



18 December 2017

Mr Peter Anderson  
National Secretary/Treasurer  
Australian Road Transport Industrial Organization  
PO Box 5  
South Melbourne VIC 3205  
[reception@vta.com.au](mailto:reception@vta.com.au)

CC: [andrew.marks@williambuck.com](mailto:andrew.marks@williambuck.com)

Dear Mr Anderson,

**Australian Road Transport Industrial Organization  
Financial Report for the year ended 30 June 2017 - [FR2017/236]**

I acknowledge receipt of the financial report of the Australian Road Transport Industrial Organization. The documents were lodged with the Registered Organisations Commission (the ROC) on 7 December 2017.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

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

Please note that the financial report for the year ending 30 June 2018 may be subject to an advanced compliance review.

**Reporting Requirements**

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

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

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

Yours faithfully

A handwritten signature in blue ink, appearing to read "David Vale", written over a horizontal line.

David Vale  
Registered Organisations Commission

**Certificate of Secretary or other Authorised Officer**  
s268 of the Fair Work (Registered Organisations) Act 2009

I **Peter Anderson** being the *Secretary/Treasurer* of the Australian Road Transport Industrial Organization (ARTIO) certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the Act for ARTIO for the period ending 30 June 2017; and
- that the full report (which includes the Auditor's Report and the Operating Report) was available to members in accordance with s265 of the Act on and **from 24 November 2017**; and
- that the full report, was presented to and accepted by the Committee of Management at its meeting held on 6 December 2017 in accordance with Rule 35A of the Organisation's rules.

Signature:



Secretary/Treasurer

Date: 7 December 2017

**AUSTRALIAN ROAD TRANSPORT  
INDUSTRIAL ORGANISATION**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

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AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED  
30 JUNE 2017**

<b>INCOME</b>	<b>Note</b>	<b>2017</b>	<b>2016</b>
		\$	\$
<b>Branch Fees</b>			
New South Wales		20,000	20,000
Queensland		20,000	20,000
Tasmania		7,000	7,000
Victoria		20,000	20,000
Western Australia		<u>11,000</u>	<u>11,000</u>
		78,000	78,000
Directors Fees		30,000	30,000
Sundry Income	6	<u>1,949</u>	<u>1,362</u>
		<u>31,949</u>	<u>31,362</u>
		<u>109,949</u>	<u>109,362</u>
<b>EXPENSES</b>			
Accountancy		2,182	2,400
Audit Fees	8	4,821	1,500
Bank Charges		190	240
Consultants Fees	7	72,000	83,840
General Expenses		624	591
Insurance		4,246	4,546
Internet Fees		3,935	940
Legal Fees	9	500	-
Meeting Expense - National Council		-	206
Subscriptions		1,617	1,590
Travelling Expenses		<u>1,882</u>	<u>4,471</u>
		<u>91,997</u>	<u>100,324</u>
<b>NET SURPLUS/ (DEFICIT) FROM OPERATIONS</b>		<u>17,952</u>	<u>9,038</u>

The accompanying notes form part of these financials accounts.

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 30 JUNE 2017**

	Note	2017	2016
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	3	45,774	29,423
Accounts Receivable and Other Debtors	4	<u>6,750</u>	<u>1,264</u>
<b>TOTAL CURRENT ASSETS</b>		<u>52,524</u>	<u>30,687</u>
<b>TOTAL ASSETS</b>		<u>52,524</u>	<u>30,687</u>
<b>LIABILITIES CURRENT LIABILITIES</b>			
Accounts Payable and Other Payables	5	<u>6,664</u>	<u>2,779</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>6,664</u>	<u>2,779</u>
<b>TOTAL LIABILITIES</b>		<u>6,664</u>	<u>2,779</u>
<b>NET ASSETS</b>		<u>45,860</u>	<u>27,908</u>
<b>EQUITY</b>			
Retained Earnings		<u>45,860</u>	<u>27,908</u>
<b>TOTAL EQUITY</b>		<u>45,860</u>	<u>27,908</u>

The accompanying notes form part of these financials accounts.

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017**

	\$
<b>Retained Earnings at 1 July 2015</b>	<b>18,870</b>
Surplus (Deficit) attributable to Members	<u>9,038</u>
<b>Retained Earnings (Deficit) at 30 June 2016</b>	<b><u>27,908</u></b>
Surplus (Deficit) attributable to Members	<u>17,952</u>
<b>Retained Earnings (Deficit) at 30 June 2017</b>	<b><u>45,860</u></b>

The accompanying notes form part of these financial accounts.

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017	2016
Receipts from Customer and Members		104,463	113,734
Payments to Suppliers and Members		<u>(88,112)</u>	<u>(99,285)</u>
<b>Net Cash provided by (used in) Operating Activities Note (a)</b>		<u><b>16,351</b></u>	<u><b>14,449</b></u>
Net Increase in Cash held		16,351	14,449
Cash at beginning of Financial Year		<u>29,423</u>	<u>14,974</u>
<b>Cash at end of Financial Year Note (a)</b>		<u><b>45,774</b></u>	<u><b>29,423</b></u>
<b>Receipts from Customers and Members include:</b>			
Branch Affiliation Fees			
ARTIO New South Wales Branch		20,000	20,000
ARTIO Queensland Branch		20,000	20,000
ARTIO Tasmanian Branch		7,000	7,000
ARTIO Victoria Branch		20,000	20,000
ARTIO Western Australian Branch		11,000	11,000
<b>Payments to Suppliers and Members include:</b>			
ARTIO Queensland Branch		-	11,849
ARTIO New South Wales Branch		-	3,113
<b>Note (a)</b>			
<b>Reconciliation of Profit/(Deficit) to Net Cash from Operating Activities:</b>			
Profit/(Deficit) for the Year		17,952	9,038
<b>Changes in Assets/Liabilities</b>			
(Increase)/Decrease in Net Receivables		(5,486)	4,372
Increase/(Decrease) in Supplier Payables		<u>3,885</u>	<u>1,039</u>
<b>Net Cash provided by (used in) Operating Activities</b>		<u><b>16,351</b></u>	<u><b>14,449</b></u>

The accompanying notes form part of these financials accounts.

## AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

This financial report covers Australian Road Transport Industrial Organisation as an individual entity.

### **Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, mandatory reporting requirements and the Fair Work (Registered Organisations) Act 2009. For the purpose of preparing the general purpose financial statements the Organisation is a not for profit entity.

The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

#### **(a) Accounting Judgements and Estimates**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **(i) Critical Accounting Estimates and Assumptions**

The Organisation makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

#### **(ii) Critical Judgments in applying the Branch's Accounting Principles**

There are no critical judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

#### **(b) 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 unless otherwise stated.



AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

***Future Australian Accounting Standards Requirements***

No new standards, amendments to standards or interpretations that were issued prior to the sign off date and are applicable to the future reporting period are expected to have a future financial impact on the organisation.

**(c) Income Tax Expense**

The organisation is registered as an "Industrial Organisation" and has an exemption from income tax under Division 50 of the Income Tax Assessment Act 1997.

**(d) 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.

**(e) Financial Instruments Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the organisation commits itself to either purchase or sell the asset.

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

**(f) Impairment of Assets**

At each reporting date, the organisation reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the organisation estimates the recoverable amount of the cash generating unit to which the asset belongs.

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(g) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

**(h) Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Revenue from the provision of membership subscriptions is recognised on an accrual basis over the financial year.

In accordance with Regulation 16 of the Reporting Guidelines (Fair Work (Registered Organisations) Regulations 2009), the organisation declares that it has not received any of the following revenue streams during the financial year;

Compulsory levies or voluntary contributions  
Donations or grants  
Financial support from another reporting unit

All revenue is stated net of the amount of goods and services tax (GST).

**(i) Expenditure**

In accordance with Regulation 18 of the Reporting Guidelines the organisation declares that it has not incurred any of the following expenses during the financial year;

Costs of employers making payroll deductions of members subscriptions  
Capitation fees paid  
Fees or subscriptions for affiliation with any political party, federation, congress, councilor group of organisations or any international body with an interest in industrial affairs

Compulsory levies  
Grants or donations

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(i) Expenditure (cont'd)**

Employee expenses to office holders or employees as there were no employees during the reporting period

Fees or allowances paid to persons for conference attendances

Penalties imposed under the Registered Organisations Act with respect to the conduct of the reporting unit

**(j) Liabilities**

In accordance with Regulation 21 of the Reporting Guidelines of the organisation declares that there were no liabilities at the 30 June 2017 for the following:

Amounts payable for costs of employers making payroll deductions of members' subscriptions.

Amounts payable for legal costs

Provision for employee entitlements to office holders or employees as there were no employees during the reporting period.

**(k) Related Reporting Units**

The organisation is a National Body made up of State based organisations as its members.

The organisation relies on the financial support of the State based organisations through the payment of annual subscriptions.

The organisation does not provide financial support to any other reporting organisation.

As at 30 June 2017 the organisation had the following amount receivable from another reporting organisation (Nil as at 30 June 2016).

ARTIO Western Australian Branch	\$6,750
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**(l) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

**(m) Comparative Figures**

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

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(n) Going Concern**

These financial statements are prepared on a going concern basis. During the financial year the organisation received financial support from its state based branches by payment of annual subscriptions.

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

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, as amended, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 272 which reads as follows:-

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

**3. CASH AND CASHEQUIVALENTS**

	<b>Note</b>	<b>2017</b>	<b>2016</b>
Cash at Bank - National \$		45,774	29,111
Cash at Bank #2 Account 312		<u>-</u>	<u>312</u>
	10	<u>45,774</u>	<u>29,423</u>

**4. ACCOUNTS RECEIVABLE AND OTHER DEBTORS**

**Current**

Trade Debtors		6,750	-
Other Taxation Refunds		<u>-</u>	<u>1,264</u>
		<u>6,750</u>	<u>1,264</u>

**5. ACCOUNTS PAYABLE AND OTHER PAYABLES**

**Current**

GST Payable		2,164	1,279
Other Creditors and Accruals		<u>4,500</u>	<u>1,500</u>
	10	<u>6,664</u>	<u>2,779</u>

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

	2017	2016
<b>6. SUNDRY INCOME</b>		
<b>IR Newsletter Service - Cost Recovery</b>	-	
ARTIO Queensland	-	454
ARTIO New South Wales	-	227
ARTIO Tasmania	-	227
ARTIO Victoria	-	227
ARTIO West Australia	-	227
Interest Received	<u>1,949</u>	<u>-</u>
	<u>1,949</u>	<u>1,362</u>
<b>7. EXPENSES</b>		
<b>Consultant Fees</b>		
RSRT Advocacy ARTIO Queensland	-	8,727
RSRT Advocacy ARTIO New South Wales	-	3,113
Strategic Industrial Planning Services	<u>72,000</u>	<u>72,000</u>
	<u>72,000</u>	<u>83,840</u>
<b>8. REMUNERATION OF AUDITORS</b>		
<b>Value of the Services provided</b>		
Financial Statement Audit Services – Current Auditor	4,500	
Financial Statement Audit Services – Previous Auditor	321	1,500
Other Services	<u>-</u>	<u>-</u>
<b>Total Remuneration of Auditors</b>	<u>4,821</u>	<u>1,500</u>
<b>9. LEGAL FEES</b>		
Litigation	-	-
Other	<u>500</u>	<u>-</u>
	<u>500</u>	<u>-</u>

**10. FINANCIAL RISK MANAGEMENT**

The organisations financial instruments consists mainly of deposits with banks, accounts receivable and accounts payable.

The totals for each category of financial instruments, measured in accordance with AASB 7 as detailed in the accounting policies to these financial statements are as follows:-

<b>Financial Assets</b>	<b>Note</b>		
Cash & Cash Equivalents		45,774	29,423
Loans & Receivables	3	<u>6,750</u>	<u>1,264</u>
	4	<u>52,524</u>	<u>30,687</u>

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

		2017	2016
	Note	\$	\$
<b>10. FINANCIAL RISK MANAGEMENT (cont'd)</b>			
<b>Financial Liabilities</b>			
Trade & Other Payables	5	<u>6,664</u>	<u>2,779</u>
		<u>6,664</u>	<u>2,779</u>

**Financial Risk Management Policies**

The Committee's overall risk management strategy seeks to assist the organisation in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Committee on a regular basis. These included the credit risk policies and future cash flow requirements.

Cash and cash equivalents are held in a high quality financial institution.

The organisation does not invest in shares or derivative instruments and therefore does not expose itself to the fluctuations in price that are inherent in such a market.

**11. OTHER ACQUISITIONS OF ASSETS OR LIABILITIES**

During the financial year the Organisation has not acquired an asset or liability as a result of:-

- (a) An amalgamation under Part 2 of Chapter 3 of the RO Act.
- (b) A restructure of branches of the organisation.
- (c) A determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation.
- (d) A revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245 (1).
- (e) A business combination.

**12. SUBSEQUENT EVENTS**

There are no subsequent events that have occurred or are likely to occur that require disclosure.

**13. CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS**

There were no contingent liabilities, assets or commitments at 30 June 2017.

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

14. Grants and Donations

	2017	2016
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	<b>-</b>	<b>-</b>

15. ADDITIONAL INFORMATION

The Registered Office of the Organisation is:-  
Level 1  
Mirrat House  
46 Koorringa Way  
Port Melbourne 3207, Victoria


### Committee of Management Statement

On 20 September, 2017 the Committee of Management of the Australian Road Transport Industrial Organization passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2017:

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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) 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;
- (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 Fair Work (Registered Organisations) Act 2009 ("RO Act"); and
  - (iv) been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - (v) no request of a member of the reporting unit or General Manager of the FWC was made under section 272 of the RO Act; and
  - (vi) there has been no order for inspection of financial records made by FWC under s. 273 of the RO Act;
- (f) the reporting unit has not engaged in recovery of wages activity which has resulted in the derivation of revenue in respect of such activity.

For Committee of Management: **Peter Anderson**  
Secretary/Treasurer

Signature: 

Date: <sup>10</sup>2 November 2017



**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**  
**OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2017**

**Principal Activities**

The principal activities of the Organisation during the financial year were to promote, protect and advance the interests of its members through the maintenance of Industrial Instruments, including Modern Awards, the development of EBA's and representation of members in various state and federal Industrial Commissions and Tribunals, including the Road Safety Remuneration Tribunal.

**Results of Principal Activities**

The Organisation'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 Organisation'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 Organisation.

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

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

Robin Phillips, Peter Garske (replaced by Gary Mahon in December 16), Peter Anderson and Dennis Sutton are Directors of TWU Superannuation Nominees Pty Ltd, a trustee company that is the trustee of TWUSUPER.

**Number of Members**

The number of persons who, at the end of the financial year, were recorded on the Register of Members was 367.

**Rights of Members to Resign**

Any member has the right to resign from the Organisation in accordance with the provisions of Rule 11 of the organisation's rules which states:

**"11 - RESIGNATION FROM MEMBERSHIP**

- (1) A member of the Organization may resign from membership by written notice addressed and delivered to the Secretary/Treasurer of the Branch of which it is a member.
- (2) A notice of resignation from membership of the Organization takes effect:

- (a) where the member ceases to be eligible to become a member of the Organization;
  - (i) on the day on which the notice is received by the Organization; 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 two (2) weeks after the notice is received by the Organization; or
  - (ii) on the day specified in the notice;whichever is later.

- (3) Any dues payable but not paid by a former member of the Organization, in relation to a period before the member's resignation from the Organization took effect, may be sued for and recovered in the name of the Organization, in a court of competent jurisdiction, as a debt due to the Organization.
- (4) A notice delivered to the person mentioned in sub-rule (1) is taken to have been received by the Organization when it was delivered.
- (5) A notice of resignation that has been received by the Organization is not invalid because it was not addressed and delivered in accordance and delivered in accordance with Rule 11(1).
- (6) A resignation from membership of the Organization is valid even if it is not effected in accordance with this section if the member is informed in writing by or on behalf of the Organization that the resignation has been accepted. "

#### **Number of Employees**

The Organisation has no employees and services are provided through an external consultant to the equivalent of 0.4 of a full time equivalent employee.

#### **Members of Committee of Management**

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

Laurie D'Apice, President.  
Cameron Dunn, Vice President,  
Dennis Sutton, Vice President  
Peter Garske, Secretary/Treasurer (replaced by Peter Anderson on 1 October 2016)  
Robin Phillips, Committee Member  
Committee Member - Vacant

During the 16/17 year there were no elections required to be conducted under ARTIO's Rules.

Peter Anderson  
Secretary/Treasurer  
Date: 2<sup>nd</sup> November 2017  
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## Australian Road Transport Industrial Organisation

Independent auditor's report to members

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial report of Australian Transport Road Industrial Organisation (the Registered Organisation), which comprises the statement of financial position as at 30 June 2017, 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, and committee of management statement.

In our opinion the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Transport Road Industrial Organisation as at 30 June 2017, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act).

We have concluded that the Committee of Management's use of the going concern basis of accounting in the preparation of the financial statements for the year ended 30 June 2017 is appropriate.

#### 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 Registered Organisation in accordance with 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.

**CHARTERED ACCOUNTANTS  
& ADVISORS**

Level 20, 181 William Street  
Melbourne VIC 3000

Telephone: +61 3 9824 8555

[williambuck.com](http://williambuck.com)

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

The Committee of Management are responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial 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 of the financial report, 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.

### **Responsibilities of Committee of Management and Those Charged with Governance for the Financial Report**

The Committee of Management of the Registered Organisation is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Registered Organisation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Committee of Management either intends to liquidate the Registered Organisation or to cease operations, or has no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objective is 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 Registered Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management'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 Registered Organisation'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 Registered Organisation 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 entities or business activities within the Registered Organisation to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Registered Organisation audit. We remain solely responsible for our audit opinion.

We communicate with the Committee of Management 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.

I declare that I am an approved auditor, a member of CPA Australia and hold a current Public Practice Certificate.

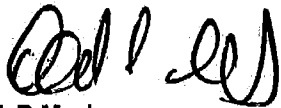
**Report on the Recovery of Wages Activity financial report**

**Opinion on the recovery of wages activity financial report**

The Registered Organisation has not undertaken any recovery of wages activity during the reporting period as stated in section (f) of the committee of management statement. Therefore, no opinion can be provided in relation to recovery of wages activity.

A handwritten signature in black ink, appearing to read 'William Buck'.

**William Buck Audit (Vic) Pty Ltd**  
ABN 59 116 151 136

A handwritten signature in black ink, appearing to read 'A.P. Marks'.

**A.P Marks**  
Director

Dated: Melbourne 10<sup>th</sup> November, 2017  
Registration number: AA2017/190

**AUSTRALIAN ROAD TRANSPORT  
INDUSTRIAL ORGANISATION**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

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AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED  
30 JUNE 2017**

<b>INCOME</b>	<b>Note</b>	<b>2017</b>	<b>2016</b>
		\$	\$
<b>Branch Fees</b>			
New South Wales		20,000	20,000
Queensland		20,000	20,000
Tasmania		7,000	7,000
Victoria		20,000	20,000
Western Australia		<u>11,000</u>	<u>11,000</u>
		78,000	78,000
Directors Fees		30,000	30,000
Sundry Income	6	<u>1,949</u>	<u>1,362</u>
		<u>31,949</u>	<u>31,362</u>
		<u>109,949</u>	<u>109,362</u>
<b>EXPENSES</b>			
Accountancy		2,182	2,400
Audit Fees	8	4,821	1,500
Bank Charges		190	240
Consultants Fees	7	72,000	83,840
General Expenses		624	591
Insurance		4,246	4,546
Internet Fees		3,935	940
Legal Fees	9	500	-
Meeting Expense - National Council		-	206
Subscriptions		1,617	1,590
Travelling Expenses		<u>1,882</u>	<u>4,471</u>
		<u>91,997</u>	<u>100,324</u>
<b>NET SURPLUS/ (DEFICIT) FROM OPERATIONS</b>		<u>17,952</u>	<u>9,038</u>

The accompanying notes form part of these financials accounts.



**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 30 JUNE 2017**

	Note	2017	2016
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	3	45,774	29,423
Accounts Receivable and Other Debtors	4	<u>6,750</u>	<u>1,264</u>
<b>TOTAL CURRENT ASSETS</b>		<u>52,524</u>	<u>30,687</u>
<b>TOTAL ASSETS</b>		<u>52,524</u>	<u>30,687</u>
<b>LIABILITIES CURRENT LIABILITIES</b>			
Accounts Payable and Other Payables	5	<u>6,664</u>	<u>2,779</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>6,664</u>	<u>2,779</u>
<b>TOTAL LIABILITIES</b>		<u>6,664</u>	<u>2,779</u>
<b>NET ASSETS</b>		<u>45,860</u>	<u>27,908</u>
<b>EQUITY</b>			
Retained Earnings		<u>45,860</u>	<u>27,908</u>
<b>TOTAL EQUITY</b>		<u>45,860</u>	<u>27,908</u>

The accompanying notes form part of these financial accounts.

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017**

	\$
<b>Retained Earnings at 1 July 2015</b>	<b>18,870</b>
Surplus (Deficit) attributable to Members	<u>9,038</u>
<b>Retained Earnings (Deficit) at 30 June 2016</b>	<b><u>27,908</u></b>
Surplus (Deficit) attributable to Members	<u>17,952</u>
<b>Retained Earnings (Deficit) at 30 June 2017</b>	<b><u>45,860</u></b>

The accompanying notes form part of these financial accounts.

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017	2016
Receipts from Customer and Members		104,463	113,734
Payments to Suppliers and Members		<u>(88,112)</u>	<u>(99,285)</u>
<b>Net Cash provided by (used in) Operating Activities Note (a)</b>		<u><b>16,351</b></u>	<u><b>14,449</b></u>
Net Increase in Cash held		16,351	14,449
Cash at beginning of Financial Year		<u>29,423</u>	<u>14,974</u>
<b>Cash at end of Financial Year Note (a)</b>		<u><b>45,774</b></u>	<u><b>29,423</b></u>
<b>Receipts from Customers and Members include:</b>			
Branch Affiliation Fees			
ARTIO New South Wales Branch		20,000	20,000
ARTIO Queensland Branch		20,000	20,000
ARTIO Tasmanian Branch		7,000	7,000
ARTIO Victoria Branch		20,000	20,000
ARTIO Western Australian Branch		11,000	11,000
<b>Payments to Suppliers and Members include:</b>			
ARTIO Queensland Branch		-	11,849
ARTIO New South Wales Branch		-	3,113
<b>Note (a)</b>			
<b>Reconciliation of Profit/(Deficit) to Net Cash from Operating Activities:</b>			
Profit/(Deficit) for the Year		17,952	9,038
<b>Changes in Assets/Liabilities</b>			
(Increase)/Decrease in Net Receivables		(5,486)	4,372
Increase/(Decrease) in Supplier Payables		<u>3,885</u>	<u>1,039</u>
<b>Net Cash provided by (used in) Operating Activities</b>		<u><b>16,351</b></u>	<u><b>14,449</b></u>

The accompanying notes form part of these financials accounts.

## AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

This financial report covers Australian Road Transport Industrial Organisation as an individual entity.

### **Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, mandatory reporting requirements and the Fair Work (Registered Organisations) Act 2009. For the purpose of preparing the general purpose financial statements the Organisation is a not for profit entity.

The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

#### **(a) Accounting Judgements and Estimates**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **(i) Critical Accounting Estimates and Assumptions**

The Organisation makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

##### **(ii) Critical Judgments in applying the Branch's Accounting Principles**

There are no critical judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

#### **(b) 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 unless otherwise stated.

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

***Future Australian Accounting Standards Requirements***

No new standards, amendments to standards or interpretations that were issued prior to the sign off date and are applicable to the future reporting period are expected to have a future financial impact on the organisation.

**(c) Income Tax Expense**

The organisation is registered as an "Industrial Organisation" and has an exemption from income tax under Division 50 of the Income Tax Assessment Act 1997.

**(d) 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.

**(e) Financial Instruments Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the organisation commits itself to either purchase or sell the asset.

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

**(f) Impairment of Assets**

At each reporting date, the organisation reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the organisation estimates the recoverable amount of the cash generating unit to which the asset belongs.

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

**(g) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

**(h) Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Revenue from the provision of membership subscriptions is recognised on an accrual basis over the financial year.

In accordance with Regulation 16 of the Reporting Guidelines (Fair Work (Registered Organisations) Regulations 2009), the organisation declares that it has not received any of the following revenue streams during the financial year;

Compulsory levies or voluntary contributions  
Donations or grants  
Financial support from another reporting unit

All revenue is stated net of the amount of goods and services tax (GST).

**(i) Expenditure**

In accordance with Regulation 18 of the Reporting Guidelines the organisation declares that it has not incurred any of the following expenses during the financial year;

Costs of employers making payroll deductions of members subscriptions  
Capitation fees paid  
Fees or subscriptions for affiliation with any political party, federation, congress, council or group of organisations or any international body with an interest in industrial affairs

Compulsory levies  
Grants or donations

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(i) Expenditure (cont'd)**

Employee expenses to office holders or employees as there were no employees during the reporting period  
Fees or allowances paid to persons for conference attendances  
Penalties imposed under the Registered Organisations Act with respect to the conduct of the reporting unit

**(j) Liabilities**

In accordance with Regulation 21 of the Reporting Guidelines of the organisation declares that there were no liabilities at the 30 June 2017 for the following:

Amounts payable for costs of employers making payroll deductions of members' subscriptions.  
Amounts payable for legal costs  
Provision for employee entitlements to office holders or employees as there were no employees during the reporting period.

**(k) Related Reporting Units**

The organisation is a National Body made up of State based organisations as its members.

The organisation relies on the financial support of the State based organisations through the payment of annual subscriptions.

The organisation does not provide financial support to any other reporting organisation.

As at 30 June 2017 the organisation had the following amount receivable from another reporting organisation (Nil as at 30 June 2016).

ARTIO Western Australian Branch	\$6,750
---------------------------------	---------

**(l) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

**(m) Comparative Figures**

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

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(n) Going Concern**

These financial statements are prepared on a going concern basis. During the financial year the organisation received financial support from its state based branches by payment of annual subscriptions.

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

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, as amended, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 272 which reads as follows:-

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

**3. CASH AND CASHEQUIVALENTS**

	Note	2017	2016
Cash at Bank - National \$		45,774	29,111
Cash at Bank #2 Account 312		-	312
	10	<u>45,774</u>	<u>29,423</u>

**4. ACCOUNTS RECEIVABLE AND OTHER DEBTORS**

**Current**

Trade Debtors		6,750	-
Other Taxation Refunds		-	1,264
		<u>6,750</u>	<u>1,264</u>

**5. ACCOUNTS PAYABLE AND OTHER PAYABLES**

**Current**

GST Payable		2,164	1,279
Other Creditors and Accruals		4,500	1,500
	10	<u>6,664</u>	<u>2,779</u>



**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

	<b>2017</b>	<b>2016</b>
<b>6. SUNDRY INCOME</b>		
<b>IR Newsletter Service - Cost Recovery</b>	-	
ARTIO Queensland	-	454
ARTIO New South Wales	-	227
ARTIO Tasmania	-	227
ARTIO Victoria	-	227
ARTIO West Australia	-	227
Interest Received	<u>1,949</u>	<u>-</u>
	<u>1,949</u>	<u>1,362</u>
<b>7. EXPENSES</b>		
<b>Consultant Fees</b>		
RSRT Advocacy ARTIO Queensland	-	8,727
RSRT Advocacy ARTIO New South Wales	-	3,113
Strategic Industrial Planning Services	<u>72,000</u>	<u>72,000</u>
	<u>72,000</u>	<u>83,840</u>
<b>8. REMUNERATION OF AUDITORS</b>		
<b>Value of the Services provided</b>		
Financial Statement Audit Services – Current Auditor	4,500	
Financial Statement Audit Services – Previous Auditor	321	1,500
Other Services	<u>-</u>	<u>-</u>
<b>Total Remuneration of Auditors</b>	<u>4,821</u>	<u>1,500</u>
<b>9. LEGAL FEES</b>		
Litigation	-	-
Other	<u>500</u>	<u>-</u>
	<u>500</u>	<u>-</u>

**10. FINANCIAL RISK MANAGEMENT**

The organisations financial instruments consists mainly of deposits with banks, accounts receivable and accounts payable.

The totals for each category of financial instruments, measured in accordance with AASB 7 as detailed in the accounting policies to these financial statements are as follows:-

<b>Financial Assets</b>	<b>Note</b>		
Cash & Cash Equivalents		45,774	29,423
Loans & Receivables	3	<u>6,750</u>	<u>1,264</u>
	4	<u>52,524</u>	<u>30,687</u>

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

		2017	2016
	Note	\$	\$
<b>10. FINANCIAL RISK MANAGEMENT (cont'd)</b>			
<b>Financial Liabilities</b>			
Trade & Other Payables	5	<u>6,664</u>	<u>2,779</u>
		<u>6,664</u>	<u>2,779</u>

**Financial Risk Management Policies**

The Committee's overall risk management strategy seeks to assist the organisation in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Committee on a regular basis. These included the credit risk policies and future cash flow requirements.

Cash and cash equivalents are held in a high quality financial institution.

The organisation does not invest in shares or derivative instruments and therefore does not expose itself to the fluctuations in price that are inherent in such a market.

**11. OTHER ACQUISITIONS OF ASSETS OR LIABILITIES**

During the financial year the Organisation has not acquired an asset or liability as a result of:-

- (a) An amalgamation under Part 2 of Chapter 3 of the RO Act.
- (b) A restructure of branches of the organisation.
- (c) A determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation.
- (d) A revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245 (1).
- (e) A business combination.

**12. SUBSEQUENT EVENTS**

There are no subsequent events that have occurred or are likely to occur that require disclosure.

**13. CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS**

There were no contingent liabilities, assets or commitments at 30 June 2017.

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017

**14. Grants and Donations**

	2017	2016
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	<u>-</u>	<u>-</u>

**15. ADDITIONAL INFORMATION**

The Registered Office of the Organisation is:-  
Level 1  
Mirrat House  
46 Koorringa Way  
Port Melbourne 3207, Victoria


### Committee of Management Statement

On 20 September, 2017 the Committee of Management of the Australian Road Transport Industrial Organization passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2017:

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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) 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;
- (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 Fair Work (Registered Organisations) Act 2009 ("RO Act"); and
  - (iv) been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - (v) no request of a member of the reporting unit or General Manager of the FWC was made under section 272 of the RO Act; and
  - (vi) there has been no order for inspection of financial records made by FWC under s. 273 of the RO Act;
- (f) the reporting unit has not engaged in recovery of wages activity which has resulted in the derivation of revenue in respect of such activity.

For Committee of Management: **Peter Anderson**  
Secretary/Treasurer

Signature: 

Date: <sup>10</sup>2 November 2017

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION**  
**OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2017**

**Principal Activities**

The principal activities of the Organisation during the financial year were to promote, protect and advance the interests of its members through the maintenance of Industrial Instruments, including Modern Awards, the development of EBA's and representation of members in various state and federal Industrial Commissions and Tribunals, including the Road Safety Remuneration Tribunal.

**Results of Principal Activities**

The Organisation'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 Organisation'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 Organisation.

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

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

Robin Phillips, Peter Garske (replaced by Gary Mahon in December 16), Peter Anderson and Dennis Sutton are Directors of TWU Superannuation Nominees Pty Ltd, a trustee company that is the trustee of TWUSUPER.

**Number of Members**

The number of persons who, at the end of the financial year, were recorded on the Register of Members was 367.

**Rights of Members to Resign**

Any member has the right to resign from the Organisation in accordance with the provisions of Rule 11 of the organisation's rules which states:

**"11 - RESIGNATION FROM MEMBERSHIP**

- (1) A member of the Organization may resign from membership by written notice addressed and delivered to the Secretary/Treasurer of the Branch of which it is a member.
- (2) A notice of resignation from membership of the Organization takes effect:

- (a) where the member ceases to be eligible to become a member of the Organization;
  - (i) on the day on which the notice is received by the Organization; 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 two (2) weeks after the notice is received by the Organization; or
  - (ii) on the day specified in the notice;whichever is later.

- (3) Any dues payable but not paid by a former member of the Organization, in relation to a period before the member's resignation from the Organization took effect, may be sued for and recovered in the name of the Organization, in a court of competent jurisdiction, as a debt due to the Organization.
- (4) A notice delivered to the person mentioned in sub-rule (1) is taken to have been received by the Organization when it was delivered.
- (5) A notice of resignation that has been received by the Organization is not invalid because it was not addressed and delivered in accordance and delivered in accordance with Rule 11(1).
- (6) A resignation from membership of the Organization is valid even if it is not effected in accordance with this section if the member is informed in writing by or on behalf of the Organization that the resignation has been accepted. "

#### **Number of Employees**

The Organisation has no employees and services are provided through an external consultant to the equivalent of 0.4 of a full time equivalent employee.


#### **Members of Committee of Management**

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

Laurie D'Apice, President.  
Cameron Dunn, Vice President,  
Dennis Sutton, Vice President  
Peter Garske, Secretary/Treasurer (replaced by Peter Anderson on 1 October 2016)  
Robin Phillips, Committee Member  
Committee Member - Vacant

During the 16/17 year there were no elections required to be conducted under ARTIO's Rules.

Peter Anderson  
Secretary/Treasurer  
Date: 2 November 2017



10

## Australian Road Transport Industrial Organisation

Independent auditor's report to members

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial report of Australian Transport Road Industrial Organisation (the Registered Organisation), which comprises the statement of financial position as at 30 June 2017, 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, and committee of management statement.

In our opinion the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Transport Road Industrial Organisation as at 30 June 2017, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act).

We have concluded that the Committee of Management's use of the going concern basis of accounting in the preparation of the financial statements for the year ended 30 June 2017 is appropriate.

#### 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 Registered Organisation in accordance with 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.

**CHARTERED ACCOUNTANTS  
& ADVISORS**

Level 20, 181 William Street  
Melbourne VIC 3000

Telephone: +61 3 9824 8555

[williambuck.com](http://williambuck.com)

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

The Committee of Management are responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial 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 of the financial report, 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.

### **Responsibilities of Committee of Management and Those Charged with Governance for the Financial Report**

The Committee of Management of the Registered Organisation is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Registered Organisation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Committee of Management either intends to liquidate the Registered Organisation or to cease operations, or has no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objective is 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 Registered Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management'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 Registered Organisation'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 Registered Organisation 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 entities or business activities within the Registered Organisation to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Registered Organisation audit. We remain solely responsible for our audit opinion.

We communicate with the Committee of Management 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.

I declare that I am an approved auditor, a member of CPA Australia and hold a current Public Practice Certificate.

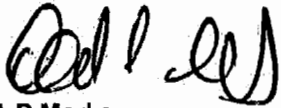
## Report on the Recovery of Wages Activity financial report

### Opinion on the recovery of wages activity financial report

The Registered Organisation has not undertaken any recovery of wages activity during the reporting period as stated in section (f) of the committee of management statement. Therefore, no opinion can be provided in relation to recovery of wages activity.

A handwritten signature in black ink, appearing to read 'William Buck Audit (Vic) Pty Ltd'.

William Buck Audit (Vic) Pty Ltd  
ABN 59 116 151 136

A handwritten signature in black ink, appearing to read 'A.P. Marks'.

A.P Marks  
Director

Dated: Melbourne 10<sup>th</sup> November, 2017  
Registration number: AA2017/190

**Certificate of Secretary or other Authorised Officer**  
s268 of the Fair Work (Registered Organisations) Act 2009

I **Peter Anderson** being the *Secretary/Treasurer* of the Australian Road Transport Industrial Organization (ARTIO) certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the Act for ARTIO for the period ending 30 June 2017; and
- that the full report (which includes the Auditor's Report and the Operating Report) was available to members in accordance with s265 of the Act on and **from 24 November 2017**; and
- that the full report, was presented to and accepted by the Committee of Management at its meeting held on 6 December 2017 in accordance with Rule 35A of the Organisation's rules.

Signature:



Secretary/Treasurer

Date: 7 December 2017



9 August 2017

Mr Peter Anderson  
National Secretary/Treasurer  
Australian Road Transport Industrial Organization  
By Email: [reception@vta.com.au](mailto:reception@vta.com.au)

Dear Mr Anderson,

**Re: Lodgement of Financial Report - [FR2017/236]  
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Australian Road Transport Industrial Organization (the reporting unit) ended on 30 June 2017. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

### **Loans Grants and Donations Statement**

The reporting unit is required to lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 of the RO act requires this statement to be lodged with Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, that is on or before 28 September 2017.

The attached fact sheet *Loans Grants and Donations* (FS 009) summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our [website](#).

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

### **Financial report**

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines* (FS 008) summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on your rules) no later than 31 December 2017 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported. The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement (see attached *Loans Grants and Donations* fact sheet FS 009).

You can visit our website for more information regarding [financial reporting](#), and fact sheets regarding [financial reporting processes and requirements](#). A model set of financial statements developed by the

ROC is also available on our website. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual) being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

### **Auditor's report**

When assessing the financial report we will also focus on the structure and content of the auditor's report to ensure that it complies with the revisions made to the Auditing Standards which came into effect from 15 December 2016. Please find below a guidance note *Illustrative Auditor's Report* (GN 004) relating to these requirements (which can also be located on our website).

## **REMINDER**

### **YOUR AUDITOR MUST BE REGISTERED (s.256)**

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our [website](#).

### **Contact**

Should you require any clarification in relation to the above, please email [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au).

Yours faithfully,

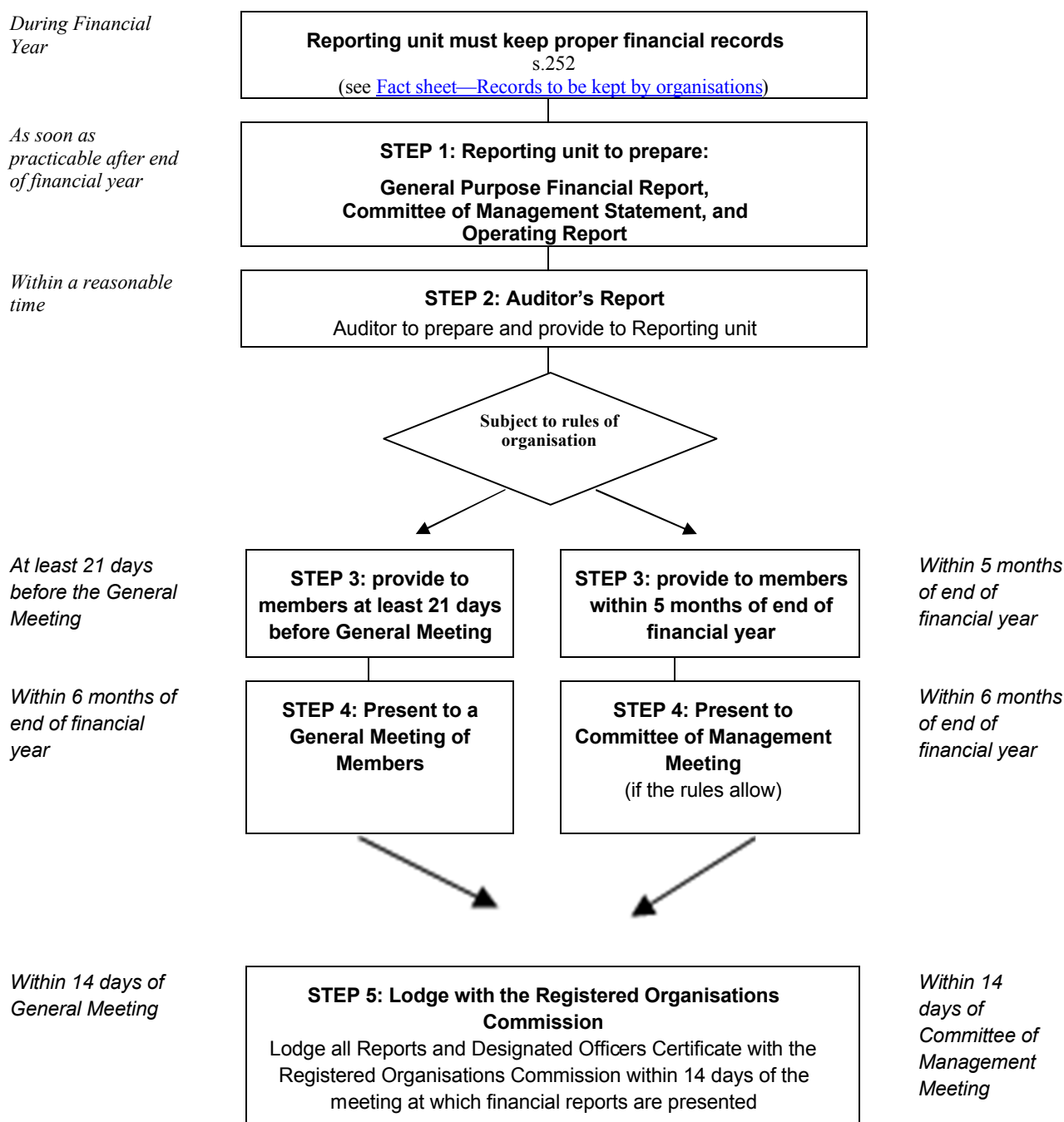
**Carolyn Moloney**  
**Registered Organisations Commission**



# Fact sheet

## Summary of financial reporting timelines – s.253 financial reports

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





## Fact sheet

### Loans, Grants & Donations

#### The Loans, Grants & Donations Requirements

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

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

#### The Loans, Grants & Donations Statement

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

- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,\* and
- the arrangements for repaying the loan.\*



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

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

#### Common misconceptions

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

Misconception	Requirement
✘ Only reporting units must lodge the Statement.	✔ All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
✘ Employees can sign the Statement.	✔ The statement must be signed by an elected officer of the relevant branch.

	Statements can be lodged with the financial report.		The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.
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### Grants & Donations within the Financial Report

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

As such, the note in the financial report relating to grants and donations will have four lines. In the [ROC's Model Statements](#) the note appears as follows:

#### Note 4E: Grants ~~OR~~ donations\*

Grants:	[Current year]	[Previous year]
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	-	-

The Commissioner's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

### Implications for filing the Financial Report

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

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

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

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

Previous financial reports and filing letters are available from the website.

### Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the ROC on [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)





## **Guidance Note**

### **Illustrative Auditor's Report under section 257 of the *Fair Work (Registered Organisations) Act 2009***

Prepared and issued by the Registered Organisations Commission

<b>Version</b>	<b>Date published</b>
1	4 August 2017

## 1. Introduction

The purpose of this guidance note is to provide Registered Organisations with guidance on the revised Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report* (ASA 700), as issued by the Auditing and Assurance Standards Board ('AUASB').

An 'Illustrative Auditor's Report' is included to assist Registered Organisations to understand the new auditing requirements.

## 2. Background to the revised Auditing Standard

From 15 December 2016, the structure of the Auditor's Report changed as a result of revisions made to the Australian Auditing Standards (ASAs). The changes impact all auditors' reports prepared in accordance with the ASAs.

The purpose of the change is to:

- enhance the communicative value of the Auditor's Report;
- give prominence to the most important matters by re-ordering the content;
- enhance reporting on going concern matters (if applicable), and provide enhanced descriptions of the respective responsibilities of management and the auditor, in relation to going concern;
- provide an affirmative statement on auditor's independence and fulfilment of relevant ethical responsibilities;
- provide more information to users on the auditor's responsibilities, and the key features of an audit and;
- provide details of other information the auditor has received at the date of the Auditor's Report, and is expected to receive after the date of the Auditor's Report<sup>1</sup>.

## 3. Key changes included in the illustrative Auditor's Report

Description	Auditing standard ref.	Comments
Structure of the auditor's report	ASA 700.21-52	The form and structure of the audit report have been reorganised due to changes in the Australian Auditing Standards.
Basis for opinion	ASA 700.28c	Requires references in the audit report to the applicable ethical standards e.g. APES 110 <i>Code of Ethics for Professional Accountants</i> .
Other information	ASA 700.32 ASA 720	ASA 720 now requires that the auditor 'read and consider' if the Other Information (including but not limited to the Operating Report) is materially inconsistent with the financial statements, or the auditor's knowledge obtained in the audit.
Committee of Management's responsibilities for the preparation of the financial report	ASA 700.33-36	ASA 700.34b has been added to reflect changes made in ASA 570. The changes emphasise that it is management's responsibility for assessing whether the use of the going concern assumption is appropriate. The auditors' roles and responsibilities related to going concern have not changed.
Auditor's responsibilities for the audit of the financial report	ASA 700.37-40	These paragraphs have been expanded to clarify the detailed nature and scope of the auditor's existing responsibilities and procedures, and to make an explicit relationship of material misstatements to fraud or error.
Report on other legal and	ASA 700.43-45	This section is only applicable if there are other matters to report as required by other legislation.

<sup>1</sup> Adapted from 'Auditor Reporting FAQs' – Auditing and Assurance Standards Board - <http://www.auasb.gov.au/Publications/Auditor-Reporting-FAQs.aspx>

Description	Auditing standard ref.	Comments
regulatory requirements		<p>Under sections 257(6) and (7) of the <i>Fair Work (Registered Organisations) Act 2009</i> ('RO Act'), the auditor is required to report on any instances of non-compliance or deficiency or shortcoming with respect to financial record-keeping, and section 257(2) of the RO Act requires auditors to report on access restrictions to the financial records of the organisation.</p> <p>This section is not required if there are no matters to report.</p>

#### 4. Key changes not reflected in the illustrative Auditor's Report

Description	Auditing standard ref.	Comments
Key Audit Matters	ASA 700.30-31, A41 ASA 701	<p>ASA 701 provides additional disclosures for entities listed on a securities exchange to communicate key audit matters ('KAMs') in the auditor's report. KAMs are those matters that, in the auditor's judgement, are of most significance to the audit of the financial statements of the current financial period.</p> <p>At this point in time, the ROC does not require the inclusion of KAMs.</p>

The numbered references in the Illustrative Auditor's Report refer to the explanatory paragraphs in section 5 of this Guidance Note 'Illustrative Auditor's Notes'. The Illustrative Auditor's Report is also included in the 'Model Financial Statements' published on the Registered Organisations Commission's website.

<To be printed on Auditor letterhead>

## Independent Audit Report to the Members of <name of Reporting Unit>

### Report on the Audit of the Financial Report

#### Opinion

I have audited the financial report of <name of Reporting Unit> (the Reporting Unit), which comprises the statement of financial position<sup>2</sup> as at <balance date>, the statement of comprehensive income<sup>3</sup>, statement of changes in equity<sup>4</sup> and statement of cash flows<sup>5</sup> for the year ended <date>, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management<sup>6</sup> Statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of <name of Reporting Unit> as at <balance date>, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

#### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Reporting Unit in accordance with 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Information Other than the Financial Report and Auditor's Report Thereon<sup>7</sup>

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 accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

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

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<sup>2</sup> Refer to paragraph 9 in Section 5 Illustrative Auditor's Report Notes in this Guidance Note

<sup>3</sup> Ibid paragraph 9

<sup>4</sup> Ibid paragraph 9

<sup>5</sup> Ibid paragraph 9

<sup>6</sup> Ibid paragraph 10; note if this is changed to another descriptor all other references in the Report should be changed to the other descriptor

<sup>7</sup> Ibid paragraph 7

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

### **Responsibilities of Committee of Management for the Financial Report**

The 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 RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee 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 of Management 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**

My objective is 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 of Management.
- Conclude on the appropriateness of the Committee of Management'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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 entities or 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.

I communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an approved auditor, a member of [name of appropriate professional accounting body] and hold a current Public Practice Certificate.

## **[Report on Other Legal and Regulatory Requirements]<sup>8</sup>**

[In accordance with the requirements of section 257(7) of the RO Act, I am required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act.

My opinion on the financial report is not modified in respect of the following matter(s) because, in my opinion, it has been appropriately addressed by [Reporting Unit] and is not considered material in the context of the audit of the financial report as a whole:

[Example:

a) [Reporting Unit] failed to keep [name of other record] as required by section 252 of the RO Act for the period 1 July 20XX to 4 July 20XX inclusive.]]

## **[Report on the Recovery of Wages Activity financial report]<sup>9</sup>**

### **Opinion on the recovery of wages activity financial report**

The scope of my work extended to the recovery of wages activity and I have audited the recovery of wages activity financial report for the year ended <date>.

In my opinion, the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the General Manager, including:

- (a) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- (b) any donations or other contributions deducted from recovered money.

### **Responsibilities**

The Committee of Management is responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with the reporting guidelines of the General Manager. My responsibility is to express an opinion on the recovery of wages activity financial report, based on my audit conducted in accordance with Australian Auditing Standards.

<Audit Firm Name>

<Name>

Partner

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<sup>8</sup> Ibid paragraph 11

<sup>9</sup> Ibid paragraph 11

<City>  
<Date>

Registration number (as registered by the RO Commissioner under the RO Act)<sup>10</sup>: <insert number>

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<sup>10</sup> Ibid paragraph 12

## 5. Illustrative Auditor's Report Notes

For the purpose of this illustrative Auditor's Report, the following circumstances are assumed:

1. The financial report is prepared by management of the Reporting Unit in accordance with Australian Accounting Standards and the RO Act.
2. The terms of the audit engagement reflect the description of management's responsibility for the financial report in *ASA 210 Agreeing the Terms of Audit Engagements*.
3. The auditor has concluded an unmodified opinion is appropriate based on the audit evidence obtained.
4. The relevant ethical requirements that apply to the audit are the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants*.
5. Based on the audit evidence obtained, the auditor has concluded that a material uncertainty does not exist related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern in accordance with *ASA 570 Going Concern*.
6. The auditor is not required, and has otherwise not decided, to communicate key audit matters in accordance with *ASA 701 Communicating Key Audit Matters in the Independent Auditor's Report*.
7. The section on 'Information Other than the Financial Report and Auditor's Report Thereon' is customised depending on the nature of the Other Information received and when this information was received. The template provided assumes that the nature of the Other Information is the Operating Report and that it was received on or before the date of the audit report. If there is Other Information that accompanies the financial report in addition to the Operating Report, or if the Operating Report or any additional Other Information was not received on or before the date of the audit report, please refer to the requirements stated in *ASA 720 The Auditor's Responsibilities Relating to Other Information* for example wording.
8. The subheading 'Report on Other Legal and Regulatory Requirements' is only applicable where the auditor includes 'Other reporting responsibilities' in accordance with *ASA 700 Forming an Opinion and Reporting on a Financial Report*. Please delete the 'Report on Other Legal and Regulatory Requirements' section if there is no deficiency, failure or shortcoming to report.
9. Please ensure that the financial statement descriptions used in the Auditor's Report agree with those used in the financial report, for example, 'balance sheet' or 'statement of financial position'.
10. Use of 'Committee of Management' in the model auditor's report represents those charged with governance for the registered organisation, and can be replaced with other descriptors as appropriate for the organisation, for example, 'Council of Management', 'Executive Committee', etc.
11. If the Registered Organisation has not undertaken any recovery of wages activity during the reporting period the auditor's report should state that fact with reference



to the Committee of Management Statement, and no opinion can be provided in relation to recovery of wages activity.

12. Auditors must be registered by the Registered Organisations Commissioner. Your registration number under the RO Act will commence with the letters 'AA'.

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This guidance note is not intended to be comprehensive. It is designed to assist with making an application to the Registered Organisations Commission and its work. The Registered Organisations Commission does not provide legal advice.