



28 July 2015

Mr Darren Phillips
Branch Secretary
South Australian and Northern Territory Branch
Australian Rail, Tram and Bus Industry Union
darren@rtbusant.org.au

CC: 360 Private Pty Ltd, ATTN Robert Zadow by email: contactus@360Private.com.au

Dear Mr Phillips,

**Australian Rail, Tram and Bus Industry Union, South Australian and Northern Territory Branch
Financial Report for the year ended 31 December 2014 - [FR2014/402]**

I acknowledge receipt of the financial report of the Australian Rail, Tram and Bus Industry Union, South Australian and Northern Territory Branch. The documents were lodged with the Fair Work Commission on 29 June 2015.

The financial report has now been filed. Thank you for incorporating the suggestions in last year's filing letter.

The financial report was filed based on a primary review. This involved confirming that 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 that the financial report for the year ending 31 December 2015 may be subject to an advanced compliance review.

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

Disclosure of employee expenses to office holders and other employees

The Reporting Guidelines require reporting units to disclose in the Statement of Comprehensive Income or in the notes to the financial statements employee expenses to holders of office (item 16(f)) and employee expenses to other employees (item 16(g)). Item 16(f) and 16(g) of the Reporting Guidelines also requires these expenses to be separately disclosed as follows:

- Wages and salaries;
- Superannuation;
- Leave and other entitlements;
- Separation and redundancies; and
- Other employee expenses.

The employee expense note to the financial statements has disclosed wages and salaries, superannuation, leave and other entitlements, and separation and redundancies expenses

separately for office holders and other employees, but does not separately disclose *other employee expenses* provided for other employees, only officers.

The Reporting Guidelines require that all employee and office holder expenses be detailed separately (refer to items 16(f) and 16(g)).

Please note that Reporting Guideline 17 states that if the activities identified in item 16 have not occurred in the reporting period, a statement of this effect must be included in the GPFR.

Please ensure next year's report includes a line item for *other expenses* for employees other than office holders even if the figures are NIL.

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 8661 7974 or via email at catherine.bebbington@fwc.gov.au.

Yours sincerely



CATHERINE BEBBINGTON
Regulatory Compliance Branch

FAIR WORK COMMISSION

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RAIL TRAM & BUS INDUSTRY UNION

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION

South Australian & Northern Territory Branch

Ray Hancox House, 63 Ledger Road, BEVERLEY SA 5009

ABN No. 18 927 056 991

Please address all correspondence to the Secretary
Ref: S\Fair Work Commission\EOFY Financial Returns

Telephone: (08) 8243 2511
FreeCell: 1800 801 063
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Email: theteam@rtbusant.org.au

29 June 2015

Mr Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch
Fair Work Commission
GPO Box 1994
MELBOURNE VIC 3001

Dear Sir

**Re: Lodgment of Financial Report – (FR2013/448)
FairWork (Registered Organisations) Act 2009 (the RO Act)
Australian Rail Tram and Bus Industry Union SA&NT Branch
FINANCIAL REPORT for the year ending 31st December 2014**

Please find attached copies of the documents listed below, which we forward for lodgment in order to fulfill the reporting requirements of the FairWork (Registered Organisations) Act 2009 (the RO Act).

- Financial Report for the year ending 31st December 2014 and the Independent Auditors Report dated the 25th March 2015.
- Committee of Management Certificate dated the 24th March 2015.
- The Secretary's Certificate dated 25th June 2015.

The Financial Report was prepared and presented to the Committee of Management at its first meeting on the **24th March 2015**.

Following the circulation of the full report to all members in all locations on the **26th March 2015**, the full report was presented to the Committee of Management being the Branch Council at its meeting on **25th June 2015**.

Should you require further information regarding the General Purpose Financial Report (GPFR) for the year ending 31st December 2014, please do not hesitate to contact me.

Regards

Darren Phillips
Branch Secretary

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

s.268 Fair Work (Registered Organisations) Act 2009

Secretary's Certificate for the period ended 31 December 2014

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

- that the documents lodged herewith are copies of the full financial report for the Australian Rail Tram & Bus Industry Union South Australia & Northern Territory Branch for the year ending 31st December 2014 and an Auditor's Report dated the 25th March 2015 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the Committee of Management of the reporting unit on the first meeting dated the 24th March 2015 in accordance with s.265; and
- that the full report was provided free of charge to members on 26th March 2015 via facsimile, email or via Australia Post to all locations where RTBU members are employed and posted on the website; and
- that the full report was presented to the Committee of Management of the reporting unit on the second meeting dated the 25th June 2015 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



Darren Phillips
Branch Secretary

Dated this 25th of June 2015

AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH
ABN : 18 927 056 991

FINANCIAL REPORT
AS At 31 Dec 2014

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**FINANCIAL REPORT
AS At 31 DECEMBER 2014**

CONTENTS	Page #
Independent Audit Report	3
Certificate by Prescribed Designated Officer	5
Operating Report	6
Committee of Management Statement	8
Statement of Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Recovery of Wages Activity	13
Notes to the Financial Statements	14



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INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION S.A & N.T BRANCH

Report on the Financial Report

I have audited the accompanying financial report of the AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION SA & NT Branch, which comprises the Statement of Financial Position as at 31 December 2014, the statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Members of the Committee.

Committees' Responsibility for the Financial Report

The Committee of Management of the Union are responsible for the preparation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Fair Work (Registered Organisations) Act 2009 and the financial requirements of the Union's rules. The responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances. In Note 2, the committee also states, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with Australian Accounting Standards.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on audit. I conducted my audit in accordance with the Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Union's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

I am an approved auditor (ASIC Audit Registration 5667), a Fellow of the Institute of Chartered Accountants and I hold a current Public Practice Certificate.

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements and the Fair Work (Registered Organisations) Act 2009.

In my opinion:

The financial report of the AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION SA & NT Branch, is in accordance with:

(a) Fair Work (Registered Organisations) Act 2009, including:

(i) giving a true and fair view of the union's financial position as at 31 December 2014 and of its performance for the year ended on that date;

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Union's rules; and

(iii) complying with any other requirements imposed by the Reporting Guidelines of the Fair Work (Registered Organisations) Act 2009

(b) Other mandatory professional reporting requirements in Australia.

(c) The General Purpose Financial Report is presented fairly in accordance with Australian Accounting Standards, and the following:

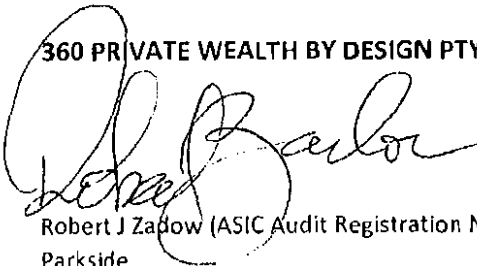
a. In relation to any recovery of wages activity:

that the scope of the audit encompassed recovery of wages activity
that the Union do not involve in any recovery of wages activity.

b. any other requirements imposed by these Reporting Guidelines

(d) I conclude that managements' use of the going concern basis of accounting in the preparation of the union's financial statements is appropriate.

360 PRIVATE WEALTH BY DESIGN PTY LTD



Robert J Zadow (ASIC Audit Registration No. 5667) FCA, CPA
Parkside
South Australia

Dated... 25th March 2015

AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION

S.A & N.T BRANCH


s.268 Fair Work (Registered Organisations) Act 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 31 December 2014

I Darren Phillips being the Branch Secretary of the Australian Rail, Tram & Bus Industry Union SA & NT Branch, certify:

- that the documents lodged herewith are copies of the full report for the Australian Rail, Tram & Bus Industry Union SA & NT Branch, for the period ended 31 December 2014 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 24 Mar 2015; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 24 Mar 2015 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer 

Name of prescribed designated officer DARREN BRETT PHILLIPS

Title of prescribed designated officer BRANCH SECRETARY

Dated 24-03-2015

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

This operating report covers the activities of the Australian Rail, Tram and Bus Union, S.A. & N.T. Branch, for the financial year ended 31 December 2014, the results of those activities and any significant changes in the nature of those activities during the year.

1. PRINCIPAL ACTIVITIES OF THE BRANCH COUNCIL

The principal activities of the Branch Council of the Union, during the past year fell into the following categories:

- Implementation of National and Branch Council decisions;
- 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 & delegates;
- Industrial support including representation of individual member grievances, advice on legal and legislative matters, holding of union elections as provided for in the rules of the union, and responding to the needs of members as 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, and the variation of awards;
- State media and communications to members and the broader community via media releases in support of campaigns; and
- Coordination of and negotiation of state industries, and assistance to members regarding workplace agreements.

The Branch Council has also been involved in lobbying and negotiations with different levels of Government and key industry organisations around issues of importance to members, eg training, skill shortage, fatigue management, vehicle design etc.

2. SIGNIFICANT CHANGES

The objectives of the principal activities described above have generally been achieved. No significant changes in the nature of activities occurred during the year.

3. THE BRANCH COUNCIL'S FINANCIAL AFFAIRS

The General Purpose Financial Report (GPRF) shows a surplus for the year of \$83,113 (2013 Surplus of \$27,983).

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 the Fair Work Act); namely by providing notice addressed and delivered to the Secretary via email, post, facsimile, or in person.

5. DIRECTORSHIPS OF SUPERANNUATION FUNDS

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

- (i) a Trustee of a superannuation entity or exempt public sector superannuation scheme;
- (ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and
- (iii) where a criterion for the officer being trustee or director is that the office is an officer of a registered organisation.

Darren Phillips was a member of the Transport Distribution Training SA from 01 Jan 2014 to 01 Nov 2014.

6. MEMBERSHIP OF THE UNION

There were 1,121 members of the Branch as at 31st December 2014.

6. EMPLOYEES OF THE BRANCH COUNCIL

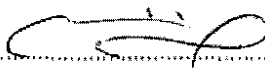
As at 31st December 2014 the Branch Council employed a total number of 3 employees on a full time basis.

7. BRANCH COUNCIL

The following persons were members of Branch Council during the year ended 31st December 2014:

NAME	PERIOD OF APPOINTMENT
Kym HARRIS	01/01/2014 to 31/12/2014
Joshua SUNDQVIST	01/01/2014 to 31/12/2014
Steven WATERS	24/09/2014 to 31/12/2014
Shirley BATES	01/01/2014 to 23/09/2014
Damien COOK	24/09/2014 to 31/12/2014
Brett DAWSON	24/09/2014 to 31/12/2014
Darren PHILLIPS	01/01/2014 to 31/12/2014
Michael KAVANAGH	01/01/2014 to 31/12/2014
Craig DALWOOD	24/09/2014 to 31/12/2014
Peter COFFEY	01/01/2014 to 23/09/2014
Peter HOMANN	24/09/2014 to 31/12/2014
Stephen BLIGHT	24/09/2014 to 31/12/2014
Wayne HARKER	24/09/2014 to 31/12/2014
Christopher FAIRMAN	01/01/2014 to 12/06/2014
Darryn LOVERIDGE	24/09/2014 to 31/12/2014
Trevor SMITH	24/09/2014 to 31/12/2014

Signed in accordance with the resolution of the Branch Council.

Signature of prescribed designated officer 

Name of prescribed designated officer DARREN BRETT PHILLIPS

Title of prescribed designated officer BRANCH SECRETARY

Dated 24-03-2015

AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH

COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

On the 24/03/2015 the Committee of Management of the Australian Rail, Tram and Bus Union, S.A. & N.T. Branch passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 31 December 2014:

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 the reporting guidelines of the General Manager;
- (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 union 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 union 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 union 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 General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; 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.

(f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

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

Signature of designated officer 

Name and title of designated officer Kym Andrew HARRIS Branch President

Dated 24/03/2015

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Notes	2014 \$	2013 \$
Revenue			
Membership subscription	3A	593,329	543,978
Capitation fees	3B	-	-
Levies	3C	73,611	69,009
Interest	3D	9,808	12,039
Rental revenue	3E	-	-
Other revenue	3F	4,248	37,149
Total revenue		<u>680,995</u>	<u>662,176</u>
Other Income			
Grants and donations	3G	-	-
Total income		<u>680,995</u>	<u>662,176</u>
Expenses			
Employee expenses	4A	359,548	381,254
Capitation fees	4B	85,839	77,802
Affiliation fees	4C	18,600	13,458
Administration expenses	4D	102,408	126,418
Grants or donations	4E	300	1,450
Depreciation	4F	16,298	21,817
Finance cost	4G	2,063	1,890
Legal costs	4H	111	3,735
Audit fees	4I	10,500	6,370
Net losses from sale of assets	4J	2,214	-
Other expenses	4J	-	-
Total expenses		<u>597,882</u>	<u>634,194</u>
Surplus for the year		<u>83,113</u>	<u>27,982</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014**

	Notes	2014 \$	2013 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	273,198	170,507
Trade and other receivables	5B	25,892	29,286
Held-to-Maturity	5C	296,679	286,836
Other current assets	5D	9,307	7,749
Total current assets		605,076	494,378
Non-Current Assets			
Property and equipment	6A	325,331	323,766
Total non-current assets		325,331	323,766
Total Assets		930,407	818,143
LIABILITIES			
Current Liabilities			
Trade payables	7A	11,825	7,372
Other payables	7B	17,613	17,982
Employee provisions	8A	75,980	57,016
Total current liabilities		105,418	82,370
Non-Current Liabilities			
Employee provisions	8A	21,779	15,676
Total non-current liabilities		21,779	15,676
Total Liabilities		127,198	98,046
Net assets		803,210	720,097
EQUITY			
General fund		533,797	473,597
Levy fund		269,413	246,500
Total Equity		803,210	720,097

The above statement of financial position should be read in conjunction with the accompanying notes

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2014**

	General fund \$	Levy fund \$	Total equity \$
Balance as at 1 January 2013	472,915	219,200	692,115
Adjustment for errors	-	-	-
Adjustment for changes in accounting policies	-	-	-
Surplus for the year	682	27,300	27,982
Other comprehensive income for the year	-	-	-
Transfer from retained earnings	-	-	-
Balance as at 31 December 2013	473,597	246,500	720,097
Adjustment for errors	-	-	-
Adjustment for changes in accounting policies	-	-	-
Surplus for the year	60,200	22,913	83,113
Other comprehensive income for the	-	-	-
Transfer from retained earnings	-	-	-
Balance as at 31 December 2014	533,797	269,413	803,210

The above statement of changes in equity should be read in conjunction with the accompanying notes.

AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 \$	2013 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from members		591,998	577,730
Interest		9,866	11,666
Receipts from other reporting entities	9B	4,754	25,495
Other		153,013	43,888
		<u>759,631</u>	<u>658,779</u>
Cash used			
Employees		(315,644)	(357,690)
Suppliers		(221,407)	(243,652)
Payments to other reporting entities	9B	(99,811)	(77,802)
		<u>(636,862)</u>	<u>(679,144)</u>
Net cash from (used by) operating activities	9A	<u>122,769</u>	<u>(20,365)</u>
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of car		2,273	-
Other		-	-
		<u>2,273</u>	<u>-</u>
Cash used			
Purchase of motor vehicle		(21,600)	(8,527)
Improvement in property		-	(9,530)
Purchase of refrigerator		(751)	-
		<u>(20,078)</u>	<u>(18,057)</u>
Net cash used by investing activities		<u>(20,078)</u>	<u>(18,057)</u>
FINANCING ACTIVITIES			
Cash flow from financing activities			
		-	-
		<u>102,691</u>	<u>(38,422)</u>
Net increase (decrease) in cash held		<u>102,691</u>	<u>(38,422)</u>
Cash & cash equivalents at the beginning of the reporting period		170,507	208,929
Cash & cash equivalents at the end of the reporting period	5A	<u>273,198</u>	<u>170,507</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014	2013
	\$	\$
Cash assets in respect of recovered money at beginning of year	<u>-</u>	<u>-</u>
Receipts		
Amounts recovered from employers in respect of wages etc.	-	21,635
Interest received on recovered money	-	-
Total receipts	<u>-</u>	<u>21,635</u>
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of		
account	-	-
name of fund	-	-
Name of other entity:		
name of	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	21,635
Total payments	<u>-</u>	<u>21,635</u>
Cash asset's in respect of recovered money at end of year	<u>-</u>	<u>-</u>
Number of workers to which the monies recovered relates	-	1
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
Fund or account operated for recovery of wages		- CBA account

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Note 1. Union Information

The Australian Rail, Tram and Bus Union, S.A. & N.T. Branch is to uphold the rights of labour and to improve, protect and foster the best interests of its members and to lobby and negotiate with Government for interests of its members. Please refer to branch council operating report for further details.

Note 2. Summary of significant accounting policies

2.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Australian Rail, Tram and Bus Union, S.A. & N.T. Branch is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

2.2 Comparative amounts

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

2.3 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 of assets and liabilities within the next reporting period.

2.4 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

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 Australian Rail, Tram and Bus Union, S.A. & N.T. Branch.

2.5 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.

AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

Note 2. Summary of significant accounting policies (cont.)

2.5 Revenue (cont.)

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the union 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 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.

2.7 Gains

Sale of assets

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

2.8 Capitation fees and levies

Capitation fees and levies are to be recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

2.9 Employee benefits

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

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

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

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

2.10 Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts.

2.11 Financial instruments

Financial assets and financial liabilities are recognised when the Australian Rail, Tram and Bus Union, S.A. & N.T. Branch becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

Note 2. Summary of significant accounting policies (cont.)

2.12 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Held-to-maturity investments

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Note 2. Summary of significant accounting policies (cont.)

2.12 Financial assets (cont.)

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or that are not classified as loans and receivable, held-to-maturity investments or financial assets at fair value through profit or loss.

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

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

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Note 2. Summary of significant accounting policies (cont.)

2.12 Financial assets (cont.)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Derecognition of financial assets

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

2.13 Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Note 2. Summary of significant accounting policies (cont.)

2.14 Financial liabilities (cont.)

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
 - the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk
 - it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be
- Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.14 Contingent liabilities and contingent assets

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

2.15 Property and equipment

Asset recognition

Each class of property and equipment is recognised at historical cost. Purchases of property and equipment are recognised at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Note 2. Summary of significant accounting policies (cont.)

2.15 Property and equipment (cont.)

Depreciation

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

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

	Method of depreciation	2014	2013
Building	Straightline	2.5 %	2.5 %
Furniture and office equipment	Deminishing value	13% to 50%	13% to 50%
Motor vehicle	Deminishing value	25 %	25 %

Derecognition

An item of buildings and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

2.16 Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the union were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Note 2 Summary of significant accounting policies (cont.)

2.18 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

2.19 Taxation

The Australian Rail, Tram and Bus Union, S.A. & N.T. Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

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

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

2.20 Fair value measurement

The Australian Rail, Tram and Bus Union, S.A. & N.T. Branch measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by The Australian Rail, Tram and Bus Union, S.A. & N.T. Branch. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Note 2 Summary of significant accounting policies (cont.)

2.20 Fair value measurement (cont)

The Australian Rail, Tram and Bus Union, S.A. & N.T. Branch uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- 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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the union determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, The Australian Rail, Tram and Bus Union, S.A. & N.T. Branch has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

2.21 Going concern

The Australian Rail, Tram and Bus Union, S.A. & N.T. Branch is reliant on the agreed financial support from its members to continue on a going concern basis. This agreed financial support is to continue until they cease to be a member.

AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

		2014	2013
Notes		\$	\$
Note 3 Income			
Note 3A: Membership subscription			
Membership subscription comprises of contributions from members during the year giving an average of \$529 from each member; Members are charged at different rates depending upon their employment status and category in which they fall.			
Note 3B: Capitation fees			
None		-	-
Total capitation fees		<u>-</u>	<u>-</u>
Note 3C: Levies			
Branch levies		73,611	69,009
Total levies		<u>73,611</u>	<u>69,009</u>
Note 3D: Interest			
Interest income		9,808	12,039
Total interest		<u>9,808</u>	<u>12,039</u>
Note 3E: Rental income			
None		-	-
Total rental revenue		<u>-</u>	<u>-</u>
Note 3F: Other revenue			
National office re-imburement		2,415	25,495
Other revenue		1,833	11,655
		<u>4,248</u>	<u>37,149</u>
Note 3F: Grants and donations			
None		-	-
Total grants and donations		<u>-</u>	<u>-</u>

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014	2013
Note 4 Expenses	\$	\$
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	191,814	261,557
Superannuation	26,875	38,655
Leave and other entitlements	22,383	(26,633)
Separation and redundancies	-	-
	241,072	273,579
Other employee expenses		
Payroll Tax	-	-
Fringe Benefits Tax	4,460	3,433
Motor Vehicle Expenses	10,267	13,024
Travel	13,842	22,016
Training	10,119	3,862
	38,688	42,335
Subtotal employee expenses holders of office	279,760	315,914
Employees other than office holders:		
Wages and salaries	70,000	61,101
Superannuation	7,104	7,084
Leave and other entitlements	2,684	(2,845)
Separation and redundancies	-	-
Subtotal employees other than office holders	79,788	65,340
Total employee expenses	359,548	381,254
Note 4B: Capitation fees		
Capitation fees - National office	85,839	77,802
Total capitation fees	85,839	77,802
Note 4C: Affiliation fees		
Australian Labour Party	5,528	4,475
SA Unions	5,719	4,605
National office	6,322	3,375
Others	1,031	1,004
Total affiliation fees/subscriptions	18,600	13,458

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014	2013
Note 4 Expenses (cont.)	\$	\$
Note 4D: Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Conference and meeting expenses	3,461	6,330
Contractors/consultants	-	-
Property expenses	6,204	9,800
Office expenses	28,943	31,105
Information communications	7,871	5,079
Work cover	14,758	24,241
Insurance	36,934	34,084
Other	4,237	15,779
Total administration expense	102,408	126,418
Note 4E: Grants and donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	300	-
Total paid that exceeded \$1,000	-	1,450
donations	300	1,450
Note 4F: Depreciation		
Land and building	5,533	5,515
Office equipment & furniture	5,730	9,637
Motor vehicle	5,035	6,665
Total depreciation	16,298	21,817
Note 4G: Finance costs		
Finance cost	2,063	1,890
Total legal costs	2,063	1,890
Note 4H: Legal costs		
Legal expenses	111	3,735
Total legal costs	111	3,735
Note 4I: Net losses from sale of assets		
Motor vehicle	2,214	-
Total net losses from asset sales	2,214	-
Note 4J: Other expenses		
Penalties - via RO Act or RO Regulations	-	-
Total other expenses	-	-

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Note 5 Current Assets	Notes	2014	2013
		\$	\$
Note 5A: Cash and cash equivalents			
Cash at bank	5A (i)	272,198	169,507
Cash on hand		1,000	1,000
Total cash and cash equivalents		<u>273,198</u>	<u>170,507</u>

5A (i) Cash at bank earns interest at floating rates based on daily deposit rates.

Note 5B: Trade and other receivables

Receivables from other reporting units			
National office		-	-
Total receivables from other reporting units		<u>-</u>	<u>-</u>
Less provision for doubtful debts			
		-	-
Receivable from other reporting units		<u>-</u>	<u>-</u>
Other receivables:			
GST receivable from the Australian Taxation Office		-	-
Other trade receivables	5B (i)	25,892	29,286
Total other receivables		<u>25,892</u>	<u>29,286</u>
Total trade and other receivables (net)		<u>25,892</u>	<u>29,286</u>

5B (i) Other trade receivables primarily include membership subscriptions.

Note 5C: Held to maturity

Term deposits		296,679	286,836
Total	5C (i)	<u>296,679</u>	<u>286,836</u>

5C (i) Term deposits are made for 6 months periods earning interest ranging from 3.30% to 3.45% per annum.

Note 5D: Other current assets

Accrued Interest		999	1,058
Prepayments		8,307	6,691
Total other current assets		<u>9,307</u>	<u>7,749</u>

AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 \$	2013 \$
Note 6 Non-current assets			
Note 6A: Property and equipment			
Cost	6A (i), 6A (ii) & 6A (iii)	451,523	453,409
Accumulated depreciation		(126,192)	(129,644)
Total property, plant and equipment		325,331	323,766

6A (i) Land and buildings:

Cost		335,713	335,713
Accumulated depreciation		(52,057)	(46,524)
Total land and buildings		283,656	289,189

Reconciliation of the opening and closing balances

As at 1 January

Gross book value		335,713	335,713
Accumulated depreciation and impairment		(46,524)	(41,009)
Net book value 1 January		289,189	294,704
Additions		-	-
Revaluations		-	-
Impairments		-	-
Depreciation expense		(5,533)	(5,515)
Other movement- Property Improvements		-	-
Disposals		-	-
Net book value 31 December		283,656	289,189

6A (ii) Office equipment & furniture

At cost		68,680	67,929
Accumulated depreciation		(59,078)	(53,348)
Total office equipment & furniture		9,602	14,581

Reconciliation of the opening and closing balances

As at 1 January

Gross book value		67,929	67,929
Accumulated depreciation and impairment		(53,348)	(52,278)
Net book value 1 January		14,581	15,651

AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION

S.A & N.T BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
	\$	\$
Note 6 Non-current assets (cont.)		
Reconciliation of the opening and closing balances of office equipment and furniture (cont.)		
Additions:		
From purchase	751	8,592
From acquisition of entities	-	-
Depreciation expense	(5,730)	(9,637)
Disposals	-	-
Other	-	(25)
Net book value 31 December	9,602	14,581
6A (iii) Motor Vehicle:		
Cost	47,131	49,768
Accumulated depreciation	(15,057)	(29,772)
Total Motor vehicle	32,074	19,996
Reconciliation of the opening and closing balances		
As at 1 January		
Gross book value	49,768	49,768
Accumulated depreciation and impairment	(29,772)	(23,083)
Net book value 1 January	19,996	26,685
Additions	-	-
By purchase	21,600	-
From acquisition of entities	-	-
Revaluations	-	-
Impairments	-	-
Depreciation expense	(5,035)	(6,665)
Other adjustment	-	(24)
Disposals	(4,487)	-
Net book value 31 December	32,074	19,996
Note 7 Current Liabilities		
Note 7A: Trade payables		
Trade payable and accruals	4,000	901
Subtotal trade creditors	4,000	901
Payables to other reporting units		
National office	7,825	6,471
Subtotal payables to other reporting units	7,825	6,471
Total trade payables	11,825	7,372

AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
	\$	\$
Note 7 Current Liabilities (cont.)		
Note 7B: Other payables		
Wages and salaries	5,856	4,963
Superannuation	590	2,753
Fringe benefits	1,009	854
Consideration to employers for payroll deductions	-	-
Legal costs	-	-
Prepayments received/unearned	-	-
GST payable	5,313	5,033
Other	4,846	4,379
Total other payables	17,613	17,982
Note 8 Provisions		
Note 8A: Employee provisions		
Office Holders:		
Annual leave	49,482	33,203
Long service leave	21,779	15,676
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	71,262	48,879
Employees other than office holders:		
Annual leave	6,393	8,455
Long service leave	20,105	15,359
Separations and redundancies	-	-
Other	-	-
Subtotal—employees other than office holders	26,498	23,813
Total employee provisions	97,759	72,692
Current	75,980	57,016
Non Current	21,779	15,676
Total employee provisions	97,759	72,692

AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 \$	2013 \$
Note 9 Cash flow		
Note 9A: Cash flow reconciliation		
Reconciliation of Cash and Cash Equivalents from Operating Activities to the surplus for the year		
Surplus for the year	83,113	27,982
Adjustments for non-cash items		
Depreciation	16,298	21,817
Loss on disposal of assets	2,214	-
	101,626	49,799
Interest income	(9,808)	(12,039)
	91,818	37,760
Changes in assets/liabilities		
(Increase)/decrease in net receivables	3,393	(8,500)
(Increase)/decrease in other current assets	(1,558)	(7,065)
Increase/(decrease) in payables	4,048	(13,084)
Increase/(decrease) in employee provisions	25,067	(29,478)
Net cash from (used by) operating activities	122,769	(20,367)
Note 9B: Cash flow information		
Cash inflows - reimbursement	4,754	25,495
Total cash inflows	4,754	25,495
Cash outflows		
Capitation Fees - National Office	99,811	77,802
Total cash outflows	99,811	77,802
Note 10 Related party disclosures		
Note 10A: Related party transactions for the reporting period		
The union does not have any related party transactions.		
Note 10B: Key management personnel remuneration for the reporting period		
Short-term employee benefits		
Salary (including annual leave)	191,814	261,557
Annual leave accrued/taken	16,280	(18,103)
Performance bonus	-	-
Total short-term employee benefits	208,094	243,454

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014	2013
	\$	\$
Post-employment benefits:		
Superannuation	26,875	38,655
Total post-employment benefits	26,875	38,655
Other long-term benefits:		
Long-service leave	6,103	(8,530)
Total other long-term benefits	6,103	(8,530)
Termination benefits	-	-
Total	241,072	273,579

Note 10C: Transactions with key management personnel and their close family members

Loans to/from key management personnel

None - -

Other transactions with key management personnel

None - -

Note 11 Audit fees

Audit fees	10,500	6,370
Non-audit services	-	-
Total audit fees	10,500	6,370

Note 12 Financial Support to or from another reporting entity

The Australian Rail, Tram and Bus Union, S.A. & N.T. Branch is able to continue as a going concern without the financial support of another reporting unit. It also doesn't provide any financial support to any other reporting unit.

Note 13 Contingent liabilities, assets and commitments

Note 13A: Commitments and contingencies

Operating lease commitments—as lessee

None

Operating lease commitments—as lessor

None

Capital commitments

At 31 Dec 2014, the union does not have any capital commitments. - -

Finance lease commitments—as lessee

None - -

Finance leases—lessor

None - -

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Note 14 Financial instruments

Note 14A - Financial Risk Management - objectives and policies

The union's financial instruments comprise cash and cash equivalents, held to maturity financial investments and liabilities. In addition, the union also has amounts receivable and amounts payable to trade and other creditors.

The main risks arising from the union's financial instruments are credit risk and market price risk and no liquidity risk. The union does not use derivative instruments to manage risks associated with its financial instruments.

The members of committee have overall responsibility for risk management, including risks associated with financial instruments. Risk management policies are established to identify and analyse the risks associated with the union's financial instruments, to set appropriate risk limits and controls and to monitor the risks and adherence to limits. The Board's audit and finance committee is responsible for monitoring the effectiveness of the union's risk management policies and processes and to regularly review risk management policies and systems, taking into account changes in market conditions and the union's activities. The committee is also responsible for developing and monitoring investment policies.

Note 14B: Categories of financial instruments	Notes	2014	2013
		\$	\$
Financial assets			
<u>Held-to-maturity investments:</u>			
Investment - 6 month Capitalize		40,653	39,237
Investment - 6 month Community		256,027	247,599
Total held-to-maturity investments	5C	296,679	286,836
<u>Loans and receivables:</u>			
Trade and other receivables	5B	25,892	29,286
Other current assets	5D	9,307	7,749
Total		35,199	37,035
Financial liabilities			
Trade creditors and accruals	7A	11,825	7,372
Other payables	7B	17,613	17,982
Total		29,438	25,354

Note 14C: Net income and expense from financial assets

Held-to-maturity			
Interest income		9,808	12,039
Exchange gains/(loss)		-	-

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Note 14C: Net income and expense from financial assets	Notes	2014	2013
		\$	\$
Held-to-maturity (cont.)			
Impairment		-	-
Gain/loss on disposal		-	-
Net gain/(loss) held-to-maturity		9,808	12,039

Note 14D: Credit Risk

Credit risk is the risk of financial loss to the union if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The carrying amount of the union's financial assets best represents its maximum credit risk exposure. The union's maximum exposure to credit risk at the reporting date was:

Cash & cash equivalents	5A	273,198	170,507
Trade debtors and other receivables	5B	25,892	29,286
Other current assets	5D	9,307	7,749
Held to Maturity	5C	296,679	286,836
		605,076	494,378

Trade debtors and other current assets primarily comprises of property rental income, members subscription and grant income

	2014		2013	
	Gross \$	Impairment \$	Gross \$	Impairment \$
Not past due	-	-	-	-
Past due 0-30 days	35,199	-	37,035	-
Past due 31-120 days	-	-	-	-
Past due 121 days to one year	-	-	-	-
Past due more than 1 year	-	-	-	-
	35,199	-	37,035	-

Note 14E - Liquidity risk

Liquidity risk is the risk that the union will not be able to fund its obligations as they fall due.

The following are the contractual maturities of financial assets and liabilities including estimated interest payments:

At 31 Dec 2014	Carrying amount	< 1 year \$	1- 2 years \$	2- 5 years \$	> 5 years \$	Total \$
Trade creditors & payable	4,000	4,000	-	-	-	4,000
Employee related	7,455	7,455	-	-	-	7,455
Payable to National Office	7,825	7,825	-	-	-	7,825

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Note 14E - Liquidity risk (cont.)

At 31 Dec 2014	Carrying amount	< 1 year \$	1– 2 years \$	2– 5 years \$	> 5 years \$	Total \$
Other payables	10,159	10,159	-	-	-	10,159
Maturities for financial liabilities	29,438	29,438	-	-	-	29,438

At 31 Dec 2013	Carrying amount	< 1 year \$	1– 2 years \$	2– 5 years \$	> 5 years \$	Total \$
Trade creditors & payable	901	901	-	-	-	901
Employee related	8,570	8,570	-	-	-	8,570
Payable to National Office	6,471	6,471	-	-	-	6,471
Other payables	9,412	9,412	-	-	-	9,412
Maturities for financial liabilities	25,354	25,354	-	-	-	25,354

Note 14F - Market price risk

Market price risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the union's income or the value of its holdings of financial instruments. The union is exposed to two sources of market price risk – fluctuations in interest rates and fluctuations in the value of its Held to Maturity investments.

Interest rate risk

Interest rate risk refers to the risk that the value of financial instruments or cash flow associated with the instrument will fluctuate due to changes in market interest rates.

The union is exposed to interest rate fluctuations on its cash at bank and cash on deposits. The union actively monitors interest rates for cash at bank and on deposit to maximise interest income.

The following table summarises the interest rate profile of the union's interest bearing financial instruments.

Fixed-rate instruments

Held-to-maturity	5C	296,679	286,836
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Variable-rate instruments

Cash at bank	5A	273,198	170,507
		<u>569,877</u>	<u>457,343</u>

Sensitivity analysis

The union is not exposed much to variable rate instruments resulting into minimal variation in this regard.

**AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
S.A & N.T BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

Note 15 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 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).

Note 16 Additional information

The registered office of the union and its principal place of business is:

63 Ledger Road
Beverley
South Australia 5009