



9 July 2019

Mr Ric Bean
Secretary, Tasmanian Branch
Australian Rail, Tram and Bus Industry Union

cc. Ms Alison Flakemore, Auditor

Dear Secretary

Re: – Australian Rail, Tram and Bus Industry Union, Tasmanian Branch - financial report for year ending 31 December 2018 (FR2018/367)

I refer to the financial report of the Tasmanian Branch of the Australian Rail, Tram and Bus Industry Union. The documents were lodged with the Registered Organisations Commission (**ROC**) on 31 May 2019.

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

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

Subsection 255(2A) report to be included

A general purpose financial report prepared under section 253 of the RO Act also includes the expenditure report required to be prepared under subsection 255(2A) as prescribed by reporting guideline 22. The lodged financial report did not include a subsection 255(2A) expenditure report.

Please ensure in future years that a subsection 255(2A) report is prepared, audited, provided to members and lodged with the ROC.

Please also note that the subsection 255(2A) report must be identified by title in the auditor's statement in accordance with paragraph 24(c) of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*.

Auditor declaration

Future audit reports should also include the declaration required by Reporting Guideline 29(a).

Nil activity disclosures

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

The notes included nil activity disclosures explicitly identifying all the relevant activities except the following:

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

I have noted the statement at Note 1(p) on page 17. However future reports should explicitly identify each activity for which non-occurrence applies.

I have also noted the declaration at paragraph 6 in the Branch Council Statement that no revenue was derived from undertaking recovery of wage activity. I draw your attention to new Reporting Guidelines 13(e) and 26 (see 5th edition attached). Future reports should remove this declaration from the committee of management statement and include the disclosure of recovery of wage revenue activity in the statement of comprehensive income (or notes).

Reporting Requirements

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

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

Yours faithfully



Stephen Kellett
Financial Reporting
Registered Organisations Commission



RTBU
TASMANIA

**AUSTRALIAN RAIL, TRAM & BUS
INDUSTRY UNION, TASMANIA BRANCH**

s268 Fair Work (Registered Organizations) Act 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the year ended 31 December 2018

I, **Ric Bean**

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

- That the documents lodged herewith are copies of the full report for the Australian Rail, Tram & Bus Industry Union, Tasmania Branch for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- The full report was provided to the members on 18 April 2019.
- The full report was 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 29 May 2019.

Signature of the Prescribed Designated Officer:

Name of Prescribed Designated Officer: Ric Bean
Title of Prescribed Designated Officer: Branch Secretary

Dated: 30 May 2019

Rail, Tram & Bus Union Tasmania **The Power of Union**

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Mail: PO Box 682, Moonah TAS 7009
Phone: 03 6228 6188 **Email:** tasadmin@rtbu.org.au

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Financial Report

For the Year Ended 31 December 2018

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

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For the Year Ended 31 December 2018

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Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Operating Report

31 December 2018

I, Ric Bean, being the designated officer responsible for preparing this report for the financial year ended 31 December 2018 of Australian Rail, Tram and Bus Industry Union - Tasmanian Branch, report as follows:

1. General information

Committee of Management

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

Samantha Simonetis - Branch Secretary	1 January 2018 to 16 August 2018
Ric Bean - Branch Secretary	31 August 2018 to 31 December 2018
Colin Vandenhoff - Branch President	1 January 2018 to 27 September 2018
Blair Chisholm - Branch President	28 September 2018 to 31 December 2018
Vacant - Branch Vice President	1 January 2018 to 1 November 2018
Susan Round - Branch Vice President	2 November 2018 to 31 December 2018
Vacant - Branch Divisional President - Rail	1 January 2018 to 30 August 2018
Nigel Foden - Branch Divisional President - Rail	31 August 2018 to 31 December 2018
Vacant - Branch Divisional Secretary - Rail	1 January 2018 to 16 March 2018
Ric Bean - Branch Divisional Secretary - Rail	17 March 2018 to 31 December 2018
Samantha Simonetis - Branch Divisional Secretary - Bus	1 January 2018 to 16 March 2018
Stephen Knight - Branch Divisional Secretary - Bus	17 March 2018 to 27 September 2018
Jody Nichols - Branch Divisional Secretary - Bus	28 September 2018 to 31 December 2018
Jamie Cole - Branch Divisional President - Bus	1 January 2018 to 31 December 2018

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Operating Report

31 December 2018

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 2018 to 16 August 2018
Ric Bean - Branch Secretary	31 August 2018 to 31 December 2018
Colin Vandenhoff - Branch President	1 January 2018 to 27 September 2018
Blair Chisholm - Branch President	28 September 2018 to 31 December 2018
Vacant - Branch Vice President	1 January 2018 to 1 November 2018
Susan Round - Branch Vice President	2 November 2018 to 31 December 2018
Vacant - Branch Divisional President - Rail	1 January 2018 to 30 August 2018
Nigel Foden - Branch Divisional President - Rail	31 August 2018 to 31 December 2018
Vacant - Branch Divisional Secretary - Rail	1 January 2018 to 16 March 2018
Ric Bean - Branch Divisional Secretary - Rail	17 March 2018 to 31 December 2018
Samantha Simonetis - Branch Divisional Secretary - Bus	1 January 2018 to 16 March 2018
Stephen Knight - Branch Divisional Secretary - Bus	17 March 2018 to 27 September 2018
Jody Nichols - Branch Divisional Secretary - Bus	28 September 2018 to 31 December 2018
Jamie Cole - Branch Divisional President - Bus	1 January 2018 to 31 December 2018
Chris Stanwix - Branch Divisional Rep to Council - Bus	1 January 2018 to 31 August 2018
Susan Round - Branch Divisional Rep to Council - Bus	2 November 2018 to 31 December 2018
Christine Hewitt - Branch Divisional Rep to Council - Bus	1 January 2018 to 31 December 2018
Stephen Knight - Branch Divisional Rep to Council - Bus	1 January 2018 to 31 August 2018
Catherine Swirski - Branch Divisional Rep to Council - Bus	2 November 2018 to 31 December 2018
Susan Round - Branch Divisional Rep to Council - Bus	1 January 2018 to 31 August 2018
Liz Hynes - Branch Divisional Rep to Council - Bus	2 November 2018 to 31 December 2018
Vacant - Branch Divisional Rep to Council - Rail	1 January 2018 to 1 November 2018
Nicklas Shackleton - Branch Divisional Rep to Council - Rail	2 November 2018 to 31 December 2018

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Operating Report

31 December 2018

1. General information 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. There have been no changes in the nature of these activities during the year.

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

Activities	2018 Results
Making agreements with employers.	3 Enterprise Agreements in progress,
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 53 new members. 1 member hardship loan approved.
Attended meetings called by peak union bodies in Tasmania.	Attended 0 meetings called by Unions Tasmania.
Training delegates and representatives.	1 Workplace Official was trained.

Significant changes

No significant changes in the Branch's principal activities occurred during the year.

ARTBIU Elections were held - New Branch Council elected in the third quarter of the year.

Superannuation Trustees

No officer or employee of the reporting unit holds a position as a trustee or director of a Superannuation entity or exempt public superannuation fund scheme, where the criteria for holding such as position is that they are an officer or member of the reporting unit.

Number of Members & Right To Resign

The number of members of the Branch at at 31 December 2018 was 407 (inclusive of all categories) (2017: 405).

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 2018

1. General information

Number of Employees

As at 31 December 2018, the Union employed 0.62 full time equivalent employees, being 1 part time and 1 casual employee of the Tasmanian Branch, (2017: 1.49).

2. Operating Results and Review of Operations for the Year

Operating result

The net surplus/(deficit) from ordinary activities for the year amounted to \$ 49,358 (2017 \$(25,563)).

Significant changes in financial affairs

Current Branch Secretary - no wage being paid by the Australian Rail, Tram and Bus Industry Union Tasmanian Branch, instead reimbursement of Lost Time to Employer have been made.

Former Branch Secretary - Legal action underway to recover monies allegedly owed to the Australian Rail, Tram and Bus Industry Union Tasmanian Branch.

Signed in accordance with a resolution of the Branch Council:

Signature of Designated Officer: 

Name and Title of Designated Officer: Ric Bean, Branch Secretary

Dated this 12th day of April 2019.

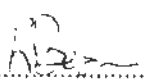
Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Branch Council Statement

On the 6th of April 2019 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) for the financial year ended 31 December 2018:

1. The financial statements and notes comply with the Australian Accounting Standards;
2. The financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
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) Act 2009; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each other of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Registered Commission under section 273 of the Fair Work (Registered Organisations) Act 2009, there has been compliance.
6. 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 Branch Council:

Signature of Designated Officer: 

Name and Title of Designated Officer: Ric Bean, Branch Secretary

Dated this 6th day of April 2019.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Statement of Comprehensive Income

For the Year Ended 31 December 2018

	Note	2018 \$	2017 \$
Income			
Interest income		140	100
Member subscriptions		160,242	150,116
Capitation fees and levies	3(a)	-	-
Grants and donations	3(b)	-	-
Other revenue		2,131	5,435
Reimbursement for lost time - RTBU National		-	7,114
Total Income		<u>162,513</u>	<u>162,765</u>
Less: Expenses			
Affiliation fees, capitation fees and levies	4(a)	30,111	26,400
Audit and accounting fees	12	4,330	4,175
Bank charges		1,190	1,302
Depreciation	7(a)	1,338	1,388
Doubtful debts		13,748	-
Electricity and water		969	993
Employee expenses	4(b)	36,743	124,617
Grants and donations	4(c)	-	191
Insurance		4,016	2,121
Meeting and conference expenses		1,018	1,285
Motor vehicle expenses		2,356	3,064
Other administrative expenses	4(d)	1,748	5,619
Printing and stationery		5,197	4,751
Rates and taxes		2,063	3,568
Rent		550	600
Sundry expenses		2,784	(622)
Telephone and fax		3,865	7,103
Total Expenses		<u>112,026</u>	<u>186,555</u>
Net surplus/(deficit) for the year		<u>50,487</u>	<u>(23,790)</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>50,487</u></u>	<u><u>(23,790)</u></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 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	58,475	11,348
Trade and other receivables	6	5,428	3,488
TOTAL CURRENT ASSETS		<u>63,903</u>	<u>14,836</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	27,308	28,646
TOTAL NON-CURRENT ASSETS		<u>27,308</u>	<u>28,646</u>
TOTAL ASSETS		<u>91,211</u>	<u>43,482</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	35,493	34,414
Employee benefits	9	2,187	6,024
TOTAL CURRENT LIABILITIES		<u>37,680</u>	<u>40,438</u>
TOTAL LIABILITIES		<u>37,680</u>	<u>40,438</u>
NET ASSETS		<u>53,531</u>	<u>3,044</u>
EQUITY			
Accumulated surpluses		<u>53,531</u>	<u>3,044</u>
TOTAL EQUITY		<u>53,531</u>	<u>3,044</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 2018

2018

	Accumulated Surpluses	Total
	\$	\$
Balance at 1 January 2018	3,044	3,044
Net surplus/(deficit) for the year	50,487	50,487
Balance at 31 December 2018	<u>53,531</u>	<u>53,531</u>

2017

	Accumulated Surpluses	Total
	\$	\$
Balance at 1 January 2017	26,834	26,834
Net surplus/(deficit) for the year	(23,790)	(23,790)
Balance at 31 December 2017	<u>3,044</u>	<u>3,044</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 2018

	2018	2017
Note	\$	\$
CASH FROM OPERATING ACTIVITIES:		
Receipts from members	176,357	166,233
Payments to suppliers and employees	(112,567)	(176,555)
Payments to other reporting units	13(b) (14,180)	(9,080)
Receipts from other reporting units	13(b) -	10,521
Interest received	140	100
Other receipts	1,127	2,028
Net cash provided by (used in) operating activities	13(a). <u>50,877</u>	<u>(6,753)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Loan received from other reporting units	13(b) -	5,000
Loan repayments to other reporting units	13(b) (3,750)	(1,250)
Net cash provided by financing activities	<u>(3,750)</u>	<u>3,750</u>
Net cash increase (decreases) in cash and cash equivalents	47,127	(3,003)
Cash and cash equivalents at beginning of year	<u>11,348</u>	<u>14,351</u>
Cash and cash equivalents at end of financial year	5 <u><u>58,475</u></u>	<u><u>11,348</u></u>

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 2018

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 report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the *Fair Work (Registered Organisations) Act 2009*. The Branch is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected fixed assets, financial assets and financial liabilities. The financial statements are presented in Australian dollars and have been rounded to the nearest dollar.

(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). 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 financial position.

(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 are measured on the cost basis less, where applicable, any accumulated depreciation. Under the cost model, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimates of the costs of dismantling and restoring the asset where applicable.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

1 Summary of Significant Accounting Policies

(d). Property, Plant and Equipment

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.

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

Class of Fixed Asset

Buildings	2.5%
Furniture and fittings	10%

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

(e). Financial Instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Branch becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

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.

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

1 Summary of Significant Accounting Policies

(e). Financial Instruments

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in surplus or deficit or in other comprehensive income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in surplus or deficit.

The Branch's trade and other receivables fall into this category of financial instruments.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future
- designated by the entity to be carried at fair value through profit or loss upon initial recognition or
- which are derivatives not qualifying for hedge accounting.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in the statement of comprehensive income.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Branch's management to hold them until maturity.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

1 Summary of Significant Accounting Policies

(e). Financial Instruments

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in surplus or deficit.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets or which have been designated in this category.

All available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The Branch's financial liabilities consist of trade and other payables, which are measured at amortised cost using the effective interest rate method.

Impairment

At the end of each reporting period, the Branch assess 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.

(f). 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.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

1 Summary of Significant Accounting Policies

(g). Employee Benefits

Provision is made for the Branch'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 the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cashflows.

(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). 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*.

(j). 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.

(k). Revenue and Other Income

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

Membership and levy income is recognised over the period to which the membership or levy relates.

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 2018

1 Summary of Significant Accounting Policies

(l). Goods and Services Tax (GST)

Revenue, expenses, liability and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(m). Critical Accounting Estimates and Judgments

The preparation of the financial statements in conformity with Australian Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Management believes the estimates used in preparing the financial statements are reasonable.

The entity does not control any other reporting units (subsidiaries). Control is achieved where a reporting unit is exposed or has rights to variable return from its involvement with an investee and has the ability to affect those returns through its power over the reporting unit.

The significant estimates and judgements made have been described below.

Key estimates - Impairment

The Branch assesses impairment at the end of each reporting period by evaluating conditions specific to 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.

Key judgements - Employee Benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related services. The Branch expects most employees will not take their annual leave entitlements within this 12 month period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

1 Summary of Significant Accounting Policies

(n). Adoption of new and revised accounting standards

The Branch has adopted all standards which became effective for the first time at 31 December 2018, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Branch.

Accounting Standards adopted during the year:

- AASB 9 - Financial Instruments.

(o). 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 15 Revenue from Contracts with Customers	1 January 2019	- The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract	The impact of this standard is not yet determined.
AASB 16 Leases	1 Jan 2019	This standard will replace the current accounting requirements applicable to leases in AASB 17: Leases and related interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirements to be classified as operating or finance leases.	The impact of this standard is not yet determined.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

1 Summary of Significant Accounting Policies

(o). New accounting standards for application in future periods

Standard name	Effective date for entity	Requirements	Impact
AASB 1058 Income of Not-for-Profit entities	1 Jan 2019	New standard for recognising income in not-for-profit entities, including guidance for when AASB 15 applies. Is expected to defer income recognition in some circumstances, particularly when AASB 15 applies	The impact of this standard is not yet determined.

(p). Transaction Occurrence

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 2018

1 Summary of Significant Accounting Policies

(q). Acquisition Of Assets And Or Liabilities That Do Not Constitute A Business Combination

There were no acquisitions of assets and or liabilities that do not constitute a business combination as at reporting date to be disclosed.

(r). 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 Commissioner:

- i) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- ii) 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.
- iii) A reporting unit must comply with an application made under subsection (1).

2 Going Concern

a) Australian Rail, Tram and Bus Industry Union - Tasmanian Branch has received going concern support. The National Office funds significant expenditure (e.g; insurance payments) by way of loans to assist cash flow, being repayable over the remaining year. Capitation normally paid to National Office monthly has been deferred until financial stability in the Branch has been reached. In addition, the Branch utilises the services of other Branches to contain costs wherever possible, such as legal advice. The Branch does not have any going concern agreements in place with any other entity nor do they provide any going concern support.

3 Revenue

(a). Capitation Fees and Levies

	2018	2017
	\$	\$
Capitation fees received	-	-
Levies received	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

3 Revenue

(b). Grants and Donations

	2018	2017
	\$	\$
Grants	-	-
Donations	-	-
	<u>-</u>	<u>-</u>

4 Expenses

(a). Affiliation Fees, Capitation Fees and Levies

	2018	2017
	\$	\$
Unions Tasmania - affiliation fee	3,681	1,225
ACTU - affiliation fee	2,834	1,712
ALP Tasmania - affiliation fee	1,597	1,525
RTBU National - capitation fee	21,999	21,938
Levies	-	-
	<u>30,111</u>	<u>26,400</u>

(b). Employee Expenses

	2018	2017
	\$	\$
Holders of office		
Wages	3,360	76,979
Superannuation contributions	1,332	7,313
Leave and other entitlements	(4,046)	(671)
Separation and redundancies	-	-
Other employee expenses	-	-
	-	-
Employees other than office holders		
Wages	29,891	31,513
Superannuation contributions	2,711	2,713
Leave provision movements	210	338
Separation and redundancies	-	-
Other employee expenses	-	-
	-	-
Other payroll expenses		
Payroll tax	3,285	6,432
	<u>36,743</u>	<u>124,617</u>

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

4 Expenses

(c). Grants and Donations

	2018	2017
	\$	\$
Grants		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations		
Total paid that were \$1,000 or less	-	191
Total paid that exceeded \$1,000	-	-
	<u>-</u>	<u>191</u>

(d). Other Administrative Expenses

	2018	2017
	\$	\$
Consideration to employers for payroll deductions	-	-
Penalties via the RO Act or RO Regulations	-	-
Fees/allowances - meeting and conferences	1,748	5,619
Conference and meeting expenses	-	-
Litigation fees	-	-
Other legal fees	-	-
	<u>1,748</u>	<u>5,619</u>

5 Cash and Cash Equivalents

	2018	2017
	\$	\$
Cash on hand	400	400
Cash at bank	58,075	10,948
	<u>58,475</u>	<u>11,348</u>

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

6 Trade and Other Receivables

	2018	2017
	\$	\$
Trade receivables	1,109	442
Receivables from other reporting units	-	-
Provision for impairment	-	-
Other receivables	17,067	3,046
Provision for impairment	(13,748)	-
- Members receivable	1,000	-
	<u>5,428</u>	<u>3,488</u>

(a). Aged analysis

The ageing analysis of receivables is as follows:

	2018	2017
	\$	\$
0-30 days	3,319	3,257
31-60 days	100	10
61-90 days (past due not impaired)	688	221
91+ days (past due not impaired)	15,069	-
91+ days (considered impaired)	(13,748)	-
	<u>5,428</u>	<u>3,488</u>

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

7 Property, Plant and Equipment

	2018	2017
	\$	\$
BUILDINGS		
Building - Suite 5, 113 Main Road, Moonah		
At cost	40,000	40,000
Accumulated depreciation	(13,795)	(12,795)
Total land and buildings	<u>26,205</u>	<u>27,205</u>
PLANT AND EQUIPMENT		
Furniture and fittings		
At cost	24,446	24,446
Accumulated depreciation	(23,343)	(23,005)
Total furniture and fittings	<u>1,103</u>	<u>1,441</u>
Total property, plant and equipment	<u><u>27,308</u></u>	<u><u>28,646</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 and Fittings	Total
	\$	\$	\$
2018			
Balance at the beginning of year	27,205	1,441	28,646
Depreciation expense	(1,000)	(338)	(1,338)
Balance at 31 December 2018	<u><u>26,205</u></u>	<u><u>1,103</u></u>	<u><u>27,308</u></u>
2017			
Balance at the beginning of year	28,205	1,829	30,034
Depreciation expense	(1,000)	(388)	(1,388)
Balance at 31 December 2017	<u><u>27,205</u></u>	<u><u>1,441</u></u>	<u><u>28,646</u></u>

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

8 Trade and Other Payables

	2018	2017
	\$	\$
Credit card	-	1,680
Loan - other reporting units (RTBU National)	-	3,750
Trade payables	1,570	747
Income in advance	873	-
Trade payables - other reporting units (RTBU National)	31,922	19,508
Legal fees - litigation	-	-
Legal fees - other legal matters	-	-
Employers for payroll deductions	-	-
GST payable/(receivable)	(597)	943
PAYG withholding	1,294	6,745
Superannuation payable	431	1,041
	<u>35,493</u>	<u>34,414</u>

9 Employee benefits

	2018	2017
	\$	\$
Office Holders		
Annual leave	-	-
Long service leave	-	4,592
Separation and redundancies	-	-
Other	-	-
Employees other than office holders		
Annual leave	1,215	380
Long service leave	972	1,052
Separation and redundancies	-	-
Other	-	-
	<u>2,187</u>	<u>6,024</u>

Analysis of total provisions

	2018	2017
	\$	\$
Current	2,187	6,024
Non-current	-	-
	<u>2,187</u>	<u>6,024</u>

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

10 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:

		2018	2017
		\$	\$
Financial Assets			
Cash and cash equivalents	5	58,475	11,348
Trade and other receivables	6	5,428	3,488
Total Financial Assets		<u>63,903</u>	<u>14,836</u>
Financial Liabilities			
Trade and other payables	8	35,493	34,414
Total financial liabilities		<u>35,493</u>	<u>34,414</u>

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 Branch 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

Liquidity risk arises from the possibility that the reporting unit might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The reporting unit manages risk through the following mechanisms:

- Preparing forward looking cash flow analysis in relation to its operational, investing and financial activities; and
- obtaining cash flow support from the National Office.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

10 Financial Risk Management

	Within 1 Year		Total	
	2018	2017	2018	2017
	\$	\$	\$	\$
Financial liabilities due for payment				
Trade and other payables	35,493	34,414	35,493	34,414
Total contractual outflows	<u>35,493</u>	<u>34,414</u>	<u>35,493</u>	<u>34,414</u>

The timing of expected outflows is not expected to be materially different from contracted outflows.

(c). Interest Rate Risk

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

(d). Foreign Exchange Risk

The Branch is not exposed to fluctuations in foreign currencies.

(e). Price Risk

The Branch is not exposed to any material commodity price risk.

Sensitivity Analysis

The Branch Council has performed an assessment of its exposure to interest rate risk, liquidity risk and credit risk at balance date. The Australian Rail, Tram and Bus Industry Union - Tasmanian Branch is not currently subject to any interest rate risk on its financial liabilities and has assessed that there is no exposure to liquidity risk required to meet its financial obligations. The Australian Rail, Tram and Bus Industry Union - Tasmanian Branch Branch's exposure to credit risk has been assessed as not material, due to the nature, collectability and recoverability of amounts owed.

As a result of the risk assessment performed, any positive or negative changes in the interest rate risk, liquidity risk or credit risk would not have a material effect on the financial statements. Hence quantitative disclosures are not required.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

11 Key Management Personnel Disclosures

Key management personnel remuneration included within employee expenses for the year is shown below:

	2018	2017
	\$	\$
Short-term employee benefits	399	91,284
Long-term benefits	-	-
Post-employment benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
	<u>399</u>	<u>91,284</u>

12 Auditors' Remuneration

	2018	2017
	\$	\$
Remuneration of the auditor Crowe Horwath for:		
- auditing or reviewing the financial report	5,835	4,330
- other services	-	-
	<u>5,835</u>	<u>4,330</u>

13 Cash Flow Information

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

	2018	2017
	\$	\$
Net surplus/(deficit) for the year	50,487	(23,790)
Non-cash flows in net surplus/(deficit)		
- Depreciation	1,338	1,388
Changes in assets and liabilities		
- (Increase)/decrease in trade and other receivables	(1,940)	(588)
- Increase/(decrease) in trade and other payables	4,829	16,569
- Increase/(decrease) in employee benefits	(3,837)	(332)
Cashflow from operations	<u>50,877</u>	<u>(6,753)</u>

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

13 Cash Flow Information
(b). Cash Flows with Reporting Units

	2018	2017
	\$	\$
Cash Inflows		
RTBU National	-	15,521
	<u>-</u>	<u>15,521</u>
Cash Outflows		
RTBU National	(17,930)	(10,330)
	<u>(17,930)</u>	<u>(10,330)</u>

14 Other Specific Disclosures - Funds

(a). Compulsory levy/voluntary contribution fund

	2018	2017
	\$	\$
Compulsory levy/voluntary contribution fund	-	-
	<u>-</u>	<u>-</u>

(b). Other fund(s) required by rules

	2018	2017
	\$	\$
Balance as at start of the year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at year end	<u>-</u>	<u>-</u>

There have been no fund or account operated in respect of compulsory levies or voluntary contributions.

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

15 Retrospective Restatement

In 2018 the Branch had information brought to their attention from the Australian Rail, Tram & Bus Union National Office in relation to unpaid capitation fees in relation to the months from March 2017 to June 2018. These amounts had been deferred previously. The Branch was previously of the view that these amounts had been written off by the National Office, and that monies were no longer owed. It was determined that the capitation fees would be recognised when they were due and therefore restated the financial statements accordingly.

The following tables summarise the impact on the Branch's financial statements:

	As Previously Reported \$	31 December 2017 Adjustments \$	Restated \$
Statement of Comprehensive Income			
Affiliation fees, capitation fees and levies	8,665	17,735	26,400
Total Expenses	168,820	17,735	186,555
Net surplus/(deficit) for the year	(6,055)	(17,735)	(23,790)
Total comprehensive income for the year	(6,055)	(17,735)	(23,790)
Statement of Financial Position			
Trade and other Payables	16,679	17,735	34,414
Total Current Liabilities	22,703	17,735	40,438
Total Liabilities	22,703	17,735	40,438
Net Assets	20,779	(17,735)	3,044
Accumulated surpluses	20,779	(17,735)	3,044
Total Equity	20,779	(17,735)	3,044
Statement of Changes in Equity			
Net surplus/(deficit) for the year	(6,055)	(17,735)	(23,790)
Balance at 31 December 2017	20,779	(17,735)	3,044

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

16 Operating Segments

The Branch operates predominantly in one business and geographical segment being representing members employed in Rail and Bus sectors who are employed by the public and private sectors in the state of Tasmania.

17 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.

18 Contingent Liabilities and Contingent Assets

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

19 Related Party Transactions

Any transactions with related parties are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and which in management's opinion is comparable to amounts that would have been paid to non related parties.

The following transactions occurred with related parties during the year:

	Membership Subscriptions	Balance outstanding as at 31 Dec 2018
	\$	\$
Samantha Simonetis (Branch Secretary)	282	0
Ric Bean	462	0
Colin Vandenhoff	336	0
Blair Chisholm	153	0
Susan Round	381	0
Nigel Foden	153	0
Stephen Knight	336	0
Jody Nichols	126	0
Jamie Cole	426	0
Chris Stanwix	309	0
Christine Hewitt	462	0
Catherine Swirski	72	0
Liz Hynes	72	0
Nicklas Shackleton	153	0
Darren Hawkins	462	0
Mark Dunsby	18	0

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

Notes to the Financial Statements

For the Year Ended 31 December 2018

19 Related Party Transactions

	Membership Subscriptions	Balance outstanding as at 31 Dec 2018
	\$	\$
Sinead Connaire	462	0
David Snook	309	0
John Scatchard	153	0

Related party transactions referred to above have been fully collected during the year, and as such, have no amounts deemed to be still outstanding or doubtful.

Other related party transactions occurred throughout the year, which involve purchases and sales relating to the RTBU National Office for loan repayments, capitation fees and reimbursement for time lost (Refer Note 8). For transactions with the former Secretary, refer to Note 11 (Key Management Personnel Disclosure).

20 Events After the End of the Reporting Period

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

21 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) and (3) of section 272, which reads as follows:

Information to be provided to members or Commissioner:

- (1) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

22 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 to the Council of the 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 2018 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Professional Ethical Pronouncements 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
Senior Partner

Dated this 2nd day of April 2019.

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

Opinion

We have audited the financial report of Australian Rail, Tram and Bus Industry Union - Tasmanian Branch, which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Branch Council Statement.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Branch as at 31 December 2018, and of its financial performance and its cash flows for the year then ended in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009 (the RO Act)*.

Basis for Opinion

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

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

Emphasis of Matter – Going Concern

We have assessed that management's use of the going concern basis of accounting in the preparation of the Branch Council's financial report appears appropriate.

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

Other Information

The Branch Council are responsible for the other information. The other information comprises the Operating Report the year ended 31 December 2018, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Branch Council for the Financial Report

The Branch Council 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 report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Branch Council is responsible for assessing the Branch's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Branch Council either intends to liquidate the Branch or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Branch's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Branch Council.
- Conclude on the appropriateness of the Branch Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Branch Council to express an opinion on the financial report. Our responsibility for the direction, supervision and performance of the Branch Council audit. We remain solely responsible 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

We communicate with the Branch Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.



Crowe Horwath Tasmania



Alison Flakemore
Senior Partner

Audit Partner Qualifications

Fair Work (Registered Organisations) Act 2009 – Registered Auditor No AA2017/135

Bachelor of Commerce with Honours

Registered Company Auditor No. 241220

Institute of Chartered Accountants Australia No. 96387

Hold a current Practice Certificate

Dated this 17th day of April 2019.

Hobart, Tasmania.