) | | |
| Aust Rail Tram & Bus Industry Union – Nat. Office | 34,395 | 63,299 |
| Subtotal payables to other reporting unit(s) | \$ <u>34,395</u> | \$ <u>63,299</u> |
| Total trade payables | \$ <u>84,426</u> | \$ <u>96,515</u> |
| Settlement is usually made within 30 days. | | |
| Other Payables | | |
| Wages and salaries | 46,839 | 34,577 |
| Superannuation | 34,298 | 26,926 |
| Consideration to employers for payroll deductions | 118 | 104 |
| Legal costs | | |
| Litigation | - | - |
| Other legal costs | - | 1,091 |
| Prepayments received/unearned revenue | - | - |
| FBT payable | 17,796 | 16,337 |
| GST payable | 66,035 | 69,216 |
| Other | 6,306 | 6,014 |
| Total other payables | \$ <u>171,392</u> | \$ <u>154,265</u> |

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Total other payables are expected to be settled in:

No more than 12 months

| | | | | |
|--|----|---------|----|---------|
| <i>Total Other Creditors (Payables)</i> | \$ | 255,818 | \$ | 250,780 |
| | | <hr/> | | <hr/> |

6C Market Risk

The only liabilities of the Union are trading 'profit and loss account' which do not have inherent interest rate risk, price risk or currency risk.

| | <u>2018</u> | <u>2017</u> |
|--------------------------------------|--------------------|--------------------|
| 7 Employee Provisions | | |
| Officeholders | | |
| Annual Leave | 375,000 | 325,000 |
| Long Service Leave | 365,000 | 325,000 |
| Separation & Redundancies | - | - |
| Other Employee Provisions | 60,000 | 60,000 |
| | \$ <hr/> 800,000 | \$ <hr/> 710,000 |
| Employees Other Than Office Holders: | | |
| Annual Leave | 20,000 | 20,000 |
| Long Service Leave | 35,000 | 35,000 |
| Separation & Redundancies | - | - |
| Other Employee Provisions | - | - |
| | \$ <hr/> 55,000 | \$ <hr/> 55,000 |

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Movement during the year:

| | Annual Leave | Long Service Leave | Separation & Redundancies | Other Employee Provisions |
|--|-----------------|--------------------------|------------------------------|---------------------------------|
| Benefits Balance at the Beginning of the year | 345,000 | 360,000 | - | 60,000 |
| Increase/(Decrease) in Provision | 50,000 | 40,000 | - | - |
| Balance at the End of Year | \$ 395,000 | \$ 400,000 | \$ - | \$ 60,000 |

8. **Fair Value Measurement**

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties.

Management of the RTBU assessed Cash at Bank, Secured Deposits/Bank Bills, Deposits & Prepayments, Receivables, and Other Creditors (Payables), and their carrying values are considered to be a reasonable approximation of fair value largely due to the short term maturities of these instruments.

The RTBU measures and recognises Land & Buildings at fair value on a recurring basis after initial recognition.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- *Level 1* - Quotes (unadjusted) market prices in active markets for identical assets or liabilities.

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- *Level 2* - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- *Level 3* - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The RTBU uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the relevant observable inputs and minimising the use of unobservable inputs. The valuation techniques selected by the RTBU are consistent with one or more of the following valuation approaches:

- *Market Approach*: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities
- *Income Approach*: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value
- *Cost Approach*: valuation techniques that reflect the current replacement cost of an asset at its current service capacity

The following table contains the carrying amounts and related fair values of the RTBU's other assets and liabilities:

| | <i>Carrying Amount</i> 2018 | <i>Fair Value</i> 2018 |
|------------------|--------------------------------|---------------------------|
| <i>Assets</i> | \$ | \$ |
| Land & Buildings | 4,109,835 | 4,109,835 |
| Total | 4,109,835 | 4,109,835 |

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The following tables provide an analysis of assets and liabilities that are measured at fair value and their categorisation within the fair value hierarchy

Fair value hierarchy – 31 December 2018

| | <i>Note</i> | <i>Level 1</i> | <i>Level 2</i> | <i>Level 3</i> |
|--------------------------------------|-------------|----------------|----------------|----------------|
| <i>Assets measured at fair value</i> | | \$ | \$ | \$ |
| Land & Buildings | 5 | - | 4,109,835 | - |
| Total | | - | 4,109,835 | - |

| <i>Description</i> | <i>Fair Value</i> <i>31 Dec 2018</i> \$ | <i>Valuation</i> <i>Technique(s)</i> | <i>Inputs</i> <i>used</i> |
|--------------------|---|--|------------------------------|
| Land & Buildings | 4,109,835 | Market approach using recent observable market data for similar properties | Price per sq. metre |

| 9. <u>Asset Revaluation Reserve</u> | <u>2018</u> | <u>2017</u> |
|--|--------------------|--------------------|
| Balance 1 January 2018 | 175,000 | 175,000 |
| Increase in valuation of Land & Buildings | - | - |
| Adjustment on disposal of Land & Bldgs | - | - |
| Balance 31 December 2018 | 175,000 | 175,000 |

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10. Related Party Information

The ultimate controlling entity of the Branch is the Federal Australian Rail, Tram & Bus Industry Union.

11. 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) - (3) of Section 272, of which reads as follows:

- (1) A member of a reporting unit, or the Commissioner, 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).