



**Australian Government**  
**Australian Industrial Registry**

Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
GPO Box 1994S, Melbourne, VIC 3001  
Telephone: (03) 8661 7993  
Fax: (03) 9654 6672

Mr. P. Lovel  
Secretary/Treasurer  
Australian Road Transport Industrial Organization  
P.O. Box 5  
SOUTH MELBOURNE VIC 3205

Dear Mr. Lovel,

**Re: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)  
Financial reports for year ended 30 June 2004 - FR 2004/462 and 465**

Thank you for your letter of 8 June 2005 advising that the financial documents of the Australian Road Transport Industrial Organization and also its Victorian Branch for the year ended 30 June 2004 will be presented to the next general meeting of members.

I also note in your letter that upon the financial documents being presented to the respective general meetings you will advise this office in writing of such.

Thank you for your assistance in this matter.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7993 or by email at [larry.powell@air.gov.au](mailto:larry.powell@air.gov.au).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L Powell'.

Larry Powell  
Statutory Services Branch

16 June 2005

# Australian Road Transport Industrial Organisation



The Industrial Registrar  
Australian Industrial Registry  
Level 35, Nauru House  
80 Collins St  
MELBOURNE VIC 3000

8 June 2005

Att: Larry Powell

Dear Larry

**RE: Section 266 of the RAO Schedule: ARTIO & Vic ARTIO presentation of Accounts to a General Meeting of Members**

I refer to your various letters and our telephone conversation of 8 June.

I can confirm that the accounts for both ARTIO and its Victorian Branch will be presented to the next general meeting of members. Once this has occurred I will advise you in writing of the details

Please contact the Paul Ryan on 0415331031 if you require any further information.

Yours Faithfully

A handwritten signature in black ink, appearing to read 'Philip Lovel', written in a cursive style.

PHILIP LOVEL  
Acting Branch Secretary/Treasurer



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Mr. P. Lovel  
Secretary/Treasurer  
Australian Road Transport Industrial Organization  
P.O. Box 5  
SOUTH MELBOURNE VIC 3205

Dear Mr. Lovel,

**Re: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)  
Financial reports for year ended 30 June 2004 - FR 2004/462**

I refer to my letter of 15 December 2004 advising that the financial documents of the Australian Road Transport Industrial Organization for the year ended 30 June 2004 were not presented to a meeting in accordance with s266 of Schedule 1B of the RAO Schedule. You were advised that such documents were required to be presented to a general meeting of members.

As a response does not appear to have been received, it is requested that you advise me by Monday, 20 June 2005 what stage this matter is now at.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7993 or by email at [larry.powell@air.gov.au](mailto:larry.powell@air.gov.au).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L Powell'.

Larry Powell  
Statutory Services Branch

3 June 2005



**Australian Government**

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Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
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Mr. P. Lovel  
Secretary/Treasurer  
Australian Road Transport Industrial Organization  
P.O. Box 5  
SOUTH MELBOURNE VIC 3205

Dear Mr. Lovel,

**Re: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)  
Financial reports for year ended 30 June 2004 - FR 2004/462**

I have received the financial documents of the Australian Road Transport Industrial Organization for the year ended 30 June 2004, lodged in the Industrial Registry on 26 November 2004.

I note that the financial report was provided to members on 27 October 2004. I also note that the financial report was presented to a meeting of the committee of management of the reporting unit on the same day.

As you know section 266 of the RAO Schedule makes provision for the methods by which a reporting entity may satisfy its obligation to present the full report to members. The purpose of the financial reporting provisions generally is to ensure disclosure to members and, to offer those members an opportunity to raise any matter that concerns them regarding material disclosed in that information. The vehicle for members to achieve this are either at a general meeting of members or at a meeting of the committee of management. The latter option is only available if the precondition in subsection 266(3), that is the 5% rule, is satisfied. The rules of the organisation do not make such provision.

In these circumstances, the alternatives require the presentation of the relevant documents to a general meeting of members, or at a series of meetings at different locations (this alternative is only available if the rules make provision for such meetings).

On several occasions over the past 18 months, for example, in correspondence from the Industrial Registrar of 8 May 2003 and 13 November 2003 and from Mr. Lapierre of the Registry on 30 September 2004, you have been advised of issues arising from the operation of the RAO Schedule your organisation may need to attend to. The organisation may wish to take steps to alter its rules to incorporate the 5% rule referred to previously. You may wish to ensure each reporting entity within the organisation passes a similar alteration to avoid similar difficulties.

In the interim the organisation is required to make its best endeavours to fully meet its obligations as set out in the RAO Schedule with respect to its obligation to present the financial report to its members.

The following matters are referred for assistance when preparing future financial documents; no further action is requested in respect of these.

**1. Operating Report**

***Right of members to resign:***

Subsection 254(2)(c) requires the operating report to "give details" of the right of members to resign from the reporting unit under section 174 of the RAO Schedule. The requirement may be met by the inclusion of a statement that a member has the right to resign and a reference to the relevant rule, which makes such provision. Alternatively, the complete text of the relevant resignation rule may be reproduced in the report. It would appear in this case that rule 11 of the organisation's Rules is applicable.

**2. General Purpose Financial Report (GPFR)**

***Notes to Accounts***

I note that the notes to the accounts provide the provisions of section 274 of the Industrial Relations Act 1988. The accounts should set out the provisions of subsections 272(1), (2) and (3) of the RAO Schedule. Would you please ensure those subsections are copied into the GPFR in the next financial report of the Branch

**3. Auditor's Report**

The opinion expressed by the auditor in their report has been drafted in terms of the previous requirements of the Act. Section 257(5) of the RAO Schedule now sets out the matters on which an auditor is required to state an opinion. An acceptable wording would be as follows:

*"In our opinion the general purpose financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the RAO Schedule."*

**4. Committee of Management Statement**

***Consistency with other reporting units***

This area of the Committee of Management Statement relates to Item 17(e)(iv) of the Registrar's Reporting Guidelines. Your organisation's Committee's statement at paragraph (e)(iv) provides that: "the organisation does not consist of 2 or more reporting units". Subsection 242(3) of the RAO Schedule provides, in part, that where an organisation is divided into branches, each branch will be a reporting unit.

As your organisation consists of a number of reporting units, you may wish to consider declarations that have been made by other reporting units of ARTIO when preparing this statement for next years' financial report (financial reports of all reporting units are placed on our website at [www.airc.gov.au/organisations/list/list.html](http://www.airc.gov.au/organisations/list/list.html) (click on Org Number)).

#### **5. Timescale provisions**

Unless an extension is granted, financial reports should be lodged in the Industrial Registry within 14 days of the meeting at which they were presented - refer subsection 268.

#### **Electronic lodgment**

I encourage you to take advantage of the electronic lodgment service provided by the Registry for future lodgments. You may register as a user and then lodge your documents via the Electronic Lodgment page of the AIRC website at [www.airc.gov.au](http://www.airc.gov.au) Alternatively, you may send an email with the documents attached to: [riateam3@air.gov.au](mailto:riateam3@air.gov.au). Please note that the Rules of the Commission allow for electronic signatures to be used, other than for statutory declarations (see subrule 74A(1)). Where documents are lodged electronically, there will be no need to forward hard copies of the documents.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7993 or by email at [larry.powell@air.gov.au](mailto:larry.powell@air.gov.au).

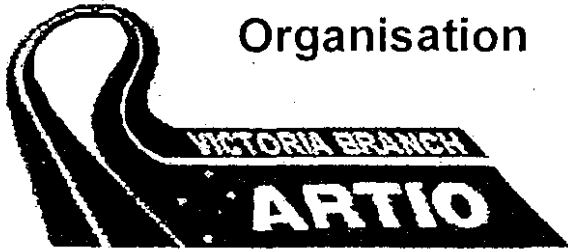
Yours sincerely,

A handwritten signature in black ink, appearing to read 'L Powell', with a large, stylized initial 'L'.

Larry Powell  
Statutory Services Branch

15 December 2004

# Australian Road Transport Industrial Organisation



The Industrial Registrar  
Australian Industrial Registry  
Level 35, Nauru House  
80 Collins St  
MELBOURNE VIC 3000

24 November 2004

Att: Larry Powell

Dear Larry

**RE: ARTIO Vic Branch Financial Statements 2003/2004  
ARTIO Financial statements for 2003/2004**

Please find attached financial statements for both ARTIO and ARTIO Vic Branch for the 2003/2004 year.

Please contact the Paul Ryan on 0415331031 if you require any further information

Yours Faithfully

A handwritten signature in black ink, appearing to read "Philip Lovel".

*for* PHILIP LOVEL  
Acting Branch Secretary/Treasurer



## AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

### OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2004

#### Principal Activities

The principal activities of the Association during the financial year were to promote, protect and advance the interests of its members through the development of EBAs and AWAs and appearing in various state and federal industrial courts and commissions.

#### Results of Principal Activities

The Association's principal activities resulted in maintaining and improving the position of its members within the Industrial Relations framework.

#### Significant Changes in Nature of Principal Activities

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

#### Significant Changes in Association's Financial Affairs

No matters or circumstances arose during the reporting year which significantly affected the financial affairs of the Association.

#### Trustee or Director of Trustee Company of Superannuation Entity or Exempt Public Sector Superannuation Scheme

The following officers of the Association held reserved positions in the following entities:

Peter Garske, Philip Lovel, Debra Goosetry and Martin Ifland are Directors of TWU Superannuation Nominees Pty Ltd, a trustee company that is the trustee of TWU Superannuation Fund, an exempt public sector superannuation scheme.

#### Number of Members

The number of persons who, at the end of the financial year, were recorded on the Register of Members was three hundred and twenty eight.

#### Number of Employees

The number of persons who were, at the end of the financial year, employees of the Association was 0.25 measured on a full time equivalent basis.

#### Members of Committee of Management

The persons who held office as members of the Committee of Management of the Association at the beginning of the financial year were:

Warwick Counsell  
Peter Garske  
Martin Ifland

Debra Goosetry  
Philip Lovel

Changes to the composition of the Committee of Management during the financial year:



Philip Lovel  
Director

Date: 27 October, 2004



**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
JUNE 30, 2004**

# Anderson & Associates

Certified Practising Accountants

## AUDITORS REPORT

### TO THE MEMBERS:

### AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

#### Scope

We have audited the accompanying accounts being the Committee of Management Statement, Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows and notes to and forming part of the accounts of Australian Road Transport Industrial Organisation for the year ended 30<sup>th</sup> June, 2004. The organisation's officers are responsible for the preparation and presentation of the accounts and the information they contain. We have conducted an independent audit of these accounts in order to express an opinion on them to the members of the organisation.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the accounts, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the accounts are presented fairly in accordance with Accounting Standards, statutory requirements and mandatory professional reporting requirements so as to present a view which is consistent with our understanding of the financial position and the results of its operation.

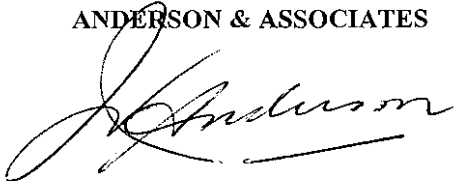
The audit opinion expressed in this report has been formed on the above basis.

#### Audit Opinion

In our opinion:

- (i) the organisation maintained satisfactory accounting records detailing the sources and nature of income (including income from members) and the nature and purpose of expenditure;
- (ii) in accordance with Section 276(2) of the Workplace Relations Act 1996 we were provided with access to all necessary records and documents and received satisfactory explanations from the organisation's officers and employees where necessary; and
- (iii) the accompanying accounts, which have been prepared from the accounting records and in accordance with Section 273 of the Workplace Relations Act 1996, as amended and applicable Accounting Standards, are properly drawn up so as to give a true and fair view of :-
  - the financial affairs of the organisation as at 30<sup>th</sup> June, 2004, and
  - the income, expenditure and financial result and cash flows of the organisation for the year ended on that date.

ANDERSON & ASSOCIATES



JOHN V. ANDERSON CPA  
Registered Company Auditor  
Signed at Ringwood 27 October 2004

Suite 102  
17 Heatherdale Road  
Ringwood Vic 3134

Phone: +61 3 9872 5544  
Fax: +61 3 9872 5588  
frontdesk@anderson-assoc.com.au

**All correspondence to: PO Box 438 Ringwood Vic 3134**

# AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

## COMMITTEE OF MANAGEMENT STATEMENT

On 27 October 2004 the Committee of Management of Australian Road Transport Industrial Organisation passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2004.

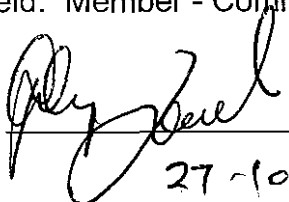
The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - (iv) the organisation does not consist of 2 or more reporting units;
  - (v) No information has been sought in any request of a member of the reporting unit or the Registrar under section 272 of the RAO Schedule;
  - (vi) No orders have been made by the Commission under section 273 of the RAO Schedule during the period.

For Committee of Management: Philip Norman Level

Title of Office held: Member - Committee of Management

Signature:

  
\_\_\_\_\_

Date:

27-10-04

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**

**CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER**

I, Philip Norman Lovel, being the Chairperson of the Australian Road Transport Industrial Organisation certify:

- That the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on 27 October, 2004; and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 27 October, 2004 in accordance with section 266 of the RAO Schedule.

Signature



Date:

27-10-04

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30TH JUNE, 2004**

	NOTE	2004 \$	2003 \$
<b>INCOME</b>			
Branch Fees		31,400	19,910
Consultants Fees		12,000	12,000
Special Levies - Projects / Awards		<u>-</u>	<u>12,100</u>
		43,400	44,010
<b>EXPENSES</b>			
Accountancy		1,650	790
Bank Charges		281	261
Consultants Fees		36,180	49,400
Depreciation		779	779
Office Expenses		802	1,069
Telephone		240	240
Travelling Expenses		<u>71</u>	<u>329</u>
<b>TOTAL EXPENSES</b>		<u>40,003</u>	<u>52,868</u>
<b>Operating Surplus before Abnormal Items</b>		3,397	(8,858)
<b>Abnormal Items</b>		<u>-</u>	<u>-</u>
Operating Surplus after Abnormal Items		3,397	(8,858)
Accumulated Surpluses at beginning of year		<u>4,044</u>	<u>12,902</u>
<b>ACCUMULATED SURPLUSES AT END OF FINANCIAL YEAR</b>		<u><u>7,441</u></u>	<u><u>4,044</u></u>

The accompanying notes form part of these financials accounts.

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30TH JUNE, 2004**

	NOTE	2004 \$	2003 \$
<b>CURRENT ASSETS</b>			
<b>Cash</b>			
Cash At Bank		5,902	(1,128)
Cash Management Account		132	169
		<u>6,034</u>	<u>(959)</u>
<b>Receivables</b>			
Trade Debtors		2,064	14,260
Amount Receivable		650	2,033
		<u>2,714</u>	<u>16,293</u>
<b>TOTAL CURRENT ASSETS</b>		<u>8,748</u>	<u>15,334</u>
<b>NON CURRENT ASSETS</b>			
<b>Property, Plant and Equipment</b>			
Office Furniture and Equipment - at cost		17,028	17,028
Less Provision for Depreciation		(16,948)	(16,169)
<b>TOTAL NON CURRENT ASSETS</b>		<u>80</u>	<u>859</u>
<b>TOTAL ASSETS</b>		<u>8,828</u>	<u>16,193</u>
<b>CURRENT LIABILITIES</b>			
<b>Creditors and Borrowings</b>			
Other Creditors		650	12,149
GST on Supplies		737	-
<b>TOTAL LIABILITIES</b>		<u>1,387</u>	<u>12,149</u>
<b>NET ASSETS</b>		<u>7,441</u>	<u>4,044</u>
<b>MEMBERS FUNDS</b>			
Accumulated Profit		<u>7,441</u>	<u>4,044</u>

The accompanying notes form part of these financial accounts.

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2004**

	Note	2004	2003 \$
<b>Cash flows from operating activities</b>			
Receipts from members and customers		56,979	28,409
Payments to trade creditors, other suppliers and employees		<u>(49,986)</u>	<u>(43,415)</u>
<b>Net cash flow from operating activities</b>	(b)	<u>6,993</u>	<u>(15,006)</u>
<b>Cash flow from investing activities</b>			
Payments for property, plant and equipment		<u>0</u>	<u>0</u>
<b>Net cash (used in) investing activities</b>		<u>0</u>	<u>0</u>
<b>Cash flows from financing activities</b>			
Advances Repaid		0	0
Advance Made		<u>0</u>	<u>0</u>
<b>Net cash flows from financing activities</b>		<u>0</u>	<u>0</u>
<b>Net increase/(decrease) in cash held</b>		6,993	(15,006)
<b>Cast at beginning of the financial year</b>		<u>(959)</u>	<u>14,047</u>
<b>Cash at the end of the financial year</b>	(a)	<u><u>6,034</u></u>	<u><u>(959)</u></u>
<b>a) Reconciliation of Cash</b>			
Cash at Bank/on hand		5,902	(1,128)
Short Term Deposits		<u>132</u>	<u>169</u>
		<u>6,034</u>	<u>(959)</u>
<b>b) Reconciliation of Net Cash Flows for Operating Activities to Operating Surplus (Deficit) After Income Tax</b>			
Operating Surplus/Deficit		3,397	(8,858)
Depreciation		779	779
(Increase) / Decrease in Amounts Receivable		13,579	(15,601)
Increase / (Decrease) in Amounts Payable		<u>(10,762)</u>	<u>8,674</u>
<b>Net Cash Inflow (Outflow) from Operating Activities</b>		<u><u>6,993</u></u>	<u><u>(15,006)</u></u>

# AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT 30<sup>TH</sup> JUNE, 2004

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Australian Accounting Standards and the historical cost convention on the basis that the Organisation is a non reporting entity.

The financial statements are not purported to be general purpose financial reports and have been prepared exclusively for the use of the Organisation and its Committee of Management. The applicable Accounting Standards adopted are detailed in the notes to and forming part of the accounts.

The accounting policies adopted are consistent with those of the previous year unless otherwise stated.

#### **Depreciation**

Depreciation is provided on both a straight line and diminishing value basis on all tangible fixed assets at rates calculated to allocate their cost less estimated residual value against revenue over their estimated useful lives.

#### **Income Tax Expense**

The organisation is registered as an "Industrial Organisation" and has an exemption from income tax under Section 23(f) of the Income Tax Assessment Act.

#### **Employee Benefits**

Charges have been made against profits for amounts expected to be paid to employees for accrued annual leave and long service leave. Amounts accrued which represent vested entitlements are shown as current liabilities.



# **AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT 30<sup>TH</sup> JUNE, 2004**

### **2. INFORMATION PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of the Industrial Relations Act 1988, as amended, the attention of Members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 274 which reads as follows:-

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under sub-section (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time as is prescribed.
- (3) A Registrar may only make an application under sub-section (1) at the request of a member of the organisation concerned, and the registrar shall provide to a member information received because of an application made at the request of the member.”



**Australian Government**  
**Australian Industrial Registry**

Australian Industrial Registry  
Level 35, Nauru House  
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MELBOURNE VIC 3000  
Telephone: (03) 8661 7888  
Fax: (03) 9654 6872

Mr Philip Lovel  
Secretary/Treasurer  
Australian Road Transport Industrial Organization  
PO Box 5  
South Melbourne VIC 3205

Dear Mr Lovel

**Re: Schedule 1B - Workplace Relations Act 1996 (the RAO Schedule)**  
**Presentation of financial reports to meeting of members**

The RAO Schedule now requires that financial reports be presented to a meeting of members unless the rules contain a provision that allows 5% or less of members to demand that a general meeting be held to consider the financial reports. Where the rules so provide, it is permissible to present the financial reports to a Committee of Management meeting.

Our records show that the rules of your organisation do not make provision for 5% or less of members to call a special meeting of members for the purpose of considering financial reports. Our records also show that your last financial reports were presented to a meeting of your Committee of Management and not a meeting of members.

This letter is intended as a reminder that your financial reports for year ended 30 June 2004 and for future years **must** be presented to a meeting of members. If you want to continue with the past practice of presenting financial reports to a committee of management meeting, the rules must be amended to make provision for 5% or less of members to call a special meeting of members for the purpose of considering financial reports.

The rules may permit a general meeting to be a series of meetings held at different locations and the financial reports may be presented to such a series of meetings. In this case the 'date' of the general meeting is taken to be the date of the last meeting in the series.

Please contact me on (03) 8661 7787 or by e-mail at [clency.lapierre@air.gov.au](mailto:clency.lapierre@air.gov.au) if you have any queries about this letter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Clency Lapierre'.

Clency Lapierre  
Statutory Services Branch  
30 September 2004



**Australian Government**  
**Australian Industrial Registry**

Australian Industrial Registry  
Level 35, Nauru House  
80 Collins Street  
MELBOURNE VIC 3000  
Telephone: (03) 8661 7888  
Fax: (03) 9654 6672

**Ref: FR2004/462-[278V]**

Mr Philip Lovel  
Secretary/Treasurer  
Australian Road Transport Industrial Organization  
PO Box 5  
South Melbourne VIC 3205

Dear Mr Lovel

**Financial Return - year ending 30 June, 2004**

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

**New legislation**

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

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

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

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

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

---

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

## Reporting Unit

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

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

## Industrial Registrar’s Guidelines

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

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

## Timeline Planner and Checklist

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

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

## Three Reports

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

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

Financial Statements containing:

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

Notes to the Financial Statements containing:

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

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

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

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

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

### **First Meeting (Committee of Management)**

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

### **The Auditor**

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

### **Informing Your Members**

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

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

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

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

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

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

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

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

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

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

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

### **Lodge full report within 14 days of meeting**

You must lodge a copy of the full report and any concise report in the Industrial Registry within 14 days of the second meeting. For your convenience you are encouraged to lodge the material electronically (see eFiling Tab at [www.airc.gov.au](http://www.airc.gov.au)). When lodging the financial return please quote: **FR2004/462**.

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

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

### **Complying with time limits**

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

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

### **Extensions of Time**

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

## Reduced Reporting Requirements

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

## Contact the Registry

We encourage you to contact the Registry on (03) 8661 7787 or by e-mail at [clency.lapierre@air.gov.au](mailto:clency.lapierre@air.gov.au) as early as possible if you believe preparation or lodgment of your return will be delayed or if you have any queries. We can offer you advice on procedure but we cannot give you legal or accounting advice.

## Information on AIRC Website

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

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

Yours sincerely



Deputy Industrial Registrar  
9 August, 2004





**Documents Checklist**

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

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

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

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

**Committee Of Management Statement**

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

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply\* with the Australian Accounting Standards;
- (b) the financial statements and notes comply\* with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view\* of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds\* to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held\* in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been\* managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been\* kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - #(iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been\* kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - #(v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been\* furnished to the member or Registrar; and
  - #(vi) there has been\* compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

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

Title of Office held:

Signature:

Date:

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

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

**Certificate of Secretary or other Authorised Officer<sup>1</sup>**

s268 of Schedule 1B *Workplace Relations Act 1996*

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

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

Signature

Date:

<sup>1</sup>*RAO regulation 162 prescribes the designated officer for the purpose of RAO schedule s268 as:*

(a) the secretary; or

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

<sup>2</sup>*Only applicable where a concise report is provided to members*

<sup>3</sup>*Insert whichever is applicable*