



1 September 2014

Mrs Samantha Simonetis
Branch Secretary
Tasmanian Branch
Australian Rail, Tram and Bus Industry Union
rtbu1@bigpond.com

CC: Crowe Horwath Tasmania, Attn: Alison Flakemore info@crowehorwath.com.au

Dear Mrs Simonetis,

Australian Rail, Tram and Bus Industry Union-Tasmanian Branch Financial Report for the year ended 31 December 2013 - [FR2013/472]

I acknowledge receipt of the financial report of the Australian Rail, Tram and Bus Industry Union-Tasmanian Branch (ARTBIU TAS). The documents were lodged with the Fair Work Commission on 12 August 2014.

The financial report has now been filed. The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under 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.

I make the following comments 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.

Timescale requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. I have included a document to assist you with calculating the maximum timeframes. I note that the ARTBIU TAS financial report has not been provided to members, been placed before a meeting or been lodged with the Commission within the required timeframes for several years. If the reporting unit fails to meet these timeframes the matter will be referred to the Compliance Team for their consideration and a possible inquiry.

The reporting unit's financial year ends on 31 December 2014. I note that the AGM for the branch occurs in July and therefore the report must be presented to a Committee of Management meeting in order to comply with the 6 month time limit.

Reports must be audited before they are provided to members

The designated officer's certificate states that the financial report was provided to members on 17 July 2013, however the auditor's statement is dated 8 August 2013. Section 265(1)(a) defines a *full report* as including the 'copy of the report of the auditor in relation to the inspection and audit of the financial records of the reporting unit in relation to a financial year'. Section 265(5) requires that **the full report is provided** to members.

Full Reports must be provided to Members within 5 months of end of financial year where report is presented before committee of management meeting

The designated officer's certificate states that the financial report was provided to members on 17 July 2013, and presented to a committee of management meeting in August. Under section 265(5)(b) of the RO Act, where the report is presented to a Committee of Management meeting, the report must be provided to members **within 5 months** of the end of the financial year.

Reports must be presented to a meeting within 6 months after the end of the financial year.

The designated officer's certificate states that the financial report was presented to a Committee of Management meeting in August. Under section 266(1) of the RO Act, the report must be presented to a meeting within 6 months after the end of the financial year.

Designated Officers Certificate

The first designated officer's certificate did not provide the date of the meeting in August that approved the financial reports. This date must be provided in the future.

Revenue recognition

The Australian Accounting Standard *AASB 101 Presentation of Financial Statements* paragraph 117 and *AASB 118: Revenue* paragraph 35(a) requires that the entity must disclose the measurement basis or bases used in recognising revenue.

The accounting policy for member subscriptions for the reporting unit has not been disclosed.

Related Parties

The report does not disclose any related party transactions. Related party transactions are required to be disclosed under Australian Accounting Standard *AASB124 Related Party Disclosures* paragraph 18.

While it is possible that the branch did not, during the 2013 financial year, transact with related parties, this is rare for a branch. In future, reports may wish to include a specific entry within the notes stating this to prevent further inquiries.

Key management personnel

Australian Accounting Standard *AASB 124 Related Party Disclosures* paragraph 17 requires the General Purpose Financial Report to disclose within the statements or the notes compensation paid to key management personnel.

This normally includes a listing of the key management personnel for the organisation, the total amount of compensation paid to all key management personnel, and then totals for each of the following categories:

- Short term employee benefits
- Post employment benefits
- Other long term employee benefits
- Termination benefits
- Any share based payments.

The definition for these categories can be found within accounting standard *AASB 119: Employee Benefits*.

Disclosure of employee expenses/provisions 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 17(f)) and employee expenses to other employees (item 17(g)).

The employee expenses in the financial statements has disclosed wages and salaries and superannuation separately for officer holders and employees, but does not separately disclose

leave and other entitlements, separation and redundancies and other employee expenses provided for officers and employees.

The employee provisions note to the financial statements has disclosed annual leave and long service leave separately for office holders and employees, but does not separately disclose separation and redundancies and other employee provisions provided for officers and employees.

The Reporting Guidelines require that all employee and office holder benefits be detailed separately (refer to items 17(f), 17(g), 21(c) and 21(d)).

Items 18 and 22 of the Reporting Guidelines state that if the activities identified in items 17 and 21 have not occurred in the reporting period, a statement of this effect must be included in the notes to the GPFR. I note that for the above expenses and provisions no such disclosure has been made.

Changes to the reporting guidelines and model financial statement

A fourth edition of the General Manager's s.253 Reporting Guidelines was gazetted on 13 June 2014. These guidelines will apply to all financial reports that end on or after 30 June 2014. A model set of financial statements for the 2013-2014 financial year is also available on the Fair Work Commission website. The Fair Work Commission 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.

The Reporting Guidelines and Model Financial Statements are available on the website here: <https://www.fwc.gov.au/registered-organisations/compliance-governance/financial-reporting>

Please note that the financial report for the year ending 31 December 2014 will be subject to an advanced compliance review. An advanced compliance review confirms compliance with the legislative timeframes, the reporting guidelines, the relevant sections of the legislation and the relevant Australian Accounting Standards. An advanced compliance review examines all aspects of a reporting unit's financial report.

If the reporting unit fails to meet the timeframes explained above the matter will be referred to the Compliance Team for their consideration and a possible inquiry.

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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CERTIFICATE BY SECRETARY OR PRESCRIBED DESIGNATED OFFICER

s268 Fair Work (Registered Organizations) Act 2009

I, **Samantha Simonetis**

being the Branch Secretary of the Tasmanian Branch of the Australian Rail, Tram and Bus Industry Union, certify :

- That the Financial documents were lodged late due to the following:
 1. The Tasmanian Branch have no full time staff and all our officials work shift work.
 2. The Union had difficulty in arranging officials for a committee meeting due to their work commitments and so to this end a telephone conference was organised at the earliest date a quorum could be guaranteed to participate in a telephone conference to finalise the financial statements .
- that the documents lodged with Fair Work Australia on 12 August 2014 comprising the financial statements in respect of the year ended 31 December 2013 are copies of the full report referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*
- The full report was provided to the members on 17th July 2014.
- The full report was subsequently presented to a meeting of the Committee of Management of the reporting unit in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009* on August 2014.

Signature:

Date

12 August 2014

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Financial Report

For the Year Ended 31 December 2013

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

For the Year Ended 31 December 2013

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Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Operating Report

31 December 2013

I, David Payne, being the designated officer responsible for preparing this report for the financial year ended 31 December 2013 of Australian Rail, Tram and Bus Industry Union - Tasmanian Branch, report as follows:

1. General information

Branch Council Members

The names of Branch Council members throughout the year and at the date of these statements are:

Samantha Simonetis - Branch Secretary	1 January 2013 - 31 December 2013
Stephen Godfrey - Branch President	1 January 2013 - 30 April 2013
David Payne - Branch President	1 May 2013 - 31 December 2013
Stephen Godfrey - Branch Vice President	1 May 2013 - 25 July 2013
Vacant - Branch Vice President	26 July 2013 - 31 December 2013
David Payne - Branch Divisional Secretary - Rail	1 January 2013 - 30 December 2013
Kenneth Fitch - Branch Divisional President - Rail	1 January 2013 - 30 April 2013
Vacant - Branch Divisional President - Rail	1 May 2013 - 31 December 2013
Samantha Simonetis - Branch Divisional Secretary - Bus	1 January 2013 - 31 December 2013
Vacant - Branch Divisional President - Bus	1 January 2013 - 30 April 2013
Stephen Godfrey - Branch Divisional President - Bus	1 May 2013 - 25 July 2013
Vacant - Branch Divisional President - Bus	26 July 2013 - 31 December 2013
David Payne - Branch Divisional Secretary - Rail	1 January 2013 - 31 December 2013
Michael Friend - Branch Divisional Vice President - Bus	1 January 2013 - 30 April 2013
Daniel Hall - Branch Divisional Vice President - Bus	1 May 2013 - 31 December 2013
Chris Stanwix - Branch Divisional Rep - Bus	1 May 2013 - 31 December 2013
Ian Leighton - Branch Divisional Rep - Bus	1 January 2013 - 31 December 2013
Greg Feltham - Branch Divisional Rep - Bus	1 January 2013 - 31 December 2013
Christine Hewitt - Branch Divisional Rep - Bus	1 January 2013 - 31 December 2013
David Binns - Branch Divisional Rep - Rail	1 January 2013 - 30 April 2013
Vacant - Branch Divisional Rep - Rail	1 May 2013 - 31 December 2013
John Wilson - Bus Divisional Rep. Springfield Depot	1 January 2013 - 31 December 2013
David Snook - Bus Divisional Rep. Burnie Depot	1 January 2013 - 31 December 2013
Lorraine Singline - Bus Divisional Rep. Launceston Depot	1 January 2013 - 31 December 2013
Robert Mitchell - Rail Regional Rep. North-West Region	1 January 2013 - 31 December 2013

Principal Activities

The Australian Rail, Tram and Bus Industry Union Tasmanian Branch is a branch of the federally registered Australian Rail, Tram and Bus Industry Union representing members whose usual place of work is located within the state of Tasmania. The Tasmanian Branch has members employed in Rail and Bus sectors who are employed by the public and private sectors. The reporting unit's activities are directed by the Tasmanian Branch Executive and Branch Council.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Operating Report

31 December 2013

1. General information continued

Principal Activities continued

The principal activities and results of these activities fell into the following categories.

ACTIVITIES	2013 RESULTS
Making agreements with employers.	2
Implementation of Branch Council's membership agenda, including providing assistance and strategic advice to individual members in relation to workplace issues.	Received applications for admittance for 61 new members.
Attended meetings called by peak union bodies in Tasmania.	Attended 6 meetings called by Unions Tasmania.
Training delegates and representatives.	4 Workplace Officials were trained.

Significant changes

No significant change in the nature of these activities occurred during the year.

Director of a Company or Member of a Board

The following committee members and/or employees held the following positions as Director of a Company or Member of a Board during the year.

Name and Position	Company or Board	Principal Activities	Held as a Result of Branch Connection
David Payne (Branch President)	Bow Wave Superannuation Fund	Self Managed Superannuation Fund	No
Samantha Simonetis (Branch Secretary)	Unions Tasmanian	Tasmanian Branch of ACTU representing affiliated unions and their members.	Yes - RTBU affiliated with Unions Tasmania.

Number of Members & Right To Resign

The number of members of the Branch at at 31 December 2013 was 443 (inclusive of all categories).

Members have the right to resign from the entity by giving 2 weeks notice of their intention to resign in writing. Members retain the right to resign from the Australian Rail, Tram and Bus Industry Union in accordance with rule 14, Resignation from Membership of the Rail Tram and Bus Industry Union.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Operating Report

31 December 2013

1. General information continued

Superannuation Trustees

David Payne - Branch President & Rail Division Secretary - Trustee of self managed superannuation fund (Bow Wave Superannuation Fund).

Number of Employees

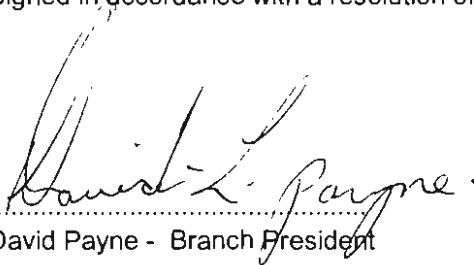
As at 31 December 2013, the Union employed 2 part time employees, being 1 official and 1 employee.

2. Operating Results and Review of Operations for the Year

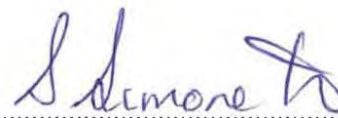
Operating result

The surplus/(deficit) from ordinary activities for the year amounted to \$ (12,510), (2012: (2,075)).

Signed in accordance with a resolution of the Branch Council:



David Payne - Branch President



Samantha Simonetis - Branch Secretary

Dated this 14 day of July 2014.

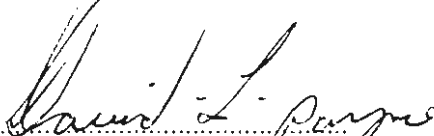
Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Branch Council Statement

On the 14th of July 2014 the Branch Council of the Australian Rail, Tram and Bus Union Tasmanian Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2013.

1. The financial statements and notes comply with the Australian Accounting Standards;
2. The financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
3. 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;
4. 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;
5. During the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Branch Council 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 Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each other of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or the General Manager of Fair Work Australia duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member or General Manager; and
 - (vi) no orders have been made by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.
6. There was no recovery of wages activities for the financial year.

Signed in accordance with a resolution of the Branch Council:


David Payne - Branch President


Samantha Simonetis - Branch Secretary

Dated this 14th day of July 2014.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Statement of Comprehensive Income

For the Year Ended 31 December 2013

	2013	2012
	\$	\$
Income		
Interest income	832	925
Member subscriptions	131,427	130,986
Levies	-	-
Capitation Fees	-	-
Donations	-	-
Grants	-	-
Other revenue	6,370	837
Reimbursement for lost time	6,609	5,947
Total income	145,238	138,695
Less: Expenses		
Advertising	-	204
Affiliation Fees - ACTU	1,414	1,047
Affiliation Fees - ALP Tasmania	1,522	1,034
Affiliation Fees - Unions Tasmania	2,368	2,343
Auditors remuneration	3,640	3,490
Bad debts	420	(1,332)
Bank charges	1,138	1,505
Capitation Fees - RTBU National	17,799	17,809
Consideration to employers for payroll deductions	-	-
Delegates/officials allowances	6,418	7,152
Depreciation	1,745	1,917
Donations	4,400	182
Electricity	1,069	970
Employee entitlements - employees	(28)	(250)
Employee entitlements - officials	-	-
Insurance	3,308	3,406
Legal	-	57
Levies	-	-
Lost time	23,248	25,330
Meeting and conference expenses	6,960	3,841
Merchandise	1,500	50
Motor vehicle expenses	6,196	5,041
Payroll tax	3,149	2,754
Penalties via RO Act or RO Regulations	-	-
Printing and stationery	6,606	4,853
Rates and taxes	3,005	2,826
Staff training	1,050	-

The accompanying notes form part of these financial statements.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Statement of Comprehensive Income

For the Year Ended 31 December 2013

	2013	2012
	\$	\$
Sundry expenses	694	281
Superannuation - employees	2,292	2,170
Superannuation - officials	1,843	1,765
Telephone and internet	10,539	8,268
Wages - employees	25,285	24,450
Wages - officials	20,168	19,607
Total Expenses	<u>157,748</u>	<u>140,770</u>
Net surplus/(deficit) for the year	<u>(12,510)</u>	<u>(2,075)</u>
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income	<u>(12,510)</u>	<u>(2,075)</u>

The accompanying notes form part of these financial statements.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Statement of Financial Position

As At 31 December 2013

	Note	2013 \$	2012 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	36,603	42,626
Trade and other receivables	4	13,154	5,727
TOTAL CURRENT ASSETS		<u>49,757</u>	<u>48,353</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	34,151	35,896
TOTAL NON-CURRENT ASSETS		<u>34,151</u>	<u>35,896</u>
TOTAL ASSETS		<u>83,908</u>	<u>84,249</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	19,940	7,743
Provisions	7	2,570	2,598
TOTAL CURRENT LIABILITIES		<u>22,510</u>	<u>10,341</u>
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		<u>22,510</u>	<u>10,341</u>
NET ASSETS		<u>61,398</u>	<u>73,908</u>
EQUITY			
Accumulated Surpluses		<u>61,398</u>	<u>73,908</u>
TOTAL EQUITY		<u>61,398</u>	<u>73,908</u>

The accompanying notes form part of these financial statements.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Statement of Changes in Equity

For the Year Ended 31 December 2013

2013

	Accumulated Surpluses	Total
	\$	\$
Balance at 1 January 2013	73,908	73,908
Net surplus/(deficit) for the year	(12,510)	(12,510)
Balance at 31 December 2013	<u>61,398</u>	<u>61,398</u>

2012

	Accumulated Surpluses	Total
	\$	\$
Balance at 1 January 2012	75,983	75,983
Net surplus/(deficit) for the year	(2,075)	(2,075)
Balance at 31 December 2012	<u>73,908</u>	<u>73,908</u>

The accompanying notes form part of these financial statements.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Statement of Cash Flows

For the Year Ended 31 December 2013

	2013	2012
Note	\$	\$
CASH FROM OPERATING ACTIVITIES:		
Receipts from members	137,602	131,303
Payments to suppliers and employees	(138,771)	(117,744)
Payments to other reporting units (RTBU National)	(18,665)	(17,809)
Receipts from other reporting units (RTBU National)	6,571	-
Interest received	832	925
Other receipts	6,408	6,784
Net flow from GST	-	(60)
Net cash provided by (used in) operating activities	10(a) (6,023)	3,399
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	-	(634)
Net cash used by investing activities	-	(634)
Net cash increase (decreases) in cash and cash equivalents	(6,023)	2,765
Cash and cash equivalents at beginning of year	42,626	39,861
Cash and cash equivalents at end of financial year	3 36,603	42,626

The accompanying notes form part of these financial statements.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2013

The financial report covers Australian Rail, Tram and Bus Industry Union - Tasmanian Branch as an individual entity, incorporated and domiciled in Australia. Australian Rail, Tram and Bus Industry Union - Tasmanian Branch is a registered employee organisation under the *Fair Work (Registered Organisations) Act 2009*.

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial report is a general purpose financial statement that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Fair Work (Registered Organisations) Act*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(b) Comparative Figures

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

(c) Inventories

Inventories are measured at the lower of cost and net realisable value.

(d) Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2013

1 Summary of Significant Accounting Policies continued

(d) Property, Plant and Equipment continued

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset

Buildings	2.5%
Office Equipment	10%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(e) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the branch becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the branch commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to surplus or loss immediately.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the reporting unit assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2013

1 Summary of Significant Accounting Policies continued

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of comprehensive income.

(g) Employee Benefits

Provision is made for the reporting unit's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

(h) Provisions

Provisions are recognised when the branch has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(i) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the branch during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(j) Income Tax

No provision for income tax has been raised as the reporting unit is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

(k) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the life of the lease term.

(l) Revenue and Other Income

Interest revenue is recognised when received or when the right to receive has been met.

All revenue is stated net of the amount of goods and services tax (GST).

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2013

1 Summary of Significant Accounting Policies continued

(m) Goods and Services Tax (GST)

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

Cash flows are presented in the statement of cash flows on a net basis, with the net GST component shown as a separate item within operating cash flows. The GST components of investing and financing activities are disclosed as operating cash flows.

(n) Critical Accounting Estimates and Judgments

Key estimates - Impairment

The branch assesses impairment at the end of each reporting period by evaluating conditions specific to the branch that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(o) Adoption of new and revised accounting standards

During the current year, the branch adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of Australian Rail, Tram and Bus Industry Union - Tasmanian Branch.

Standard Name	Impact
AASB 2011 9 Amendments to Australian Accounting Standards Presentation of Items of Other Comprehensive Income	The adoption of this standard has not change the reported financial position and performance of the entity, however the presentation of items in other comprehensive income has changed.
AASB 112 Income Taxes	There has been no impact on the reported financial position and performance.
AASB 2011 3 Amendments to Australian Accounting Standards Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments	There has been no impact due the entity not being a government department.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2013

1 Summary of Significant Accounting Policies continued

(p) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The branch has decided against early adoption of these Standards. The following table summarises those future requirements, and their impact on the branch:

Standard name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments and amending standards AASB 2010 7 / AASB 2012 6	30 June 2016	- Changes to the classification and measurement requirements for financial assets and financial liabilities - New rules relating to derecognition of financial instruments. -	The impact of AASB 9 has not yet been determined as the entire standard has not been released.
AASB 13 Fair Value Measurement. AASB 2011 8 Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009 11, 2010 7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]	30 June 2014	AASB 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Accounting Standards but does not change when fair value is required or permitted. There are a number of additional disclosure requirements.	Fair value estimates currently made by the entity will be revised and potential changes to reported values may be required. The entity has not yet determined the magnitude of any changes which may be needed. Some additional disclosures will be needed
AASB 2011 7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009 11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]	30 June 2014	This standard provides many consequential changes due to the release of the new consolidation and joint venture standards.	The impact of this standard is expected to be minimal.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2013

1 Summary of Significant Accounting Policies continued

(p) New accounting standards for application in future periods continued

Standard name	Effective date for entity	Requirements	Impact
<p>AASB 119 Employee Benefits (September 2011)</p> <p>AASB 2011 10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011 11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements</p>	30 June 2014	<p>The main changes in this standard relate to the accounting for defined benefit plans and are as follows:</p> <p>elimination of the option to defer the recognition of gains and losses (the 'corridor method');</p> <p>requiring remeasurements to be presented in other comprehensive income; and</p> <p>enhancing the disclosure requirements.</p>	Since the entity does not have a defined benefit plan, the adoption of these standards will not have any impact.
<p>AASB 2012 5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009 2011 Cycle [AASB 1, AASB 101, AASB 116, AASB 132 & AASB 134 and Interpretation 2]</p>	30 June 2014	<p>AASB 1 this standard clarifies that an entity can apply AASB 1 more than once.</p> <p>AASB 101 clarifies that a third statement of financial position is required when the opening statement of financial position is materially affected by any adjustments.</p> <p>AASB 116 clarifies the classification of servicing equipment.</p> <p>AASB 132 and Interpretation 2 Clarifies that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction shall be accounted for in accordance with AASB 112 Income Taxes</p> <p>AASB 134 provides clarification about segment reporting.</p>	No expected impact on the entities financial position or performance.

(q) Fair Work Disclosures

Transactions requiring disclosure under the Fair Work (Registered Organisations) Act 2009 which have not been included in this report have not occurred during the financial year.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2013

2 Notes to be Provided to Members or the General Manager of Fair Work Australia

- (a) 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.
- (b) 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.
- (c) A reporting unit must comply with an application made under subsection (1).

3 Cash and Cash Equivalents

	2013	2012
	\$	\$
Cash on hand	400	400
Cash at bank	36,203	42,226
	<u>36,603</u>	<u>42,626</u>

4 Trade and Other Receivables

	2013	2012
	\$	\$
CURRENT		
Trade receivables	7,445	1,313
Receivables from other reporting units	-	-
Loans and receivables - members	1,510	-
Sundry debtors	4,199	4,414
	<u>13,154</u>	<u>5,727</u>

(a) Aged analysis

The ageing analysis of receivables is as follows:

	2013	2012
	\$	\$
0-30 days	2,696	2,895
31-60 days	5,805	182
61-90 days (past due not impaired)	1,161	644
91+ days (past due not impaired)	3,492	2,006
	<u>13,154</u>	<u>5,727</u>

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2013

5 Property, Plant and Equipment

	2013	2012
	\$	\$
LAND AND BUILDINGS		
Building - Suite 5, 113 Main Road, Moonah		
At cost	40,000	40,000
Accumulated depreciation	(8,795)	(7,795)
Total land and buildings	<u>31,205</u>	<u>32,205</u>
PLANT AND EQUIPMENT		
Furniture, fixture and fittings		
At cost	23,425	23,425
Accumulated depreciation	(20,479)	(19,734)
Total furniture, fixture and fittings	<u>2,946</u>	<u>3,691</u>
Total property, plant and equipment	<u><u>34,151</u></u>	<u><u>35,896</u></u>

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Buildings	Furniture, Fixtures and Fittings	Total
	\$	\$	\$
Balance at the beginning of year	32,205	3,690	35,895
Depreciation expense	(1,000)	(744)	(1,744)
Balance at 31 December 2013	<u><u>31,205</u></u>	<u><u>2,946</u></u>	<u><u>34,151</u></u>
Balance at the beginning of year	33,205	3,973	37,178
Additions	-	634	634
Depreciation expense	(1,000)	(917)	(1,917)
Balance at 31 December 2012	<u><u>32,205</u></u>	<u><u>3,690</u></u>	<u><u>35,895</u></u>

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2013

6 Trade and Other Payables

	2013	2012
	\$	\$
CURRENT		
Credit card	946	315
Trade payables	12,174	4,143
Trade payables - other reporting units (RTBU National)	3,383	-
Trade payables - legal	-	-
Trade payables - employers for deductions	-	-
GST payable/(receivable)	904	1,186
PAYG withholding	1,729	1,632
Superannuation payable	804	467
	<u>19,940</u>	<u>7,743</u>

7 Provisions

	2013	2012
	\$	\$
CURRENT		
Annual leave - employees	114	444
Annual leave - officials	-	-
Long service leave - employees	2,456	2,154
Long service leave - officials	-	-
	<u>2,570</u>	<u>2,598</u>

8 Financial Risk Management

The Branch's financial instruments consist mainly of deposits with banks. The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

		2013	2012
	Note	\$	\$
Financial Assets			
Cash and cash equivalents	3	36,603	46,626
Trade and other receivables	4	13,154	5,727
Total Financial Assets		<u>49,757</u>	<u>52,353</u>
Financial Liabilities			
Trade and other payables	6	19,940	7,743
Total Financial Liabilities		<u>19,940</u>	<u>7,743</u>

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2013

8 Financial Risk Management continued

Financial Risk Exposures and Management

The main risks the branch is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and commodity and equity price risk.

(a) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

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

(b) Liquidity risk

The reporting unit manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

(c) Interest Rate Risk

The branch does not have any material interest rate risk. Any risk arising is managed through floating rate investments.

9 Auditors' Remuneration

	2013	2012
	\$	\$
Remuneration of the auditor of the branch for:		
- auditing or reviewing the financial report	3,640	3,490
	<u>3,640</u>	<u>3,490</u>

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2013

10 Cash Flow Information

(a) Reconciliation of Cash Flow from Operations with Surplus/(Deficit)

	2013	2012
	\$	\$
Net surplus/(deficit) for the year	(12,510)	(2,075)
Non-cash flows in net surplus/(deficit)		
- Depreciation	1,745	1,917
Changes in assets and liabilities		
- (Increase)/decrease in trade and other receivables	(7,428)	317
- (Increase)/decrease in prepayments	-	1,125
- (Increase)/decrease in inventories	-	50
- Increase/(decrease) in trade and other payables	12,198	2,315
- Increase/(decrease) in provisions	(28)	(250)
	<u>(6,023)</u>	<u>3,399</u>

11 Capital and Leasing Commitments

(a) Operating Lease Commitments

There are no lease commitments as at reporting date to be disclosed.

(b) Capital Expenditure Commitments

There are no capital commitments as at reporting date to be disclosed.

12 Contingent Liabilities and Contingent Assets

There are no contingent liabilities or contingent assets as at reporting date to be discussed.

13 Events After the End of the Reporting Period

There are no known events after balance date affecting this financial report to be disclosed..

14 Union Details

The registered office of the Union is:

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch
Suite 5, 113 Main Rd
MOONAH TAS 7009

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Auditors Independence Declaration Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2013 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Professional Ethical Standards in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.


Crowe Horwath Tasmania


Alison Flakemore
Audit Partner

Dated this 7th day of July 2014.
Hobart, Tasmania

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Independent Audit Report to the members of Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Report on the Financial Report

We have audited the accompanying financial report of Australian Rail, Tram and Bus Industry Union - Tasmanian Branch, which comprises the statement of financial position as at 31 December 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and statement by members of the Branch Council.

Branch Council's Responsibility for the Financial Report

The Branch Council of the reporting unit is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 entity'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 management, as well as evaluating the overall presentation of the financial report.

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

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Independent Audit Report to the members of Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Opinion

In our opinion, the financial report of the Australian Rail, Tram and Bus Industry Union - Tasmanian Branch is presented fairly, in all material respects, in accordance with applicable Australian Accounting Standards and the requirements imposed by the *Fair Work (Registered Organisations) Act 2009*, the financial position of the Australian Rail, Tram and Bus Industry Union - Tasmanian Branch as at 31 December 2013, and its performance and cash flows for the year ended and that managements use of the going concern basis of accounting for the preparation of the financial report is appropriate.



Crowe Horwath Tasmania



Alison Flakemore
Audit Partner

Auditor Qualifications

Bachelor of Commerce with Honours
Registered Company Auditor No. 241220
Institute of Chartered Accountants Australia No. 96387

Dated this 8th day of August 2014.

Hobart, Tasmania