



13 August 2019

Mr Joshua Dekuyer
Branch Secretary, Western Australian Public Transport Authority Branch
Australian Rail, Tram and Bus Industry Union

cc. Mr Timothy Turner, Auditor

Dear Secretary,

Re: – Australian Rail, Tram and Bus Industry Union, Western Australian Public Transport Authority Branch - financial report for year ending 31 December 2018 (FR2018/337)

I refer to the financial report of the Western Australian Public Transport Authority Branch of the Australian Rail, Tram and Bus Industry Union. The documents were lodged with the Registered Organisations Commission (**ROC**) on 28 June 2019.

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

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report.

Nil activity disclosures

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

- RG20 - make a payment to a former related party of the reporting unit

Recovery of wage activity revenue disclosure

A statement that the branch did not participate in recovery of wage activity was included at paragraph (f) of the committee of management statement. The statement is no longer required to be made here [see reporting guideline 26] since it was included as a revenue item at Note 2 on page 40 of the report in accordance with reporting guideline 13(e).

Reporting Requirements

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines

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

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

Yours faithfully

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Financial Reporting
Registered Organisations Commission

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

Financial Report

For the year ended 31 December 2018

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

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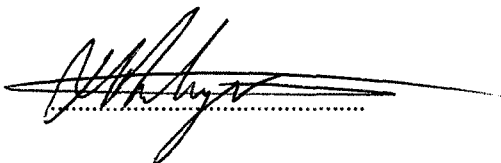
Certificate by Prescribed Designated Officer

For the year ended 31 December 2018

I, Joshua Dekuyer, 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 2018 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 8 April 2019; and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 27 June 2019 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer



Name of prescribed designated officer

Joshua Dekuyer

Title of prescribed designated officer

Branch Secretary

Date

27/06/2019

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

OPERATING REPORT

The committee of management of the Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch ("**the Union**") have prepared this operating report in order to satisfy the requirements of section 254 of the *Fair Work (Registered Organisations) Act 2009* and regulation 159 of the *Fair Work (Registered Organisations) Regulations 2009*. This operating report is for the financial year ending 31 December 2018.

Review of the Union's principal activities

The Union is an association of employees. The Union covers employees who are employed in or in connection with the railway, and tramway industries and who are employed in the Public Transport Authority of Western Australia.

The committee of management has reviewed the principal activities of the Union. The principal activities of the Union in the financial year ended 31 December 2018 were:

- exercising right of entry to hold discussions with current members of the Union and to recruit new members to join the Union;
- assisting members with negotiating replacement enterprise agreements;
- providing members with advice and representation in relation to individual and collective employment issues;
- advancing the interests of the Union at meetings of the National Council and National Executive of the Australian Rail, Tram and Bus Industry Union;
- advocating for more rail jobs and better working conditions through participation in WA Labor and UnionsWA; and
- maintaining and managing the Union's property portfolio.

Results of right of entry to hold discussions

The Union exercised right of entry a number of times throughout the financial year ended 31 December 2018. This has resulted in the Union:

- holding general discussions with members;
- signing up new members;
- informing members about the status enterprise agreement negotiations;
- providing members with information on various industrial disputes between the Union and the Public Transport Authority of Western Australia;
- advising members of their rights and entitlements at work.

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

OPERATING REPORT (CONTINUED)

Results of enterprise agreement negotiation activities

The Union engaged in enterprise bargaining with the Public Transport Authority to replace five enterprise agreements. Those enterprise agreements, and the status of the bargaining as at the end of the 2018 financial year are as follows:

- MSS Security Pty Ltd – United Voice Public Transport Authority Enterprise Agreement 2013 – 2017. The negotiations are continuing.
- Public Transport Authority Railway Employees (Transperth Train Operations) Industrial Agreement 2014. The negotiations are complete and were ratified by the WAIRC 10 July 2018.
- Public Transport Authority Railway Employees (Network and Infrastructure) Industrial Agreement 2016. The negotiations are complete and were ratified by the WAIRC on the 17 September 2018.
- Delron Cleaning Pty Ltd (Prospector and Avon Link/ Merredin On-Train Customer Service Officers) Enterprise Agreement 2013. The negotiations are awaiting ratification by the Fair Work Commission.
- Public Transport Authority/ARTBIU (Transwa) Industrial Agreement 2016. The negotiations are continuing.

Results of providing employees with industrial advice and representation

- The Union has assisted several members with unfair dismissal claims in the Western Australian Industrial Relations Commission. The majority of claims have been settled without the need to go to trial.
- The Union has regularly provided advocacy to its members for matters such as disciplinaries, payment of wages, allowances and overtime payments as well as helping members clarify clauses of their agreements. In most cases, members have achieved a more satisfactory outcome by bringing the Union in to assist them with resolving their industrial issues.
- The Union has also provided legal assistance and industrial advice which has led to several members receiving financial settlements throughout 2018. Due to confidentiality restraints, the Union is unable to provide any specifics about these matters.
- Through arrangements that the Union negotiated with several law firms, injured members of the Union were provided with legal advice and representation in relation to workers' compensation matters.

Results of participation at the National Council and National Executive

The Union has actively participated in meetings of the National Council and the National Executive. The main achievement from this process was reaching an agreement to start the process of amalgamating the PTA Branch with the WA Branch of the Australian Rail, Tram and Bus Industry Union. This is expected to be achieved by 2022.

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

OPERATING REPORT (CONTINUED)

Results of advocacy at WA Labor and UnionsWA

- The Union's affiliation with WA Labor has enabled the Union to provide important information to government, based upon experience and knowledge of its members, about the development and implementation of the new Metronet rail system.
- The Union's affiliation with WA Labor has enabled it to participate in the shaping of the party's policies. The Union's aim in participating is to advocate for better employment opportunities and conditions for railway industry workers
- The Union's affiliation and participation in UnionsWA affairs has enabled it to shape the direction of the broader union movement in Western Australia

Results of managing the Union's property portfolio

During the 2018 year, the Union changed its property management company to seek better management of the Union's property portfolio. Several property maintenance requests were suggested by the new property management company which were actioned and resulted in the first-floor level of its Stirling Street property being tenanted for the first time in the better part of 5 years.

No significant changes in the activities of the Union

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

Significant changes in the Union's financial affairs

There have been some significant changes in the Union's financial affairs in the financial year ended 31 December 2018. The Union put in place initiatives to increase the short and long profitability and viability of the Union. Those initiatives included:

- implementing a more focused organising and recruitment method to increase membership numbers;
- increasing membership fees by \$3.00 per fortnight up to \$26.00 per fortnight;
- a change in the composition of the shared services that the Union contracts for from the WA Branch of the Australian Rail, Tram and Bus Industry Union;
- immediate expenditure cuts (including cancelling the shared service of an employee contracted from the WA Branch)
- negotiating on fees and costs; and
- the cancellation of various journals and subscriptions.

Some of the above initiatives produced instant financial benefits to the Union (for example: the increase of membership fees, and the cancelling the shared service of an employee). Others are anticipated to provide the Union with financial benefits in future financial years (for example, the change in composition of the shared services).

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

OPERATING REPORT (CONTINUED)

Members' rights to resign

Members may resign from the Union in accordance with section 174 of the *Fair Work Act 2009*, which reads as follows:

- (1) A member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.
- (2) A notice of resignation from membership of an organisation takes effect:
 - (a) where the member ceases to be eligible to become a member of the organisation:
 - (i) on the day on which the notice is received by the organisation; or
 - (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member; whichever is later; or
 - (b) in any other case:
 - (i) at the end of 2 weeks, or such shorter period as is specified in the rules of the organisation, after the notice is received by the organisation; or
 - (ii) on the day specified in the notice;whichever is later.
- (3) Any dues payable but not paid by a former member of an organisation, in relation to a period before the member's resignation from the organisation took effect, may be sued for and recovered in the name of the organisation, in a court of competent jurisdiction, as a debt due to the organisation.
- (4) A notice delivered to the person mentioned in subsection (1) is taken to have been received by the organisation when it was delivered.
- (5) A notice of resignation that has been received by the organisation is not invalid because it was not addressed and delivered in accordance with subsection (1).
- (6) A resignation from membership of an organisation is valid even if it is not affected in accordance with this section if the member is informed in writing by or on behalf of the organisation that the resignation has been accepted.

Officers as trustees of superannuation schemes

No officer of the Union was a trustee, or the director of a trustee, of a superannuation scheme because of their membership or position within the Union.

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

OPERATING REPORT (CONTINUED)

Information prescribed by regulation 159

As at 31 December 2018:

- (a) There were 685 people recorded in the register of members. Each of those persons were financial members of the Union.
- (b) The Union directly employed one person (the Secretary of the Union).
- (c) The following people were members of the committee of management during the financial year ended 31 December 2018:

NAME	PERIOD
Paul Robinson	1 January 2018 – 27 September 2018
Craig Dearth	1 January 2018 – 27 September 2018
Jamie Reed	1 January 2018 – 27 September 2018
Josh Dekuyer	Full year
Matt Dale	1 January 2018 – 27 September 2018
Brendan Curtis	1 January 2018 – 19 October 2018
Peter Olynyk	Full year
John Olding	Full year
Dean Harris	19 October 2018 – 31 December 2018
Glen Clingin	27 September 2018 – 31 December 2018
Helen Martin	27 September 2018 – 31 December 2018
Piers McCarney	27 September 2018 – 31 December 2018
Ben Nichols	27 September 2018 – 5 December 2018
Barry Irvine	5 December 2018 – 31 December 2018

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

OPERATING REPORT (CONTINUED)

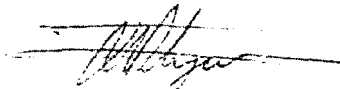
Other information

The Union, through a shared services agreement with the WA Branch of the Australian Rail Tram and Bus Industry Union ("the **WA Branch**"), utilises the labour of the WA Branch's employees. Those persons are not directly employed by the Union. Instead, the Union pays a fee to the WA Branch for use of that labour.

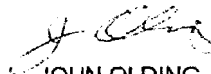
The members and officers of the Union are largely the same as the members and officers of the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch ("the **State Union**"). Although the State Union's eligibility rule is slightly broader than the Union's eligibility rule. The State Union is an association registered under the *Industrial Relations Act 1979* (WA). The Union collects the membership fees and levies from dual members of the Union and State Union on behalf of both of those organisations. So that members are not paying double fees due to their joint membership, the State Union does not collect any fees or levies from those dual members. The operating expenses of the State Union are covered by the Union.

For and on behalf of the Committee of Management:

Dated at Perth, Western Australia this 19th day of January 2019



JOSHUA DEKUYER
Branch Secretary



JOHN OLDING
President

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch (the Reporting unit), which comprises the statement of financial position as at 31 December 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the committee of management statement and the s255(2A) report

In our opinion:

- (1) The accompanying financial report presents fairly, in all material respects, the financial position of Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch as at 31 December 2018 and its financial performance and its cash flows for the year ended on that date in accordance with the Fair Work (Registered Organisations) Act 2009, including
 - (i) Australian Accounting Standards (including Australian Accounting Interpretations); and
 - (ii) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.
- (2) The management's use of the going concern basis of accounting in the preparation of the Reporting unit's financial statements is appropriate.

Emphasis of Matter

We draw attention to note 1(w) in the financial report which highlights that the Reporting unit had net liabilities of \$235,885 as at 31 December 2018 (31 December 2017 Net liabilities of \$285,030). This condition, along with mitigating factors indicate the existence of significant uncertainty in relation to the ability of the entity to continue as a going concern and realise its assets and discharge its liabilities in the normal course of business.

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Darryl Rodriguez
M.Com, BBus (Acc), CPA

HTG Partners is a CPA Practice



Members of the firm are all
registered Chartered Accountants

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF AUSTRALIAN RAIL TRAM AND BUS INDUSTRY
UNION, WEST AUSTRALIAN PTA BRANCH (CONTINUED)****Basis for Opinion**

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

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

Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the operating report. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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

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

Auditor's Declaration

- (1) In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.
- (2) I, Timothy Turner declare I am an approved auditor registered under the RO Act, member of CPA Australia and I hold a current Public Practice Certificate.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN RAIL TRAM AND BUS INDUSTRY
UNION, WEST AUSTRALIAN PTA BRANCH (CONTINUED)**

Responsibilities of the Branch Committee for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Reporting unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN RAIL TRAM AND BUS INDUSTRY
UNION, WEST AUSTRALIAN PTA BRANCH (CONTINUED)**

- Conclude on the appropriateness of the committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the reporting unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the reporting unit audit. I remain solely responsible for my audit opinion.

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

HTG PARTNERS



TIMOTHY TURNER
PARTNER
AUDITOR REGISTRATION NUMBER: AA2017/123

Signed at Perth on the 0th day of April 2019

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

Committee of Management Statement

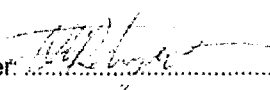
For the year ended 31 December 2018

On the 28 March 2019 the Branch Committee of Management 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 year ended 31 December 2018:

The Reporting unit declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisation) Act 2009 (The RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the General Purpose Financial Report relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned except that only 3 meetings were held instead of 4; and
 - (ii) the financial affairs of the Reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the Reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the Fair Work (Registered Organisations) Act 2009, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

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

Signature of designated officer: 

Name and title of designated officer: *Jessica Newbery SECRETARY*

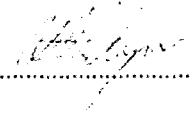
Dated: *28/03/2019*

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

Subsection 255 (2A) Report
For the year ended 31 December 2018

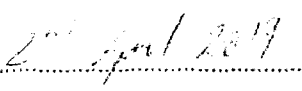
The Committee of Management presents its expenditure report as required under subsection 255 (2A) of the Fair Work (Registered Organisation) Act 2009 on the Reporting Unit for the year ended 31 December 2018.

Categories of Expenditure	2018 \$	2017 \$
Remuneration of employees and other employment – related costs and expenses	105,063	138,054
Advertising	-	-
Operating costs	225,960	279,618
Donations to political parties	-	-
Legal costs	25,538	35,469

Signature of prescribed designated officer 

Name of prescribed designated officer Joshua Dekuyer

Title of prescribed designated officer Branch Secretary

Date 

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

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2018

	Notes	2018 \$	2017 \$
Revenue			
Membership subscription		362,359	311,216
Capitation fees		-	-
Levies	2	15,135	14,391
Interest		-	-
Rental revenue		-	-
Other revenue	2	28,212	21,491
Total revenue		<u>405,706</u>	<u>347,098</u>
Other Income			
Grants and donations		-	-
Share of net profit from associate		-	-
Net gains from sale of assets		-	-
Net result from investment properties		-	34,102
Total other income		<u>-</u>	<u>34,102</u>
Total revenue and other income		<u>405,706</u>	<u>381,200</u>
Expenses			
Employee expenses	3	(105,063)	(138,054)
Capitation fees	3	(48,000)	(43,900)
Affiliation fees	3	(10,816)	(12,819)
Administration expenses	3	(36,762)	(41,911)
Grants or donations	3	(165)	-
Depreciation and amortisation	3	(3,633)	(3,857)
Finance costs		(593)	-
Legal costs	3	(25,538)	(35,469)
Audit and accounting fees	17	(8,245)	(27,511)
Share of net loss from associate		-	-
Write-down and impairment of assets		-	-
Net losses from sale of assets		-	-
Other expenses	3	(117,746)	(149,620)
Total expenses		<u>(356,561)</u>	<u>(453,141)</u>
Surplus/(Deficit) for the year		<u>49,145</u>	<u>(71,941)</u>
Other comprehensive income			
Items that will be subsequently reclassified to profit or loss		-	-
Items that will not be subsequently reclassified to profit or loss		-	-
Total comprehensive income /(loss) for the year		<u>49,145</u>	<u>(71,941)</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 2018

	Notes	2018 \$	2017 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	73,968	28,729
Trade and other receivables	5	159,915	186,982
Other current assets	6	3,669	10,483
Other investments		-	-
Total current assets		<u>237,552</u>	<u>226,194</u>
Non-Current Assets			
Plant and equipment	7	12,656	14,474
Total non-Current assets		<u>12,656</u>	<u>14,474</u>
Total assets		<u>250,208</u>	<u>240,668</u>
LIABILITIES			
Current Liabilities			
Trade payables and accruals	8	406,894	402,492
Other payables	9	64,603	60,060
Employee entitlements	10	2,546	47,294
Provisions	11	12,050	15,852
Total current liabilities		<u>486,093</u>	<u>525,698</u>
Non-Current Liabilities			
Employee entitlements		-	-
Other non-current liabilities		-	-
Total non-current liabilities		<u>-</u>	<u>-</u>
Total liabilities		<u>486,093</u>	<u>525,698</u>
Net liability		<u>(235,885)</u>	<u>(285,030)</u>
EQUITY			
General funds	12	-	-
Retained earnings		(235,885)	(285,030)
Total equity		<u>(235,885)</u>	<u>(285,030)</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 Changes in Equity

For the year ended 31 December 2018

	General funds	Retained earnings	Total Equity
	\$	\$	\$
Balance as at 1 January 2017	-	(213,089)	(213,089)
Loss for the year	-	(71,941)	(71,941)
Other comprehensive income for the year	-	-	-
Closing balance as at 31 December 2017	-	(285,030)	(285,030)
Balance as at 1 January 2018	-	(285,030)	(285,030)
Profit for the year	-	49,145	49,145
Other comprehensive income for the year	-	-	-
Closing balance as at 31 December 2018	-	(235,885)	(235,885)

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 year ended 31 December 2018

	Notes	2018 \$	2017 \$
OPERATING ACTIVITIES			
Cash received			
Members		364,697	317,148
Interest		-	-
Other		43,347	48,843
Receipts from other controlled entities/reporting units		48,330	20,254
Cash used			
Interest		(593)	-
Employees		(150,863)	(129,750)
Suppliers		(104,066)	(191,448)
Payments to other controlled entities/ reporting units		(153,798)	(36,318)
Net cash used by operating activities	13	47,054	28,729
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		-	-
Proceeds from sale of land and buildings		-	-
Proceeds from investments properties		-	-
Cash used			
Purchase of plant and equipment		(1,815)	-
Purchase of land and buildings		-	-
Repayment of rental bond		-	-
Net cash used by investing activities		(1,815)	-
FINANCING ACTIVITIES			
Cash received			
Contributed equity		-	-
Other		-	-
Cash used			
Repayment of borrowings		-	-
Other		-	-
Net cash from financing activities		-	-
Net increase (decrease) in cash held		45,239	28,729
Cash & cash equivalents at the beginning of the financial year		28,729	-
Cash & cash equivalents at the end of the financial year	4	73,968	28,729

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

**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 year ended 31 December 2017

Note 1 Summary of significant accounting policies

Basis of preparation of the financial statements

The financial statements cover the Australian Rail, Tram and Bus Industry Union, Western Australian PTA Branch as an individual entity (the Reporting Unit)

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Reporting unit is a not-for-profit entity.

The financial statements except the cashflow information, 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 and have been rounded to the nearest dollar.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied, unless stated otherwise.

The financial statements were authorised for issue by members of the Committee of Management on the date of signing the Committee of Management Statement.

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.

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

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

b) Significant accounting judgements and estimates (continued)

Estimation of useful lives of assets

The Reporting unit determines the estimated useful lives and related depreciation for its property, plant and equipment. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Death benefit provision

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

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 for the following standards and amendments which have been adopted for the first time this year:

- AASB 9 Financial Instruments
- AASB 2017-1 Amendments to Australian Accounting Standards – Transfer to Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments
- Interpretation 22 Foreign Currency Transactions and Advance Consideration.

The adoption of these amendments has not had a material impact on the Union as they are largely not applicable to the union.

Future Australian Accounting Standards Requirements

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods and which the Union has decided not to early adopt.

A discussion of these future requirements and their impact on the Union follows:

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

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

c) New Australian Accounting Standards

Future Australian Accounting Standards Requirements (continued)

Reference	Title	Summary
AASB 15	Revenue from Contracts with Customers	<p>AASB 15 replaces all existing revenue requirements in Australian Accounting Standards (AASB 111 Construction Contracts, AASB 118 Revenue, AASB Interpretation 13 Customer Loyalty Programmes, AASB Interpretation 15 Agreements for the Construction of Real Estate, AASB Interpretation 18 Transfers of Assets from Customers and AASB Interpretation 131 Revenue – Barter Transactions Involving Advertising Services) and applies to all revenue arising from contracts with customers, unless the contracts are in the scope of other standards, such as AASB 117 (or AASB 16 Leases, once applied).</p> <p>The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services.</p> <p>An entity recognises revenue in accordance with the core principle by applying the following steps:</p> <ul style="list-style-type: none"> • Step 1: Identify the contract(s) with a customer. • Step 2: Identify the performance obligations in the contract. • Step 3: Determine the transaction price. • Step 4: Allocate the transaction price to the performance obligations in the contract. • Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation. <p>Effective for periods commencing 1 January 2019.</p> <p>This amendment is not anticipated to significantly impact The Union.</p>

Australian Rail, Tram and Bus Industry Union,

West Australian PTA Branch

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

**c) New Australian Accounting Standards
Future Australian Accounting Standards Requirements (continued)**

<p>AASB 2014-10</p>	<p>Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</p>	<p>AASB 2014-10 amends AASB 10 Consolidated Financial Statements and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require:</p> <p>(a) A full gain or loss to be recognised when a transaction involves a business (whether it is housed in a subsidiary or not)</p> <p>(b) A partial gain or loss to be recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.</p> <p>Effective for periods commencing 1 January 2022.</p> <p>This amendment is not anticipated to significantly impact the Union.</p>
<p>AASB 1058</p>	<p>Income of Not-for-Profit Entities</p>	<p>AASB 1058 and AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities will defer income recognition in some circumstances for NFP entities, particularly where there is a performance obligation or any other liability. In addition, certain components in an arrangement, such as donations, may be separated from other types of income and recognised immediately. The Standard also expands the circumstances in which NFP entities are required to recognise income for goods and services received for consideration that is significantly less than the fair value of the asset principally to enable the entity to further its objectives (discounted goods and services), including for example, peppercorn leases.</p> <p>AASB 1004 Contributions is also amended, with many of its requirements being revised and relocated AASB 1058. The scope of AASB 1004 is effectively limited to address issues specific to government entities and contributions by owners in a public sector entity context.</p> <p>AASB 1058 will be effective for annual periods beginning on or after 1 January 2019. Early application is permitted, provided AASB 15 Revenue <i>from Contracts with Customers</i> is applied on or before the date of initial application.</p> <p>The Union is currently assessing the impact of AASB 1058.</p>

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

c) New Australian Accounting Standards

Future Australian Accounting Standards Requirements (continued)

AASB 16	Leases	<p>The key features of AASB 16 are as follows:</p> <p>Lessee accounting</p> <ul style="list-style-type: none"> • Lessees are required to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. • Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. • AASB 16 contains disclosure requirements for lessees. <p>Lessor accounting</p> <ul style="list-style-type: none"> • AASB 16 substantially carries forward the lessor accounting requirements in AASB 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. • AASB 16 also requires enhanced disclosures to be provided by lessors that will improve information disclosed about a lessor's risk exposure, particularly to residual value risk. <p>Effective for periods commencing 1 January 2019.</p> <p>Based on the current number of operating leases held by the Union, the impact is not expected to be significant.</p>
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The Union does not anticipate early adoption of any of the above Australian Accounting Standards.

There are no other standards that are not yet effective and that would be expected to have a material impact on the Union in the current or future reporting periods and on foreseeable future transactions.

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

d) Revenue

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

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

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

Donation income is recognised when it is received.

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

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

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

e) Government grants

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount can be measured reliably. If conditions are attached to the grant which must be satisfied the recognition of the grant is deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor.

f) Gains and losses

Sale of assets

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

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

g) Capitation fees and levies

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

h) Employee benefits

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

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

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

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

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

The obligations are presented as current liabilities in the statement of financial position the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when actual settlement is expected to occur.

i) Leases

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

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

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

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

i) Leases (continued)

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

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

j) Borrowing costs

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

k) Cash and cash equivalents

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

l) Trade and other receivables

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

m) Financial instruments

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

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

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

n) Financial assets

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

Fair value through profit or loss

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

A financial asset is classified as held for trading if:

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

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

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

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

Held-to-maturity investments

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

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

n) Financial assets (continued)

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.

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.

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

n) Financial assets (continued)

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.

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.

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

n) Financial assets (continued)

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

Derecognition of financial assets

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

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Fair value through profit or loss

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

A financial liability is classified as held for trading if:

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

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

n) Financial assets (continued)

A financial liability other than a financial liability 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 liability 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 Unions documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB
- 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of comprehensive income

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Union derecognises financial liabilities when, and only when, the Unions obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

o) Contingent liabilities and contingent assets

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

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

p) Land, buildings, plant and equipment

Asset recognition threshold

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

Measurement after recognition

Following initial recognition at cost, land and buildings are carried at fair value.

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

Depreciation

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

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

	2018	2017
Motor Vehicles	22.5%	22.5%
Plant and equipment	10-33%	10-33%

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.

Gains on Sale of Assets

The gains and losses from disposal of all fixed assets, is determined on the difference between the carrying amount of the asset when control of the asset has passed to the buyer, and the proceeds of disposal and is included in operating profit of the Reporting Unit in the year of disposal.

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

q) Investment property

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

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

r) Impairment for non-financial assets

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

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

s) Taxation

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

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

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

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

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

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

t) Fair value measurement

The Reporting unit measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 18.

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

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

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

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

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

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

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

Australian Rail, Tram and Bus Industry Union,

West Australian PTA Branch

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

t) Fair value measurement (continued)

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

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

u) Trade and other payables

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

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

On 21 May 2015, a deed of agreement was signed between the WA Branch and the PTA Branch of the Australian Rail, Tram and Bus Industry Union (Federal Body) (RTBU) and the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch (State Organisation) (ARTBIU) whereby, amongst other matters, it was agreed between the parties that:

- (a) RTBU will provide services to the ARTBIU; and
- (b) The RTBU PTA and WA Branch undertake that they are jointly responsible for the payment of general resources, employee costs and other associated administration expenses. All general and joint costs expended by the RTBU shall be distributed between the WA Branch and the PTA Branch in proportion to the number of members declared in the annual returns submitted in accordance with the obligations under the Fair Work (Registered Organisations) Act 2009.

The apportionment to be used for the 2018 financial year based on the number of members declared on 31 December 2017 is 53.58% (WA Branch) /46.42% (PTA Branch) (2017: 55% /45%).

Australian Rail, Tram and Bus Industry Union,

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Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

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

The RTBU and ARTBIU agree that preservation of assets must be safeguarded in the interests of the entire RTBU membership and that no assets (including real property) shall be disposed of or otherwise dealt with without the consent of the RTBU National Executive and ARTBIU Executive.

This agreement was approved by the Full Bench of the Western Australian Industrial Relations Commission on 27 March 2017 under s71(7) of the Industrial Relations Act 1979 (Western Australia).

w) Going concern

The Reporting unit has net liabilities of \$235,885 as at 31 December 2018 (2017 \$285,030) and incurred a trading surplus of \$49,145 for the year ended on that date (2017 loss of \$71,941).

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

1. Continuing to a positive trading position by increasing revenues through increased membership numbers and subscriptions and reducing overhead expenditure.
2. Generating a positive cash flow through increased revenues and reducing overhead expenditure.
3. The sale of investment properties with a carrying value of \$3,056,241 owned by the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch on behalf of the members of the Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch and the Australian Rail, Tram and Bus Industry Union, West Australian Branch, subject to necessary consents.

The financial report has been prepared on a going concern basis as the committee of management believe the matters set out above are achievable. Refer further to Note 1(v) which outlines the assets (including the investment properties outlined in point 3 above) must be safeguarded in the interests of the entire RTBU membership.

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

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

The Reporting unit has received an agreed financial support from Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch to continue on a going concern basis. The Reporting unit has not agreed to provide financial support to another reporting unit.

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

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies (continued)

x) Restructuring

The Reporting unit did not acquire assets or liabilities from another reporting unit as a result of an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation of alternative reporting structure under subsections 245(i) or 249(i) of the RO Act.

y) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

z) Financial Support

The Union does not provide financial support to another Union.

aa) Business Combinations

There have been no assets and liabilities acquired during the financial year as part of a business combination (2017: Nil)

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

Notes to the Financial Statements

For the year ended 31 December 2018

Note 2 Revenue	2018	2017
	\$	\$
Other revenue		
Journey cover	13,926	13,238
Photocopier Lease incentive revenue (refer to Note 11 (i))	-	8,253
Rebates and refunds	13,084	-
Revenue from other reporting units	-	-
Sundry revenue	1,202	-
	<hr/> 28,212	<hr/> 21,491
 Other revenue from another reporting unit	 <hr/> -	 <hr/> -
 Revenue from recovery of wages activity	 <hr/> -	 <hr/> -
 Capitation fees		
Capitation fees received	-	-
	<hr/> -	<hr/> -
 Levies		
Organiser's levy	15,135	14,391
	<hr/> 15,135	<hr/> 14,391
 Interest		
Interest	-	-
	<hr/> -	<hr/> -
 Grants or donations		
Grants received	-	-
Donations received	-	-
	<hr/> -	<hr/> -

Australian Rail, Tram and Bus Industry Union,

West Australian PTA Branch

Notes to the Financial Statements

For the year ended 31 December 2018

Note 3 Expenses

Employee expenses

	2018	2017
	\$	\$
Holders of office:		
Wages and salaries	138,597	118,493
Superannuation	11,065	11,257
Leave and other entitlements	(44,599)	8,304
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	<u>105,063</u>	<u>138,054</u>
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>	<u>-</u>
Total employee expenses	<u>105,063</u>	<u>138,054</u>
Capitation fees		
ARTBIU National Office	48,000	43,900
Total capitation fees	<u>48,000</u>	<u>43,900</u>
Affiliation fees		
Australian Labour Party	4,766	5,132
Australian Council of Trade Unions	1,803	3,356
Unions WA	4,247	4,331
Total affiliation fees	<u>10,816</u>	<u>12,819</u>

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

For the year ended 31 December 2018

	2018	2017
	\$	\$
Note 3 Expenses (continued)		
Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	6,586
Contractors/consultants	-	-
Property operating expenses	3,091	4,418
Office expenses	15,801	20,727
Information communications technology	7,149	10,147
Accounting fees	10,721	33
Total administration expense	<u>36,762</u>	<u>41,911</u>
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	165	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	<u>165</u>	<u>-</u>
Depreciation		
Depreciation		
Plant and equipment	3,633	3,857
Total depreciation	<u>3,633</u>	<u>3,857</u>
Legal costs		
Litigation	-	-
Other legal matters	25,538	35,469
Total legal costs	<u>25,538</u>	<u>35,469</u>
Other expenses		
Bank fees	967	4,328
Penalties - via RO Act or RO Regulations	-	-
Insurance	12,623	15,230
Vehicle expenses	2,633	3,231
Fringe benefits tax	3,934	2,143
Shared resources (refer Note 1(v)(b))	86,588	117,670
Other expenses	7,609	7,018
Travel	3,392	-
Total other expenses	<u>117,746</u>	<u>149,620</u>

Australian Rail, Tram and Bus Industry Union,

West Australian PTA Branch

Notes to the Financial Statements

For the year ended 31 December 2018

Note 4 Cash and cash equivalents

	2018	2017
	\$	\$
Cash at bank	73,968	28,729
Cash on hand	-	-
Short term deposits	-	-
Other	-	-
Total cash and cash equivalents	<u>73,968</u>	<u>28,729</u>

Note 5 Trade and other receivables

Receivables from other reporting units

The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch	159,915	186,982
ARTBIU National Office	-	-
Total receivables from other reporting units	<u>159,915</u>	<u>186,982</u>

Less provision for doubtful debts

The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch	-	-
ARTBIU National Office	-	-
Total provision for doubtful debts	<u>-</u>	<u>-</u>
Net receivable from other reporting units	<u>159,915</u>	<u>186,982</u>

Other receivables

Other receivables	-	-
Total other receivables	<u>-</u>	<u>-</u>
Total net trade and other receivables	<u>159,915</u>	<u>186,982</u>

Note 6 Other current assets

Prepaid expenses	3,669	10,483
Total other current assets	<u>3,669</u>	<u>10,483</u>

Australian Rail, Tram and Bus Industry Union,

West Australian PTA Branch

Notes to the Financial Statements

For the year ended 31 December 2018

	2018	2017
	\$	\$
Note 7 Plant and equipment		
Motor vehicles:		
At cost	36,318	36,318
Accumulated depreciation	(27,683)	(25,176)
	8,635	11,142
Plant and equipment:		
At cost	6,100	4,285
Accumulated depreciation	(2,079)	(953)
	4,021	3,332
Total plant and equipment	12,656	14,474

Reconciliation of the opening and closing balances of plant and equipment

2018	Motor vehicles \$	Plant and equipment \$	Total \$
As at 1 January 2018			
Gross book value	36,318	4,285	40,603
Accumulated depreciation and impairment	(25,176)	(953)	(26,129)
Net book value 1 January 2018	11,142	3,332	14,474
Additions:			
By purchase	-	1,815	1,815
From acquisition of entities (including restructuring)	-	-	-
Impairment	-	-	-
Depreciation expense	(2,507)	(1,126)	(3,633)
Other movement	-	-	-
Disposals	-	-	-
Other	-	-	-
Net book value 31 December 2018	8,635	4,021	12,656
Net book value as of 31 December 2018 represented by:			
Gross book value	36,318	6,100	42,418
Accumulated depreciation and impairment	(27,683)	(2,079)	(29,762)
Net book value 31 December 2018	8,635	4,021	12,656

Australian Rail, Tram and Bus Industry Union,

West Australian PTA Branch

Notes to the Financial Statements

For the year ended 31 December 2018

2017	Motor vehicles \$	Plant and equipment \$	Total \$
As at 1 January 2017			
Gross book value	36,318	4,285	40,603
Accumulated depreciation and impairment	(21,941)	(331)	(22,272)
Net book value 1 January 2017	14,377	3,954	18,331
Additions:			
By purchase	-	-	-
From acquisition of entities (including restructuring)	-	-	-
Impairment	-	-	-
Depreciation expense	(3,235)	(622)	(3,857)
Other movement	-	-	-
Disposals	-	-	-
Other	-	-	-
Net book value 31 December 2017	11,142	3,332	14,474
Net book value as of 31 December 2017 represented by:			
Gross book value	36,318	4,285	40,603
Accumulated depreciation and impairment	(25,176)	(953)	(26,129)
Net book value 31 December 2017	11,142	3,332	14,474

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

Notes to the Financial Statements

For the year ended 31 December 2018

	2018 \$	2017 \$
Note 8 Trade payables and accruals		
Trade creditors and accruals	8,744	22,984
Subtotal trade creditors	<u>8,744</u>	<u>22,984</u>
Payables to other reporting units		
The Australian Rail, Tram and Bus Industry Union, West Australian Branch	279,983	296,125
ARTBIU National Office	118,167	83,383
Subtotal payables to other reporting units	<u>398,150</u>	<u>379,508</u>
Total trade payables	<u>406,894</u>	<u>402,492</u>
Settlement of payables is usually made within 30 days.		
Note 9 Other payables		
Wages and salaries	-	-
Superannuation	879	867
Legal costs	-	-
Unearned revenue	2,338	-
GST payable / (receivable)	(3,093)	(5,375)
Consideration to employers for payroll deductions	-	-
PAYG	2,751	2,840
Legal funds	61,728	61,728
Total other payables	<u>64,603</u>	<u>60,060</u>
Settlement generally is within 30 days.		
Total other payables are expected to be settled in:		
No more than 12 months	64,603	60,060
More than 12 months	-	-
Total other payables	<u>64,603</u>	<u>60,060</u>

Australian Rail, Tram and Bus Industry Union,

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Notes to the Financial Statements

For the year ended 31 December 2018

Note 10 Employee entitlements

	2018	2017
	\$	\$
Office holders:		
Annual leave	2,546	22,485
Long service leave	-	24,809
Separations and redundancies	-	-
Other	-	-
Subtotal employee entitlements—office holders	<u>2,546</u>	<u>47,294</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>	<u>-</u>
Total employee entitlements	<u>2,456</u>	<u>47,294</u>
Current	2,546	47,294
Non-current	-	-
Total employee entitlements	<u>2,546</u>	<u>47,294</u>

Note 11 Provisions

Provision for Onerous Lease (i)	2,050	5,852
Provision for Death Benefits (ii)	10,000	10,000
	<u>12,050</u>	<u>15,852</u>

(i) Onerous Lease

During 2017, the entity discontinued using a photocopier which is still under contract. The provision is calculated as the net present value of the remaining outstanding lease payments under the contract. The reporting unit was given an incentive payment to enter into a new photocopier lease contract (refer to Note 2).

(ii) Death Benefit Provision

The entity agrees to pay \$1,500 to the spouse of a deceased member on the production of a death certificate. The provision is calculated as the net present value of the estimated payouts, based upon past payouts. The discount rate is 10%.

Australian Rail, Tram and Bus Industry Union,

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Notes to the Financial Statements

For the year ended 31 December 2018

Note 12 Equity Reserves

Note 12A General funds

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

The general reserve is established to meet future unknown obligations.

Note 12B Other Specific disclosures – Funds

	2018	2017
	\$	\$
Other funds	-	-
Compulsory levy/voluntary contribution fund – if invested in assets		
Other funds	-	-
Other fund(s) required by rules		
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	<u>-</u>	<u>-</u>

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

Notes to the Financial Statements

For the year ended 31 December 2018

Note 13 Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement:

(i) Cash and cash equivalents as per:		
Cash flow statement	73,968	28,729
Statement of Financial Position	73,968	28,729
Difference	-	-
(ii) Reconciliation of profit/(loss) to net cash from operating activities:		
Profit/(loss) for the year	49,145	(71,941)
Adjustments for non-cash items		
Depreciation/amortisation	3,633	3,857
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 amounts receivable from other reporting units	44,812	-
Increase/(decrease) in amounts payables to other reporting units	(24,106)	-
(Increase)/decrease in net receivables	(154)	710
(Increase)/decrease in prepayments	6,814	74
Increase/(decrease) in payables	15,460	81,873
Increase/(decrease) in other provisions	(3,802)	5,852
Increase/(decrease) in employee entitlements	(44,748)	8,304
Net cash from (used by) operating activities	47,054	28,729
(iii) Cash flow information		
Cash inflows from other reporting unit		
The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch	48,330	20,254
Total cash inflows	48,330	20,254
Cash outflows to other reporting unit		
Australian Rail, Tram and Bus Industry Union, West Australian Branch	(119,319)	(36,318)
The Australian Rail, Tram and Bus Industry Union of Employees, Western Australian Branch	(3,672)	-
ARTBIU – National Office	(30,807)	-
Total cash outflows	(153,798)	(36,318)

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

Notes to the Financial Statements

For the year ended 31 December 2018

Note 14 Contingent liabilities, assets and commitments

Operating lease commitments

The Reporting unit had no operating lease commitments during the 2018 financial year.

Finance lease commitments

The Reporting unit had no finance lease commitments during the 2018 financial year.

Other contingent assets of liabilities

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

The RTBU and ARTBIU agree that preservation of assets must be safeguarded in the interest of the entire RTBU membership and that no assets (including real property) shall be disposed of or otherwise dealt without the consent of the RTBU National Executive.

Based on the above information the members of the Reporting unit may have a claim on the value of the properties.

The combined value of the properties in the records of the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch as at 31 December 2018 is \$3,626,616 (2017: \$3,635,000).

Note 15 Related party transactions for the reporting period

Related parties and nature of their relationship

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

- This is the National Office of which this reporting unit is a West Australian Branch.

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

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

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

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

Australian Rail, Tram and Bus Industry Union,

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Notes to the Financial Statements

For the year ended 31 December 2018

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

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

	2018	2017
	\$	\$
<u>National Office</u>		
Expenses to National Office		
Capitation fees	48,000	43,900
Amounts owed to National Office		
Capitation fees owed to National Office	118,167	83,383
<u>State Branch</u>		
Revenue from State Branch		
Net results from Investment properties	-	34,102
Loan receivable from State Branch		
Trade receivable from State Branch	159,915	186,982
<u>WA Branch</u>		
Expenses to WA Branch		
Shared resources	86,588	117,670
Amounts payables to WA Branch		
Trade payable to WA Branch – Shared resources	203,706	156,410
Trade payable to WA Branch - Other	76,277	139,715
	<u>279,983</u>	<u>296,125</u>

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to these that prevail in arms' length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables for the year ended 31 December 2018, the reporting unit has not recorded any impairment of receivables relating to amounts owned by related parties (2017: \$Nil) This assessment is undertaken each financial year through examining the financial position of related party and the contingent assets which are likely to be available to settle the receivables.

The shared resources expenses are described on policy note 1v.

Australian Rail, Tram and Bus Industry Union,

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Notes to the Financial Statements

For the year ended 31 December 2018

Note 16 Key management personnel

(a) Remuneration for the reporting period

Key management personnel is the Officer of the Reporting unit, Mr Joshua Dekuyer (appointed 27 September 2018), Paul Robinson (removed 27 September 2018).

	2018	2017
	\$	\$
Short-term employee benefits		
Salary (including annual leave taken)	138,597	118,493
Annual leave accrued / (reversed upon resignation)	(19,062)	3,577
Performance bonus	-	-
Other	-	-
Total short-term employee benefits	<u>119,535</u>	<u>122,070</u>
Post-employment benefits:		
Superannuation	11,065	11,257
Total post-employment benefits	<u>11,065</u>	<u>11,257</u>
Other long-term benefits:		
Long-service leave accrued/ (reversed upon resignation)	(25,537)	4,727
Total other long-term benefits	<u>(25,537)</u>	<u>4,727</u>
Termination benefits	-	-
Total	<u>105,063</u>	<u>138,054</u>

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

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

Note 17 Remuneration of auditors

Value of the services provided

HTG Partners		
Financial statement audit services – 2017	6,445	-
Other services – 2017	1,800	-
Total HTG Partners	<u>8,245</u>	<u>-</u>
PKF Mack		
Financial statement audit services – 2016	27,511	10,200
Other services – 2016	-	2,550
Total PKF Mack	<u>27,511</u>	<u>12,750</u>
Total remuneration of auditors	<u>35,756</u>	<u>12,750</u>

Other services refer to preparation of financial statements.

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

For the year ended 31 December 2018

Note 18 Financial instruments

Financial risk management objectives

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

Categories of financial instruments

	2018 \$	2017 \$
Financial Assets		
Cash and cash equivalents	73,968	28,729
Loans and receivables:		
Trade and other receivables	159,915	186,982
Total	<u>233,883</u>	<u>215,711</u>
Carrying amount of financial assets	<u>233,883</u>	<u>215,711</u>

Financial Liabilities

Other financial liabilities:		
Trade payables and accruals	406,894	402,492
Other payables	64,603	60,060
Total	<u>471,497</u>	<u>462,552</u>
Carrying amount of financial liabilities	<u>471,497</u>	<u>462,552</u>

Credit risk

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

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements

Financial Assets		
Cash and cash equivalents	73,968	28,729
Trade and other receivables	159,915	186,982
Total	<u>233,883</u>	<u>215,711</u>
Financial Liabilities		
Trade payables and accruals	406,894	402,492
Other payables	64,603	60,060
Total	<u>471,497</u>	<u>462,552</u>

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Notes to the Financial Statements

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

	Not past due or impaired 2017 \$	Past due or impaired 2017 \$	Not past due or impaired 2016 \$	Past due or impaired 2016 \$
Financial assets				
Trade and other receivables	159,915	-	186,982	-
Total	159,915	-	186,982	-

Ageing of financial assets that were past due but not impaired for 2018

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

Ageing of financial assets that were past due but not impaired for 2017

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

Liquidity risk

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

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Contractual maturities for financial liabilities 2018

	On demand \$	< 1 year \$	1 – 2 years \$	2 – 5 years \$	> 5 years \$	Total \$
Trade creditors and accruals	406,894	-	-	-	-	406,894
Other payables	64,603	-	-	-	-	64,603
Total	471,497	-	-	-	-	471,497

Contractual maturities for financial liabilities 2017

	On demand \$	< 1 year \$	1 – 2 years \$	2 – 5 years \$	> 5 years \$	Total \$
Trade creditors and accruals	214,485	188,007	-	-	-	402,492
Other payables	61,728	(1,668)	-	-	-	60,060
Total	276,213	186,339	-	-	-	462,552

Market risk

The Reporting unit is not exposed to any significant market risks, including interest rate risk, price risk and currency risk, and is therefore not actively managing these risks. Given the insignificance of the risk no further information is disclosed.

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Note 19 Fair value measurement

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

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

- Fair values of the Reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 31 December 2018 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Reporting unit based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 31 December 2017 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

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

	Carrying amount 2018 \$	Fair value 2018 \$	Carrying amount 2017 \$	Fair value 2017 \$
Financial assets				
Cash and cash equivalents	73,968	73,968	28,729	28,729
Trade and other receivables	159,915	159,915	186,982	186,982
Total	233,883	233,883	215,711	215,711
Financial liabilities				
Trade and other payables	406,894	406,894	402,492	402,492
Other payables	64,603	64,603	60,060	60,060
Total	471,497	471,497	462,552	462,552

At 31 December 2018, the Reporting Unit does not hold any assets or liabilities which are subsequently remeasured at Fair Value on a recurring basis after initial recognition (31 December 2017: Nil).

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Notes to the Financial Statements

For the year ended 31 December 2018

Note 20 Events after the reporting period

There were no events that occurred after 31 December 2018, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Reporting unit.

Note 21 Principal Place of Business

The principal place of business of the Reporting Unit
Unit 2, 10 Nash Street
PERTH WA 6000

Note 22 Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or the Commissioner:

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