



24 July 2015

Mr Luba Grigorovitch
Branch Secretary
Australian Rail, Tram and Bus Industry Union – Victorian Branch
Level 2, 365 Queen Street
MELBOURNE VIC 3000

via email: luba.grigorovitch@rtbuvic.com.au

Dear Mr Grigorovitch

Australian Rail, Tram and Bus Industry Union – Victorian Branch Financial Report for the year ended 31 December 2014 - FR2014/453

I acknowledge receipt of the financial report for the year ended 31 December 2014 for the Australian Rail, Tram and Bus Industry Union – Victorian Branch (the reporting unit). The financial report was lodged with the Fair Work Commission (FWC) on 9 July 2015.

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.

Please note that the financial report for the year ending 31 December 2015 may be subject to an advanced compliance review.

I make the following 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 FWC will confirm these concerns have been addressed prior to filing next year's report.

Timescale requirements

While the FWC filed last year's financial report, issues relation to the timelines were raised with the reporting unit which were to be addressed in the preparation of future financial reports. The same errors however have appeared when preparing this year's financial report.

This was brought to your attention on 21 July 2015. On 22 July 2015 you provided the FWC with an explanation into the issues that caused the later preparation and presentation of the financial report to members and to the Committee of Management. You stated in this correspondence that there was a delay in your Auditor receiving the required Solicitor Representation letters which had been requested on 17 February 2015. I acknowledge the events which led to the delay however, as identified in last year's filing letter, the reporting unit should have applied for an extension of time for the provision of the financial report to members and for the holding of the Committee of Management meeting.

As identified on 21 July 2015, I note that the following timescale requirements were not met:

Preparation of the General Purpose Financial Report (GPFR)

Sections 253 and 254 of the RO Act require that a GPFR and an Operating Report be prepared as soon as practicable after the end of the financial year. Section 266 requires that the financial report be presented to a General Meeting of members or a Committee of Management Meeting within six months after the end of the financial year. In the absence of an extension of time for holding a General Meeting (see section 265(5)) the latest possible date of lodgement with the FWC is six months and 14 days after the end of the financial year.

The Committee of Management Statement indicates that a resolution relating to the GPFR and Operating Report was not made until 2 July 2015, 6 months and 2 days after the reporting unit end of financial year, and 2 days after the latest possible date that the Committee of Management could meet to consider the full report under section 266 of the RO Act.

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 8 July 2015, and presented to a Committee of Management meeting on 8 July 2015. 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.

If these dates are correct, the reporting unit should have applied for an extension of time for the provision of the financial report to members in accordance with section 265(5) of the RO Act.

Reports must be presented to a Committee of Management 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 on 8 July 2015. Under section 266(3) of the RO Act, which allows for the full report to be presented to a meeting of the Committee of Management when the rules of the organisation provide for this, the timing of this meeting must be in accordance with section 266(1), that is, within 6 months after the end of the financial year.

If these dates are correct, the branch should have applied for an extension of time for the holding of the Committee of Management meeting in accordance with section 265(5) of the RO Act.

As previously advised, section 253, section 254, section 265(5) and section 266(1) are a civil penalty provision and future failure to meet this timeline may result in an inquiry into the organisation and the General Manager of the FWC may apply under s.310(1) of the RO Act to the Federal Court of Australia for a pecuniary penalty order to be imposed on your organisation and, potentially, an officer whose conduct led to the non-compliance.

I again remind you that in future financial years, if an extension of time is required, a written request, signed by the relevant officer, including the reason for the delay, must be made prior to require date for the provision of the reports to members and/or required date of the Committee of Management meeting.

Notes to the financial statements

Consolidated financial statements

Note 1(a) *Principles of Consolidation* in the financial statement states that '*the consolidated financial statements incorporate all the assets, liabilities and results of the parent (The Australian Rail, Tram and Bus Industry Union – Victorian Branch) and all of the subsidiaries*'. The financial statement lodged is not however, a set of consolidated accounts and within the financial statement there is no information provided about these subsidiaries.

Please ensure that in future years this statement is either removed from the Notes to the Financial Statements as an accounting policy or the reporting unit provides the appropriate disclosures in relation to these subsidiaries as per Australian Accounting Standard *AASB 10 Consolidated Financial Statements*.

Reporting Requirements

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

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7886 or by email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

From: Luba Grigorovitch <luba.grigorovitch@rtbuvic.com.au>
Sent: Wednesday, 22 July 2015 5:51 PM
To: FENWICK, Joanne
Cc: Paul Mercer
Subject: RE: Australian Rail, Tram and Bus Industry Union Victorian Branch - FR2014/453

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Ms Fenwick,

Thank you for the below email. In relation to your queries the below are my reasons. If you would like to discuss please feel free to call me on 0438-320-694 or 9600-3030.

Timescale requirements

The filing of the 2014 general purpose financial statements (GPFS) was delayed due to a slow response by solicitors to a query from our auditors. During the audit the auditors required a Solicitor Representation letter from each solicitor engaged by the Union during the financial year before the auditors would sign off the GPFS's audit report. Although we requested the letter from each of the solicitors at an early stage (17th February 2015, prior to the audit commencing 16th March 2015), the auditors did not receive the representation letters from the solicitors until mid-June 2015, despite the Union following up this request several times. This delayed the presentation of the GPFR to the Committee of Management and the financial reporting timeline. For next year we will endeavour to request these letters from the solicitors (if required) earlier in order to meet the financial reporting deadlines.

Disclosure of employee expenses to office holders and other employees:

I confirm the statement was to have the meaning "there were no separation and redundancies or other employee expenses for office holders or other employees during the year".

Regards,
Luba

Luba Grigorovitch
Branch Secretary
Rail, Tram & Bus Union

Phone: 9600 3030
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Mobile: 0438 320 694
W: www.rtbuvic.com.au

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??Please consider the environment before printing this e-mail

From: FENWICK, Joanne
Sent: Tuesday, 21 July 2015 3:15 PM
To: 'luba.grigorovitch@rtbuvic.com.au'
Subject: Australian Rail, Tram and Bus Industry Union Victorian Branch - FR2014/453

Dear Mr Grigorovitch

I am currently assessing the financial report that was lodged for Victorian Branch of the Australian Rail, Tram and Bus Industry Union (ARTBIU Vic) on the 9 July 2015. While the Fair Work Commission (FWC) filed last year's financial report, certain issues for ARTBIU Vic were raised which were to be addressed in the preparation of future financial reports. I have noticed that the same errors have appeared in the current report, namely the timescale requirements and the disclosure requirements for employee expenses for office holders and other employees.

Timescale Requirements

As identified last year, section 253 and 254 of the Fair Work (Registered Organisations) Act 2009 (RO Act) requires that a general purpose financial report (GPFR) and an operating report be prepared as soon as practicable after the end of the financial year. Again this requirement was not met. The Committee of Management Statement indicates that a resolution relating to the GPFR was made on 2 July 2014, six months and 2 days after the end of the financial year and 2 days after the latest date that the Committee of Management could meet to consider the full report under section 266 of the RO Act.

Section 265(5)(b) of the RO Act require that the full report must be provided to members within five months of the end of the financial year where the report is presented to a Committee of Management meeting. Again this timeframes was not met and the report was not provided to members until the 8 July 2015, that is, 6 months and 8 days after the end of the financial year. Also the Committee of Management meeting was not held within six months from the end of the financial year as required by section 266 of the RO Act.

You are required to provide additional information and an explanation on the reasons why these issues identified last year have not been remedied.

Disclosure of employee expenses to office holders and other employees

On page 16 of the GPFR, the following statement appears:

'There were no employee expenses relating to holders of office and employee expenses to other employees during the year'.

Last year it was identified that although salaries and wages, superannuation and leave were separately disclosed for office holders and other employees, the GPFR did not disclosure separation and redundancies or other employee expenses for office holders or other employees.

In this year's GPFR salaries and wages, superannuation and leave have been separately disclosed for office holders and other employees. Can you confirm if the statement identified above was meant to state 'there were no separation and redundancies or other employee expenses for office holders or other employees during the year'?

Please arrange for this information to be provided to me as I am unable to file this financial report until I have received the requested information.

If you have any question relating to this email, I can be contacted on 03) 8661 7886 or via email joanne.fenwick@fwc.gov.au

Regards

JOANNE FENWICK
Financial Reporting Specialist
Regulatory Compliance Branch

Fair Work Commission
Tel: (03) 8661 7886
Fax: (03) 9655 0410
joanne.fenwick@fwc.gov.au

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GPO Box 1994, Melbourne Victoria 3001

www.fwc.gov.au



Fair Work Commission
GPO Box 1994
Melbourne Vic 3001

8 July 2015

Financial Reports for the year ended 31st December 2014

I, Luba Grigorovitch, being the State Secretary of the Australian Rail, Tram and Bus Industry Union (Victorian Branch) certify that the documents lodged herewith are copies of the full report referred to in S268 of the Registered Organisations Act and the Committee of Management Statement was passed on 2nd July 2015,

that the full report was presented to the State Branch Executive on 8th July 2015,

that the report was endorsed by the State Branch Executive on the 8th July 2015, and

that the full report was provided to members on the 8th July 2015.

Signed

Luba Grigorovitch
State Secretary – Victorian Branch

OPERATING REPORT FOR THE RAIL TRAM AND BUS UNION (RTBU) VICTORIAN BRANCH

SCOPE OF OPERATING REPORT

This operating report covers the activities of the Rail, Tram and Bus Union (RTBU) Victorian Branch, for the calendar year 1 January 2014 to 31 December 2014, the results of those activities and any significant changes in the nature of the activities as required under s.253 Fair Work (Registered Organisations) Act 2009.

1. The Principle Activities And Results Of The Activities of the National Council

The RTBU (Victorian Branch) is a branch of the federally registered RTBU representing members whose usual place of work is located within the state of Victoria. The Victorian Branch has members employed in Rail and Tram sectors who are employed by the public and private sectors. The reporting unit's activities are directed by the Victorian Branch Executive and Branch council.

The principle activities and results of these activities fell into the following categories:

Activities	2014 Results
Making agreements with employers.	<ul style="list-style-type: none">• Signed 4 federally registered Union Collective Agreements;
Implementation of Branch Council's membership agenda, including providing assistance and strategic advice to individual members in relation to workplace issues.	<ul style="list-style-type: none">• Decrease in membership of 439.
Training delegates and representatives	<ul style="list-style-type: none">• 48 Workplace delegates were trained.
Produced and distributed circulars, bulletins, newsletters and materials as authorised by the Union.	<ul style="list-style-type: none">• Produced and Distributed:<ul style="list-style-type: none">- 22 copies of Union Express newsletters (Rail Divisions)- 1 Newslime magazine- 4 Loco Lines Locomotive Division newsletters- 12 Tram and Bus Division newsletters

2. Any Significant Changes In Principle Activities

The principle activities of the branch during the year were that of a registered trade union. No significant change occurred in the nature of those activities during the year.

3. Details of Any Significant Changes in Financial Affairs

Significant changes in the RTBU's (Victorian Branch) financial affairs included:

- A surplus of \$84,263 for the year ending 31 December 2014.
- A decrease of membership contributions of \$99,833 for the operating year to 31 December 2014.

- An increase in the annual union membership fee of 5% for Rail, Tram and Locomotive Divisions.

4. Details of The Rights of Members To Resign

All members of the RTBU (Victorian Branch) have the right to resign from the union in accordance with Rule 14, Resignation from Membership, of the rules of the Rail Tram and Bus Industry Union.

5. Details of Superannuation Trustees

There are no superannuation Trustees in the Victorian Branch.

6. Prescribed Information

Number of Members

As at 31 December 2014 there were 7,271 members of the RTBU Victorian Branch.

Number of Employees

As at 31 December 2014 there were 13.79 full-time equivalent employees of the Victorian Branch.

7. Members of The Committee of Management

The members of the Branch Executive during the year end 31 December 2014:

DIVISION/POSITION	NAME	PERIOD OF APPOINTMENT
Branch President	Terry Sheedy	01.01.14 - 03.12.14
	Darren Lamont	03.12.14 - 31.12.14
Senior Branch Vice President	James Styles	01.01.14 - 03.12.14
	Victor Moore	03.12.14 - 31.12.14
Junior Branch Vice President	John Marotta	01.01.14 - 03.12.14
	John Anderson	03.12.14 - 31.12.14
Branch Secretary	Trevor Dobbyn	01.01.14 - 08.02.14
	Luba Grigorovitch	08.02.14 - 31.12.14
Assistant Branch Secretary	Phil Altieri	01.01.14 - 31.12.14
Assistant Secretary Tram & Bus Division	Doug Brady	01.01.14 - 03.12.14
	John Anderson	03.12.14 - 31.12.14
Secretary Locomotive Division	Marc Marotta	01.01.14 - 31.12.14
Tram & Bus, Vice President	Mark Teasdale	01.01.14 - 31.12.14
President Locomotive	Terry Sheedy	01.01.14 - 03.12.14
	Paris Jolly	03.12.14 - 31.12.14
President Operations	Bob Bassett	01.01.14 - 31.12.14
Secretary Operations	Darren Galea	01.01.14 - 31.12.14
President Administration	Luba Grigorovitch	01.01.14 - 08.02.14
	Victor Moore	08.02.14 - 31.12.14
Secretary Administration	Stephen Kozmevski	01.01.14 - 03.12.14
	Victor Moore	03.12.14 - 31.12.14
President Infrastructure	Norm Milledge	01.01.14 - 03.12.14
	Kevin Killender	03.12.14 - 31.12.14

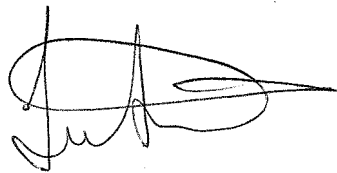
Secretary Infrastructure	Kevin Killender	01.01.14 - 03.12.14
	Jon Saw	03.12.14 - 31.12.14
President Fleet manufacture, Overhaul, Maintenance & Service	Phil Barnett	01.01.14 - 31.12.14
Secretary Fleet manufacture, Overhaul, Maintenance & Service	Paul Jumpertz	01.01.14 - 31.12.14
Organiser Fleet manufacture, Overhaul, Maintenance & Service & Infrastructure Division	Tony Matuszak	01.01.14 - 31.12.14
	Bryan Evans	03.12.14 - 31.12.14
Organiser Rail Operations Division & Administration, Supervisory, Technical & Professional Division	Grant Wainwright	01.01.14 - 31.12.14

The members of Branch Council during the year ending 31 December 2014:

Division/Position	Name	Period of Appointment
Branch President	Terry Sheedy	01.01.14 - 03.12.14
	Darren Lamont	03.12.14 - 31.12.14
Branch Senior Vice President	James Styles	01.01.14 - 03.12.14
	Victor Moore	03.12.14 - 31.12.14
Branch Junior Vice President	John Marotta	01.01.14 - 03.12.14
	John Anderson	03.12.14 - 31.12.14
Branch Secretary	Trevor Dobbyn	01.01.14 - 08.02.14
	Luba Grigorovitch	08.02.14 - 31.12.14
Assistant Branch Secretary	Phil Altieri	01.01.14 - 03.12.14
Secretary - Admin	Steven Kozmevski	01.01.14 - 31.12.14
Secretary - Infrastructure	Kevin Killender	01.01.14 - 03.12.14
	Jon Saw	03.12.14 - 31.12.14
Secretary - Locomotive	Marc Marotta	01.01.14 - 31.12.14
Secretary - Rail Ops	Darren Galea	01.01.14 - 31.12.14
Secretary - Tram and Bus	Phil Altieri	01.01.14 - 31.12.14
Secretary - Fleet manufacture, Overhaul, Maintenance & Service & Infrastructure Division	Paul Jumpertz	01.01.14 - 31.12.14
Organiser Rail Operations Division & Administration, Supervisory, Technical & Professional Division	Grant Wainwright	01.01.14 - 31.12.14
Branch Divisional Ass Secretary Tram and Bus	Doug Brady	01.01.14 - 03.12.14
	John Anderson	03.12.14 - 31.12.14
Organiser Fleet manufacture, Overhaul, Maintenance & Service & Infrastructure Division	Michael Magill	01.01.14 - 16.04.14
	Paul Ferraro	16.04.14 - 31.12.14

Delegates from Branch Divisions		
Rail Operations		
Elected Delegate from Metro	Spiro Pastras	01.01.14 - 03.12.14
Elected Delegate from V/Line	Lindsay Bounds	01.01.14 - 03.12.14
	Hervindar Kaur	01.01.14 - 03.12.14
Elected Delegate from Metro	Amarjit Singh	01.01.14 - 03.12.14
	Andrew Stokie	01.01.14 - 03.12.14
	Darren Galea	01.01.14 - 03.12.14
	Spiro Pastras	03.12.14 - 31.12.14
	Damien Dalton-maccrae	03.12.14 - 31.12.14
	Joe Dennis	03.12.14 - 31.12.14
	Amarjit Singh	03.12.14 - 31.12.14
	Andrew Stokie	03.12.14 - 31.12.14
	Steven Tuck	03.12.14 - 31.12.14
	Infrastructure	
Elected Delegate	Stuart Beckwith	01.01.14 - 03.12.14
	Norm Milledge	01.01.14 - 03.12.14
	John Saw	01.01.14 - 03.12.14
	Peter Harvey	01.01.14 - 03.12.14
	Gary Dorrington	01.01.14 - 03.12.14
	Kevin Killender	03.12.14 - 31.12.14
	Jon Saw	03.12.14 - 31.12.14
	Peter Harvey	03.12.14 - 31.12.14
Administration		
Elected Delegate	Marty McGrath	01.01.14 - 03.12.14
	Hristos Tsirkas	01.01.14 - 03.12.14
	John Thelemaque	01.01.14 - 03.12.14
	Luba Grigorovitch	01.01.14 - 03.12.14
	John Nicolopoulos	01.01.14 - 31.12.14
	Joe Maisano	03.12.14 - 31.12.14
	Manny Paparis	03.12.14 - 31.12.14
	Alroy Sladen	03.12.14 - 31.12.14
Fleet manufacture, Overhaul, Maintenance & Service		
Elected Delegate	Paul Jumpertz	01.01.14 - 31.12.14
Tram and Bus		
Branch Divisional President	Mark Teasdale	01.01.14 - 31.12.14
Branch Divisional Vice President	Trevor Goodman	01.01.14 - 03.12.14
	Mark Moran	03.12.14 - 31.12.14
Sub-Divisional Representatives	Andrew Penny Geoff Caruana John Anderson Mario Mizzi Mark Teasdale	01.01.14 - 03.12.14

	Ali Genc Laurie Smith Raymond Farrugia Mario Mizzi Rodney Fernando Kanapathipillai Sivapalan Damian Garland Massimo (Max) Tocci Julie Cain Con Petropoulos Pat Byrnes Rob Keddy Brock Graham Brian Penza	03.12.14 - 31.12.14
Locomotive		
Branch Divisional President	Terrence Sheedy	01.01.14 - 03.12.14
	Paris Jolly	03.12.14 - 31.12.14
Branch Divisional Vice President	John Marotta	01.01.14 - 03.12.14
Sub-Divisional Representatives	Wayne Hicks Geoff Ralph Paris Jolly	01.01.14 - 03.12.14
	Sharon Brown Kevin Duggan Paris Jolly David Mortimer	03.12.14 - 31.12.14
Delegates from Regional Sub Branches		
Northern Region - President	Vacant	01.01.14 - 31.12.14
Northern Region - Sub Branch Sec	Vacant	01.01.14 - 03.12.14
	Jeff Ford	03.12.14 - 31.12.14
Southern Region - President	Vacant	01.01.14 - 31.12.14
Southern Region - Sub Branch Sec	Michael Fairbrother	01.01.14 - 03.12.14
	Vacant	03.12.14 - 31.12.14
Western Region - President	James Rice	01.01.14 - 31.12.14
Western Region - Sub Branch Sec	Robert Bassett	01.01.14 - 31.12.14



Luba Grigorovitch
State Secretary
2 July 2015

**THE AUSTRALIAN RAIL, TRAM & BUS
INDUSTRY UNION - VICTORIAN BRANCH
ABN 19 122 611 478**

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

THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION - VICTORIAN BRANCH
ABN 19 122 611 478

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THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION - VICTORIAN BRANCH
ABN 19 122 611 478

COMMITTEE OF MANAGEMENT STATEMENT

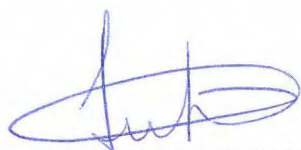
On 2 July 2015 the Committee of Management of The Australian Rail, Tram and Bus Industry Union - Victorian Branch ('the reporting unit') passed the following resolution in relation to the general purpose financial report ('GPFR') of the reporting unit for the financial year ended 31 December 2014:

The Committee of Management declares that in its opinion:

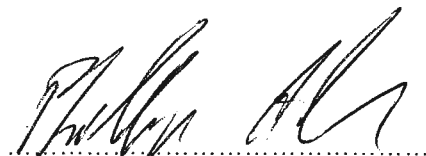
- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or General Manager; and
 - (vi) no orders have been made by the Commission under section 273 of the RO Act during the period.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period;

This declaration is made in accordance with a resolution of the Committee of Management on 2 July 2015.

Signed on behalf of the Committee of Management:



.....
Luba Grigorovitch
Victoria State Branch Secretary



.....
Phillip Altieri
Secretary – Tram and Bus Division

Dated 2 July 2015

THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION - VICTORIAN BRANCH
ABN 19 122 611 478

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

	Note	2014 \$	Restated 2013 \$
Membership subscription	2	4,262,066	4,317,343
Other income	2	172,791	52,008
Employee benefits expense	3	(1,578,758)	(1,455,576)
Finance costs	3	(12,472)	(38,371)
Depreciation and amortisation expenses	3	(110,917)	(131,663)
Capitation fees	3	(593,696)	(479,573)
Affiliation fees	3	(88,296)	(86,539)
Administration and office expenses		(156,584)	(120,538)
Legal and professional fees	3	(705,846)	(293,962)
Motor vehicle costs		(69,198)	(101,894)
Commissions paid		(43,365)	(12,242)
Building repairs and maintenance expense		(256,488)	(225,513)
Other expenses	3	<u>(734,974)</u>	<u>(451,364)</u>
Surplus for the year		84,263	972,116
Income tax expense	1(b)	<u>-</u>	<u>-</u>
Surplus attributable to members of the entity		<u>84,263</u>	<u>972,116</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Gain on the revaluation of buildings		<u>85,592</u>	<u>-</u>
Total comprehensive income for the year		<u>169,855</u>	<u>972,116</u>
Total comprehensive income attributable to members of the entity		<u>169,855</u>	<u>972,116</u>

THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION - VICTORIAN BRANCH
ABN 19 122 611 478

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Note	2014 \$	Restated 2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	3,529,754	3,750,642
Trade and other receivables	6	306,013	435,322
Other assets	7	75,977	-
Financial assets	8	1,000,000	727,241
TOTAL CURRENT ASSETS		4,911,744	4,913,205
NON-CURRENT ASSETS			
Property, plant and equipment	9	2,748,774	2,690,446
Investment property	10	2,713,270	2,646,092
TOTAL NON-CURRENT ASSETS		5,462,044	5,336,538
TOTAL ASSETS		10,373,788	10,249,743
CURRENT LIABILITIES			
Trade and other payables	11	563,002	380,299
Borrowings	12	98,000	114,554
Provisions	13	56,357	98,601
TOTAL CURRENT LIABILITIES		717,359	593,454
NON-CURRENT LIABILITIES			
Borrowings	12	-	200,446
Provisions	13	79,589	48,858
TOTAL NON-CURRENT LIABILITIES		79,589	249,304
TOTAL LIABILITIES		796,948	842,758
NET ASSETS		9,576,840	9,406,985
EQUITY			
Retained surplus		9,491,248	9,406,985
Revaluation reserve		85,592	-
TOTAL EQUITY		9,576,840	9,406,985

THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION - VICTORIAN BRANCH
ABN 19 122 611 478

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Revaluation Reserve	Retained Surplus	Total
	\$	\$	\$
Balance at 1 January 2013	-	8,434,869	8,434,869
Restated Surplus attributable to members of the Union	-	972,116	972,116
Restated balance at 31 December 2013	-	9,406,985	9,406,985
Balance at 1 January 2014	-	9,406,985	9,406,985
Other comprehensive income	85,592	-	85,592
Surplus attributable to members of the Union	-	84,263	84,263
Balance at 31 December 2014	85,592	9,491,248	9,576,840

THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION - VICTORIAN BRANCH
ABN 19 122 611 478

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members, investment property and other income		4,394,713	4,217,372
Payments to suppliers and employees		(3,551,527)	(3,023,738)
Payments to national office		(546,504)	(506,232)
Interest received		99,323	122,296
Finance costs		(13,513)	(38,371)
Net cash provided by operating activities	15	<u>382,492</u>	<u>771,327</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(113,621)	(550,717)
Cash invested in long term deposits		(272,759)	(15,854)
Net cash used in investing activities		<u>(386,380)</u>	<u>(566,571)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(217,000)	(463,000)
Net cash used in financing activities		<u>(217,000)</u>	<u>(463,000)</u>
Net decrease in cash held		(220,888)	(258,244)
Cash and cash equivalents at beginning of financial year		<u>3,750,642</u>	<u>4,008,886</u>
Cash and cash equivalents at end of financial year	5	<u><u>3,529,754</u></u>	<u><u>3,750,642</u></u>

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Australian Rail, Tram & Bus Industry Union - Victorian Branch ('the Union') is incorporated and domiciled in Australia.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the requirements of the *Fair Work (Registered Organisations) Act 2009*. The Union is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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 to which they apply. Material accounting policies adopted in the preparation of these 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 non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statement was authorised for issue on 2 July 2015 by the Committee of Management.

Accounting Policies

(a) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (The Australian Rail, Tram & Bus Industry Union – Victorian Branch) and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Union from the date on which control is obtained by the Union. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Union.

(b) Income Tax

The Union is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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

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

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

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Fair Value of Assets and Liabilities

The Union measures its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Union would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(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.

Property

Buildings are carried at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less accumulated depreciation for buildings.

Plant and equipment

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

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Property, Plant and Equipment (continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Union and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial year in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, is depreciated on a diminishing value basis over their useful lives to the Union 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 for each class of depreciable assets are:

<u>Class of fixed asset</u>	<u>Depreciation rates</u>	<u>Depreciation basis</u>
Buildings	2.5%	Diminishing Value
Motor vehicles	15 %	Diminishing Value
Office equipment	33.3% - 36 %	Diminishing Value
Furniture, fixtures and fittings	7.5 - 10 %	Diminishing Value

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts recorded in the revaluation reserve relating to that asset are transferred to retained earnings.

(e) Impairment of Assets

At the end of each reporting period, the Union assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying value over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. in accordance with the revaluation model in AASB116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Union estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) Investment Property

Investment property comprises investment interests in land and building (including integral plant and equipment) held for the purpose of letting to produce rental income and which are not occupied by the Union. Property interests held under operating lease are deemed investment property.

Land and building comprising the investment property is considered composite assets and are disclosed as such in the accompanying notes to the financial statements. Investment property acquired is initially recorded at cost on date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Investment Property (continued)

Valuations:

After initial recognition, investment property is measured at fair value and revalued with sufficient regularity to ensure the carrying amount of each property does not differ materially from its fair value at the reporting date. When assessing fair value, the discounted cash flows of the property will be considered, the highest and best use of the property and sales of similar properties.

Fair value is based on the price at which a property might reasonably be expected to be sold at the date of valuation, assuming:

- (i) a willing, but not anxious, buyer and seller on an arm's length basis;
- (ii) a reasonable period in which to negotiate the sale, having regard to the nature and situation of the property and the state of the market for property of the same kind;
- (iii) that the property will be reasonably exposed to that market;
- (iv) that no account is taken of the value or other advantage or benefit, additional to market value, to the buyer incidental to ownership of the property being valued; and
- (v) it only takes into account instructions given by the Union and is based on all the information that the valuer needs for the purposes of the valuation being made available by or on behalf of the Union.

The investment property is considered one class of asset. Under AASB 140: Investment Property, adjustments to fair value are to be recognised directly in the statement of comprehensive income.

(g) Employee Benefits

Provision is made for the Union'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, plus related on-costs. 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. Those cash flows are discounted using market yields on national government bond with terms to maturity that match the expected timing of cash flows.

(h) Provisions

Provisions are recognised when the Union 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. Provisions recognised represent management's best estimate of the expenditure required to set the present obligation at the end of each reporting period.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to entities in the consolidated group, are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

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

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(j) Financial Instruments

Initial recognition and measurement

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

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (i) the amount at which the financial asset or financial liability is measured at initial recognition;
- (ii) less principal repayments;
- (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial Instruments (continued)

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(ii) Financial liabilities

Non-derivative financial liabilities, (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At each reporting date, the Union assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are either discharged, cancelled or have expired.

The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(k) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(l) Revenue and Other Income

Revenue from membership subscriptions is recognised on an accruals basis and is recorded as revenue in the year to which it relates.

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

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

Other income is recognised when the right to receive the revenue has been established.

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

(m) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Borrowing Costs (continued)

All other borrowing costs are recognised in expenses in the year in which they incurred.

(n) Goods and Services Tax (GST)

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

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows within receipts from customers or payments to suppliers.

(o) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

(p) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Union prior to the end of the financial year that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(q) Comparative Figures

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

(r) Critical Accounting Estimates and Judgements

The Committee of Management evaluates estimates and judgments incorporated into the financial statement based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Union.

Key estimates

Impairment

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

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) New Accounting Standards for application in future periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Union. The Union has decided not to early adopt any of the new and amended pronouncements. The Union's assessment of the new and amended pronouncements that are relevant to the Union but applicable in future reporting periods is set out below:

- AASB 9: *Financial Instruments* (December 2014) and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2018).
- AASB 15: *Revenue from Contracts with Customers* and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2017).

The Union does not anticipate early adoption of any of the above Australian Accounting Standards.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Prior Period Error

Re-classification of Buildings to Investment Property

The Union owns the office at level 14, 222 Kingsway, Melbourne and controls the Tramways Holiday Trust which owns a property in Rosebud. For the year ended 31 December 2013, the offices and properties were incorrectly classified as part of property, plant and equipment notwithstanding rental income being generated from the properties which were not occupied by the Union. This has been treated as a prior year error arising from a misapplication of accounting policy. The office and properties have been reclassified as part of investment properties and restated for each of the affected financial statement line items for the period as disclosed below.

Revenue Recognition

The Union recognises membership subscriptions on an accrual basis as provided in Note 1(l). To this effect, trade receivables and subscriptions received in advance are recognised at the end of each reporting period. For the year ended 31 December 2013 and reporting periods before that date, trade receivables and subscriptions received in advance were not recognised. The period specific error on 31 December 2013 has been corrected and restated in the comparatives.

The aggregate effect of the error arising from the misapplication of the revenue recognition policy has not been disclosed for the financial reporting periods before 31 December 2013 as quantifying the impact is impracticable. A third statement of financial position relating to 1 January 2013 has accordingly not been presented.

	31 Dec 2013	Increase/ (decrease)	Restated 31 Dec 2013
	\$		\$
Statement of Comprehensive Income			
Revenue	4,046,807	270,536	4,317,343
Surplus for the year	701,580	270,536	972,116
Surplus attributable to members of the entity	701,580	270,536	972,116
Total comprehensive income for the year	701,580	270,536	972,116
Total comprehensive income attributable to members of the entity	701,580	270,536	972,116
Statement of Financial Position			
Trade and other receivables	16,339	418,983	435,322
Total current assets	4,494,222	418,983	4,913,205
Property, plant and equipment	4,236,538	(1,546,092)	2,690,446
Investment property	1,100,000	1,546,092	2,646,092
Total assets	9,830,760	418,983	10,249,743
Trade and other payables	231,852	148,447	380,299
Total current liabilities	445,007	148,447	593,454
Total liabilities	694,311	148,447	842,758
Net assets	9,136,449	270,536	9,406,985
Retained surplus	9,136,449	270,536	9,406,985
Total equity	9,136,449	270,536	9,406,985

THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	Restated
	\$	2013
		\$
<hr/>		
NOTE 2: REVENUE AND OTHER INCOME		
Revenue		
- Membership contributions received	4,034,890	4,134,723
- Interest received	111,268	122,296
- Rental revenue	115,908	60,324
	4,262,066	4,317,343
Other income	172,791	52,008
Total Revenue	4,434,857	4,369,351
 NOTE 3: EXPENSES		
(a) Expenses		
Employee benefit expense:		
Office holders		
- Salaries and wages	736,595	508,911
- Superannuation	72,908	43,737
- Leave and other entitlements	158,645	60,862
	968,148	593,510
Non-office holders		
- Salaries and wages	492,537	733,782
- Superannuation	43,484	70,806
- Leave and other entitlements	74,589	37,478
	610,610	842,066
Total Employee benefit expense	1,578,758	1,455,576
Capitation fees paid to the national office	593,696	479,573
Affiliation fees paid to:		
- ALP	35,645	36,917
- VTHC	21,828	20,578
- ACTU	27,875	26,659
- Various	2,948	2,385
	88,296	86,539
Grants or donations:		
Donations		
- Total paid that were \$1,000 or less	5,865	2,412
- Total paid that exceeded \$1,000	8,620	9,000
Grants		
- Total paid that were \$1,000 or less	-	-
- Total paid that exceeded \$1,000	-	-
	14,485	11,412
Levies	11,737	-

THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	Restated
	\$	2013
		\$
NOTE 3: EXPENSES (CONTINUED)		
Legal costs:		
- Litigation	650,891	257,097
- Other legal matters	-	-
	650,891	257,097
Depreciation of non-current assets	110,917	131,663
Interest expense on financial liabilities at amortised cost:		
- external	12,472	38,371
Other Expenses:		
- Honorariums	92,328	22,123
- Publications	71,825	70,042
- Functions	44,015	16,167
- Agency costs	83,969	50,735
(b) Net losses on disposal of non-current assets:		
- motor vehicles	15,277	-
- office equipment	182	-
- plant and equipment	843	-
Total net loss	16,302	-
Penalties – via RO Act or RO Regulations	-	-
<p>There were no employee expenses relating to holders of office and employee expenses to other employees during the year.</p>		
NOTE 4: AUDITORS' REMUNERATION		
Remuneration of the auditor for:		
- auditing or reviewing the financial report	42,776	23,300
- other services	12,180	1,200
	54,956	24,500
NOTE 5: CASH AND CASH EQUIVALENTS		
Cash on hand	870	870
Cash at bank	3,528,884	3,749,772
	3,529,754	3,750,642

THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	Restated 2013
	\$	\$
NOTE 6: TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade receivables	299,918	418,983
Other receivables	6,095	16,339
	306,013	435,322
NOTE 7: OTHER CURRENT ASSETS		
CURRENT		
Prepayments	64,032	-
Accrued income	11,945	-
	75,977	-
NOTE 8: FINANCIAL ASSETS		
Term Deposit maturing 21 August 2015	1,000,000	727,241
	1,000,000	727,241
NOTE 9: PROPERTY, PLANT AND EQUIPMENT		
Buildings:		
At cost	2,681,486	2,649,006
Accumulated depreciation	(273,236)	(297,078)
	2,408,250	2,351,928
Motor vehicles:		
At cost	260,910	262,415
Accumulated depreciation	(85,235)	(82,669)
	175,675	179,746
Office equipment:		
At cost	82,540	80,727
Accumulated depreciation	(59,124)	(61,783)
	23,416	18,944
Furniture, fixtures and fittings:		
At cost	350,410	333,947
Accumulated depreciation	(208,977)	(194,119)
	141,433	139,828
Total property, plant and equipment	2,748,774	2,690,446

THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 9: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Buildings are measured at fair value less accumulated depreciation and impairment losses. Independent valuations on Level 2, 365 Queen Street and Level 6, 1 Elizabeth Street were carried out by Knight Frank, with the market values at 17th February 2014 being \$1,650,000 and \$820,000 respectively. The net revaluation gain on these properties of \$85,592 was recorded in the Revaluation Reserve.

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:

2014	Buildings \$	Motor vehicles \$	Office equipment \$	Furniture, fixtures and fittings \$	Total \$
Balance at 1 January 2014	2,351,928	179,746	18,944	139,828	2,690,446
Additions	32,480	59,672	12,493	18,881	123,526
Disposals	-	(38,848)	(182)	(843)	(39,873)
Revaluation	85,592	-	-	-	85,592
Depreciation expense	(61,750)	(24,895)	(7,839)	(16,433)	(110,917)
Carrying amounts at 31 December 2014	<u>2,408,250</u>	<u>175,675</u>	<u>23,416</u>	<u>141,433</u>	<u>2,748,774</u>

Restated 2013	Buildings \$	Motor vehicles \$	Office equipment \$	Furniture, fixtures and fittings \$	Total \$
Balance at 1 January 2013	1,926,762	211,466	19,204	113,960	2,271,392
Additions	505,458	-	8,676	37,337	551,471
Disposals	-	-	(754)	-	(754)
Depreciation expense	(80,292)	(31,720)	(8,182)	(11,469)	(131,663)
Carrying amounts at 31 December 2013	<u>2,351,928</u>	<u>179,746</u>	<u>18,944</u>	<u>139,828</u>	<u>2,690,446</u>

THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION - VICTORIAN BRANCH
ABN 19 122 611 478

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

	2014	Restated
	\$	2013
		\$
<hr/>		
NOTE 10: INVESTMENT PROPERTY		
Balance at beginning of the year	2,646,092	2,435,282
Additions	938	210,810
Net revaluation increment	66,240	-
Carrying amount at the end of the year	2,713,270	2,646,092

(a) Valuation

The investment properties are measured at fair value, being the amounts for which the properties could be exchanged between willing parties in arm's length transactions, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases.

Independent valuations on the investment properties at Level 1, 222 Kings Way and Level 14, 222 Kings Way were carried out by Knight Frank, with the market value at 17th February 2014 of \$990,000 and at 21st February 2014 at \$1,180,000 respectively. Refer to Note 1 (r) for key estimates relating to uncertainty regarding property valuations. The net revaluation gain on these properties of \$66,240 was recorded in the Statement of Comprehensive Income in accordance with Note 1 (f).

(b) Lease arrangement

The investment property lease relating to suite 1 at Level 1, 222 Kings Way, South Melbourne is a non-cancellable lease with a three year term. The lease for suite 1 will expire in August 2015. At balance date suite 2 at Level 1, 222 Kings Way was vacant, the prior lease expiring in April 2014.

The investment property lease relating to Level 14, 222 Kings Way, South Melbourne is a non-cancellable lease with a five year term and commenced in August 2014, expiring July 2019.

NOTE 11: TRADE AND OTHER PAYABLES

CURRENT

Trade payables	11 (i)	36,596	52,881
Legal costs		26,290	21,634
Superannuation		16,167	12,556
Membership subscriptions received in advance		124,375	110,358
Sundry payables and accrued expenses		179,117	74,495
Employee benefits	11(a)	180,457	108,375
Consideration to employers for payroll deductions		-	-
		563,002	380,299

(a) Employee benefits

Office holders

- Annual leave		114,623	54,268
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Non-office holders

- Annual leave		65,834	54,107
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THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	Restated
	\$	2013
		\$
<hr/>		
NOTE 11: TRADE AND OTHER PAYABLES (CONTINUED)		
(i) The average credit period on purchases of certain goods for the Union is one month. There is no interest charged on the outstanding trade payable balances. The Union has financial risk management policies in place to ensure that all payables are paid within the credit timeframe, as referred to in Note 19.		
NOTE 12: BORROWINGS		
CURRENT		
Bank loan secured	98,000	114,554
Total current borrowings	98,000	114,554
NON-CURRENT		
Bank loan secured	-	200,446
Total non-current borrowings	-	200,446
Total borrowings	98,000	315,000

The Bill Facility commenced in October 2011 and expires 12 September 2020.

The carrying amounts of non-current assets pledged as security are:

Buildings (forms part of property, plant and equipment)	2,748,774	2,690,446
Investment property	2,713,270	2,646,092
	5,462,044	5,336,538

NOTE 13: PROVISIONS

CURRENT

Long service leave	56,357	98,601
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NON-CURRENT

Long service leave	79,589	48,858
	135,946	147,459

(a) Long service leave

Office holders		
- Long service leave	95,826	112,176

Non-office holders

- Long service leave	40,120	35,283
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A provision has been recognised for employee entitlements relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria for employee benefits have been included in Note 1 (g).

No provision has been made for separation and redundancies or other employee provisions.

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

	2014	Restated
	\$	2013
		\$
<hr/>		
NOTE 14: CAPITAL AND LEASING COMMITMENTS		
Lease revenue commitments		
Lease terms are non-cancellable with a three or five-year term, with rent payable monthly. Rent is reviewed annually in accordance with CPI movements.		
Details of non-cancellable operating leases contracted but not capitalised in the financial statements are shown below:		
Receivables:		
- not later than 12 months	124,820	57,155
- between 12 months and 5 years	389,601	42,709
	514,421	99,864

NOTE 15: CASH FLOW INFORMATION

Reconciliation of cash flow from operations with profit after income tax

Profit after income tax	84,263	972,116
<i>Adjustments for non-cash items:</i>		
Depreciation	110,917	131,663
Gain on revaluation of property, plant and equipment	(85,592)	-
Gain on revaluation of investment property	(66,240)	-
Loss on disposal of property, plant & equipment	16,302	-
<i>Changes in assets and liabilities:</i>		
Decrease/(increase) in receivables	62,064	(431,790)
Increase in payables	260,778	99,338
Net cash flows from operations	382,492	771,327

NOTE 16: CONTINGENT LIABILITIES

The Committee of Management are not aware of any contingent liabilities that are likely to have a material effect on the results of the Union.

NOTE 17: EVENTS AFTER BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION - VICTORIAN BRANCH
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

NOTE 18: KEY MANAGEMENT PERSONNEL COMPENSATION

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Union directly or indirectly, including its committee members is considered key management personnel.

	2014	2013
	\$	\$
Short-term benefits		
Salaries (including annual leave taken)	1,050,403	861,575
Post-employment benefits		
Superannuation	90,199	104,631
Total compensation	1,140,602	966,206

NOTE 19: FINANCIAL RISK MANAGEMENT

The Union's financial instruments consist mainly of deposits with banks, accounts receivable and payable, and bank borrowings.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2014	Restated 2013
		\$	\$
<u>Financial assets</u>			
Cash and cash equivalents	5	3,529,754	3,750,642
Trade and other receivables	6	306,013	435,322
Term deposit	8	1,000,000	727,241
		4,835,767	4,913,205
<u>Financial liabilities at amortised cost:</u>			
Trade and other payables	11	563,002	380,299
Borrowings	12	98,000	315,000
		661,002	695,299

Financial Risk Management Policies

The Committee of Management's overall risk management strategy seeks to assist the Union in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Committee of Management on a regular basis. These include the credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Union is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

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

NOTE 19: FINANCIAL RISK MANAGEMENT (CONTINUED)

a. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

The source of interest rate risk to the Union is primarily long-term debt obligations, which has variable interest rate. The Union has the following classes of financial assets and financial liabilities that are exposed to interest rate risk:

	2014	2013
Financial assets		
Cash and cash equivalents	3,529,754	3,750,642
Term deposit	1,000,000	727,241
	4,529,754	4,477,883
Financial liabilities		
Interest-bearing liabilities	(98,000)	(315,000)
	(98,000)	(315,000)
Net exposure	4,431,754	4,162,883

The weighted average interest rates relating to the above financial assets and financial liabilities were as follows:

	2014	2013
	%	%
Financial assets		
Interest-bearing assets	2.50%	2.66%
Financial liabilities		
Interest-bearing liabilities	2.77%	3.22%

b. Liquidity risk

Liquidity risk arises from the possibility that the Union might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Union manages this risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturing profiles of financial assets and financial liabilities.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. The Union does not hold directly any derivative financial liabilities.

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

NOTE 19: FINANCIAL RISK MANAGEMENT (CONTINUED)

b. Liquidity risk (continued)

Cash flows realised from financial assets reflect the Committee of Management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect the Committee of Management's expectations that banking facilities will roll forward.

	Within 1 Year		2 to 5 Years		Over 5 Years		Total	
	2014	Restated 2013	2014	2013	2014	2013	2014	Restated 2013
Financial liabilities due for payment	\$	\$	\$	\$	\$	\$	\$	\$
Bank loans	98,000	114,554	-	200,446	-	-	98,000	315,000
Trade and other payables (excluding est. annual leave)	382,545	271,924	-	-	-	-	382,545	271,924
Total expected outflows	480,545	386,478	-	200,446	-	-	480,545	586,924
Financial Assets - cash flows realisable								
Cash and cash equivalents	3,529,754	3,750,642	-	-	-	-	3,529,754	3,750,642
Trade and other receivables	306,013	435,322	-	-	-	-	306,013	435,322
Term Deposits	1,000,000	727,241	-	-	-	-	1,000,000	727,241
Total anticipated inflows	4,835,767	4,913,205	-	-	-	-	4,835,767	4,913,205
Net (outflow)/inflow on financial instruments	4,355,222	4,526,727	-	(200,446)	-	-	4,355,222	4,326,281

c. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Union.

Credit risk is managed and reviewed regularly by the Committee of Management. Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness and includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counterparties. Such monitoring is used in assessing receivables for impairment.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the Committee of Management has otherwise cleared as being financially sound. Where the Union is unable to ascertain a satisfactory credit risk profile in relation to a customer or counterparty, then risk may be further managed through title retention clauses over goods or obtaining security by way of personal or commercial guarantees over assets of sufficient value which can be claimed against in the event of any default.

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

NOTE 19: FINANCIAL RISK MANAGEMENT (CONTINUED)

c. Credit risk (continued)

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Union has no significant concentration of credit risk with any single counterparty or group of counterparties.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 6. There is no collateral held by the Union securing trade and other receivables.

The Union does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Union. The trade receivables balance at 31 December 2014 and 31 December 2013 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved Union policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA-.

Fair value estimation

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Union. Most of these instruments which are carried at amortised cost (i.e. term receivables, loan liabilities) are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the Union.

	2014		Restated 2013	
	Net Carrying Value	Net Fair Value	Net Carrying Value	Net Fair Value
	\$	\$	\$	\$
<u>Financial assets</u>				
Cash and cash equivalents	3,529,754	3,529,754	3,750,642	3,750,642
Trade and other receivables	306,013	306,013	435,322	435,322
Term deposit	1,000,000	1,000,000	727,241	727,241
	<u>4,835,767</u>	<u>4,875,614</u>	<u>4,913,205</u>	<u>4,913,205</u>
<u>Financial liabilities at amortised cost:</u>				
Trade and other payables	382,545	382,545	271,924	271,924
Borrowings	98,000	98,000	315,000	315,000
	<u>480,545</u>	<u>480,545</u>	<u>586,924</u>	<u>586,924</u>

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value. Trade and other payable exclude amounts provided for relating to annual leave which is not considered a financial instrument.
- (ii) Borrowings balance is discounted, therefore its carrying value is considered equivalent to fair value.

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

NOTE 19: FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair value estimation (continued)

The Union measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- available-for-sale financial assets; and
- freehold land and buildings.

The Union does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

a. Fair Value Hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation Techniques

The Union selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Union are consistent with one or more of the following valuation approaches:

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

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Union gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

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

NOTE 19: FINANCIAL RISK MANAGEMENT (CONTINUED)

The following tables provide the fair values of the Union's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

	Note	31 December 2014			
		Level 1	Level 2	Level 3	Total
		\$	\$	\$	\$
Recurring fair value measurements					
<i>Non-financial assets</i>					
Investment properties	10	-	2,713,270	-	2,713,270
Buildings	9	-	2,408,250	-	2,408,250
Total non-financial assets recognised at fair value		-	5,121,520	-	5,121,520

Description	Fair Value at 31 December 2014 \$	Valuation Technique(s)	Inputs Used
<i>Non-financial assets</i>			
Investment properties	2,713,270	Market approach using recent observable market data for similar properties; income approach using discounted cash flow methodology	Price per square metre; market borrowing rate
Buildings	2,408,250	Market approach using recent observable market data for similar properties; income approach using discounted cash flow methodology	Price per square metre; market borrowing rate
	5,121,520		

- (i) The fair value of the investment property and buildings is determined at least every three years based on valuations by an independent valuer. At the end of each intervening period, the directors review the independent valuation and, when appropriate, update the fair value measurement to reflect current market conditions using a range of valuation techniques, including recent observable market data and discounted cash flow methodologies.

There were no changes during the period in the valuation techniques used by the Union to determine Level 2 fair values.

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

NOTE 19: FINANCIAL RISK MANAGEMENT (CONTINUED)

Sensitivity analysis

The following table illustrates sensitivities to the Union's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that the Committee of Management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit	Equity
	\$	\$
Year ended 31 December 2014		
+/- 0.5% in interest rates	22,794	22,794
Year ended 31 December 2013		
+/- 0.5% in interest rates	28,847	28,847

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

NOTE 20: SEGMENT REPORTING

The Union operates predominately in one business and geographical segment being the representation of members in industrial relations matters in Victoria.

NOTE 21: NOTICE REQUIRED UNDER THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of the members is drawn to the provision of subsections (1) to (3) of Section 272(5) which reads as follows:

Information to be provided to members or General Manager:

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

NOTE 22: UNION DETAILS

The registered office and principal place of business of the Union is:

The Australian Rail, Tram & Bus Industry Union - Victorian Branch
Level 2, 365 Queen Street
Melbourne Victoria 3000

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE AUSTRALIAN RAIL, TRAM & BUS INDUSTRY UNION
VICTORIAN BRANCH**

Report on the Financial Statements

We have audited the accompanying financial statements of The Australian Rail, Tram & Bus Industry Union - Victorian Branch, which comprise the statement of financial position as at 31 December 2014, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, the committee of management statement and notes comprising a summary of significant accounting policies and other explanatory information.

Committee of Management's Responsibility for the Financial Report

The Committee of Management is responsible for the preparation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009 and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements 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 presentation of the financial statements.

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

Independence

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

Declaration

We are an approved auditor for the purposes of Fair Work (Registered Organisations) Act 2009 and we are a member of the ICAA and hold a Public Practice Certificate

Opinion

In our opinion, the financial statements of The Australian Rail, Tram & Bus Industry Union - Victorian Branch for the year ended 31 December 2014 is prepared and presented fairly, in all material respects, in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009.

We are also of the opinion that management's use of the going concern basis of accounting in the preparation of the financial statements was appropriate.

ShineWing Australia

ShineWing Australia (formerly Moore Stephens)
Chartered Accountants



Scott Phillips
Partner

Melbourne, 2 July 2015