



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
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Ref: FR2004/731-[139V-WA1]

Mr Robert J Christison
Branch Secretary
Australian Rail, Tram and Bus Industry Union
West Australian Branch
2/10 Nash St
PERTH WA 6000

Dear Mr Christison

Financial Return - year ending 31 December, 2004

Our records show your organisation's financial year ended recently. This letter outlines some of the things you must do to meet your financial reporting obligations and when you have to do them. For simplicity, we will call the documents you have to lodge with us your *financial return*.

New legislation

This letter is intended as guide to the law applicable on the date of this letter and should not be used as a substitute for legal or accounting advice. We only summarise some of the reporting requirements in this letter. More detailed information is at the end of this letter.

The legislation has changed since your last return. In May 2003 the Industrial Registrar wrote to all organisations forwarding a number of facts sheets outlining the major changes made by Schedule 1B of the Workplace Relations Act 1996 ('RAO'¹). While the immediate changes affected the rules and elections in organisations, the changes affecting financial returns involve a longer lead time.

The key differences under the new legislation affecting financial returns are:

- a reduced financial reporting cycle (now maximum periods of 5 or 6 months depending on internal arrangements of organisation)
- a greater emphasis given to Australian Accounting Standards
- the introduction of a new report, known as an Operating Report (broadly similar in concept to a Director's Report under the corporations legislation)
- extensions of time are limited to one month
- restructured penalty provisions involving more extensive use of Civil Penalties
- the introduction of the Industrial Registrar's Reporting Guidelines
- organisations and their branches to report according to their financial structures, known as 'reporting units'.

We recommend you discuss the new requirements with your accountant or auditor.

¹ Registration and Accountability of Organisations Schedule (RAO) (Schedule 1B to the *Workplace Relations Act 1996*)

Reporting Unit

One of the new concepts of the RAO legislation is that reporting entities are known as “*reporting units*”. Where an organisation is **not** divided into branches the reporting unit is the whole of the organisation. Where an organisation **is** divided into branches each branch will be a reporting unit unless the Industrial Registrar has determined a division of the organisation into reporting units on an alternative basis. We can discuss this with you if you need more information.

For simplicity, we will refer to your organisation as a reporting unit in this letter.

Industrial Registrar’s Guidelines

The Industrial Registrar’s reporting guidelines set out certain disclosure requirements in addition to those prescribed by Australian Accounting Standards having in mind the nature of organisations registered under the Workplace Relations Act.

The disclosure requirements prescribed by the reporting guidelines are directed towards providing members of the reporting unit with information to enable them to gauge the performance of the committee of management and other holders of office in relation to the financial management of the reporting unit. In addition, the reporting guidelines seek to improve the quality of information available to users of the financial report about the reporting unit’s economic support of, or economic dependency on, other reporting units of the organisation.

Timeline Planner and Checklist

We have attached a Timeline/Planner (Attachment A) to help you **plan** your financial return and carry out all the necessary steps. We have also attached a Document Checklist (Attachment B) to **check** your documents before lodging them in the Registry. Both documents are abbreviated summaries of the relevant provisions of the RAO Schedule, RAO Regulations and the Industrial Registrar’s Reporting Guidelines.

In the following section we describe some of the documents your reporting unit must prepare and the sequence of their preparation and completion.

Three Reports

Your reporting unit must prepare two reports as soon as practicable after its financial year, which, together with the Auditor’s Report, comprise the reporting unit’s financial return.

1. **General Purpose Financial Report** - this must comply with the Australian Accounting Standards and the Industrial Registrar’s Reporting Guidelines. The GPFR consists of:

Financial Statements containing:

- a profit and loss statement, or other operating statement; and
- a balance sheet; and
- a statement of cash flows; and
- any other statements required by the Australian Accounting Standards; and

Notes to the Financial Statements containing:

- notes required by the Australian Accounting Standards; and
- information required by the Industrial Registrar's *Reporting Guidelines* under section 255); and

Committee of Management Statement as required by the Registrar's Reporting Guidelines (a sample certificate for illustrative purposes is at Attachment C)

2. **Operating Report** - this report includes a review of your reporting unit's principal activities for the year and other specified information.

Your reporting unit must appoint an auditor to audit the GPFR and to provide:

3. an **Auditor's Report**.

First Meeting (Committee of Management)

For simplicity, we will call the meeting at which the committee of management first considers the GPFR the first meeting. At the first meeting your committee, if satisfied that all is in order, will resolve to express its opinion on the GPFR and complete a Committee of Management Statement.

The Auditor

After the first meeting, the auditor takes the GPFR and the Committee of Management Statement and prepares a report on the GPFR. In practice, your auditor may have already completed most of his or her examination of your accounts. The auditor may only be waiting on the Committee to pass the required resolution and make the Statement before signing the report the same day.

Informing Your Members

Your reporting unit must provide free of charge to the general membership, copies of the GPFR, the Operating Report and the Auditor's Report. RAO calls these the "full report". Under certain circumstances, your reporting unit can provide a more limited *concise report*.

The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge.

A reporting unit may meet this obligation in whole or in part by publication of the report in a journal published on a web site on the Internet dependent on:

- a. the extent of the accessibility of the members of the reporting unit to the Internet; and
- b. that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.

The report must be provided within 5 or 6 months from the end of the financial year, depending on the internal arrangements of the organisation for the presentation of its financial reports.

The Second Meeting - if it is a General Meeting of Members

After providing the full report to members it must be presented to a general meeting of members. For simplicity this is referred to as the *second meeting*.

Your reporting unit must always allow a minimum of 21 days for members to receive the full report before presenting it to a general meeting of members (s265(5)). The purpose of the interval and the second meeting is to enable the members to have time to consider the report and, if they wish, to attend the second meeting to discuss it.

If the rules of the organisation permit a general meeting to be a series of meetings held at different locations, the full report may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series (see s266(2)).

The Second Meeting - if it is a Committee of Management Meeting

If the rules of your organisation contain a provision that allows up to 5% of members to demand a general meeting to be held consider the report (see s266(3)), it is permissible to present the report directly to a Committee of Management meeting.

Lodge full report within 14 days of meeting

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at www.airc.gov.au). When lodging the financial return please quote: **FR2004/731**.

The Secretary (or another officer appropriately authorised under the rules of the organisation) must *certify* that the full report is a copy of the one provided to members and presented to the second meeting and provide the date of the meeting (a sample certification for illustrative purposes is at *Attachment D*).

When we receive your return we will check that it includes the information you must provide your members and that you have provided it to them correctly.

Complying with time limits

This letter has outlined some of the steps in preparing and lodging your return. Many of the steps must be completed within fixed time limits.

Failure to complete them in time could make your reporting unit or its officers liable to financial or "civil penalties".

Extensions of Time

We appreciate that sometimes circumstances beyond your reporting unit's control may delay completion of a financial return. If you believe your reporting unit is going to be unable to meet a time limit tell us as soon as you know. We can advise you if the step is one for which you may apply under RAO to the Industrial Registrar for extra time to complete. The maximum extra time allowed can be no more than one month.

Reduced Reporting Requirements

If your reporting unit meets certain conditions, some of these reporting requirements can be reduced. Such conditions might be where the annual income of the reporting unit (where the reporting unit is the whole of the organisation) is less than \$100,000, or where the reporting unit has no financial affairs in the financial year, or where the financial affairs of the reporting unit are encompassed by the financial affairs of its counterpart State industrial association.

Contact the Registry

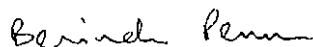
We encourage you to contact the Registry on (02) 8374 6666 or by e-mail at peter.mckerrow@air.gov.au or belinda.penna@air.gov.au as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedure but we cannot give you legal or accounting advice.

Information on AIRC Website

We recommend you and your accountant/auditor refer to the following documents on the Commission's website at www.airc.gov.au:

- [RAO Schedule and RAO Regulations](#)
- [Registrar's Reporting Guidelines](#) - All GPFR's must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- [RAO Fact Sheets](#) - These Fact Sheets explain the new requirements of the RAO Schedule - many of them deal with financial reporting matters.

Yours sincerely



for Deputy Industrial Registrar
20 January 2005

Documents Checklist

You can use this checklist as soon as possible after the financial year ends to ensure you have all the necessary documents prepared and that those documents contain all information required by RAO.

You can also use this checklist to ensure all documents in your financial return are complete before lodging them in the Registry.

No	Document	✓
1	General Purpose Financial Report	
	Does the report contain a Profit and Loss Statement?	
	Does the report contain a Balance Sheet?	
	Does the report contain a Statement of Cash Flows?	
	Does the report contain notes to the financial statements as required by AAS and the reporting guidelines?	
	Does the report contain all other information required by the reporting guidelines?	
2	Committee of Management Statement	
	Is the statement signed by the officer responsible for undertaking functions necessary to enable the reporting unit to comply with RAO?	
	Is the statement dated?	
	Is the statement in accordance with a resolution of the committee?	
	Does the statement specify the date of the resolution?	
	Does the statement contain declarations required by the reporting guidelines?	
3	Auditor's Report	
	Is the Report dated and signed by the auditor?	
	Is the name of the auditor clear?	
	Are the qualifications of the auditor on the report?	
	Has the auditor expressed an opinion on all matters required?	
4	Operating Report	
	Is the report signed and dated?	
	Does the report provide the number of members?	
	Does the report provide the number of employees?	
	Does the report contain a review of principal activities?	
	Does the report give details of significant changes?	
	Does the report give details of right of members to resign?	
	Does the report give details of superannuation trustees?	
	Does the report give details of membership of the committee of management?	
5	Concise report*	
6	Certificate of Secretary or other Authorised Officer	
	Is the certificate signed and dated?	
	Is the signatory the secretary or another officer authorised to sign the certificate?	
	Is the date that the report was provided to members stated?	
	Is the date of the Second Meeting at which the report was presented stated?	
	Does the certificate state that the documents are copies of those provided to members?	
	Does the certificate state that the documents are copies of those presented to the Second Meeting?	

* This is an optional way of providing documents to members (see RAO s265(3) and RAO Reg. 161).

Committee Of Management Statement

On *[date of meeting]* the Committee of Management of *[name of reporting unit]* passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended *[date]*:

The Committee of Management declares in relation to the GPFR 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 Industrial Registrar;
- (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;
- (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 RAO Schedule and the RAO Regulations; and
 - #(iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - #(v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been* furnished to the member or Registrar; and
 - #(vi) there has been* compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: *[name of designated officer per section 243 of the RAO Schedule]*

Title of Office held:

Signature:

Date:

* Where compliance or full compliance has not been attained - set out details of non compliance instead.

Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the RAO Schedule during the period."

Certificate of Secretary or other Authorised Officer¹

s268 of Schedule 1B Workplace Relations Act 1996

I [name] being the [title of office] of the [name of the organisation] certify:

- that the documents lodged herewith are copies of the full report, [and the concise report]², referred to in s268 of the RAO Schedule; and
- that the [full report OR concise report]³, was provided to members on [insert date]; and
- that the full report was presented to [a general meeting of members OR the last of a series of general meetings of members OR a meeting of the committee of management]³ of the reporting unit on [insert date]; in accordance with section 266 of the RAO Schedule.

Signature

Date:

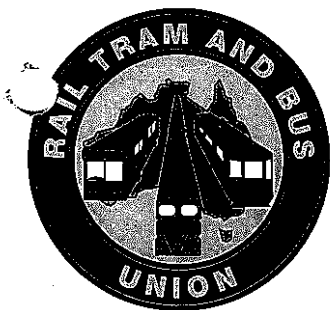
¹RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

²Only applicable where a concise report is provided to members

³Insert whichever is applicable



RAIL TRAM & BUS UNION

Australian Rail Tram & Bus Industry Union

West Australian Branch: 2/10 Nash Street PERTH 6000

Telephone: 08 9225 6722 Facsimile: 08 9225 6733 Pabx: 62434 & 62317

E-mail: general@rtbuwa.asn.au

20th July 2005

Australian Industrial Registry
Level 8, Terrace Towers
80 William Street
East Sydney NSW 2011

RE: Certificate of Secretary - s268 of Schedule 1B Workplace Relations Act 1996

I Robert John Christison being the Branch Secretary of the Australian Rail Tram and Bus Industry Union Western Australian Branch certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- that the full report was provided to members on 2nd May 2005; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 14th July 2005 in accordance with section 266 of the RAO Schedule.

Signature: *R. Christison*
Robert John Christison

Date: 20/7/2005



Australian Rail Tram & Bus Industry Union West Australian Branch

Financial Statements

For the year ended 31 December, 2004



Atkins Gardiner & Co

1st Floor, 624 Murray Street

Perth, Western Australia 6000

Phone: 9321 5690 Fax: 9324 1184

Email: admin@atkinsgardiner.com

Australian Rail Tram & Bus Industry Union West Australian Branch for the Year Ended 31 December 2004

Contents

Committees Report	3
Committee of Management Statement	4
Notice Information to be provided to members or Registrar	5
Statement of Financial Performance	6
Statement of Financial Position	7
Cash Flow Statement	8
Notes to the Financial Statements	9
Detailed Profit & Loss Statement	15
Auditors Report	17
Compilation Report	18

Australian Rail Tram & Bus Industry Union West Australian Branch
Committees Report
For the year ended 31 December, 2004

Your committee members submit the financial accounts of the Australian Rail Tram & Bus Industry Union West Australian Branch for the financial year ended 31 December, 2004.

Committee Members

The names of committee at the date of this report are:

Robert Christison	Terry Doust
Hywel Driver	Noel Coad
Phil Woodcock	John Miller
Barry Normington	David Wyatt
Richard Tolman	Ned Nedeljkovic
Jayson Manners	Guy Alderson
John Gillmore	

Principal Activities

The principal activities of the association during the financial year was as a transport union.

Significant Changes

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

Operating Result

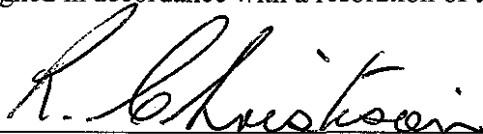
The profit from ordinary activities after providing for income tax amounted to

	Year ended 31 December, 2004	Year ended 31 December 2003
	\$	\$
	40,577	(23,238)
Number of Members at 31 December 2004	1,004	958
Number of Employees at 31 December 2004	3	3

Right of Members to Resign

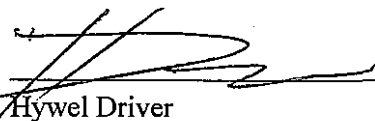
Members' attention is drawn to Part III – Membership- Rule 14 of the registered Rules of the Australian Rail, Tram and Bus Industry Union.

Signed in accordance with a resolution of the Members of the Committee on:



Robert Christison

14/15TH APRIL 2005.



Hywel Driver

14/15 April 2005

Australian Rail Tram & Bus Industry Union West Australian Branch
Committee Of Management Statement
For the year ended 31 December, 2004

On 14th and 15th of April 2005 the Committee of Management of the Australian Rail Tram & Bus Industry Union West Australian Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December, 2004.

The Committee of Management declares in relation to the GPFR 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 Industrial Registrar;
- (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 when they become due and payable;
- (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 organization 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 organization including the rules of the branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations.

Signed for the Committee of Management:

Title of Office Held:

BRANCH SECRETARY.

Signature :

A. Christman

Date:

15/4/2005 .

Australian Rail Tram & Bus Industry Union West Australian Branch
Information to be provided to members or Registrar
For the year ended 31 December, 2004

Page 5

NOTICE – Schedule 1b

272 Information to be provided to members or Registrar

- (1) A member of a reporting unit, or a Registrar, 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)

Australian Rail Tram & Bus Industry Union West Australian Branch
Statement of Financial Performance As At 31 December, 2004

	Note	2004 \$	2003 \$
Revenues from ordinary activities	2	439,514	381,770
Capitation fees expense		(40,197)	(32,168)
Depreciation and amortisation expenses		(24,592)	(27,388)
Operation lease expenses		(5,877)	(4,195)
Branch council meetings expenses		(14,574)	(13,503)
Other expenses from ordinary activities		<u>(313,697)</u>	<u>(327,753)</u>
Profit from ordinary activities before income tax		40,577	(23,238)
Income tax revenue relating to ordinary activities		<u>-</u>	<u>-</u>
Net profit attributable to members of the association		40,577	(23,238)
Total changes in equity of the association		40,577	(23,238)
Opening retained profits		<u>804,708</u>	<u>827,946</u>
Net profit attributable to members of the association		<u>40,577</u>	<u>(23,238)</u>
Closing retained profits		845,285	804,708

The accompanying notes form part of these financial statements.

Australian Rail Tram & Bus Industry Union West Australian Branch
Statement of Financial Position As At 31 December, 2004

	Note	2004 \$	2003 \$
Current Assets			
Cash assets	3	156,616	82,529
Receivables	4	7,029	14,743
Prepayments		7,232	-
Total Current Assets		170,877	97,272
Non-Current Assets			
Other financial assets	5	2	2
Property, plant and equipment	6	888,134	925,022
Total Non-Current Assets		888,136	925,024
Total Assets		1,059,013	1,022,297
Current Liabilities			
Payables		37,650	35,977
Provisions	7	38,072	36,713
Other	8	7,804	5,579
Total Current Liabilities		83,526	78,269
Non-Current Liabilities			
Provisions	7	130,203	139,320
Total Non-Current Liabilities		130,203	139,320
Total Liabilities		213,728	217,589
Net Assets		845,285	804,708
Equity			
Retained profits		845,285	804,708
Total Members' Funds		845,285	804,708

The accompanying notes form part of these financial statements.

Australian Rail Tram & Bus Industry Union West Australian Branch
Statement of Cash Flow
For the year ended 31 December, 2004

	Note	2004 \$	2003 \$
Cash Flow From Operating Activities			
Receipts from customers		452,828	395,854
Payments to suppliers and employees		(380,856)	(441,098)
Interest received		<u>2,115</u>	<u>2,917</u>
Net cash provided by (used in) operating activities	9	<u>74,087</u>	<u>(42,327)</u>
Net increase (decrease) in cash held		74,087	(42,327)
Cash at the beginning of the year		<u>82,529</u>	<u>124,857</u>
Cash at the end of the year	9	<u>156,616</u>	<u>82,529</u>

The accompanying notes form part of these financial statements.

Australian Rail Tram & Bus Industry Union West Australian Branch
Notes to the Financial Statements
For the year ended 31 December, 2004

NOTE 1: Statement of Significant Accounting Policies

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996.

The financial report covers *Australian Rail, Tram and Bus Industry Union, West Australian Branch* as an individual entity.

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

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

a. Income Tax

The association adopts the liability method of tax-effect accounting whereby the income tax expense shown in the Statements of Financial Performance is based on the profit from ordinary activities before income tax adjusted for any permanent differences.

b. Property, Plant and Equipment

Each class of property, plant and equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are depreciated using the diminishing value method commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Leasehold Improvements	2.5%-5%
Plant and equipment	20%-40%
Motor vehicles	22.5%

The carrying amount of fixed assets is reviewed annually by the Association to ensure it is not in excess of the recoverable amount of those assets.

The recoverable amount is assessed on the basis of expected net cash flows which 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 the recoverable amounts.

Australian Rail Tram & Bus Industry Union West Australian Branch
Notes to the Financial Statements
For the year ended 31 December, 2004

NOTE 1: Statement of Significant Accounting Policies

c. 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 the association, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

d. Investments

Non-current investments are measured on the cost basis.

The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for shares in listed companies. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

e. Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other 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.

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

f. Cash

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

g. Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

h. 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

The accompanying notes form part of these financial statements.

Australian Rail Tram & Bus Industry Union West Australian Branch
Notes to the Financial Statements
For the year ended 31 December, 2004

NOTE 1: Statement of Significant Accounting Policies

i. Adoption of Australian Equivalents to International Financial Reporting Standards

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the end of the current financial year.

The committee are assessing the significance of these changes and preparing for their implementation. A separate IFRS subcommittee has been established to oversee and manage the Association's transition to IFRS.

The committee are of the opinion that the key differences in the Association's accounting policies which will arise from the adoption of IFRS are:

Impairment of Assets

The entity currently determines the recoverable amount of an asset on the basis of undiscounted net cash flows that will be received from the assets use and subsequent disposal. In terms pending AASB 136: Impairment of Assets, the recoverable amount of an asset will be determined as the higher of fair value less costs to sell and value in use. It is likely that this change in accounting policy will lead to impairments being recognised more often than under the existing policy.

Australian Rail Tram & Bus Industry Union West Australian Branch
Notes to the Financial Statements
For the year ended 31 December, 2004

Note 2: Revenue**Operating Activities:**

Other sales revenue	316,058	257,278
Rents	95,545	103,347
Interest revenue	2,115	2,917
Other operating revenue:		
- Insurance recoveries	1,182	-
- Other income	11,145	1,161
- Reimbursed Expenditure	-	11,935
- Journey Cover Recoupment	21,184	17,777
	<u>447,228</u>	<u>394,415</u>

Note 3: Cash assets

Bank accounts:

- CBA Cheque Account	94,349	22,164
- CBA Cash Management Account	62,227	60,325
Other cash items:		
- Petty Cash On Hand	40	40
	<u>156,616</u>	<u>82,529</u>

Note 4: Receivables**Current**

Trade debtors	<u>7,029</u>	<u>14,743</u>
	<u>7,029</u>	<u>14,743</u>

Note 5: Other Financial Assets**Non-Current**

Shares in other companies - at cost

- Listed on a prescribed stock exchange	2	2
- Unlisted	-	-
- Less: Provision for diminution	-	-
	<u>2</u>	<u>2</u>

Note 6: Property, Plant and Equipment

Buildings:

- At cost	1,054,862	1,054,862
- Less: Accumulated depreciation	<u>(195,549)</u>	<u>(178,791)</u>
	859,313	876,071

Plant and equipment:

- At cost	56,294	158,259
- Less: Accumulated depreciation	<u>(45,121)</u>	<u>(131,636)</u>
	<u>11,173</u>	<u>26,623</u>

The accompanying notes form part of these financial statements.

Australian Rail Tram & Bus Industry Union West Australian Branch
Notes to the Financial Statements
For the year ended 31 December, 2004

Motor vehicles:

- At cost	66,000	66,000
- Less: Accumulated depreciation	<u>(48,352)</u>	<u>(43,672)</u>
	17,648	22,328
	<u>888,134</u>	<u>925,022</u>

Note 7: Provisions**Current**

Employee entitlements*	<u>38,072</u>	<u>36,713</u>
	<u>38,072</u>	<u>36,713</u>

Non Current

Employee entitlements*	<u>130,203</u>	<u>139,320</u>
	<u>130,203</u>	<u>139,320</u>

* Aggregate employee entitlements liability	<u>168,274</u>	<u>176,033</u>
---	----------------	----------------

There were 3 employees at the end of the year

Note 8: Other Liabilities**Current**

GST payable	<u>7,804</u>	<u>5,579</u>
	<u>7,804</u>	<u>5,579</u>

Note 9. Cash Flow Information**a) Reconciliation Of Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

CBA Cheque Account	94,349	22,164
CBA Cash Management Account	62,227	60,325
Petty Cash On Hand	<u>40</u>	<u>40</u>
	<u>156,616</u>	<u>82,529</u>

b) Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit

Operating profit (loss) after tax	40,577	(23,238)
Depreciation	24,592	27,387
(Profit) / Loss on sale of property, plant and equipment	12,296	-
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	7,714	4,356
(Increase) decrease in prepayments	(7,232)	-
Increase (decrease) in trade creditors and accruals	1,672	2,781
Increase (decrease) in other creditors	2,226	(837)
Increase (decrease) in employee entitlements	<u>(7,758)</u>	<u>(52,778)</u>
Net cash provided by operating activities	<u>74,087</u>	<u>(42,328)</u>

The accompanying notes form part of these financial statements.

Australian Rail Tram & Bus Industry Union West Australian Branch
Notes to the Financial Statements
For the year ended 31 December, 2004

Note 10: Capital and Leasing Commitments

Operating lease expenditure contracted for at balance date that is not cancellable and is not provided for in the accounts:

Payable:

No later than one year	6,046	4,195
Later than one year but not later than two years	<u>22,671</u>	<u>3,146</u>
	<u>28,717</u>	<u>7,341</u>

Note 11: Events Subsequent to Reporting Date

No subsequent events have occurred since the end of the financial year.

Note 12: Segment Reporting

The Association operates predominantly in one business and geographical segment, being in the transport sector providing support to Members of the Association in Western Australia.

Note 13: Contingent Liabilities

The Association is under obligation to pay each current member \$1,500 compensation in the event of death.

Summary of compensation benefits paid to members on an annual basis:

	2004	2003	2002	2001	2000
Number of Members	2	1	-	2	1
Total Payment \$	3,000	1,500	-	3,000	1,500

Maximum contingent liability based on total number of members at 31 December 2004 is \$1,506,000.

Australian Rail Tram & Bus Industry Union West Australian Branch
Detailed Profit & Loss Statement
For the year ended 31 December, 2004

	2004 \$	2003 \$
Income		
Union Dues - Rail Division	161,200	126,374
Union Dues - Locomotive Division	152,511	128,014
Union Dues - Bus Division	2,347	2,890
Insurance recoveries	1,182	-
Interest received	2,115	2,917
Other income	11,145	1,161
Profit on sale of assets	(12,296)	-
Reimbursed Expenditure	-	11,935
Journey Cover Recoupment	21,184	17,777
Rents received	95,545	103,347
Total income	434,932	394,415
Expenses		
Accountancy & Audit Fees	4,080	4,040
Australian Council of Trade Unions	3,128	2,044
Allowances Paid	-	500
Australian Labour Party	2,450	2,736
Bank fees and charges	2,933	2,799
Cleaning/rubbish removal	3,636	3,636
Computer Expenses	1,359	1,801
Death Benefits	3,000	2,300
Depreciation - plant	24,592	-
Education Expenses	785	320
Electricity	3,294	3,349
Fringe benefits tax	6,350	8,674
Insurance	17,873	31,864
Legal & Industrial Expenses	5,443	3,659
Branch Expenses	17,144	15,752
Motor Vehicle Expenses	9,954	7,899
Petty Cash	808	795
Postage	2,054	1,508
Printing Stationery & Postage	8,042	6,111
ARTBIU National Office	47,851	33,301
Rates Taxes & Levies	15,477	8,022
Repairs & maintenance	7,864	9,767
Salaries - Officers	70,033	196,758
Salaries - Appointed Staff	90,655	40,848
Security	797	526
Staff amenities	303	355
Subscriptions	1,988	2,067

Australian Rail Tram & Bus Industry Union West Australian Branch
Detailed Profit & Loss Statement
For the year ended 31 December, 2004

	2004	2003
	\$	\$
Sundry expenses	3,048	2,737
Superannuation	23,012	26,611
Telephone Facsimile & Modem	12,541	11,729
Trades & Labour Council	3,496	3,397
Current Years Debtors Raised	(7,029)	(14,743)
Reverse Previous Creditors	(35,977)	(33,196)
Decrease Death Benefits Prov'n	(15,600)	(800)
Increase Employee Entitlements	7,842	(51,978)
Current Year Creditors Raised	36,389	35,977
Reverse Previous Debtors	14,743	19,099
Depreciation	-	27,388
Total expenses	<u>394,355</u>	<u>417,653</u>
Profit from ordinary activities before income tax	<u>40,577</u>	<u>(23,238)</u>
Income tax revenue relating to ordinary activities	-	-
Net profit attributable to the association	<u>40,577</u>	<u>(23,238)</u>
Total changes in equity of the association	40,577	(23,238)
Opening retained profits	804,708	827,946
Net profit attributable to the association	<u>40,577</u>	<u>(23,238)</u>
Closing retained profits	<u>845,285</u>	<u>804,708</u>



GRAHAM D. ANDERSON
& Co

CHARTERED ACCOUNTANTS MANAGEMENT CONSULTANTS

1st Floor 1174 Hay Street Telephone: (08) 9322 7200
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PO Box 389 Mobile: 0417 934 535
West Perth WA 6872 email: graham@grahamanderson.com.au
ABN 93 479 551 720 Graham Anderson B. Bus CA

**Independent Audit Report to the members of the
Australian Rail Tram & Bus Industry Union West Australian Branch**

Scope

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the statement by members of the committee for Australian Rail Tram & Bus Industry Union (the association), for the year ended 31 December 2004.

The committee of the association is responsible for the preparation and true and fair presentation of the financial report in accordance with the Associations Incorporations Act. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

The audit opinion expressed in this report has been formed on the above basis.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the association. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Associations Incorporation Act, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the association's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- a) examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- b) assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Audit Opinion

In our opinion, the financial report of Australian Rail Tram & Bus Industry Union presents a true and fair view in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of Australian Rail Tram & Bus Industry Union as at 31 December 2004 and the results of its operations and its cash flows for the year then ended.

Dated this 15th day of APRIL 2005.

Graham D. Anderson & Co

GRAHAM D. ANDERSON & Co
Chartered Accountants


GRAHAM DOUGLAS ANDERSON
Registered Company Auditor

**AUSTRALIAN RAIL TRAM & INDUSTRY UNION WEST AUSTRALIAN BRANCH
COMPILATION REPORT
TO THE MEMBERS OF AUSTRALIAN RAIL TRAM & INDUSTRY UNION WEST AUSTRALIAN BRANCH**

Scope

On the basis of information provided by the Committee of Australian Rail Tram & Industry Union WA, we have compiled in accordance with APS 9 "Statement of Compilation of Financial Reports" the special purpose financial report of Australian Rail Tram & Industry Union WA for the year ended 31 December 2004 as set out on pages 15 to 16.

The specific purpose for which the special purpose financial report has been prepared is to provide private information to the members. The extent to which Accounting Standards and UIG Consensus Views have or have not been adopted in the preparation of the special purpose financial report.

The Committee is solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent and are appropriate to satisfy requirements of the committee.

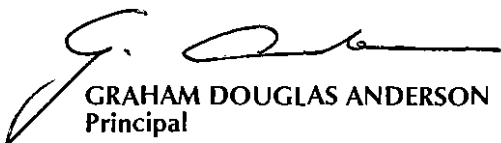
Our procedures use accounting expertise to collect, classify and summarise the financial information, which the committee provided, into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Association, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the association and its members and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

GRAHAM D. ANDERSON & Co
Chartered Accountants

GRAHAM D. ANDERSON & CO


GRAHAM DOUGLAS ANDERSON
Principal



Australian Government
Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990
Email: sydney@air.gov.au

Mr R Christison
Branch Secretary
ARTBIU
West Australian Branch
2/10 Nash St
PERTH WA 6000

Dear Mr Christison

Financial Return - year ending 31 December 2004 (FR2004/731)

I refer to the documents lodged in the Registry on 22 July 2005.

Before the documents can be filed, could you please comment on the following:

Audit Report

Opinion

The auditor appears to have expressed his opinion on the financial report by reference to the "Associations Incorporation Act". Section 257(5) of the RAO Schedule¹ requires an auditor to state whether the general purpose financial report (GPFR) is expressed fairly in accordance with the Australian Accounting Standards and the requirements of Part 3 of Chapter 8 of the RAO Schedule of the Workplace Relations Act 1996.

As the opinion does not address relevant matters, the Branch should now arrange for the auditor to express an opinion by reference to the RAO Schedule provisions and lodge a copy in the Registry.

Compilation Report

The "compilation report" on page 18 is stated to be a "special purpose financial report" prepared for the private information of the Branch and its members. It describes the information on pages 15 and 16 as comprising that report.

Section 253(1) requires the Branch to prepare a GPFR. Under s253(2)(b)(ii), the GPFR must include "information required by the reporting guidelines" (the Guidelines). Paragraphs 10 and 11 of the relevant Guidelines provide that balances for specified items of revenue and expense "be disclosed... in the notes to the financial statements unless already disclosed on the face of the profit and loss statement".

The "specified items" include²:

- fees and subscriptions in respect to affiliations (11(d))
- legal costs and expenses (11(k))

Although details of these items are disclosed in the "compilation report", it would appear they should be disclosed as part of the GPFR under the legislation and subject to audit under s257(5).

Your comments are invited on these matters.

¹ The Registration and Accountability of Organisations Schedule (Schedule 1B to the *Workplace Relations Act 1996*) (the RAO Schedule)

² References are to paragraphs of the Guidelines.

Committee of Management Statement

The Statement of 15 April 2005 does not address the matters referred to in paragraph 15(e)(iv) of the Guidelines – that is whether the financial records of the Branch “have been kept, as far as practicable, in a consistent manner to each of the other reporting units” of the ARTBIU. As you know, the ARTBIU consists of a number of “reporting units” including its branches and national office.

There is also no reference to paragraphs 15(e)(v) or (vi) in the Statement. The Committee is required to express its opinion on each of the matters listed in paragraph 17 in its Statement.

Please note this when preparing next year’s documents.

Operating Report

Title

It is preferable the operating report be clearly identified as such by heading the document “operating report”.

Contents

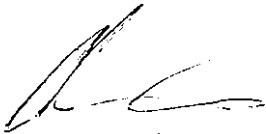
The list of committee members is stated at “the date of this report”. Please note that the operating report must provide the name of each member of the committee during the reporting period – that is during the Branch’s financial year- and the period he or she held that position.

Number of employees – this should be stated “on a full-time equivalent basis”.

I have forwarded a copy of this letter to the Branch auditor for his information.

If you or the auditor have any questions, please contact me on (02) 8374 6666.

Yours sincerely,



Peter McKerrow
for Deputy Industrial

1 August 2005

c.c. Atkins Gardiner & Co



GRAHAM D. ANDERSON
& Co

CHARTERED ACCOUNTANTS MANAGEMENT CONSULTANTS

1st Floor 1174 Hay Street Telephone: (08) 9322 7200
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West Perth WA 6872 email: graham@grahamanderson.com.
ABN 93 479 551 720 Graham Anderson B. Bus CA

**Independent Audit Report to the members of the
Australian Rail Tram & Bus Industry Union West Australian Branch**

Scope

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, the statement by members of the committee, and the detailed profit and loss statement for Australian Rail Tram & Bus Industry Union (the association), for the year ended 31 December 2004.

The committee of the association is responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

The audit opinion expressed in this report has been formed on the above basis.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the association. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the association's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- a) examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- b) assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.



GRAHAM D. ANDERSON
& Co

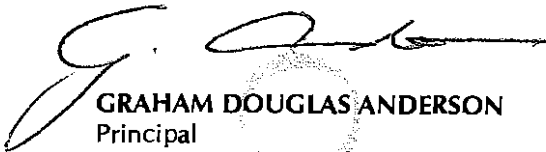
Audit Opinion

In our opinion, the financial report of Australian Rail Tram & Bus Industry Union is in accordance with:

- (a) the Workplace Relations Act 1996, including:
 - (i) giving a true and fair view of the association's financial position as at 31 December 2004 and its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of Schedule 1B of the Act; and
- (b) Other mandatory professional reporting requirements in Australia

GRAHAM D ANDERSON AND CO
Chartered Accountants

Graham D. Anderson & Co


GRAHAM DOUGLAS ANDERSON
Principal

Dated this 11th day of August 2005.





Australian Government

Australian Industrial Registry

Level 8, Terrace Towers
80 William Street, East Sydney, NSW 2011
Telephone: (02) 8374 6666
Fax: (02) 9380 6990
Email: sydney@air.gov.au

Mr R Christison
Branch Secretary
ARTBIU
West Australian Branch
2/10 Nash St
PERTH WA 6000

Dear Mr Christison

Financial Return - year ending 31 December 2004 (FR2004/731)

I refer to my letter of 1 August 2005 and my invitation for the Branch to comment on the "compilation report/detailed profit and loss statement" included with the Branch financial report.

I have now received a copy of the Branch auditor's amended audit report in which the auditor confirms this report/statement is part of the Branch general purpose financial report and expresses an opinion on the GPFR.

The documents have now been filed.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Peter McKerrow', with a long horizontal flourish extending to the right.

Peter McKerrow
for Deputy Industrial

23 August 2005