



04 August 2015

Mr Paul Robinson
Branch Secretary
Australian Rail, Tram and Bus Industry Union – Western Australian Public Transport Authority
Branch
2/10 Nash Street
PERTH WA 6000

via email: paulr@rtbuwa.asn.au

Dear Mr Robinson

Australian Rail, Tram and Bus Industry Union – Western Australian Public Transport Authority Branch Financial Report for the year ended 31 December 2014 - FR2014/473

I acknowledge receipt of the financial report for the year ended 31 December 2014 for the Australian Rail, Tram and Bus Industry Union – Western Australian Public Transport Authority Branch (the reporting unit). The financial report was lodged with the Fair Work Commission (FWC) on 9 July 2015. I also acknowledge the additional information you provided to me on the 27 July 2015 in relation to the minutes of the Committee of Management meeting held on 22 May 2015 and the Deed of Agreement between the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch and the Australian Rail, Tram and Bus Industry Union.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and Reporting Guidelines have been complied with. A primary review does not examine all disclosure requirements.

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

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The FWC will confirm these concerns have been addressed prior to filing next year's report.

Timescale requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timelines requirements can be found on the FWC website. In particular, I draw your attention to Financial reporting process and timelines which explains the timeline requirements, and Diagrammatic summary of financial reporting timelines which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirements were not met:

Documents must be lodged with the Fair Work Commission within 14 days of General Meeting

Section 268 of the RO Act states that the full report and the Designated Officer's Certificate are required to be lodged with the FWC within 14 days of the meeting of the Committee of Management. The Designated Officer's Certificate indicates that this meeting occurred on 22 May 2015. If this is correct the full report should have been lodged with the FWC by 6 June 2015.

The full report was lodged on 9 July 2015.

If these dates are correct, the branch should have applied for an extension of time to lodge the required reports and the Designated Officer's Certificate in accordance with section 268 of the RO Act.

Please note that in future financial years if the branch cannot lodge on time, a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made prior to the required date of lodgement.

Auditor's Statement must be signed before full report provided to members

One of the key requirements of the RO Act is that a reporting unit must provide members with a full or concise report (section 265(1)). A full report must contain the signed Auditor's Statement.

The Designated Officer's Certificate states that the full report was provided to members on 26 May 2015 however the Auditor's Statement was not signed until 30 June 2015. If the date on the Auditor's Statement is correct, it would appear that either the Auditor's Statement was not provided to members or that an unsigned report was provided.

Please ensure that in future years that the full report to member's, includes the signed version of the Auditor's Statement.

Full report must be provided to Members

Section 265(1) states that a reporting unit must provide free of charge to its members either:

- (a) a full report consisting of:
 - (i) a copy of the report of the auditor in relation to the inspection and audit of the financial records of the reporting unit in relation to a financial year; 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; or
- (b) a concise report for the financial year that complies with subsection (3).

As noted above, it appears that members were not provided with a copy of the report of the auditor or they received an unsigned copy. It would also appear that members did not receive a copy of the Operating Report. The Operating Report was dated 30 June 2015 however the Designated Officer's Certificate states that the financial report was provided to members on 26 May 2015.

Please note that subsection 265(1) is a civil penalty provision.

Financial reporting timelines – required steps.

I have provided below a summary of the financial reporting timelines as required under the RO Act and the reporting unit apparent non-compliance with each of these steps.

Step 1

The first step in the financial reporting process is for the reporting unit to prepare a general purpose financial report (GPFR), a Committee of Management Statement and an Operating Report. Sections 253 and 254 of the RO Act require that the GPFR and an Operating Report be prepared as soon as practicable after the end of the financial year. A resolution relating to the GPFR and Operating Report is made and declared in the Committee of Management Statement at this first meeting of the Committee of Management.

The Committee of Management Statement lodged with the FWC on the 9 July 2015, indicates that a resolution relating to the GPFR and Operating Report was made on 22 May 2015. The Operating Report was however dated 30 June 2015 therefore it would appear that the Operating Report was not presented at this meeting.

Step 2

The second step is for the Auditor to prepare and provide to the reporting unit a copy of their report in relation to the inspection and audit of the financial records of the reporting unit for the relevant financial year.

Step 3

The third step relates to the provision of the full report to members. As the rules of the reporting unit allow for the full report to be presented to meeting of the Committee of Management, the full report must be provided to members within 5 months of the end of the financial year.

As mentioned above, the Designated Officer's Certificate indicates that the report was provided to members on the 26 May 2015. Although the report was provided to members within 5 months of the end of the financial year, as the Operating Report and the Auditor's Report were both dated the 30 June 2015, it would appear that the members were not provided with the full report as required under section 265(1) of the RO Act.

Step 4

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

The Designated Officer's Certificate does not identify that a second meeting of the Committee of Management occurred therefore it would appear that the requirements under section 266(1) have not been satisfied.

Step 5

The reporting unit must then lodge all reports and the Designated Officers Certificate with the FWC within 14 days of the meeting at which the financial reports are presented.

The only date for the holding of the Committee of Management meeting provided is the 22 May 2015. All reports and the Designated Officer's Certificate were lodged with the FWC on the 9 July 2015, which exceeds the 14 day timeframe.

Civil penalty provisions

I remind the reporting unit that section 253, 254, 265(5), 266(1) and 268 are all civil penalty provisions and future failure to meet this timeline may result in an inquiry into the organisation and the General Manager of the FWC may apply under section 310(1) of the RO Act to the Federal Court of Australia for a pecuniary penalty order to be imposed on your organisation and, potentially, an officer whose conduct led to the non-compliance.

Reporting Requirements

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

The State Entity and the Federal Branch

The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch is a registered state organisation under the *Industrial Relations Act 1979 (WA)*. The ARTBIU West Australian PTA Branch is a part of an organisation that is registered under the *Fair Work (Registered Organisations) Act 2009*. Each organisation is a separate legal entity with separate legal obligations. It would appear that there are two unions, not one union registered in two jurisdictions.

It appears that the state entity has a certificate from the WA Industrial Relations Commission which exempts it from having to hold separate elections. As such, the rules of the state entity specifically state that people holding the federal offices in the WA PTA branch *also hold* the offices in the state entity. This is why the people on the WA PTA Council are mostly the same as

the people on the state entity's Council. Nonetheless they remain separate councils in separate unions. As such, it is likely that the state entity and the federal branch would each need to hold a separate meeting to pass their respective reports.

The deed, if registered, also seems to suggest that the federal WA PTA branch is meant to be collecting subscriptions and handling the financial affairs of the state entity, while the state entity will not collect subscriptions. The financial reports indicate that the state entity is the one collecting subscriptions and paying expenses while the federal entity has only a single capitation transaction. This appears contrary to both the rules of each organisation and the terms of the Deed.

A representative from the FWC will contact you in the coming weeks to make a time to discuss the concerns arising from the administration of the reporting unit finances in accordance with its rules and the deed.

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

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

From: Paul Robinson <PaulR@rtbuwa.asn.au>
Sent: Monday, 27 July 2015 1:39 PM
To: FENWICK, Joanne
Subject: RE: ARTBIU West Australian PTA Branch - FR2014/473
Attachments: DEED OF AGREEMENT - ARTBIUE WA Branch and National RTBU.pdf;
Executive Meeting Minutes 22 May 2015.pdf

Dear Joanne,

Please find attached copies of the minutes of the meeting held for the committee of management for The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch held on 22 May 2015 and the of the Deed of Agreement between the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch and the Australian Rail, Tram and Bus Industry Union.

Agenda item 2 and motion 2 deals with the financial returns for the union which were passed unanimously. The Union also placed the financial reports on the website on the 29 May 2015.

If you have any additional questions or information you require, please do not hesitate to call or email.

Regards,

Paul Robinson
Branch Secretary
Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch
Unit 2/10 Nash St
Perth WA 6000
Phone: 9225 6722
Fax: 9225 6733
Mob: 0417901633
Email: paulr@rtbuwa.asn.au

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This footnote also confirms that this email message has been swept for the presence of computer viruses.

From: FENWICK, Joanne
Sent: Wednesday, 22 July 2015 3:02 PM
To: 'paulr@rtbuwa.asn.au'
Subject: ARTBIU West Australian PTA Branch - FR2014/473

Mr Robinson

I am currently assessing the financial report for the ARTBIU West Australian PTA Branch which was lodged with the FWC on 9 July. I am requiring some clarification in relation to the timing of the auditor signing the financial reports, the presentation of the full report to the Committee of Management and to Members.

The Designated Officer's Certificate and other reports lodged on 9 July 2015 indicate that the following events took place as follows:

- * Resolution of the Committee of Management in relation to the financial report occurred on 22 May 2015
- * The full report was also present and approved by the Committee of Management on 22 May 2015
- * The full report provided to members on 26 May 2015
- * Designated Officer's Certificate signed on 29 May 2015
- * Auditor's report signed on 30 June 2015
- * Operating report signed on 30 June 2015

Under section 265(1) of the Fair Work (Registered Organisations) Act 2009 a full report consists of:

- i. A copy of the report of the auditor in relation to the inspection and audit of the financial records of the reporting unit in relation to a financial year; 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

Based on the information provide, it appears that a full report was not presented to a Committee of Management meeting or provided to members as the auditor's report and operating report were both signed after the dates of those events, that is, the Committee of Management meeting was held on 22 May 2015 and provided to members on 26 May 2015 however the auditor's report and operating report were not signed until 30 June 2015.

Can you please confirm whether the dates provided are correct.

It appears that the ARTBIU West Australian PTA Branch is reliant on the Australian Rail, Tram and Bus Industry Union of Employees West Australian Branch (a State Registered Entity). In the financial report, no information however is provided on this relationship, that is, what financial support is provided, any terms and conditions attached to that support etc. Can you please provide further information in relation to this relationship and any agreements that are in place.

Regards

JOANNE FENWICK
Financial Reporting Specialist
Regulatory Compliance Branch

Fair Work Commission
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Fax: (03) 9655 0410

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**AUSTRALIAN RAIL, TRAM AND BUS
INDUSTRY UNION,
WEST AUSTRALIAN PTA BRANCH**

registered under the *Fair Work (Registered Organisations) Act 2009* (Cth)

2/10 NASH STREET PERTH 6000

TELEPHONE: (08) 9225 6722 FACSIMILE: (08) 9225 6733

EMAIL: general@rtbuwa.asn.au

9 July 2015

Attention: Robert Pfeiffer
Fair Work Commission
Regulatory Compliance Branch

By email: orgs@fwc.gov.au

Dear Sir/Madam

Lodgement of Financial Report

Please find **attached** the Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch's financial report for the period of 1 January 2014 to 31 December 2014.

Also to provide clarity to the lodgement of the financial report, please find attached a copy of "The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch" financial returns for the year ending 31 December 2014 as registered under the *Industrial Relations Act 1979* (WA).

Yours sincerely

Paul Robinson
Secretary
The Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch

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

Financial Report

For the period ended 31 December 2014

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION WEST AUSTRALIAN PTA BRANCH

Report on the Financial Report

We have audited the accompanying financial report of Australian Rail, Tram and Bus Industry Union West Australian PTA Branch (the Union), which comprises the statement of financial position as at 31 December 2014, the statement of comprehensive income, statement of changes in equity and cash flow statement for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the branch committee of management statement.

Branch Committee of Management's Responsibility for the Financial Report

The branch committee of management of the Union are responsible for the preparation of the financial report that presents fairly in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the branch committee of management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the branch committee of management also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the union's preparation of the financial report that gives a true and fair view 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 Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the branch committee of management, as well as evaluating the overall presentation of the financial report.

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

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.

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Auditor's Opinion

In our opinion:

- (1) The financial report of Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch is in accordance with:
 - (a) the Fair Work (Registered Organisations) Act 2009, including:
 - (i) presenting fairly, in all material respects, the Union's financial position as at 31 December 2014 and of its performance for the period ended on that date; and
 - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations); and
 - (iii) any other requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.
 - (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.
- (2) The Union has kept satisfactory accounting records for the financial year including records of:
 - (i) the sources and nature of the Unions income, including membership subscriptions and other income from members; and
 - (ii) the nature of and reasons for the Unions expenditure.
- (3) All information and explanations that officers or employees of the Union were required to provide have been provided.
- (4) There was no deficiency, failure or shortcoming in any matters referred to in (1) to (3) above.
- (5) The management's use of the going concern basis of accounting in the preparation of the Union's financial statements is appropriate.



PKF MACK



SIMON FERMANIS
PARTNER

30 JUNE 2015
WEST PERTH,
WESTERN AUSTRALIA

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION

WEST AUSTRALIAN PTA BRANCH

Statement of Recovery of Wages

Based on representations made to us by the Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch and our audit work undertaken for the period ended 31 December 2014, it appears there was no recovery of wages activity for the Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch for the period then ended.



PKF MACK



SIMON FERMANIS
PARTNER

30 JUNE 2015
WEST PERTH,
WESTERN AUSTRALIA

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

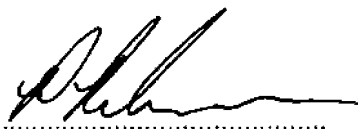
Certificate By Prescribed Designated Officer

For the period ended 31 December 2014

I, Paul Robinson, being the officer responsible of the Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch, certify:

- That the documents lodged herewith are copies of the full report for the Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch for the period ended 31 December 2014 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 26 May 2015; and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 22 May 2015 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer



.....

Name of prescribed designated officer

Paul Robinson.....

Title of prescribed designated officer

Branch Secretary.....

Date

29 May 2015.....

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

Operating Report

For the period ended 31 December 2014

The committee presents its report on the reporting unit for the financial period ended 31 December 2014.

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

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

Significant changes in financial affairs

There were no significant changes in the nature of the Union's principal activity during the financial period.

Right of members to resign

All members of the Union 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 Union, by virtue of their office of the Australian Rail, Tram and Bus Industry Union, West Australian PTA 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 organization.

Number of members

Number of members on the register of members on 31 December 2014 was 607.

Number of employees

As at 31 December 2014, the Union had one full time Elected Official, however this elected official is employed by the State union, the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch.

:

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


Operating Report (continued)

For the period ended 30 June 2014

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

The names of each person who has been a member of the committee of management of the Union 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
Paul Robinson	Branch Secretary	01/01/14 to 31/12/14
Craig Dearth	Branch President	01/01/14 to 31/12/14
James Reed	Branch Vice President	01/01/14 to 31/12/14
Joshua Dekuyer	Assistant Branch Secretary	01/01/14 to 24/11/14
	Sub Branch Secretary Security	25/11/14 to 31/12/14
Anna Webb	Sub Branch Secretary Transwa	01/01/14 to 31/12/14
John Olding	Sub Branch Secretary Customer Service	01/01/14 to 31/12/14
Ray Debenham	Sub Branch Secretary Railcar Drivers	01/01/14 to 24/11/14
Peter Olynyk	Sub Branch Secretary Railcar Drivers	25/11/14 to 31/12/14
Leonard Horley	Sub Branch Secretary Network and Infrastructure	24/11/14 to 31/12/14
Vacant	Sub Branch Secretary Delron and Goldfields Buses	24/11/14 to 31/12/14

Signature of designated officer: 

Name and title of designated officer: Paul Robinson – Branch Secretary

Dated: 30 June 2015

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

Committee of Management Statement

For the period ended 31 December 2014

On the 22nd May 2015 the Branch Executive Council of the Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch passed the following resolution in relation to the general purpose financial report for the period ended 31 December 2014:

The Union 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 General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Union for the financial period to which they relate;
- (d) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and
- (e) during the financial period to which the General Purpose Financial Report relates and since the end of that period:
 - (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 Union 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 Union 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 General Manager duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work 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: Paul Robinson – Branch Secretary

Dated: 30 June 2015.....

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

Statement of Profit of Loss and Other Comprehensive Income

For the period ended 31 December 2014

	Notes	12 Aug – 31 Dec 2014 \$
Revenue		
Membership subscription		-
Capitation fees		-
Levies		-
Interest		-
Rental revenue		-
Other revenue	2	-
Total revenue		<u>-</u>
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		-
Total other income		<u>-</u>
Total revenue and other income		<u>-</u>
Expenses		
Employee expenses	3	-
Capitation fees	3	14,540
Affiliation fees	3	-
Administration expenses	3	-
Grants or donations	3	-
Depreciation and amortisation	3	-
Finance costs		-
Legal costs	3	-
Audit and accounting fees		-
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		-
Other expenses	3	-
Total expenses		<u>14,540</u>
Profit/(loss) for the period		<u>(14,540)</u>
Other comprehensive income		-
Total comprehensive income for the period		<u>(14,540)</u>

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

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

Statement of Financial Position

As at 31 December 2014

	Notes	2014 \$
ASSETS		
Current Assets		
Cash and cash equivalents	4	-
Trade and other receivables	5	-
Other current assets	6	-
Other investments	12	-
Total current assets		<u>-</u>
Non-Current Assets		
Land and buildings	7	-
Plant and equipment	8	-
Investment property	9	-
Intangibles	10	-
Investments in associates	11	-
Other investments	12	-
Other non-current assets	13	-
Total non-Current assets		<u>-</u>
Total assets		<u>-</u>
LIABILITIES		
Current Liabilities		
Trade payables and accruals	14	14,540
Other payables	15	-
Employee entitlements	16	-
Total current liabilities		<u>14,540</u>
Non-Current Liabilities		
Employee entitlements	16	-
Other non-current liabilities	17	-
Total non-current liabilities		<u>-</u>
Total liabilities		<u>14,540</u>
Net assets		<u>(14,540)</u>
EQUITY		
General funds	18	-
Retained earnings		(14,540)
Total equity		<u>(14,540)</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 period ended 31 December 2014

	Retained earnings \$	Total equity \$
Balance as at 12 August 2014	-	-
Profit/(loss) for the period	(14,540)	(14,540)
Other comprehensive income for the period	-	-
Closing balance as at 31 December 2014	<u>(14,540)</u>	<u>(14,540)</u>

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

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

Statement of Cash Flows

For the period ended 31 December 2014

	Notes	12 Aug – 31 Dec 2014 \$
OPERATING ACTIVITIES		
Cash received		
Members		-
Interest		-
Other		-
Receipts from other controlled entities		-
Cash used		
Employees		-
Suppliers		-
Payments to other controlled entities		-
Net cash from (used by) operating activities	19	-
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		-
Purchase of land and buildings		-
Net cash from (used by) investing activities		-
FINANCING ACTIVITIES		
Cash received		
Contributed equity		-
Other		-
Cash used		
Repayment of borrowings		-
Other		-
Net cash from (used by) investing activities		-
Net increase (decrease) in cash held		-
Cash & cash equivalents at the beginning of the financial period		-
Cash & cash equivalents at the end of the financial period	4	-

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

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

Recovery of Wages Activity

For the period ended 31 December 2014

	2014
	\$
Cash assets in respect of recovered money at beginning of period	-
Receipts	
Amounts recovered from employers in respect of wages etc.	-
Interest received on recovered money	-
Total receipts	<u>-</u>
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	<u>-</u>
Cash assets in respect of recovered money at end of period	<u>-</u>
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 PTA Branch**

Notes to the Financial Statements

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Notes to the Financial Statements

For the period ended 31 December 2014

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 Union 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 Union 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.

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

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 except as follows:

AASB 13 Fair Value Measurement; and
AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13.

The Union has applied AASB 13 and its consequential amendments from 1 January 2014. The standard provides a single robust measurement framework, with clear measurement objectives, for measuring fair value using the 'exit price' and provides guidance on measuring fair value when a market becomes less active. The 'highest and best use' approach is used to measure non-financial assets whereas liabilities are based on transfer value. The standard requires increased disclosures where fair value is used.

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 2010
AASB 2014-4	Amendments to Australian Accounting Standard - Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)	1 January 2016	August 2014
AASB 2014-5	Amendments to Australian Accounting Standard Arising From AASB 15	1 January 2017	December 2014
AASB 2014-7 AASB 2014-8	Amendments to Australian Accounting Standard Arising From AASB 9	1 January 2018	December 2014

Notes to the Financial Statements

For the period ended 31 December 2014

Note 1 Summary of significant accounting policies (continued)

d) Basis of consolidation

The financial statements have not been consolidated.

e) Investment in associates

The Unions does not have any investment in associates.

f) Business combinations

The Unions does not have any business combinations to account for.

g) 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.

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

Note 1 Summary of significant accounting policies (continued)

h) Government grants

Government grants are not recognised until there is reasonable assurance that the Union 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 Union recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Union 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 Union with no future related costs are recognised in profit or loss in the period in which they become receivable.

i) 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.

j) 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.

k) 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.

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

Notes to the Financial Statements

For the period ended 31 December 2014

Note 1 Summary of significant accounting policies (continued)

Provision is made for separation and redundancy benefit payments. The Union 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.

l) 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.

m) Borrowing costs

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

n) 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.

o) 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.

Notes to the Financial Statements

For the period ended 31 December 2014

Note 1 Summary of significant accounting policies (continued)

p) Financial instruments

Financial assets and financial liabilities are recognised when the Union 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.

q) 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.

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.

Notes to the Financial Statements

For the period ended 31 December 2014

Note 1 Summary of significant accounting policies (continued)

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.

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.

Notes to the Financial Statements

For the period ended 31 December 2014

Note 1 Summary of significant accounting policies (continued)

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.

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.

Notes to the Financial Statements

For the period ended 31 December 2014

Note 1 Summary of significant accounting policies (continued)

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 Union 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.

r) 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.

s) 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.

Revaluations—land and buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Notes to the Financial Statements

For the period ended 31 December 2014

Note 1 Summary of significant accounting policies (continued)

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 straight line 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:

	2014	2013
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.

t) 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.

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 and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Notes to the Financial Statements

For the period ended 31 December 2014

Note 1 Summary of significant accounting policies (continued)

u) Intangibles

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

v) 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 Union were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

w) Taxation

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

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

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

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

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

Notes to the Financial Statements

For the period ended 31 December 2014

Note 1 Summary of significant accounting policies (continued)

x) Fair value measurement

The Union 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 25.

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 Union. 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 Union 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 Union 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.

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

Note 1 Summary of significant accounting policies (continued)

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 Union 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.

y) Trade and other payables

These amounts represent liabilities for goods or services provided to the Union 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.

Note 2 Revenue

	2014
	\$
Other revenue	
Shared services revenue	-
Journey cover recoupment	-
Sundry revenue	-
	<hr/>
	<hr/>

Note 3 Expenses

Employee expenses

Holders of office:

Wages and salaries	-
Superannuation	-
Leave and other entitlements	-
Separation and redundancies	-
Other employee expenses	-
Subtotal employee expenses holders of office	<hr/>
	<hr/>

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

Note 3 Expenses (continued)

	2014
	\$
Employees other than office holders:	
Wages and salaries	-
Superannuation	-
Leave and other entitlements	-
Separation and redundancies	-
Other employee expenses	-
Subtotal employee expenses employees other than office holders	<u>-</u>
Total employee expenses	<u>-</u>
Capitation fees	
ARTBIU National Office	14,540
Total capitation fees	<u>14,540</u>
The capitation fee expense included here is based on the union dues recognised in the State union, the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch. The expense is only recognised in the Union since inception on 12 August 2014 and is recognised at 14.5% of the revenue in the State union from the inception date.	
Affiliation fees	
Australian Labour Party	-
Australian Council of Trade Unions	-
Unions WA	-
Total affiliation fees	<u>-</u>
Administration expenses	
Consideration to employers for payroll deductions	-
Compulsory levies	-
Fees/allowances - meeting and conferences	-
Conference and meeting expenses	-
Contractors/consultants	-
Property expenses	-
Office expenses	-
Information communications technology	-
Other	-
Total administration expense	<u>-</u>

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

Note 3 Expenses (continued)

	2014
	\$
Grants or donations	
Grants:	
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	<u>-</u>
Depreciation and amortisation	
Depreciation	
Land and buildings	-
Property, plant and equipment	-
Total depreciation	<u>-</u>
Amortisation	
Intangibles	-
Total amortisation	<u>-</u>
Total depreciation and amortisation	<u>-</u>
Legal costs	
Litigation	-
Other legal matters	-
Total legal costs	<u>-</u>
Other expenses	
Penalties - via RO Act or RO Regulations	-
Insurance	-
Vehicle expenses	-
Fringe benefits tax	-
Other expenses	-
Total other expenses	<u>-</u>

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

	2014
	\$
Note 4 Cash and cash equivalents	
Cash at bank	-
Cash on hand	-
Short term deposits	-
Other	-
Total cash and cash equivalents	<u>-</u>
Note 5 Trade and other receivables	
Receivables from other reporting units	
Receivables from other reporting units	-
Total receivables from other reporting units	<u>-</u>
Less provision for doubtful debts	
Provision for doubtful debts	-
Total provision for doubtful debts	<u>-</u>
Net receivable from other reporting units	<u>-</u>
Other receivables	
Other receivables	-
Total other receivables	<u>-</u>
Total net trade and other receivables	<u>-</u>
Note 6 Other current assets	
Prepaid expenses	-
Total other current assets	<u>-</u>
Note 7 Land and buildings	
Fair value	-
Accumulated depreciation	-
Total land and buildings	<u>-</u>

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

2014

\$

Note 8 Plant and equipment

Motor vehicles:

At cost	-
Accumulated depreciation	-
	-

Plant and equipment:

At cost	-
Accumulated depreciation	-
	-

Total plant and equipment	-
----------------------------------	----------

Reconciliation of the opening and closing balances of plant and equipment

2014	Motor vehicles	Plant and equipment	Total
As at 12 August 2014			
Gross book value	-	-	-
Accumulated depreciation and impairment	-	-	-
Net book value 12 August 2014	-	-	-
Additions:			
By purchase	-	-	-
From acquisition of entities (including restructuring)	-	-	-
Impairments	-	-	-
Depreciation expense	-	-	-
Other movement	-	-	-
Disposals	-	-	-
Other	-	-	-
Net book value 31 December 2014	-	-	-
Net book value as of 31 December 2014 represented by:			
Gross book value	-	-	-
Accumulated depreciation and impairment	-	-	-
Net book value 31 December 2014	-	-	-

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

	2014
	\$
Note 9 Investment property	
Opening balance as at 12 August	-
Additions	-
Net gain/loss from fair value adjustment	-
Closing balance as at 31 December	<u>-</u>
Note 10 Intangibles	
At cost	-
Accumulated amortisation	-
Total intangibles	<u>-</u>
Note 11 Investments in associates	
Investments in associates	-
Total investments in associates	<u>-</u>
Note 12 Other investments	
Deposits	-
Other	-
Total other investments	<u>-</u>
Note 13 Other non-current assets	
Prepayments	-
Other	-
Total other non-current assets	<u>-</u>
Note 14 Trade payables and accruals	
Trade creditors and accruals	-
Subtotal trade creditors	<u>-</u>
Payables to other reporting units	
Loan from the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch	14,540
Subtotal payables to other reporting units	<u>14,540</u>
Total trade payables	<u>14,540</u>

Settlement is usually made within 30 days.

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

	2014
	\$
Note 15 Other payables	
Wages and salaries	-
Superannuation	-
Deductions	-
Legal costs	-
Unearned revenue	-
GST payable	-
PAYG payable	-
Other payables	-
Total other payables	<u>-</u>

Settlement is within 30 days, except for the rental bond which had a term of 5 years ending in April 2014.

Total other payables are expected to be settled in:

No more than 12 months	-
More than 12 months	-
Total other payables	<u>-</u>

Note 16 Employee entitlements

Office holders:

Annual leave	-
Long service leave	-
Separations and redundancies	-
Other	-
Subtotal employee entitlements—office holders	<u>-</u>

Employees other than office holders:

Annual leave	-
Long service leave	-
Separation and redundancies	-
Other	-
Subtotal employee entitlements—employees other than office holders	<u>-</u>
Total employee entitlements	<u>-</u>

Current	-
Non-current	-
Total employee entitlements	<u>-</u>

Note 17 Other non-current liabilities

Other	-
Total non-current liabilities	<u>-</u>

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

	2014
	\$
Note 18	
General funds	
Balance as at start of year	-
Transferred to reserve	-
Transferred out of reserve	-
Balance as at end of year	<u>-</u>
Note 19	
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	-
Statement of Financial Position	-
Difference	<u>-</u>
Reconciliation of profit/(loss) to net cash from operating activities:	
Profit/(loss) for the year	(14,540)
Adjustments for non-cash items	
Depreciation/amortisation	-
Net write-down of non-financial assets	-
Fair value movement in investments	-
Gain/loss on disposal of assets	-
Changes in assets/liabilities	
(Increase)/decrease in net receivables	-
(Increase)/decrease in prepayments	-
Increase/(decrease) in payables	14,540
Increase/(decrease) in employee entitlements	-
Net cash from (used by) operating activities	<u>-</u>
Cash flow information	
Cash inflows from reporting unit	-
Total cash inflows	<u>-</u>
Cash outflows from reporting unit	-
Total cash outflows	<u>-</u>

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

Note 20 Contingent liabilities, assets and commitments

Operating lease commitments – as lessee

The Union has not operating lease commitments for the period ending 31 December 2014.

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

	2014
	\$
Within one year	-
After one year but not more than five years	-
More than five years	-
	<hr/>
	-

Operating lease commitments – as lessor

The Union had no operating lease commitments for the period ending 31 December 2014.

Finance lease commitments

The Union had finance lease commitments for the period ending 31 December 2014.

Other contingent assets of liabilities

The Union has no contingent assets or liabilities for the period ending 31 December 2014.

Note 21 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 PTA Branch.

The Australian Rail, Tram and Bus Industry Union of Employees (Of Employees)

- This is the West Australian state regulated Union and is related to the PTA Branch by membership association.

2014
\$

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

National Office

Expenses to National Office

Capitation fees	14,540
-----------------	--------

Amounts owed by National Office	-
--	----------

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

Note 21 Related party transactions for the reporting period (continued)

	2014
	\$
Amounts owed to National Office	-
Loans from/to National Office	-
Assets transferred from/to National Office	-
Of Employees	
Revenue from Of Employees	-
Expenses to Of Employees	-
Amounts owed by Of Employees	-
Amounts owed to Of Employees	-
Loans from/to Of Employees	
Loan from Of Employees for capitation fees	14,540
Assets transferred from/to Of Employees	-

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

Note 22 Key management personnel

(a) Remuneration for the reporting period

The only key management personnel is the Officer on the Union, Paul Robinson, however this office is employed and remunerated by the State union, the Australian Rail, Tram and Bus Industry Union of Employees.

Short-term employee benefits

Salary (including annual leave taken)	-
Annual leave accrued	-
Performance bonus	-
Total short-term employee benefits	<u> </u>

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

Note 22 Key management personnel (continued)

	2014
	\$
Post-employment benefits:	
Superannuation	-
Total post-employment benefits	<u>-</u>
Other long-term benefits:	
Long-service leave accrued	-
Total other long-term benefits	<u>-</u>
Termination benefits	-
Total	<u>-</u>

(b) Transactions with key management personnel and their close family members

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

	2014
	\$
Note 23 Remuneration of auditors	
Value of the services provided	
Financial statement audit services	-
Other services	-
Total remuneration of auditors	<u>-</u>

Due to the limited activity of the Union since inception the audit has been completed for no fee.

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

Note 24 Financial instruments

Financial risk management objectives

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

Categories of financial instruments

Financial Assets

	2014 \$
Cash and cash equivalents	-
Fair value through profit or loss	-
Total	<u>-</u>
Held-to-maturity investments	-
Total	<u>-</u>
Available-for-sale assets	-
Total	<u>-</u>
Loans and receivables	-
Total	<u>-</u>
Carrying amount of financial assets	<u>-</u>

Financial Liabilities

Fair value through profit or loss:	-
Total	<u>-</u>
Other financial liabilities	
Trade payables and accruals	14,540
Total	<u>14,540</u>
Carrying amount of financial liabilities	<u>14,540</u>

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

	2014
	\$
Note 24 Financial instruments (continued)	
Net income and expense from financial assets	
Held-to-maturity	
Interest revenue	-
Exchange gains / (losses)	-
Impairment	-
Gain / (loss) on disposal	-
Net gain / (loss) from held-to-maturity	<u>-</u>
Loans and receivables	
Interest revenue	-
Exchange gains / (losses)	-
Impairment	-
Gain / (loss) on disposal	-
Net gain / (loss) from loans and receivables	<u>-</u>
Available for sale	
Interest revenue	-
Dividend revenue	-
Exchange gains / (losses)	-
Gain / (loss) recognised in equity	-
Impairment	-
Fair value changes reversed on disposal	-
Gain / (loss) on disposal	-
Net gain / (loss) from available for sale	<u>-</u>
Cash and cash equivalents	
Interest revenue	-
Net gain / (loss) from cash and cash equivalents	<u>-</u>
Fair value through profit or loss	
Change in fair value	-
Interest revenue	-
Dividend revenue	-
Exchange gains / (losses)	-
Net gain / (loss) from fair value through profit or loss	<u>-</u>
Net gain / (loss) from financial assets	<u>-</u>

The net income/expense from financial assets not at fair value through profit or loss is Nil.

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

Note 24 Financial instruments (continued)

Net income and expenses from financial liabilities

	2014 \$
Fair value through profit or loss	
Interest expense	-
Exchange gains / (losses)	-
Gain / (loss) on disposal	-
Net gain / (loss) from fair value through profit or loss	<u>-</u>
Other financial liabilities	
Change in fair value	-
Interest expense	-
Exchange gains / (losses)	-
Net gain / (loss) from other financial liabilities	<u>-</u>
Net gain / (loss) from financial liabilities	<u>-</u>

The net income/expense from financial liabilities not at fair value through profit or loss is Nil.

Credit risk

The Union 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 2014 \$	Past due or impaired 2014 \$
Receivables	-	-
Total	<u>-</u>	<u>-</u>

Ageing of financial assets that were past due but not impaired for 2014

	0 – 30 days \$	31 – 60 days \$	61 – 90 days \$	90 days + \$	Total \$
Receivables	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

Note 24 Financial instruments (continued)

Liquidity risk

The Union is not exposed to any significant liquidity risk and is therefore not actively managing it liquidity risk.

Contractual maturities for financial liabilities 2014

	On demand \$	< 1 year \$	1 – 2 years \$	2 – 5 years \$	> 5 years \$	Total \$
Trade creditors and accruals	14,540	-	-	-	-	14,540
Total	14,540	-	-	-	-	14,540

Market risk

The Union 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.

Note 25 Fair value measurement

Management of the Union 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 Union'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 2014 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 Union 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 2014 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

Australian Rail, Tram and Bus Industry Union

West Australian PTA Branch

Notes to the Financial Statements

For the period ended 31 December 2014

Note 25 Fair value measurement (continued)

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

	Carrying amount 2014 \$	Fair value 2014 \$
Financial assets		
Cash and cash equivalents	-	-
Trade and other receivables	-	-
Total	<u>-</u>	<u>-</u>
Financial liabilities		
Trade and other payables	14,540	14,540
Total	<u>14,540</u>	<u>14,540</u>

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.

Fair value hierarchy – 30 June 2014

	Date of valuation \$	Level 1 \$	Level 2 \$	Level 3 \$
Assets measured at fair value				
None	N/A	-	-	-
Total		<u>-</u>	<u>-</u>	<u>-</u>
Liabilities measured at fair value				
None	N/A	-	-	-
Total		<u>-</u>	<u>-</u>	<u>-</u>

Note 26 Business combinations

The Union did not enter into any business combinations during the period ending 31 December 2014.

Note 27 Administration of financial affairs by a third party

The Union did not engage a third party to administer their financial affairs during the period ending 31 December 2014.

Notes to the Financial Statements

For the period ended 31 December 2014

Note 28 Events after the reporting period

There were no events that occurred after 31 December 2014, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

Note 29 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 General Manager:

- (1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (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).

AUDITOR'S INDEPENDENCE DECLARATION

TO THE MEMBERS OF AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION WEST AUSTRALIAN PTA BRANCH

In relation to our audit of the financial report of Australian Rail, Tram and Bus Industry Union West Australian PTA Branch (the Union) for the year ended 31 December 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



PKF MACK



SIMON FERMANIS
PARTNER

30 JUNE 2015
WEST PERTH,
WESTERN AUSTRALIA

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

Annual Report

For the year ended 31 December 2014

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Certificate By Prescribed Designated Officer

For the year ended 31 December 2014

I, Paul Robinson, being the officer responsible of The Australian Rail, Tram and Bus Industry Union of Employees West Australian Branch, certify:

- That the documents lodged herewith are copies of the full report for The Australian Rail, Tram and Bus Industry Union of Employees West Australian Branch for the period ended 31 December 2014 referred to in The Industrial Relations Act 1979 ; and
- That the full report was provided to members of the reporting unit on 22 May 2015; and
- That the full report was presented to a general meeting of members The Australian Rail, Tram And Bus Industry Union of Employees West Australian Branch on 26 May 2015 in accordance with the Industrial Relations Act 1979.

Signature of prescribed designated officer



Name of prescribed designated officer

Paul Robinson.....

Title of prescribed designated officer

Branch Secretary.....

Date

30 June 2015.....

Committee of Management Statement
For the year ended 31 December 2014

We, Paul Robinson and Craig Dearth, being two members of the Committee of Management of The Australian Rail, Tram and Bus Industry Union of Employees West Australian Branch, do state on behalf of the Committee of Management and in accordance with a resolution passed on 22 May 2015 by the Committee of Management, that:

1. The accompanying general purpose financial statements and notes comply with the Australian Accounting Standards (including Australian Interpretations) and the Industrial Relations Act 1979;
2. 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;
3. 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
4. During the financial year to which the general purpose financial report relates and since the end of that year:
 - a. Meetings of the committee of management were held in accordance with the rules of the organisation including the rules of the Branch concerned; and
 - b. The financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of the Branch concerned; and
 - c. The financial records of the reporting unit have been kept as far as practicable and to the best of my knowledge and belief in a consistent manner to each of the other reporting units of the organisation.

The Committee of Management declares that in its opinion the Union has complied at all times during the financial year with the Industrial Relations Act 1979.

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



Secretary

Date: 30/06/2015



President

30-6-15

AUDITOR'S INDEPENDENCE DECLARATION
TO THE BRANCH COUNCIL OF
THE AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION OF EMPLOYEES
WEST AUSTRALIAN BRANCH

In relation to our audit of the financial report of The Australian Rail, Tram and Bus Industry Union of Employees West Australian Branch for the year ended 31 December 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



PKF MACK



SIMON FERMANIS
PARTNER

30 JUNE 2015
WEST PERTH,
WESTERN AUSTRALIA

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Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2014

	Note	2014 \$	2013 \$
Revenue	2	377,081	347,324
Expenses			
Capitation fee expense	3	(24,497)	(26,857)
Depreciation expense	6	(14,451)	(9,261)
Employee expenses	3	(141,674)	(139,117)
Property expenses		(24,956)	(21,643)
Shared services		(95,191)	(84,272)
Insurance expense		(12,744)	(4,226)
Legal costs		(16,767)	(21,893)
Audit and accounting fees		(23,715)	(15,071)
Loss on devaluation		(503,000)	-
Other expenses		(63,675)	(47,319)
		<u>(920,670)</u>	<u>(369,659)</u>
Surplus / (Deficit) for the year		<u>(543,589)</u>	<u>(22,335)</u>
Other comprehensive income, net of income tax		<u>-</u>	<u>-</u>
Total comprehensive surplus / (deficit) for the year		<u><u>(543,589)</u></u>	<u><u>(22,335)</u></u>

The accompanying notes form part of these financial statements

Statement of Financial Position
For the year ended 31 December 2014

	Note	2014 \$	2013 \$
Current assets			
Cash and cash equivalents	4	59,858	44,769
Trade and other receivables	5	49,425	52,165
Prepayments		13,093	12,370
Total current assets		<u>122,376</u>	<u>109,304</u>
Non-current assets			
Property, plant and equipment	6	236,450	229,145
Investment properties	7	3,400,000	3,903,000
Total non-current assets		<u>3,636,450</u>	<u>4,132,145</u>
Total assets		<u>3,758,826</u>	<u>4,241,449</u>
Current liabilities			
Trade and other payables	8	149,673	112,670
Provisions	9	30,300	13,159
Other	10	39,689	30,873
Membership fees received in advance		-	1,994
Total current liabilities		<u>219,662</u>	<u>158,696</u>
Total liabilities		<u>219,662</u>	<u>158,696</u>
Net assets		<u>3,539,164</u>	<u>4,082,753</u>
Accumulated funds			
Accumulated funds		<u>3,539,164</u>	<u>4,082,753</u>
Total accumulated funds		<u>3,539,164</u>	<u>4,082,753</u>

The accompanying notes form part of these financial statements

Statement of Changes in Equity
For the year ended 31 December 2014

	Accumulated Funds \$	Total \$
Balance at 1 January 2013	4,105,088	4,105,088
Surplus attributable to members	<u>(22,335)</u>	<u>(22,335)</u>
Balance at 31 December 2013	4,082,753	4,082,753
Deficit attributable to members	<u>(543,589)</u>	<u>(543,589)</u>
Balance at 31 December 2014	<u>3,539,164</u>	<u>3,539,164</u>

The accompanying notes form part of these financial statements

Statement of Cash flows

For the year ended 31 December 2014

	Note	2014 \$	2013 \$
Cash flows from operating activities			
Receipts from members and others		391,460	334,390
Payments to suppliers and employees		(340,495)	(289,625)
Interest received		420	4
		<hr/>	<hr/>
Net cash provided by operating activities	11	51,385	44,769
Cash flows from investing activities			
Payments for plant and equipment		(21,756)	(36,318)
Loan to Federal PTA Branch		(14,540)	-
		<hr/>	<hr/>
Net cash flows used in investing activities		(36,296)	(36,318)
Cash flows from financing activities			
Receipt of loan from the Australian Rail, Tram and Bus Industry Union West Australian Branch		-	36,318
		<hr/>	<hr/>
Net cash flows provided by financing activities		-	36,318
Net increase in cash and cash equivalents		15,089	44,769
Cash and cash equivalents at the beginning of the financial year		44,769	-
		<hr/>	<hr/>
Cash and cash equivalents at the end of the financial year	4	59,858	44,769

The accompanying notes form part of these financial statements

Notes to the Financial Statements

For the year ended 31 December 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The Australian Rail, Tram and Bus Industry Union of Employees West Australian Branch (the "union") is a registered under the Industrial Relations Act 1979 (IR Act) and is incorporated and domiciled in Australia.

The principal activity of the union was as a transport union. The registered office of the union throughout the year was: 2/10 Nash Street, Perth, WA 6000.

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Statement of Compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') (including Australian Interpretations) as issued by the Australian Accounting Standards Board ('AASB') and Part II Division 4 of the IR Act for not-for-profit oriented entities. The financial report also complies with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB').

The financial report was authorised for issue by the Committee of Management 22 May 2015.

Basis of Measurement

The financial report has been prepared on an accruals basis. It is based on the historical costs and does not take into account changing money values or, except where specifically stated, current calculation of non-current assets.

Functional and Presentation Currency

The financial report is presented in Australian dollars, which is the union's functional currency.

Use of Estimates and Judgements

The preparation of the financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Estimation of useful lives of assets

The union 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.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The union assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the union and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs to sell or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Long service leave provision

The liability for long service leave is 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.

Notes to the Financial Statements

For the year ended 31 December 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

Accounting Policies

a. Income tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under section 23 (f) of the Income Tax Assessment Act.

b. Comparative figures

Where required, comparative figures have been adjusted to conform to changes in presentation for the current year.

c. Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the union and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Membership fees are recognised evenly over the duration of the membership period paid for.

Other revenue is recognised when it is received or when the right to receive payment is established.

d. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables are stated inclusive of the amount of the GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

e. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

f. Plant and equipment

Plant and equipment is measured on a cost basis less depreciation and impairment losses.

The depreciable amounts of the plant and equipment are depreciated on a diminishing value basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

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

Plant and Equipment	2.5% - 40%
Motor Vehicles	22.5%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the union. Gains and losses between the carrying amount and the disposal proceeds are taken to the profit or loss in the statement of comprehensive income.

g. Trade and other receivables

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

Notes to the Financial Statements

For the year ended 31 December 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

h. Investment properties

Investment properties principally comprise freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the union. The investment properties are initially recognised at cost, including transaction costs and subsequently remeasured at fair value, based on similar assets, location and market conditions. Movements in fair value are recognised directly to profit and loss.

Investment properties are derecognised when disposed of or when there is no future economic benefit expected.

i. Owner-occupied properties

Owner-occupied properties comprise freehold land and buildings occupied by the union. The properties are recognised at cost less accumulated depreciation and are depreciated over their estimated useful life.

j. Financial assets

Shares in listed companies are classified as being held for trading. They are initially measured at cost and subsequently measured at fair value with changes in carrying value being included in profit or loss.

k. Trade and other payables

These amounts represent liabilities for goods and services provided to the union prior to the end of the financial year and which are unpaid. 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.

l. Employee benefits

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

Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Provision for employee benefits have been measured to include salary on-costs including superannuation, payroll tax and workers compensation.

m. Superannuation

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

n. Leases

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

o. Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The value-in use is the present value of the estimated future cash flows relating to the asset using the pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have an independent cash flows are grouped together to form a cash-generating unit.

Notes to the Financial Statements

For the year ended 31 December 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

p. Allocation of revenue and expenses between the Australian Rail, Tram and Bus Industry Union West Australian Branch (Federal branch) and the Australian Rail, Tram and Bus Industry Union of Employees (State branch)

During the 2013 financial year a change in accounting policy occurred in relation to the application of services shared between the Federal branch and the State branch. In the 2012 financial year the State branch allocated all of its revenue to the Federal branch as payment for shared services.

In the 2013 financial year this was changed to account for revenue based on the number of members in each branch. All other revenue was split on a 60/40 basis. It was also determined that expenses including payroll be allocated on a 60/40 basis between the two branches.

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 Federal branch;
- Plant and equipment will be held in the Federal branch, with the exception of Motor Vehicles being held in the respective branch making use of the vehicle and plant and equipment related to the investment properties which are held in the State branch;
- Depreciation expense to be recognised by the entity that owns the respective asset.

Further details and disclosure surrounding this policy and its impact on the financial report can be found at Note 13.

q. Adoption of new or revised accounting standards and interpretations

New and revised Standards and amendments thereof and Interpretations effective for the current period that are relevant to the union include:

- Amendments to AASB 1, 5, 7, 101, 112, 120, 121, 132, 133 and 134 as a consequence of AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the union's accounting policies and has no effect on the amounts reported for the current or prior periods. However, the application of AASB 2011-9 has resulted in changes to the union's presentation of, or disclosure in, its financial statements.

Notes to the Financial Statements

For the year ended 31 December 2014

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

r. New standards and interpretations not yet adopted

The AASB has issued the following new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The union has decided against early adoption of these standards, and has not yet determined the potential impact on the financial statements from the adoption of these standards and interpretations.

AASB No.	Title	Application date of standard*	Issue date
AASB 9	Financial Instruments	1 January 2015	December 2010
AASB 2014-4	Amendments to Australian Accounting Standard - Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)	1 January 2016	August 2014
AASB 2014-5	Amendments to Australian Accounting Standard Arising From AASB 15	1 January 2017	December 2014
AASB 2014-7 AASB 2014-8	Amendments to Australian Accounting Standard Arising From AASB 9	1 January 2018	December 2014

Notes to the Financial Statements

For the year ended 31 December 2014

	2014 \$	2013 \$
NOTE 2: REVENUE		
Revenue		
Contribution revenue (bus, locomotive and rail)	250,542	251,593
Rents	74,714	84,885
Other operating revenue		
Journey cover recoupment	11,983	10,842
Organisers levy	22,544	-
Other operating revenue	16,878	-
Total revenue from continuing operations	<u>376,661</u>	<u>347,320</u>
Other Income		
Interest received	420	4
	<u>420</u>	<u>4</u>
Total revenue	<u>377,081</u>	<u>347,324</u>
NOTE 3: EXPENSES		
Affiliation fees (in other expenses and capitation fees)		
- Australian Council of Trade Unions	1,963	2,583
- Australian Labour Party	2,568	4,029
- ARTBIU National Office Capitation Fees	24,497	26,857
- Unions WA	4,471	4,319
Employee benefits to holders of office	130,190	129,335
Superannuation expense	11,484	9,782
Total employee expenses	<u>141,674</u>	<u>139,117</u>
Remuneration of auditor – financial statement audit services	8,000	8,000
NOTE 4: CASH AND CASH EQUIVALENTS		
Cash at bank	<u>59,858</u>	<u>44,769</u>
	<u>59,858</u>	<u>44,769</u>
NOTE 5: TRADE AND OTHER RECEIVABLES		
National Office reimbursements	1,555	-
Loan to Federal PTA Branch	14,540	-
Receivables from the Australian Rail, Tram and Bus Industry Union West Australian Branch	<u>33,330</u>	<u>52,165</u>
	<u>49,425</u>	<u>52,165</u>

Notes to the Financial Statements

For the year ended 31 December 2014

	2014 \$	2013 \$
NOTE 6: PROPERTY, PLANT AND EQUIPMENT		
Plant and equipment	21,756	-
Less: accumulated depreciation	<u>(1,353)</u>	<u>-</u>
	<u>20,403</u>	<u>-</u>
Motor vehicles – at cost	36,318	36,318
Less: accumulated depreciation	<u>(12,381)</u>	<u>(4,209)</u>
	<u>23,937</u>	<u>32,109</u>
Owner-occupied property – at cost	252,488	252,488
Less: accumulated depreciation	<u>(60,378)</u>	<u>(55,452)</u>
	<u>192,110</u>	<u>197,036</u>
Total property, plant and equipment	<u>236,450</u>	<u>229,145</u>

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Plant and equipment	Motor Vehicles	Owner- occupied property	Total
2014				
Balance at the beginning of the year	-	32,109	197,036	229,145
Additions	21,756	-	-	21,756
Depreciation expense	<u>(1,353)</u>	<u>(8,172)</u>	<u>(4,926)</u>	<u>(14,451)</u>
Carrying amount at the end of the year	<u>20,403</u>	<u>23,937</u>	<u>192,110</u>	<u>236,450</u>
2013				
Balance at the beginning of the year	-	-	202,088	202,088
Additions	-	36,318	-	36,318
Depreciation expense	<u>-</u>	<u>(4,209)</u>	<u>(5,052)</u>	<u>(9,261)</u>
Carrying amount at the end of the year	<u>-</u>	<u>32,109</u>	<u>197,036</u>	<u>229,145</u>

	2014 \$	2013 \$
NOTE 7: INVESTMENT PROPERTIES		
630 Murray Street at fair value	1,400,000	1,550,000
224 Stirling Street at fair value	<u>2,000,000</u>	<u>2,353,000</u>
	<u>3,400,000</u>	<u>3,903,000</u>

The basis of the valuation of investment properties is fair value, being the amounts for which the assets could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties in the same location and condition. The investment properties were last reassessed on 17 April 2015. A summation approach was used to determine the fair value.

The reassessment was performed by an agent of Vicus Commercial (Previously Platinum Commercial), which is part of the Vicus Property Group and is in the form of a Market Appraisal. Vicus Commercial are the investment property managers and are specialists in valuing these types of investment properties. The valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.

Notes to the Financial Statements

For the year ended 31 December 2014

NOTE 7: INVESTMENT PROPERTIES (CONT)

A loss on devaluation of \$150,000 has been recognised in relation to the 630 Murray Street property and a loss on devaluation of \$353,000 has been recognised in relation to the 224 Stirling Street property.

The following reconciliation details the revenue and expenditure derived from the investment properties. Please note that, while the investment properties are held within this entity, the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch, the management and utilisation of the investment properties is shared with the Australian Rail, Tram and Bus Union, West Australian Branch. As such the revenue and expenditure in relation to the investment properties is split 60/40% as per note 1, (p), with the 40% being accounted for in this entity.

	2014 \$	2013 \$
Rental income derived from investment properties	74,714	84,885
Direct operating expenses (including repairs and maintenance generating rental income)	(12,378)	(9,249)
	<u>62,336</u>	<u>75,636</u>

NOTE 8: TRADE AND OTHER PAYABLES

Trade creditors and accruals	29,475	17,381
GST liability	8,106	4,167
PAYG tax withholding	2,696	2,568
Payables to the Australian Rail, Tram and Bus Industry Union West Australian Branch	73,078	52,236
Loan payable to the Australian Rail, Tram and Bus Industry Union West Australian Branch	36,318	36,318
	<u>149,673</u>	<u>112,670</u>

Refer to note 14 for detailed information on financial instruments.

NOTE 9: PROVISIONS

Employee benefits – annual leave	20,102	7,642
Employee benefits – long service leave	10,198	5,517
	<u>30,300</u>	<u>13,159</u>

NOTE 10: OTHER LIABILITIES

Current

Transit officer legal fund	<u>39,689</u>	<u>30,873</u>
----------------------------	---------------	---------------

The Transit officer legal fund represents amounts contributed by the Australian Rail, Tram and Bus Industry Union West Australian Branch and the transit officers. The fund can be drawn down if a legal case arises and pending committee approval. During the 2013 financial year this Transit office legal fund was transferred from the federal union, Australian Rail, Tram and Bus Industry Union West Australian Branch.

The movement in the legal fund provision is as follows:

Opening balance	30,873	-
Transfer from RBTU WA Branch	-	23,612
Contribution receivable from RTBU WA Branch	-	3,000
Contributions from members	11,126	4,261
Legal fund expenses	(2,310)	-
Closing balance	<u>39,689</u>	<u>30,873</u>

Notes to the Financial Statements

For the year ended 31 December 2014

	2014 \$	2013 \$
NOTE 11: CASHFLOW INFORMATION		
a) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flow is reconciled to the related items in the statement of financial position as follows:		
Cash at bank	59,858	44,769
	<u>59,858</u>	<u>44,769</u>
b) Reconciliation of cash flows from operating activities to profit/(loss):		
Operating (deficit) / surplus	(543,589)	(22,335)
Depreciation	14,451	9,261
Loss on devaluation of investment properties	503,000	-
Change in assets and liabilities		
(Increase)/decrease in trade and other receivables	17,280	(52,165)
(Increase)/decrease in prepayments	(723)	(12,370)
Increase/(decrease) in trade and other payables	37,003	76,352
Increase/(decrease) in provisions	17,141	13,159
Increase/(decrease) in other current liabilities	8,816	30,873
Increase/(decrease) in membership fees received in advance	(1,994)	1,994
Net cash provided by operating activities	<u>51,385</u>	<u>44,769</u>

NOTE 12: KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel comprise those individuals who have the authority and responsibility for planning, directing and controlling the activities of the Union.

During the year, the key management personnel of the Union were remunerated as follows:

	Short-Term Benefits	Post- Employment Benefits	Total
2014			
Total compensation	130,190	11,484	141,674
	<u>130,190</u>	<u>11,484</u>	<u>141,674</u>
2013			
Total compensation	129,335	9,782	139,117
	<u>129,335</u>	<u>9,782</u>	<u>139,117</u>
	2014 \$		2013 \$

NOTE 13: RELATED PARTY DISCLOSURE

Transactions with National Office:

Capitation fees:

During the year the branch paid 14.5% of gross member contribution received to the National Office

39,037 26,857

Capitation fees owed to the National Office as at 31 December

- 3,260

Transactions with Federal PTA Branch

Of the capitation fees noted above, some were paid on behalf of the Federal PTA Branch since establishment on 12 August 2014

14,540 -

Loan receivable for capitation fees paid on behalf of the Federal PTA Branch

14,540 -

Notes to the Financial Statements

For the year ended 31 December 2014

	2014 \$	2013 \$
NOTE 13: RELATED PARTY DISCLOSURE (CONT)		
Transactions with the Australian Rail, Tram and Bus Industry Union of Employees West Australian Branch:		
Member contribution revenue		
During the year the Australian Rail, Tram and Bus Industry Union West Australian Branch received member contribution revenue on behalf of the branch and forwarded it on in monthly instalments.		
Total contribution revenue received by the Australian Rail, Tram and Bus Industry Union West Australian Branch during the year	330,316	337,137
Member contribution revenue receivable as at 31 December	33,330	46,666
Shared services transactions		
During the year the branch engaged in shared services with the Australian Rail, Tram and Bus Industry Union West Australian Branch. These services were for shared administration expenses and employee expenses and were payable in monthly instalments.		
Total administration expenses	140,127	128,582
Total employee expenses	95,191	84,272
Administration expense amounts payable as at 31 December	42,058	31,082
Employee expense amounts payable as at 31 December	31,020	21,154
Motor vehicles loan		
In 2013 the branch entered into a loan agreement with the Australian Rail, Tram and Bus Industry Union West Australian Branch to loan funds from them for the purchase of a motor vehicle. No repayments have been made and there is no interest charged, therefore loan owing remains the same.		
	36,318	36,318

NOTE 14: FINANCIAL INSTRUMENTS

Financial risk management objectives

The union's activities do not expose it to many financial risks, with only liquidity risk being needed to be actively managed.

Market risk

Foreign currency risk

The union is not exposed to any significant foreign currency risk.

Price risk

The union is not exposed to any significant price risk.

Interest rate risk

The union is not exposed to any significant interest rate risk.

Credit risk

The union is not exposed to any significant credit risk.

Notes to the Financial Statements

For the year ended 31 December 2014

NOTE 14: FINANCIAL INSTRUMENTS

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Branch Committee of Management. The union manages liquidity risk by maintaining adequate reserves and banking facilities.

Remaining contractual maturities

The following tables detail the union's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2014						
Non-derivatives						
<i>Non-interest bearing</i>						
Sundry and other creditors	-	141,567	-	-	-	141,567
GST payable	-	8,106	-	-	-	8,106
Other liabilities (legal fund)	-	39,689	-	-	-	39,689
Total non-derivatives		189,362	-	-	-	189,362

	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2013						
Non-derivatives						
<i>Non-interest bearing</i>						
Sundry and other creditors	-	108,503	-	-	-	108,503
GST payable	-	4,167	-	-	-	4,167
Other liabilities (legal fund)	-	30,873	-	-	-	30,873
Total non-derivatives		143,543	-	-	-	143,543

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair values of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair values. The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instruments.

Fair Value Hierarchy for Investment Properties

The fair value of the investment properties totalling \$3,400,000 is classified as level 2 (inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)). There were no transfers between levels during the financial year.

Notes to the Financial Statements

For the year ended 31 December 2014

NOTE 15: SUBSEQUENT EVENTS

At the date of the Statement by the Committee, no matter or circumstances not otherwise dealt with in the financial statements has significantly or may significantly affect the operations of the Branch, the results of those operations or the state of affairs of the Branch in subsequent financial years.

NOTE 16: CONTINGENT LIABILITIES AND ASSETS

The Union has a contingent liability in relation to both the investment properties held, 630 Murray Street and 224 Stirling Street, and the owner occupied property, 10 Nash Street.

In the past the Union and the Australian Rail, Tram and Bus Industry Union WA Branch were combined and reported as one Union. Buildings acquired during this period, therefore belong to the members of both Unions, however they are held in title and recognised in the books of the Australian Rail, Tram and Bus Industry Union of Employees. The revenue derived from and expenses incurred in relation to these properties are shared between the Unions based on the 60/40 split detailed in the policy note. Based on the above information the members of the Australian Rail, Tram and Bus Industry Union WA Branch may have a claim on the value of the properties.

The combined value of the properties in the records of the Union as at 31 December 2014 is \$3,592,110 (2013: \$4,100,036).

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION OF EMPLOYEES WEST AUSTRALIAN BRANCH

Report on the Financial Report

We have audited the accompanying financial report of The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch (the union), which comprises the statement of financial position as at 31 December 2014, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the committee of management statement.

Committee of Management's Responsibility for the Financial Report

The committee of management of the union are responsible for the preparation of the financial report that presents fairly in accordance with Australian Accounting Standards and the Industrial Relations Act 1979 and for such internal control as the committee of management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the committee of management also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the union's preparation of the financial report that fairly presents 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 union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

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Auditor's Declaration

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements. I Simon Fermanis declare that I am a registered company auditor in accordance with the Corporations Act 2001 and a member of the Institute of Chartered Accountants.

Auditor's Opinion

In our opinion:

- (1) the general purpose financial report of The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch is in accordance with:
 - (a) the Industrial Relations Act 1979, including:
 - (i) presenting fairly the Union's financial position as at 31 December 2014 and of its performance for the year ended on that date;
 - (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations); and
 - (iii) no person has contravened or failed to comply with section 74 of the Industrial Relations Act 1979.
 - (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

PKF Mack

PKF MACK

Simon Fermanis

SIMON FERMANIS

PARTNER

30 JUNE 2015

WEST PERTH, WESTERN AUSTRALIA

DISCLAIMER

TO THE AFFILIATED ORGANISATION

OF THE AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION OF EMPLOYEES WEST AUSTRALIAN BRANCH

The additional financial report data presented on page 25 is in accordance with the books and records which have been subjected to the auditing procedures applied in our statutory audit for the year ended 31 December 2014. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy of reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than the Australian Rail, Tram and Bus Industry Union of Employees West Australian Branch), in respect of such data, including any errors or omissions therein however caused.

PKF Mack

PKF MACK

Simon Fermanis

SIMON FERMANIS
PARTNER

30 JUNE 2015
WEST PERTH,
WESTERN AUSTRALIA

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Detailed Profit and Loss Statement

For the year ended 31 December 2014

	2014 \$	2013 \$
INCOME		
Union dues – Rail division	161,412	159,721
Union dues – Locomotive division	89,130	91,872
Interest received	420	4
Journey cover recoupment	11,983	10,842
Organisers levy	22,544	-
Rents received	74,714	84,885
Gifted asset revenue	13,053	-
National Office reimbursements	3,622	-
Sundry receipts	203	-
Total income	<u>377,081</u>	<u>347,324</u>
EXPENDITURE		
Capitation fee expense	24,497	26,857
Depreciation expense	14,451	9,261
Loss on devaluation of investment properties	503,000	-
<u>Employee expenditure</u>		
Salaries - officers	130,190	129,335
Superannuation	11,484	9,782
	<u>141,674</u>	<u>139,117</u>
<u>Property expenses</u>		
Murray street	7,402	1,446
Stirling street	4,976	7,803
Nash street – cleaning/ rubbish removal	1,846	1,623
Nash street – electricity	1,674	1,998
Nash street – levies	3,158	7,631
Nash street – repairs and maintenance	-	335
Nash street – rates and taxes	5,579	699
Nash street – security	321	108
	<u>24,956</u>	<u>21,643</u>
Shared services	95,191	84,272
Insurance premiums	12,744	4,226
Legal and industrial costs	16,767	21,893
Audit and accounting fees	23,715	15,071
<u>Other expenses</u>		
Australian Council of Trade Unions	1,963	2,583
Australian Labour Party	2,568	4,029
Bank charges	2,820	2,578
Computer expenses	1,076	4,998
Fringe benefits tax	4,589	-
Gifted asset expense	7,383	-
Meetings	7,200	3,943
Motor vehicle expense	3,554	2,483
Photocopier expenses	3,927	7,124
Postage and delivery	1,014	1,823
Printing and stationery	3,242	1,142
ARTBIU National Office	4,457	1,013
Shoprite enterprises	861	856
Unions WA	4,471	4,319
Subscriptions	1,271	883
Sundry expenses	9,682	5,931
Telephone facsimile and modem	3,597	3,614
	<u>63,675</u>	<u>47,319</u>
Total expenses	<u>920,670</u>	<u>369,659</u>
Net (loss) profit	<u>(543,589)</u>	<u>(22,335)</u>