

svc-adlib5

From: ROC - Registered Org Commission
Sent: Wednesday, 22 November 2017 2:02 PM
To: 'Phil Woodcock'
Cc: 'Simon Fermanis'
Subject: ARTBIU-WA FR2016/426 lodgment [SEC=UNCLASSIFIED]
Attachments: ARTBIU_WA Branch_FR2016_426_Filing letter_22112017.pdf

UNCLASSIFIED

Dear Mr Woodcock

Please see attached my letter in relation to the above financial report. I have also copied this email to Mr Fermanis of PKF Mack.

Yours faithfully

DAVID VALE
Principal Adviser
Financial Reporting
Registered Organisations Commission

Tel: (02) 8293 4654
david.vale@roc.gov.au

GPO Box 2983, MELBOURNE VIC 3001 | Street address: Level 13, 175 Liverpool Street Sydney NSW 2000

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Australian Government
Registered Organisations Commission

Please consider the environment before printing this message

From: Phil Woodcock [<mailto:PhilW@rtbuwa.asn.au>]
Sent: Monday, 31 July 2017 5:47 PM
To: ROC - Registered Org Commission <regorgs@roc.gov.au>
Subject: FR2016/426 lodgment
Importance: High

Hi,
Please see the attachments for lodgement with the Commission, and thank you for your assistance, regards,

Philip Woodcock
Branch Secretary

RAIL TRAM & BUS UNION WA BRANCH

2/10 Nash Street PERTH WA 6000

(08) 9225 6722 , FAX(08) 9225 6733



RTBU

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22 November 2017

Mr Philip Woodcock
Branch Secretary
West Australian Branch
Australian Rail, Tram and Bus Industry Union
2/10 Nash Street
Perth WA 6000
PhilW@rtbuwa.asn.au

CC: sfermanis@pkfmack.com.au

Dear Mr Woodcock,

Australian Rail, Tram and Bus Industry Union–West Australian Branch
Financial Report for the year ended 31 December 2016 - [FR2016/426]

I acknowledge receipt of the financial report of the Australian Rail, Tram and Bus Industry Union–West Australian Branch (the reporting unit). The documents were lodged with the Registered Organisations Commission (the ROC) on 31 July 2017.

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 2017 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 ROC will confirm these concerns have been addressed prior to filing next year's report.

Reports must be provided to members at least 21 days before General Meeting

Under subsection 265(1)(a) of the RO Act a reporting unit must provide free of charge to its members a full report. A full report consists of:

- (i) a copy of the report of the auditor (i) in relation to the inspection and audit of the financial records of the reporting unit in relation to a financial year; and
- (ii) a copy of the general purpose financial report to which the report relates; and
- (iii) a copy of the operating report to which the report relates.

Subsection 253(2) states that the general purpose financial report must consist of:

- (a) financial statement containing
 - (i) a profit and loss statement, or other operating statement; and
 - (ii) a balance sheet; and
 - (iii) a statement of cash flows; and
 - (iv) any other statements required by the Australian Accounting Standards; and

- (b) notes to the financial statements containing:
 - (i) notes required by the Australian Accounting Standards; and
 - (ii) information required by the reporting guidelines (see section 255); and
- (c) any other reports or statements required by the reporting guidelines (see section 255) (including a Committee of Management Statement).

Under subsection 265(5)(a) of the RO Act, where the full report is presented to a General Meeting of Members, the full report must be provided to members within 21 days before that meeting. The Designated Officer's Certificate states that the full report was provided to members on 29 June 2017, and presented to a General Meeting of members on 21 July 2017.

Although the date the report was provided to members is within 21 days of the general meeting of members, the Committee of Management Statement, Operating Report and Auditor's Report were not signed until the 21 July 2017 which is after the date the report was provided to members. As identified above, these statements/reports are required documents of a full report. It would therefore appear that members have not been provided with a copy of the full report.

Please note that subsections 265(1) and 265(5) are both civil penalty provisions.

Auditor's report: emphasis of matter regarding going concern

I note that the Auditor's Report emphasises that the reporting unit made a loss of \$151,172 and that there is an '*existence of uncertainty in relation to the ability of the entity to continue as a going concern and realise its assets and discharge its liabilities in the normal course of business*'.

I remind the officers of the reporting unit of their duties under sections 285 and 287 of the RO Act in relation to the financial management of the reporting unit. These sections require officers to exercise their powers and discharge their duties with care and diligence, in the best interest of the organisation and not to cause detriment to the organisation (these are civil penalty provisions). It is incumbent on the officers of the reporting unit to take appropriate steps to address the net operating loss and ensure its ongoing solvency.

Notes to the Cash Flow Statement

Reporting Guideline 24 states:

Where another reporting unit and/or controlled entity of the organisation is the source of a cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit and/or controlled entity concerned.

This is in addition to the requirement to disclose capitation fees to/from another reporting unit (Reporting Guideline 14(b) and 16(b)) and receipt of, or provision of, any other financial support from another reporting unit (Reporting Guideline 10, 11 and 14(e)).

Although note 13 *Cash flow reconciliation* within your financial statement provides a total figure for cash inflows and cash outflows, it does not disclose the name of the reporting unit concerned. I acknowledge the additional information you provided on 15 November 2017 which clarified the difference in the interpretation of this requirement by the reporting unit and the assurance to remedy this in future financial reports.

Reporting Requirements

New Reporting Guidelines will apply to organisations and branches with financial years commencing on or after 1 July 2017. Updates and information on the new guidelines will be provided through the ROC website and the [subscription service](#).

On the ROC website is a number of factsheets in relation to the financial reporting process and associated timelines. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The ROC 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](#).

If you have any queries regarding this letter, please contact me on (02) 8293 4654 or via email at david.vale@roc.gov.au.

Yours faithfully

A handwritten signature in blue ink, appearing to read "David Vale", is enclosed in a thin blue rectangular border.

David Vale
Registered Organisations Commission

svc-adlib5

From: Phil Woodcock <PhilW@rtbuwa.asn.au>
Sent: Monday, 31 July 2017 5:47 PM
To: ROC - Registered Org Commission
Subject: Lodgement of financial report.
Attachments: 2033_001.pdf

Importance: High

Hi,
Please see the attachments for lodgement with the Commission, and thank you for your assistance, regards,

Philip Woodcock
Branch Secretary
RAIL TRAM & BUS UNION WA BRANCH
2/10 Nash Street PERTH WA 6000
(08) 9225 6722 , FAX(08) 9225 6733



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Australian Government
Registered Organisations Commission

27 June 2017

Mr Philip Woodcock
Branch Secretary
Australian Rail, Tram and Bus Industry Union, West Australian Branch
Unit 2/10 Nash Street
PERTH WA 6000
By email: philw@rtbuwa.asn.au

Dear Mr Woodcock

Request by the Australian Rail, Tram and Bus Industry Union of Employees West Australian Branch for extension of time to hold a general meeting to consider the financial report for the year ended 31 December 2016 (FR2016/426)

I acknowledge receipt on 26 June 2017 of a request for an extension of time until 31 July 2017 to hold a general meeting of members of the Australian Rail, Tram and Bus Industry Union West Australia Branch (**the reporting unit**) to consider the financial report for the year ended 31 December 2016.

Your emails advised that the reason for the request is that due to a delay in the finalisation of the financial report, the reporting unit to date have been unable to provide members with a copy of the full report along with other internal administrative issues which have disrupted the reporting unit's financial reporting processes. You indicate that the reporting unit expects to receive from its auditor the financial statements including the auditor's statement on 28 June 2017. Your email also advised that the reporting unit would then provide members with a copy of the full report on 29 June 2017.

Where the financial report is to be presented to a general meeting of members, section 266 of the *Fair Work (Registered Organisations) Act 2009 (the Act)* requires that the meeting be held within the period of 6 months starting at the end of the financial year, that is by 30 June 2017. Subsection 265(5) of the Act enables the Commission, upon application by a reporting unit, to extend the period by no more than one month.

Having considered your reasons, I allow an extension of time for a period of one month, until 31 July 2017, to hold a general meeting of members to consider the full report.

Yours sincerely

Chris Enright
Executive Director
Registered Organisations Commission



RTBU

28 June 2017

**Notification of 2016 Annual Financial Report
And
General Meeting to be held on 21st July 2017**

Dear Members,

I write to you to advise that the RTBU WA Branch has today placed a copy of the Annual Financial Report for the year ending 2016 on the RTBU WA website link here; <http://www.rtbuwa.asn.au/>. And proceed to reports tab.

Members can either access the report to view via the website or download a copy to read at their leisure if they wish or they can be provided with a hard copy by attending the Union's Nash Street office in person with their current membership card.

The RTBU WA Branch is required under section 266 of the Registered Organisations Act, to hold a general meeting of all members at least 21 days after providing members with access to the Report.

The RTBU will call a general meeting for all WA Branch members to be held at 10 Nash Street, Perth on Thursday 21st July 2017 at 9.00 am. For those members with a SKYPE Account you may connect with the meeting on the Union skype account AT: RTBUWA

If members wish to ask questions of the report they may do so at that meeting or prior by contacting the WA Branch Secretary, via email, general@rtbuwa.asn.au, Fax 92256722 or phone on 92256722. You may also provide any questions to your local Branch council member if you have one who can forward the questions on your behalf.

In Unity,

Philip Woodcock, Secretary WA branch

BRANCH SECRETARY'S REPORTS

Audited Financial Statements

The Branch Secretary provided a copy of the extension letter granted to the Branch from the Executive Director of the Registered Organisations Commission and explained the circumstances around why the request was made.

Motion 2/2017

Moved: Visentin Seconded: Manners.

Branch council supports the decision of the Secretary to request an extension of time in presenting the financial report of the Branch and notes with thanks the extension being given by the Executive director of the Registered Organisations Commission due to the unusual circumstances around the Audited report for 2016 provided to Branch members.

Carried.

The Secretary advised the Branch council that following a General meeting of members today and there be no follow up business required of the auditors and members passing the resolution he now presents the resolution as per the Auditors report for financial year 2016 for approval by Branch council;

Motion: 3/2017,

Moved : Visentin Seconded: McKinley.

Branch Council adopts the financial report in line with the resolution of the Auditors report for year 1st January 2016 to 31st December 2016 and authorises the Branch Secretary lodge the report with the Registered Organisations Commission as required.

Carried:

**Australian Rail, Tram and Bus Industry Union
West Australian Branch**

Financial Report

For the year ended 31 December 2016

Australian Rail, Tram and Bus Industry Union

West Australian Branch

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Basis for Opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the branch committee of management of the Reporting unit.

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

Auditor's Declaration

- (1) In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.
- (2) I, Simon Fermanis declare I am an approved auditor, member of CPA Australia and the Institute of Chartered Accountants in Australia and I hold a current Public Practice Certificate.

Emphasis of Matter

We draw attention to note 1(w) in the financial report which highlights that the Reporting unit incurred a trading loss of \$151,172 (2015:\$99,790) during the year and a decrease in net assets to \$96,204 (2015: net assets \$247,376) as at 31 December 2016. These conditions, along with mitigating factors indicate the existence of uncertainty in relation to the ability of the entity to continue as a going concern and realise its assets and discharge its liabilities in the normal course of business.

Responsibilities of the Branch Committee for the Financial Report

The committee of management of the Reporting unit are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the committee determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the committee are responsible for assessing the Reporting unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intend to liquidate the Reporting unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

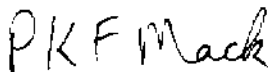
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that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

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

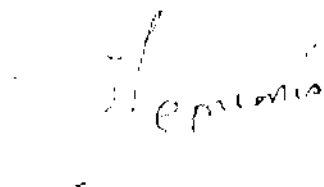
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a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

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

We also provide the committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



PKF MACK



SIMON FERMANIS
PARTNER

21 JULY 2017
WEST PERTH,
WESTERN AUSTRALIA

**Australian Rail, Tram and Bus Industry Union
West Australian Branch**

**Certificate by Prescribed Designated Officer
For the year ended 31 December 2016**

I, Philip Woodcock, being the officer responsible of the Australian Rail, Tram and Bus Industry Union West Australian Branch, certify:

- That the documents lodged herewith are copies of the full report for the Australian Rail, Tram and Bus Industry Union West Australian Branch for the period ended 31 December 2016 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- That the full report was provided to members of the reporting unit on 29th June 2017; and
- That the full report was presented to a General meeting of members of the reporting unit on 21st July 2017 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer



.....

Name of prescribed designated officer

...Philip Woodcock.....

Title of prescribed designated officer

...Branch Secretary.....

Date

...21st July 2017

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Operating Report

For the year ended 31 December 2016

The committee presents its report on the reporting unit for the financial year ended 31 December 2016.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The principal activity of the Australian Rail, Tram and Bus Industry Union during the financial year was as a transport union. There were no significant changes in the Reporting unit's activity during the financial year.

Significant changes in financial affairs

There were no significant changes in the nature of the Reporting unit's principal activity during the financial year.

Right of members to resign

All members of the Reporting unit have the right to resign from the Union in accordance with Rule 14 of the Union Rules (and Section 174 of the Fair Work (Registered Organisations) Act 2009); namely by providing notice addressed and delivered to the Secretary of the Branch, including via email.

Officers & employees who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee

To the best of our knowledge and belief, no officer of the Reporting unit, by virtue of their office of the Australian Rail, Tram and Bus Industry Union – West Australian Branch is:

- a. A trustee of a superannuation entity or exempt public sector superannuation scheme; or
- b. A director of a company that is the trustee of a superannuation entity or an exempt public sector superannuation scheme; and
- c. Where a criterion for the officer being the trustee or director is that the office is an officer of a registered organisation.

Number of members

Number of members on the register of members on 31 December 2016 was 753 (2015: 812).

Number of employees

As at 31 December 2016, the Reporting unit employed one full time Elected Official, three full time employees and one casual employee.

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Operating Report (continued)

For the year ended 31 December 2016

Names of Committee of Management members and period positions held during the financial year

The names of each person who has been a member of the committee of management of the Reporting unit at any time during the reporting period, and the period for which he or she held such a position is as follows:

Name	Title of Officer	Period of Appointment
Glen McKinley	Branch President	01/01/16 to 30/11/16
Craig McKinley	Branch Vice President	01/01/16 to 31/12/16
Philip Woodcock	Branch Secretary	01/01/16 to 31/12/16
Walter Rowe	Goldfields North Sub Branch Secretary	01/01/16 to 31/12/16
Richard Tolman	Goldfields North Sub Branch Secretary	01/01/16 to 31/10/16
Jayson Manners	Metro Sub Branch Secretary	01/01/16 to 31/12/16
Peter Visentin	Metropolitan Sub Branch Secretary (Interstate)	01/01/16 to 31/12/16
Shane Simpson	Midwest Sub Branch Committee Member	01/02/16 to 31/12/16
Cade Pollock	Southwest Sub Branch Committee Member	01/03/16 to 31/12/16
Craig Svendsen	Wheatbelt Sub Branch Secretary	01/01/16 to 31/12/16
Vacant	John Holland Sub Branch Secretary	01/01/16 to 31/12/16

Signature of designated officer: 

Name and title of designated officer: Philip Woodcock, Branch Secretary

Dated: 21st July 2017

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Committee of Management Statement

For the year ended 31 December 2016

On the 21st July 2017 at a general meeting of members of the Australian Rail, Tram and Bus Industry Union - West Australian Branch passed the following resolution in relation to the general purpose financial report for the year ended 31 December 2016:

The Reporting unit declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards and International Financial Reporting Standards (IFRS);
- (b) the financial statements and notes comply with the reporting guidelines of the Commissioner;
- (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 General Purpose Financial Report 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 Fair Work (Registered Organisations) Act 2009; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or the Commissioner duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the Fair Work (Registered Organisations) Act 2009, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

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

Signature of designated officer: 

Name and title of designated officer: Philip Woodcock Branch Secretary

Dated: 21st July 2017

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2016

	Notes	2016 \$	2015 \$
Revenue			
Membership subscription		422,936	359,091
Capitation fees		-	-
Levies		17,210	16,975
Interest		1,239	2,720
Rental revenue		-	118,193
Other revenue	2	74,864	133,167
Total revenue		616,249	630,146
Other Income			
Grants and donations		-	-
Share of net profit from associate		-	-
Net gains from sale of assets		-	-
Net gain on fair value movement on financial assets held for trading		-	-
Net result from investment properties		44,903	-
Total other income		44,903	-
Total revenue and other income		661,152	632,669
Expenses			
Employee expenses	3	(502,568)	(458,306)
Capitation fees	3	(61,326)	(51,955)
Affiliation fees	3	(13,072)	(9,313)
Administration expenses	3	(147,227)	(114,839)
Grants or donations	3	-	(1,000)
Depreciation and amortisation	3	(8,742)	(10,906)
Finance costs		-	-
Legal costs	3	(21,580)	(2,068)
Audit and accounting fees		(9,010)	(20,525)
Share of net loss from associate		-	-
Write-down and impairment of assets		-	-
Net losses from sale of assets		-	-
Net loss on fair value movement on financial assets held for trading		-	(359)
Other expenses	3	(48,799)	(60,665)
Total expenses		(812,799)	729,936
Loss for the year		(151,172)	(99,790)
Other comprehensive income		-	-
Total comprehensive loss for the year		(151,172)	(99,790)

The above statement should be read in conjunction with the notes.

**Australian Rail, Tram and Bus Industry Union
West Australian Branch**

Statement of Financial Position

As at 31 December 2016

	Notes	2016 \$	2015 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	101,573	315,878
Trade and other receivables	5	306,640	254,612
Other current assets	6	12,903	30,526
Other investments	7	5,180	5,180
Total current assets		<u>426,296</u>	<u>606,196</u>
Non-Current Assets			
Plant and equipment	8	38,068	46,810
Total non-Current assets		<u>38,068</u>	<u>46,810</u>
Total assets		<u>464,364</u>	<u>653,006</u>
LIABILITIES			
Current Liabilities			
Trade payables and accruals	9	146,070	183,247
Other payables	10	44,064	46,065
Employee entitlements	11	178,026	176,318
Total current liabilities		<u>368,160</u>	<u>405,630</u>
Non-Current Liabilities			
Employee entitlements		-	-
Other non-current liabilities		-	-
Total non-current liabilities		<u>-</u>	<u>-</u>
Total liabilities		<u>368,160</u>	<u>405,630</u>
Net assets		<u>96,204</u>	<u>247,376</u>
EQUITY			
General funds	12	-	-
Retained earnings		96,204	247,376
Total equity		<u>96,204</u>	<u>247,376</u>

The above statement should be read in conjunction with the notes.

**Australian Rail, Tram and Bus Industry Union
West Australian Branch**

Statement of Changes in Equity
For the year ended 31 December 2016

	Retained earnings	Total equity
	\$	\$
Balance as at 1 January 2015	347,166	347,166
Profit/(loss) for the year	(99,790)	(99,790)
Other comprehensive income for the year	-	-
Closing balance as at 31 December 2015	<hr/> 247,376	<hr/> 247,376
Profit/(loss) for the year	(151,172)	(151,172)
Other comprehensive income for the year	-	-
Closing balance as at 31 December 2016	<hr/> 96,204	<hr/> 96,204

The above statement should be read in conjunction with the notes.

Australian Rail, Tram and Bus Industry Union
West Australian Branch

Statement of Cash Flows

For the year ended 31 December 2016

	Notes	2016 \$	2015 \$
OPERATING ACTIVITIES			
Cash received			
Members		422,936	395,508
Interest		1,239	2,720
Other		192,074	508,375
Receipts from other controlled entities/reporting units		-	-
Cash used			
Employees		(500,860)	(434,727)
Suppliers		(375,576)	(557,503)
Payments to other controlled entities		-	-
Net cash from (used by) operating activities	13	<u>(260,187)</u>	<u>(85,627)</u>
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		-	-
Proceeds from sale of land and buildings		-	-
Other		-	-
Cash used			
Purchase of plant and equipment		-	(1,412)
Purchase of land and buildings		-	-
Repayment of rental bond		-	-
Net cash from (used by) investing activities		<u>(1,412)</u>	<u>(1,412)</u>
FINANCING ACTIVITIES			
Cash received			
Contributed equity		-	-
Other reporting unities		97,910	-
Cash used			
Repayment of borrowings		-	-
Other reporting unities		(52,028)	-
Net cash from (used by) financing activities		<u>45,882</u>	<u>-</u>
Net increase (decrease) in cash held		(214,305)	(87,039)
Cash & cash equivalents at the beginning of the financial year		315,878	402,917
Cash & cash equivalents at the end of the financial year	4	<u>101,573</u>	<u>315,878</u>

The above statement should be read in conjunction with the notes.

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Recovery of Wages Activity

For the year ended 31 December 2016

	2016	2015
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash assets in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
Fund or account operated for recovery of wages	-	-

**Australian Rail, Tram and Bus Industry Union
West Australian Branch**

Notes to the Financial Statements

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Notes to the Financial Statements

For the year ended 31 December 2016

Note 1 Summary of significant accounting policies

Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Reporting unit is a not-for-profit entity. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB'). The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. No allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

a) Comparative amounts

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

b) Significant accounting judgements and estimates

The following accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Employee entitlements

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Estimation of useful lives of assets

The Reporting unit determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Death benefit provision

The death benefit provision is calculated using a three year average of known claims present valued over a number of years and discounted at 10%.

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

Note 1 Summary of significant accounting policies (continued)

c) New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year.

Future Australian Accounting Standards Requirements

The following Australian Accounting Standards have been issued early but are not yet effective. The following have not been adopted in preparation of the financial statements at the reporting date but will be adopted at application date. The impact of the adoption has not yet been determined.

AASB No.	Title	Application date of standard *	Issue date
AASB 9	Financial Instruments	1 January 2018	December
AASB 2010-7	Amendments arising from Accounting Standards arising from AASB 9 (December 2010)	1 January 2018	September 2012
AASB 2014-1	Amendments to Australian Accounting Standards Part E - Financial Instruments	Part E - 1 January 2018	June 2014
AASB 2014-5	Amendments to Australian Accounting Standard Arising From AASB 15	1 January 2018	December 2014
AASB 2014-7	Amendments to Australian Accounting Standard Arising From AASB 9 (December 2014)	1 January 2018	December 2014
AASB 2015-6	Amendments to Australian Accounting Standards – Extending Related Party Disclosures to NFP Public Sector Entities	1 July 2016	March 2015
AASB 2015-7	Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities	1 July 2016	July 2015
AASB 2015-8	Amendments to Australian Accounting Standards – Effective Date of AASB 15	1 January 2018	October 2015
AASB 2016-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	1 January 2017	March 2016
AASB 2016-3	Amendments to Australian Accounting Standards – Clarifications to AASB 15	1 January 2018	May 2016

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

Note 1 Summary of significant accounting policies (continued)

AASB No.	Title	Application date of standard *	Issue date
AASB 2016-4	Amendments to Australian Accounting Standards – Recoverable Amount of a Non-Cash Generating Specialised Assets of Not-for-	1 January 2017	June 2016
AASB 2016-5	Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions [AASB 2]	1 January 2018	July 2016
AASB 2016-6	Amendments to Australian Accounting Standards – Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts [AASB 4]	1 January 2018	October 2016
AASB 2016-7	Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities	1 January 2017	December 2016
AASB 2016-8	Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities	1 January 2019	December 2019
AASB 15	Revenues from Contracts with Customers	1 January 2018	October 2015
AASB 16	Leases	1 January 2019	February 2016
AASB 1056	Superannuation Entities	1 July 2016	June 2014
AASB 1058	Income of Not-for-Profit Entities [Appendix D]	1 January 2019	December 2016

d) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method. Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Notes to the Financial Statements

For the year ended 31 December 2016

Note 1 Summary of significant accounting policies (continued)

e) Government grants

Government grants are not recognised until there is reasonable assurance that the Reporting unit will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Reporting unit recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Reporting unit should purchase, construct otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Reporting unit with no future related costs are recognised in profit or loss in the period in which they become receivable.

f) Gains and losses

Sale of assets

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

g) Capitation fees and levies

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

h) Employee benefits

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

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

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

Notes to the Financial Statements

For the year ended 31 December 2016

Note 1 Summary of significant accounting policies (continued)

It is the Reporting unit's policy to pay pro-rata long service leave to staff who resign irrespective of their period of employment.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

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

i) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other lease are classified as operating leases.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a straight line basis which is representative of the pattern of benefits derived from the leased assets.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

j) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

k) Cash and cash equivalents

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

Notes to the Financial Statements

For the year ended 31 December 2016

Note 1 Summary of significant accounting policies (continued)

l) Trade and other receivables

Other receivables are recognised at amortisation cost, less any provision for impairment. The amounts are usually due for settlement no more than 30 days after recognition. Collectability of debtors is reviewed on an ongoing basis. Debts, which are known to be uncollectable, are written off.

m) Financial instruments

Financial assets and financial liabilities are recognised when the Reporting unit becomes a party to the contractual provisions of the instrument.

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

n) Financial assets

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

Fair value through profit or loss

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

A financial asset is classified as held for trading if:

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

Notes to the Financial Statements

For the year ended 31 December 2016

Note 1 Summary of significant accounting policies (continued)

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

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

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

Held-to-maturity investments

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

Available-for-sale

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Notes to the Financial Statements

For the year ended 31 December 2016

Note 1 Summary of significant accounting policies (continued)

Loan and receivables

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

Effective interest method

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

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

Impairment of financial assets

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

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

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

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

Notes to the Financial Statements

For the year ended 31 December 2016

Note 1 Summary of significant accounting policies (continued)

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

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

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

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

Derecognition of financial assets

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

o) Contingent liabilities and contingent assets

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

Notes to the Financial Statements

For the year ended 31 December 2016

Note 1 Summary of significant accounting policies (continued)

p) Land, buildings, plant and equipment

Asset recognition threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the profit/loss. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

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

Depreciation rates applying to each class of depreciable asset are based on the following rates:

	2016	2015
Buildings	8.88%	8.88%
Plant and equipment	5-40%	5-40%

Derecognition

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

q) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its costs, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in fair value of investment properties are included in profit or loss in the period in which they arise.

Notes to the Financial Statements

For the year ended 31 December 2016

Note 1 Summary of significant accounting policies (continued)

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

r) Impairment for non-financial assets

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

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

s) Taxation

The Reporting unit 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.

t) Fair value measurement

The Reporting unit measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 19.

Notes to the Financial Statements

For the year ended 31 December 2016

Note 1 Summary of significant accounting policies (continued)

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

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

The principal or the most advantageous market must be accessible by the Reporting unit. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Reporting unit uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Reporting unit has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

Note 1 Summary of significant accounting policies (continued)

u) Trade and other payables

These amounts represent liabilities for goods or services provided to the Reporting unit by a third party during the financial year which remain unpaid at year end. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

v) Allocation of revenue and expenses between the Australian Rail, Tram and Bus Industry Union West Australian Branch (WA Branch) and the Australian Rail, Tram and Bus Industry Union West Australian PTA Branch (PTA Branch)

On 21 May 2015, a deed of agreement was signed between the WA Branch and the PTA Branch which states that for the following year, all costs expended by the reporting units in accordance with that deed, shall be distributed by the WA Branch and the PTA Branch in proportion to the number of members declared in the annual returns submitted in accordance with the obligations under the Fair Work (Registered Organisations) Act 2009.

The apportionment to be used for the 2016 financial year based on the number of members declared on 31 December 2015 is 55/45 (2015: 60/40).

The following exceptions apply to the general rule above:

- Branch secretary employment benefits will be allocated individually in each branch;
- All other employee benefit provisions will be held in the WA Branch; and
- Depreciation expense to be recognised by the entity that owns the respective asset.

w) Going concern

The Reporting unit incurred a trading loss of \$151,172 for the year ended 31 December 2016 resulting in a decrease in net assets of \$96,204 as at that date.

The Reporting unit's ability to continue as a going concern and meet its debts and future commitments as and when they fall due is dependent on:

1. Returning to a positive trading position by increasing revenues through increased membership numbers and subscriptions and reducing overhead expenditure.
2. Generating a positive cash flow through increased revenues and reducing overhead expenditure.
3. The sale of investment properties valued at \$3,050,000 owned by the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch on behalf of the members of the Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch and the Australian Rail, Tram and Bus Industry Union, West Australian Branch, subject to necessary consents.

Notes to the Financial Statements

For the year ended 31 December 2016

Note 1 Summary of significant accounting policies (continued)

The financial report has been prepared on a going concern basis as the committee of management believe the matters set out above are achievable.

Should the Reporting unit be unable to achieve the matters set out above, there is significant uncertainty as to whether it will be able to continue as a going concern and pay its debts as and when they fall due and extinguish its liabilities in the normal course of business.

The financial statements do not include any adjustments to the recoverability or classification of recorded assets or to the amounts or classification of liabilities that might be necessary if the Reporting unit does not continue as a going concern.

Note 2 Revenue

	2016	2015
	\$	\$
Other revenue		
Shared services revenue	158,169	112,290
Journey cover recoupment	16,360	19,442
Sundry revenue	335	1,435
	<u>174,864</u>	<u>133,167</u>
Capitation fees		
Capitation fees received	-	-
Total capitation fees	<u>-</u>	<u>-</u>
Levies		
Organiser's levy	17,210	16,975
Total levies	<u>17,210</u>	<u>16,975</u>
Grants or donations		
Grants or donations received	-	-
Total grants or donations	<u>-</u>	<u>-</u>

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

Note 3 Expenses

	2016	2015
	\$	\$
Employee expenses		
Holders of office:		
Wages and salaries	129,726	128,154
Superannuation	19,647	20,921
Leave and other entitlements	(2,437)	15,396
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	<u>146,936</u>	<u>164,471</u>
Employees other than office holders:		
Wages and salaries	315,010	232,779
Superannuation	36,478	27,971
Leave and other entitlements	4,144	33,085
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses employees other than office holders	<u>355,632</u>	<u>293,835</u>
Total employee expenses	<u>502,568</u>	<u>458,306</u>
Capitation fees		
ARTBIU National Office	61,326	51,955
Total capitation fees	<u>61,326</u>	<u>51,955</u>
Affiliation fees		
Australian Labour Party	5,971	4,632
Australian Council of Trade Unions	4,615	2,767
Unions WA	2,486	1,914
Total affiliation fees	<u>13,072</u>	<u>9,313</u>

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

Note 3 Expenses (continued)

	2016	2015
	\$	\$
Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	11,195	7,641
Contractors/consultants	-	-
Property operating expenses	72,376	47,832
Office expenses	20,962	18,086
Information communications technology	8,697	5,868
Other	33,997	35,412
Total administration expense	147,227	114,839
Grants or donations		
Grants:		
Total paid that were \$1,000 or less	-	1,000
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	1,000
Depreciation and amortisation		
Depreciation		
Land and buildings	-	-
Property, plant and equipment	8,742	10,906
Total depreciation	8,742	10,906
Legal costs		
Litigation	-	-
Other legal matters	21,580	2,068
Total legal costs	21,580	2,068

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

Note 3 Expenses (continued)

	2016	2015
	\$	\$
Other expenses		
Penalties - via RO Act or RO Regulations	-	-
Insurance	21,874	19,840
Vehicle expenses	6,403	5,740
Fringe benefits tax	5,038	4,292
Death benefit	8,200	22,997
Other expenses	7,284	7,796
Total other expenses	<u>48,799</u>	<u>60,665</u>

Note 4 Cash and cash equivalents

Cash at bank	101,573	315,878
Cash on hand	-	-
Short term deposits	-	-
Other	-	-
Total cash and cash equivalents	<u>101,573</u>	<u>315,878</u>

Note 5 Trade and other receivables

Receivables from other reporting units

The Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch	203,815	218,294
The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch	66,507	-
Loan to the Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch	36,318	36,318
ARTBIU National Office	-	-
Total receivables from other reporting units	<u>306,640</u>	<u>254,612</u>

Less provision for doubtful debts

The Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch	-	-
ARTBIU National Office	-	-
Total provision for doubtful debts	<u>-</u>	<u>-</u>
Net receivable from other reporting units	<u>-</u>	<u>254,612</u>

Australian Rail, Tram and Bus Industry Union**West Australian Branch****Notes to the Financial Statements**

For the year ended 31 December 2016

	2016	2015
	\$	\$
Note 5 Trade and other receivables (continued)		
Other receivables		
Other receivables	-	-
Total other receivables	-	-
Total net trade and other receivables	<u>306,640</u>	<u>254,612</u>
Note 6 Other current assets		
Prepaid expenses	12,903	30,526
Total other current assets	<u>12,903</u>	<u>30,526</u>
Note 7 Other investments		
Shares in listed companies – held for trading	5,180	5,180
Deposits	-	-
Other	-	-
Total other investments	<u>5,180</u>	<u>5,180</u>
Note 8 Plant and equipment		
Motor vehicles:		
At cost	37,727	37,727
Accumulated depreciation	(28,427)	(25,727)
	<u>9,300</u>	<u>12,000</u>
Plant and equipment:		
At cost	121,928	121,928
Accumulated depreciation	(93,160)	(87,118)
	<u>28,768</u>	<u>34,810</u>
Total plant and equipment	<u>38,068</u>	<u>46,810</u>

Australian Rail, Tram and Bus Industry Union**West Australian Branch****Notes to the Financial Statements**

For the year ended 31 December 2016

Note 8 Plant and equipment (continued)**Reconciliation of the opening and closing balances of plant and equipment**

2016	Motor vehicles	Plant and equipment	Total
As at 1 January 2016			
Gross book value	37,727	121,928	159,655
Accumulated depreciation and impairment	(25,727)	(87,118)	(112,845)
Net book value 1 January 2016	12,000	34,810	46,810
Additions:			
By purchase	-	-	-
From acquisition of entities (including restructuring)	-	-	-
Impairments	-	-	-
Depreciation expense	(2,700)	(6,042)	8,742
Other movement	-	-	-
Disposals	-	-	-
Other	-	-	-
Net book value 31 December 2016	9,300	28,768	38,068
Net book value as of 31 December 2016 represented by:			
Gross book value	37,727	121,928	159,655
Accumulated depreciation and impairment	(28,427)	(93,160)	(121,587)
Net book value 31 December 2016	9,300	28,768	38,068
2015	Motor vehicles	Plant and equipment	Total
As at 1 January 2015			
Gross book value	37,727	120,516	158,243
Accumulated depreciation and impairment	(22,244)	(79,695)	(101,939)
Net book value 1 January 2015	15,483	40,821	56,304
Additions:			
By purchase	-	1,412	1,412
From acquisition of entities (including restructuring)	-	-	-
Impairments	-	-	-
Depreciation expense	(3,483)	(7,423)	(10,906)
Other movement	-	-	-
Disposals	-	-	-
Other	-	-	-
Net book value 31 December 2015	(3,483)	(6,011)	(9,494)
Net book value as of 31 December 2015 represented by:			
Gross book value	37,727	121,928	159,655
Accumulated depreciation and impairment	(25,727)	(87,118)	(112,845)
Net book value 31 December 2015	12,000	34,810	46,810

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

	2016 \$	2015 \$
Note 9 Trade payables and accruals		
Trade creditors and accruals	21,167	25,754
Subtotal trade creditors	<u>21,167</u>	<u>25,754</u>
Payables to other reporting units		
The Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch	-	125,791
The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch	72,784	-
ARTBIU National Office	52,119	31,702
Subtotal payables to other reporting units	<u>124,903</u>	<u>157,493</u>
Total trade payables	<u>146,070</u>	<u>183,247</u>
Settlement is usually made within 30 days.		
Note 10 Other payables		
Wages and salaries	-	-
Superannuation	6,350	6,186
Deductions	-	-
Legal costs	-	-
Unearned revenue	-	-
GST payable	2,369	6,723
Consideration to employers for payroll deduction	-	-
PAYG payable	11,480	9,409
Other payables	23,865	23,747
Total other payables	<u>44,064</u>	<u>46,065</u>
Settlement generally is within 30 days.		
Total other payables are expected to be settled in:		
No more than 12 months	44,064	46,065
More than 12 months	-	-
Total other payables	<u>44,064</u>	<u>46,065</u>

Australian Rail, Tram and Bus Industry Union**West Australian Branch****Notes to the Financial Statements**

For the year ended 31 December 2016

	2016 \$	2015 \$
Note 11 Employee entitlements		
Office holders:		
Annual leave	10,770	13,867
Long service leave	27,775	27,114
Separations and redundancies	-	-
Other	-	-
Subtotal employee entitlements—office holders	38,545	40,981
Employees other than office holders:		
Annual leave	62,273	61,005
Long service leave	77,208	74,332
Separation and redundancies	-	-
Other	-	-
Subtotal employee entitlements—employees other than office holders	139,481	135,337
Total employee entitlements	178,026	176,318
Current	178,026	176,318
Non-current	-	-
Total employee entitlements	178,026	176,318
Note 12 A - General funds		
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-
Note 12 B Other Specific disclosures – Funds		
Other funds	-	-
Compulsory levy/voluntary contribution fund – if invested in assets		
Other fund(s) required by rules		
Other funds		
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	-	-

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

	2016	2015
	\$	\$
Note 13 Cash flow reconciliation		
Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash flow statement	101,573	315,878
Statement of Financial Position	101,573	315,878
Difference	<u>-</u>	<u>-</u>
Reconciliation of profit/(loss) to net cash from operating activities:		
Profit/(loss) for the year	(151,172)	(99,790)
Adjustments for non-cash items		
Depreciation/amortisation	8,742	10,906
Net write-down of non-financial assets	-	-
Fair value movement in investments	-	359
Gain/loss on disposal of assets	-	-
Distribution from investment properties	(44,903)	-
Changes in assets/liabilities		
(Increase)/decrease in net receivables	-	(143,373)
(Increase)/decrease in prepayments	17,623	(11,146)
Increase/(decrease) in payables	(92,185)	133,448
Increase/(decrease) in employee entitlements	1,708	23,969
Net cash from (used by) operating activities	<u>260,187</u>	<u>(85,627)</u>
Cash flow information		
Cash inflows from reporting unit	714,159	906,603
Total cash inflows	<u>714,159</u>	<u>906,603</u>
Cash outflows from reporting unit	(928,464)	(993,642)
Total cash outflows	<u>(928,464)</u>	<u>(993,642)</u>

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

Note 14 Contingent liabilities, assets and commitments

Operating lease commitments – as lessee

The operating lease is for a photocopier that is leased by the Reporting unit for five years with the contract expiring on 9 June 2019. The Reporting unit pays the lease through fixed monthly instalments.

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

	2016	2015
	\$	\$
Within one year	7,680	4,774
After one year but not more than five years	12,160	-
More than five years	-	-
	<u>19,840</u>	<u>4,774</u>

Operating lease commitments – as lessor

The Reporting unit had no operating lease commitments during the 2015 and 2016 financial years.

Finance lease commitments

The Reporting unit had no finance lease commitments during the 2015 and 2016 financial years.

Other contingent assets of liabilities

The Reporting unit has a contingent asset in relation to properties held in title by the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch. Two of the three properties are investment properties, 630 Murray Street and 224 Stirling Street, and the other is owner occupied, 10 Nash Street.

The revenue derived from and expenses incurred in relation to these properties are shared between the Reporting units based on the 55/45 split detailed in the policy note. Based on the above information the members of the Reporting unit may have a claim on the value of the properties.

The combined value of the properties in the records of the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch as at 31 December 2016 is \$3,650,000 (2015: \$3,587,307).

The net result distributed by the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch to the Reporting unit on 2016 is \$44,903, recognised on the Statement of Profit or Loss and Other Comprehensive Income.

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

Note 15 Related party transactions for the reporting period

Related parties and nature of their relationship

The Australian Rail, Tram and Bus Industry Union – National Office (National Office)

- This is the National Office of the West Australian Branch.

The Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch (PTA Branch)

- This is another West Australian regulated Reporting unit and is a related party due to the history between the two Reporting units and the continued shared services between them.

The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch (State Branch)

- This is another West Australian regulated Reporting unit and is a related party that holds the title of all 3 properties joint held by PTA branch and the Reporting unit.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year:

	2016	2015
	\$	\$
<u>National Office</u>		
Expenses to National Office		
Capitation fees	(61,326)	(51,955)
Amounts owed to National Office		
Capitation fees owed to National Office	(52,119)	(31,702)
<u>PTA Branch</u>		
Revenue from PTA Branch		
Shared services	158,169	-
Amounts receivable from PTA Branch		
Shared resources receivables from PTA Branch	158,169	-
Loan receivable from PTA Branch	36,318	-
Other receivables from PTA Branch	45,645	-
<u>State Branch</u>		
Amounts receivable from State Branch		
Shared resources receivable from State Branch	21,145	112,290
Other receivable from State Branch	45,362	106,004
Loan receivable from State Branch	-	36,318
Amounts payables to State Branch		
Trade and other payables owed to State Branch	(72,784)	(125,791)

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

	2016	2015
	\$	\$

Note 15 Related party transactions for the reporting period (continued)

Revenue from State Branch

Net results from Investments properties	44,903	-
Shared services	-	112,290

Terms and conditions of transactions with related parties

The loan to PTA Branch will incur an initial payment of \$10,000 payable on 23 June 2017 followed by 5 monthly repayments of \$5,000 with the balance and final payment being 22 December 2017.

The shared resources expenses are described on policy note v.

Note 16 Key management personnel

(a) Remuneration for the reporting period

The only key management personnel is the Officer of the Reporting unit, Philip Woodcock.

Short-term employee benefits

Salary (including annual leave taken)	129,726	128,154
Annual leave accrued	(3,097)	11,238
Performance bonus	-	-
Total short-term employee benefits	126,629	139,392

Post-employment benefits:

Superannuation	19,647	20,921
Total post-employment benefits	19,647	20,921

Other long-term benefits:

Long-service leave accrued	660	4,158
Total other long-term benefits	660	4,158

Termination benefits

Total	146,936	164,471
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(b) Transactions with key management personnel and their close family members

Loans to/from key management personnel	-	-
Other transactions with key management personnel	-	-

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

	2016	2015
	\$	\$
Note 17 Remuneration of auditors		
Value of the services provided		
Financial statement audit services	13,200	13,000
Other services	3,300	11,600
Total remuneration of auditors	<u>16,500</u>	<u>24,600</u>

Other services refers to preparation of financial statements.

Note 18 Financial instruments

Financial risk management objectives

The Reporting unit's activities do not expose it to many financial risks and therefore are not actively managing these risks.

Categories of financial instruments

Financial Assets

Cash and cash equivalents	101,573	315,878
Fair value through profit or loss:		
Shares in listed companies – held for trading	5,180	5,180
Total	<u>5,180</u>	<u>5,180</u>

Loans and receivables:

Trade and other receivables	306,640	254,612
Total	<u>306,640</u>	<u>254,612</u>

Carrying amount of financial assets	<u>413,393</u>	<u>575,670</u>
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Financial Liabilities

Other financial liabilities:

Trade payables and accruals	146,070	183,247
Other payables	44,064	27,568
Total	<u>190,134</u>	<u>210,815</u>

Carrying amount of financial liabilities	<u>190,134</u>	<u>210,815</u>
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Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

	2016	2015
	\$	\$
Note 18 Financial instruments (continued)		
Net income and expense from financial assets		
Cash and cash equivalents		
Interest revenue	1,239	2,720
Net gain / (loss) from cash and cash equivalents	<u>1,239</u>	<u>2,720</u>
Fair value through profit or loss		
Change in fair value	-	(359)
Net gain / (loss) from fair value through profit or loss	<u>-</u>	<u>(359)</u>
Net gain / (loss) from financial assets	<u>1,239</u>	<u>2,361</u>

The net income/expense from financial assets not at fair value through profit or loss is \$1,239 (2015: \$2,720)

Credit risk

The Reporting unit is not exposed to any significant credit risk and is therefore not actively managing its credit risk.

Credit quality of financial instruments not past due or individually determined as impaired:

	Not past due or impaired 2016 \$	Past due or impaired 2016 \$	Not past due or impaired 2015 \$	Past due or impaired 2015 \$
Financial Assets				
Trade and other receivables	306,640	-	254,612	-
Financial Liabilities				
Trade payables and accruals	146,070	-	183,247	-
Other payables	44,064	-	27,568	-
Total	<u>190,134</u>	<u>-</u>	<u>210,815</u>	<u>-</u>

Ageing of financial assets that were past due but not impaired for 2016

	0 – 30 days \$	31 – 60 days \$	61 – 90 days \$	90 days + \$	Total \$
Trade and other receivables	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

Note 18 Financial instruments (continued)

Ageing of financial assets that were past due but not impaired for 2015

	0 – 30 days \$	31 – 60 days \$	61 – 90 days \$	90 days + \$	Total \$
Trade and other receivables	-	-	-	-	-
Total	-	-	-	-	-

Liquidity risk

The Reporting unit is not exposed to any significant liquidity risk and is therefore not actively managing its liquidity risk.

Contractual maturities for financial liabilities 2016

	On demand \$	< 1 year \$	1 – 2 years \$	2 – 5 years \$	> 5 years \$	Total \$
Trade creditors and accruals	146,070	-	-	-	-	146,070
Other payables	44,064	-	-	-	-	44,064
Total	190,134	-	-	-	-	190,134

Contractual maturities for financial liabilities 2015

	On demand \$	< 1 year \$	1 – 2 years \$	2 – 5 years \$	> 5 years \$	Total \$
Trade creditors and accruals	183,247	-	-	-	-	183,247
Other payables	27,568	-	-	-	-	27,568
Total	210,815	-	-	-	-	210,815

Market risk

The Reporting unit is not exposed to any significant market risks, including interest rate risk, price risk and currency risk, and is therefore not actively managing these risks. Given the insignificance of the risk no further information is provided as per the *Fair Work (Registered Organisations) Act 2009* reporting requirements.

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

Note 19 Fair value measurement

Management of the Reporting unit assessed that cash and cash equivalents, trade receivables, trade payables, accruals and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the Reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 31 December 2016 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Reporting unit based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 31 December 2016 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The following table contains the carrying amount and related fair values for the Reporting unit's financial assets and liabilities:

	Carrying amount 2016 \$	Fair value 2016 \$	Carrying amount 2015 \$	Fair value 2015 \$
Financial assets				
Cash and cash equivalents	101,573	101,573	315,878	315,878
Other investments	5,180	5,180	5,180	5,180
Trade and other receivables	306,640	306,640	254,612	254,612
Total	413,393	413,393	575,670	575,670
Financial liabilities				
Trade and other accruals	146,070	146,070	183,247	183,247
Other payables	44,064	44,064	27,568	27,568
Total	190,134	190,134	210,815	210,815

Australian Rail, Tram and Bus Industry Union

West Australian Branch

Notes to the Financial Statements

For the year ended 31 December 2016

Note 19 Fair value measurement (continued)

Fair value hierarchy

The following tables provide an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

	Date of valuation	Level 1	Level 2	Level 3
	\$	\$	\$	\$
Assets measured at fair value				
Shares in listed companies	31/12/16	5,180	-	-
Total			-	-
Fair value hierarchy – 31 December 2015				
Assets measured at fair value				
Shares in listed companies	31/12/15	5,180	-	-
Total		5,180	-	-

Note 20 Events after the reporting period

There were no events that occurred after 31 December 2016, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Reporting unit.

Note 21 Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or the Commissioner:

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

svc-adlib5

From: FENWICK,Joanne
Sent: Tuesday, 27 June 2017 11:23 AM
To: Phil Woodcock
Subject: Request for extension of time - Australian Rail, Tram and Bus Industry Union West Australia Branch [SEC=UNCLASSIFIED]
Attachments: ARTBIU WA FR2016-426 request for extension of time s265.pdf

UNCLASSIFIED

Mr Woodcock

Please find attached correspondence in relation to the Australian Rail, Tram and Bus Industry Union West Australia Branch request for an extension of time to hold a general meeting of members to consider the financial report for the reporting period ending 31 December 2016.

If you have any questions in relation to the correspondence please do not hesitate to contact me on 03) 9603 0731.

Regards

JOANNE FENWICK
Financial Reporting Specialist
Registered Organisations Commission

Tel: (03) 9603 0731
joanne.fenwick@roc.gov.au

GPO Box 2983, MELBOURNE VIC 3001 | 414 La Trobe Street, Melbourne Victoria 3000

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Australian Government
Registered Organisations Commission

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Australian Government
Registered Organisations Commission

27 June 2017

Mr Philip Woodcock
Branch Secretary
Australian Rail, Tram and Bus Industry Union, West Australian Branch
Unit 2/10 Nash Street
PERTH WA 6000

By email: philw@rtbuwa.asn.au

Dear Mr Woodcock

Request by the Australian Rail, Tram and Bus Industry Union of Employees West Australian Branch for extension of time to hold a general meeting to consider the financial report for the year ended 31 December 2016 (FR2016/426)

I acknowledge receipt on 26 June 2017 of a request for an extension of time until 31 July 2017 to hold a general meeting of members of the Australian Rail, Tram and Bus Industry Union West Australia Branch (**the reporting unit**) to consider the financial report for the year ended 31 December 2016.

Your emails advised that the reason for the request is that due to a delay in the finalisation of the financial report, the reporting unit to date have been unable to provide members with a copy of the full report along with other internal administrative issues which have disrupted the reporting unit's financial reporting processes. You indicate that the reporting unit expects to receive from its auditor the financial statements including the auditor's statement on 28 June 2017. Your email also advised that the reporting unit would then provide members with a copy of the full report on 29 June 2017.

Where the financial report is to be presented to a general meeting of members, section 266 of the *Fair Work (Registered Organisations) Act 2009 (the Act)* requires that the meeting be held within the period of 6 months starting at the end of the financial year, that is by 30 June 2017. Subsection 265(5) of the Act enables the Commission, upon application by a reporting unit, to extend the period by no more than one month.

Having considered your reasons, I allow an extension of time for a period of one month, until 31 July 2017, to hold a general meeting of members to consider the full report.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'C Enright'.

Chris Enright
Executive Director
Registered Organisations Commission

svc-adlib5

From: Phil Woodcock <PhilW@rtbuwa.asn.au>
Sent: Monday, 26 June 2017 3:04 PM
To: Joanne FENWICK (Joanne.FENWICK@fwc.gov.au); ROC - Registered Org Commission
Cc: Simon Fermanis; glenn.murray@accountingforgood.com.au
Subject: FR2016/426 ARTBIU WA Branch request for extension of time to lodge annual financial report pursuant to s.265 (5a) of the RO Act.

Importance: High

Dear Joanne,

Ref: Australian Rail, Tram and Bus Industry Union, West Australian Branch - Request for Extension of time to lodge Annual Financial Report

The Union is required under the RO Act to lodge audited financial statements with the ROC by 14 July 2017, in respect of the 2016 financial year. The Australian Rail, Tram and Bus Industry Union, West Australian Branch ("**the Union**") is formally requesting one month's extension in time to submit its Annual Financial Report ("**Report**") to its members at a general meeting of members pursuant to section 265 (5a) of the RO Act due to delays in receiving the Report.

I am aware my colleague Mr Paul Robinson has held discussions with you and has made a similar application for the PTA WA Branch, unfortunately due to internal and external factors . Something I can expand on further in my email.

[REDACTED]

The Union also had transferred its accounting process offsite for the commencement of this financial year which again required that third party (Accounting for good) gaining access to our accounts and requesting relevant information which complicated the issues around invoices, BAS statements, etc. At a time the Auditors started their preliminary work for this report.

The Union will provide members access to the Report on either the 29th June 2017 by notifying them via email, Union notice boards and by placing the report on the RTBU WA website for members to view. Once this is done the Union will call for an annual general meeting 21 days after access to the Report has been provided to all members pursuant to the regulations.

It is hoped that the ROC can accommodate the Unions request to an extension in time without penalty due to the unfortunate problems we have encountered and will meet the requirements of the RO Act to its satisfaction. Should ROC require further information please do not hesitate to contact me,

Yours Sincerely,

Philip Woodcock

Branch Secretary

RAIL TRAM & BUS UNION WA BRANCH

2/10 Nash Street PERTH WA 6000

(08) 9225 6722 , FAX(08) 9225 6733



RTBU

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27 January 2017

National Secretary
Australian Rail, Tram and Bus Industry Union
West Australian Branch
By Email: rtbu@rtbu.org.au

Dear National Secretary,

**Re: Lodgement of Financial Report - [FR2016/426]
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Australian Rail, Tram and Bus Industry Union-West Australian Branch (the reporting unit) ended on 31 December 2016.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date under s.268 of the RO Act, that being within 14 days after the meeting referred to in s.266 of the RO Act.

Also you are reminded of the obligation to prepare and lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 requires this statement to be lodged with the FWC within 90 days of the end of the reporting unit's financial year, that is on or before 31 March 2017.

The new Registered Organisations Commission

The Registered Organisations Commission (the ROC) will be established in 2017.

Statements of loans, grants and donation and financial reports must be lodged with the Fair Work Commission until the ROC is established. Once the ROC is established, they must be lodged with the ROC.

It is not yet known when in 2017 the ROC will be established. The Fair Work Commission will be providing information on the transition to the ROC through its subscription service and its website. For details about the subscription service, go to [Subscriptions](#) and subscribe to the Registered organisations information service.

Where to lodge Statements of Loans Grants and Donations and Financial Reports

	Before the ROC is established	From establishment of the ROC
Where to lodge	Lodge your statement of loans grants donations and your financial report with the Fair Work Commission	Lodge your statement of loans grants donations and your financial report and with the ROC
How to lodge	The easiest way to lodge is via email: orgs@fwc.gov.au	Lodgement methods are not yet known

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Telephone : (03) 8661 7777
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

Our focus this year: timelines and disclosure of loans, grants and donations

Over the past year we have noted issues in organisations' financial reports relating to timelines and how loans, grants and donations are reported. We will be focusing closely on these areas this year. Please find attached below fact sheets relating to these requirements or alternatively visit our website for information regarding [financial reporting timelines](#) and [loans, grants and donations](#).

Timelines

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

As stated above, section 237 requires the loans, grants and donations statement to be lodged with the FWC within 90 days of the end of the reporting unit's financial year, that is on or before 31 March 2017. A sample statement of loans, grants or donations is available at [sample documents](#).

Fact sheets, guidance notes and model statements

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission (FWC) website. This includes a model set of financial statements which have been developed by the FWC. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. The model statements, Reporting Guidelines and other resources can be accessed through our website under [Financial Reporting](#) in the Running a Registered Organisation section.

Civil penalties may apply

It should be noted that s.268 and s.237 are civil penalty provisions. If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

Contact

Should you wish to seek any clarification in relation to the above, email orgs@fwc.gov.au.

Yours sincerely,

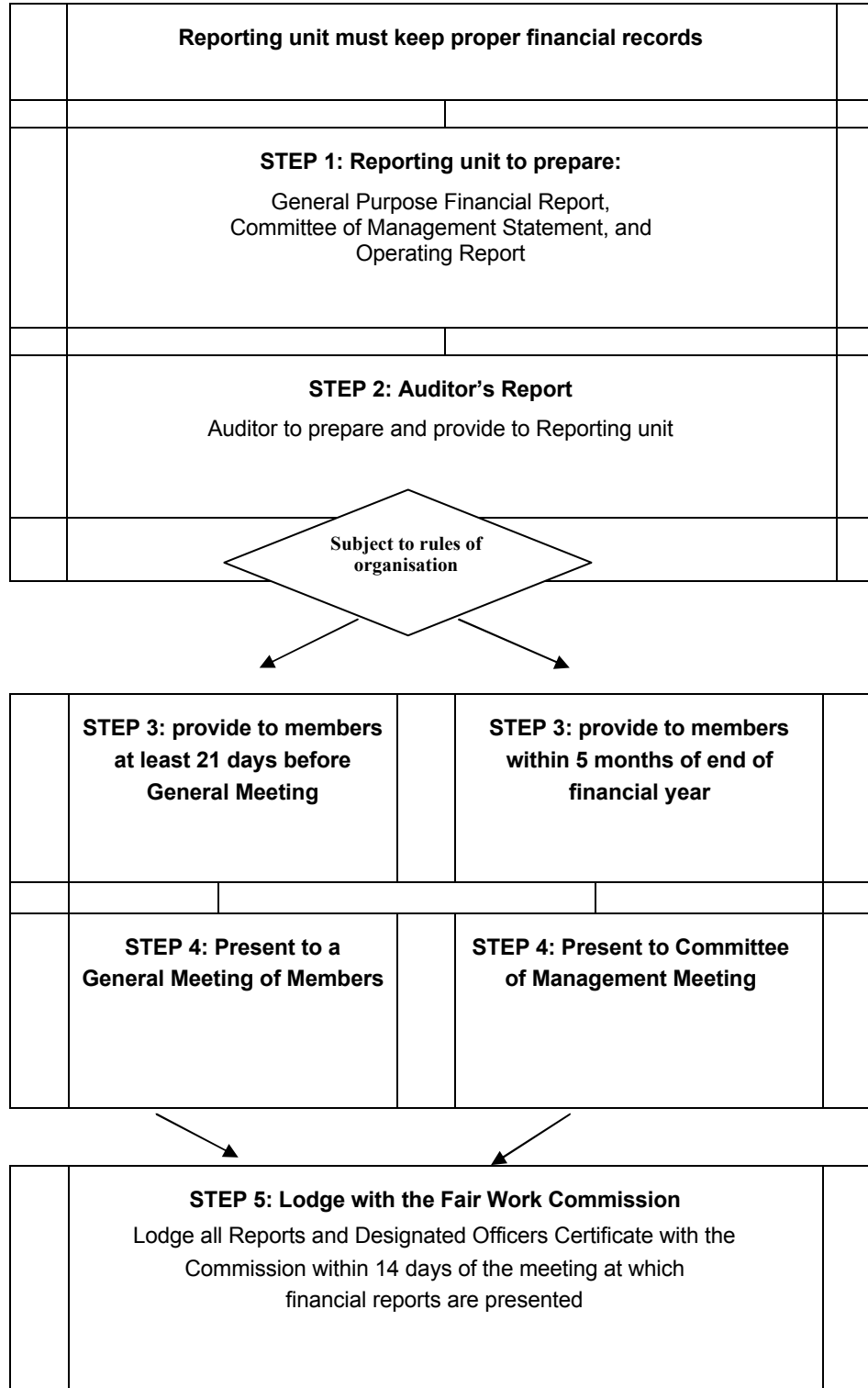


Marianne Kay
Adviser
Regulatory Compliance Branch

Financial reporting timelines

Financial reports are to be lodged with the Fair Work Commission (the Commission) within 14 days of the meeting at which the financial reports have been presented, by completing the steps as outlined below.

See Fact sheet—Financial reporting for an explanation of each of these steps.



Fact Sheet - Loans, Grants & Donations

The Loans, Grants & Donations Requirements

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the General Manager's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceed \$1000. The following information must be supplied to the Commission for each relevant loan, grant or donation:

the amount,

the purpose,

the security (if it is a loan),

the name and address of the person to whom it was made,* and







the arrangements for repaying the loan.*

*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the Commission has a [Template Loans, Grants and Donations Statement](#) on its website. The Commission encourages branches and organisations to lodge the statement even if all of the figures are NIL.

Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.
 Statements can be lodged with the financial report.	 The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.

Grants & Donations within the Financial Report

Item 16(e) of the [General Manager's Reporting Guidelines](#) requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the [Commission's Model Statements](#) the note appears as follows:

Note 4E: Grants or donations*

Grants:	2016	2015
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-

Item 17 of the General Manager's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

Implications for filing the Financial Report

During their review of the 2016 financial report staff of the Commission will confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their 2015 financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the [Commission's website](#).

Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the Regulatory Compliance Branch on orgs@fwc.gov.au