



FAIR WORK
AUSTRALIA

13 July 2010

Mr. H. McMaster
Secretary/Treasurer
Australian Road Transport Industrial Organization
New South Wales Branch

email: hughmc@artionsw.com.au

Dear Mr. McMaster

Financial Report of the New South Wales Branch of the Australian Road Transport Industrial Organization for the year ended 30 June 2009 (FR2009/10138)

Thank you for lodging the financial report of the New South Wales Branch of the Australian Road Transport Industrial Organization for the year ended 30 June 2009. The financial report was contained in two emails received in this office on 29 June 2010.

In the ordinary course of events the two sets of accounts lodged would not satisfy section 268 of Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule) [now the Fair Work (Registered Organisations) Act 2009] (the RO Act) which requires that a reporting unit must lodge a copy of the full report with Fair Work Australia under cover of a certificate by a prescribed designated officer. Future financial reports should be lodged as the one document under cover of the prescribed designated officer's certificate.

In light of the fact that the financial report is the first report of the Branch I propose on this occasion to file the financial report.

In future, the various elements comprising the reporting process must be done in sequence as required by the relevant legislative requirements. Future financial reports will not be filed in the absence of full compliance with all the legislative requirements.

I direct your attention to the following comments concerning the above report and the financial reporting obligations under the RAO Schedule. Please note that these matters are generally advised for assistance in the preparation of future financial reports. No further action is required in respect of the subject documents.

1. Financial Report

The financial reporting requirements contained in the RAO Schedule were intended to encourage efficient management of organisations and ensure that they were accountable to their members. They have not changed under the RO Act.

The requirements comprise a number of steps. In summary, financial reports have to be prepared, audited, supplied to members, presented to a meeting and lodged in Fair Work Australia. In addition, those steps have to be performed in a particular order, within a specified timeframe.

Throughout the year, the Branch is required to keep financial records. As soon as practicable after the end of the financial year, a general purpose financial report ("GPFR") must be prepared

from the financial records. The contents of the GPFR were set out in [section 253](#) of the RAO Schedule (now [section 253](#) of the RO Act).

One component of the GPFR is the Committee of Management statement. The Branch Committee of Management must meet after the financial statements and notes have been prepared. The purpose of this meeting is to authorise the Committee of Management (as the Branch's management group) to make a statement dealing with the matters in [item 25](#) of the Reporting Guidelines (note also items 24 and 26).

After the Committee of Management statement has been signed it must be forwarded, along with the other financial statements and notes, to the Branch's auditor so an auditor's report can be prepared.

Next, the GPFR (including the Committee of Management statement and auditor's report) together with an [Operating Report](#) are provided to members. Then, all of the material must be placed before either a second Committee of Management meeting, or a meeting of the Branch's membership. The purpose of this meeting is for the Branch (taken as a whole) to adopt the financial reporting material for the year.

If the Branch decides to place the full report before a meeting of its members, the GPFR and operating report must be provided to the members at least 21 days before the meeting. If the Branch instead decides to place the material before a second Committee of Management meeting, the GPFR and operating report must be provided to the members within 5 months of the end of the financial year.

Finally, within 14 days of presentation to the meeting, the full report and a [Designated Officer's Certificate](#), must be lodged with Fair Work Australia.

From the information available in relation to the Branch's financial report for the year ended 30 June 2009:

- the Committee of Management statement is dated 29 June 2010;
- the auditor's report is dated 24 May 2010;
- the Operating Report is dated 2 June 2010; and
- the full report which included the Operating Report and the auditor's report was provided to members on 28 June 2010;
- the financial report was presented to the Committee of Management on 28 June 2010.

It therefore appears that the Committee of Management statement was supplied to members unsigned and/or undated. Further, because the auditor's report is dated before the Committee of Management statement the auditor could not have considered the Committee of Management statement when preparing his report. As such he could not have audited a GPFR within the meaning of the RAO Schedule.

2. Committee of Management Statement

The Committee of Management statement states that "The reporting unit does not consist of two or more reporting unit" (sic).

[Section 242\(3\)](#) of the RAO Schedule provides that "where an organisation is divided into branches each branch will be a reporting unit..."

Reporting guideline 25(e)(iv) requires the committee of management of a reporting unit to declare where the organisation consists of 2 or more reporting units, whether the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation.

The reporting unit should in future provide a declaration as mentioned above.

3. Unrequired documents

I note that the financial report provides a "Committee's Report" and "Statement by Members of the Committee". A reporting unit is only required to lodge documents as prescribed by the RAO Schedule and Regulations and reporting guidelines that is a general purpose financial report (which includes a committee of management statement), an operating report, auditor's report and designated officer's certificate.

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

Yours sincerely

A handwritten signature in black ink, appearing to read "L. Powell". The signature is written in a cursive style with a large initial "L" and a trailing flourish.

Larry Powell
Tribunal Services and Organisations

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION NSW BRANCH

OPERATING REPORT FOR THE YEAR ENDING 30 JUNE 2009

Establishment

On 12 April 2008, agreement was reached to form the Australian Road Transport Industrial Organisation NSW Branch. A Committee of Management was elected and agreed to oversee its establishment and operation.

The Committee of Management offered Hugh McMaster of Hugh McMaster Consulting Pty Ltd the opportunity to provide secretariat services. This offer was accepted and by August 2008 a properly functioning organisation was in place.

Principal Activities

The principal activities of the Association during the financial year were to promote, protect and advance the interests of its members through federal and state awards and state based contract determinations, and the provision of advice to and representation of members.

Results of Principal Activities

The Association's principal activities resulted in maintaining and improving the position of its members within an industrial relations framework.

Significant Changes in the Nature of Principal Activities

As this was first year of operation of the Association there were no significant changes in the nature of the Association's principal activities during the financial year.

Significant Changes in Association's Financial Affairs

As this was first year of operation of the Association no matters or circumstances arose during the reporting year which significantly affected the financial affairs of the Association.

Number of Members

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

Right of Members to Resign

- (1) Any member has the right to resign from the Association in accordance with the provisions of Rule 13.

Number of Employees

The Organisation has no direct employees and services are provided through an external consultant to the equivalent of 0.25 of a full time employee.

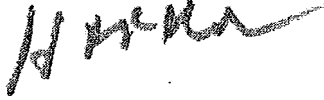
Members of the Committee of Management

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

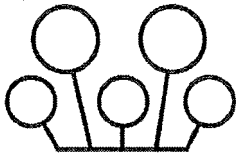
Laurie D'Apice	President	1 July 2008 to 30 June 2009
John Evic	Vice-President	1 July 2008 to 30 June 2009
Brian Rooney	Vice-President	1 July 2008 to 30 June 2009
Jason Allison	Committee Member	1 July 2008 to 30 June 2009
Hugh McMaster	Secretary/Treasurer	1 July 2008 to 30 June 2009

Trustees of Superannuation Entities

Hugh McMaster, Secretary/Treasurer, is an Alternate Director of TWU Nominees Pty Ltd.

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

Hugh McMaster
Secretary/Treasurer
2 June 2010



ARTIO

Australian Road Transport
Industrial Organisation

New South Wales Branch

PO Box 277
HURSTVILLE NSW 2220
Tel/Fax: 02 9579 2333
Mob: 0412 880861
Email: hughmc@artionsw.com.au
ABN: 93149961882

Notice to Members

Fair Work (Registered Organisations) Act 2009: Access to Financial Reports

Section 271 (1) of the Fair Work (Registered Organisations) Act 2009 (the Act) gives members the right to apply to the Australian Road Transport Industrial Organisation NSW Branch for access to financial records.

Section 271 (2) of the Act states that such applications must be in writing and must specify the period within which, and the manner in which, this information is to be made available. The period must be not less than 14 days after the application is given to ARTIO NSW.

Section 271 (3) of the Act imposes upon ARTIO NSW the obligation to comply with such an application.

Hugh McMaster
Secretary/Treasurer
2 June 2010

Committee of Management Statement

On 28 June 2010 the Committee of Management of the Australian Road Transport Industrial Organisation NSW Branch passed the following resolution for the general purpose financial report (GPFR) of the reporting unit for the financial year ending 30 June 2009.

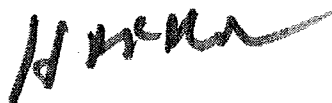
The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) The financial statements and notes comply with the Australian Accounting Standards.
- (b) The financial statements and notes comply with the reporting requirements of the Industrial Registrar.
- (c) The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate.
- (d) There are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable.
- (e) During the financial year in 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 the 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 the branch concerned; and
 - (iii.) The financial affairs of the reporting unit have been maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv.) No request of a member of the reporting unit or Registrar was made under Section 272 of the RAO Schedule; and
 - (v.) There has been no order of inspection of financial records made by the Commission under Section 273 of the RAO Schedule.

* The reporting unit does not consist of two or more reporting unit.

For the Committee of Management: Hugh McMaster

Title of Office held: Secretary/Treasurer



Date: 29 June 2010

Certificate of Secretary or Other Authorised Officer

I Hugh McMaster being the Secretary/Treasurer of the Australian Road Transport Industrial Organisation NSW Branch certify:

- (a) That the documents lodged herewith are copies of the full report referred to in Section 268 of the RAO Schedule; and
- (b) That the full report (which includes the Auditor's Report and the Operating Report) was provided to members on 28 June 2010; and
- (c) That the full report was presented to and accepted by the Committee of Management on 28 June 2010.



Date: 29 June 2010

RAO Regulation 162 prescribes the designated officer for the purpose of RAO Schedule s.268 as:

- (a) The Secretary; or
- (b) An officer of the organisation other than the Secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION
(NSW BRANCH)**

ABN 93 149 961 882

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2009

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)
ABN 93 149 961 882**

**FINANCIAL REPORT TABLE OF CONTENTS
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**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)
ABN 93 149 961 882**

COMMITTEE'S REPORT

The Committee members submit this financial report of Australian Road Transport Industrial Organisation (NSW Branch) for the year ended 30 June 2009.

Committee Members

The names of the Committee members throughout the year and at the date of this report are:

Laurie D'Apice (President)
President, Human Resources, Linfox Logistics Asia Pacific

Hugh McMaster (Secretary/Treasurer)

Gaylynne Neill
National Workplace Relations Manager, Bevchain Pty Ltd

Jason Allison
Operations Manager Victoria, Murphy Transport Solutions

Principal Activities

The principal activity of the branch during the financial period was trading as a not for profit entity engaged in representation of the interests of members whose business is in the road transport industry and whose interests collectively and individually relate to all aspects of employment relations.

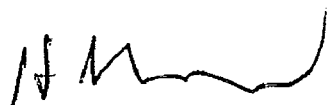
Significant Changes

There were no significant changes in the state of affairs of the branch, not otherwise disclosed in this Report or Financial Statements.

Operating Results

The result amounted to a profit of \$21,272.

Signed in accordance with a resolution of the Members of the Committee



.....
Hugh McMaster – Secretary/Treasurer

Dated this ^{24th} day of May 2010

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)
ABN 93 149 961 882**

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE MEMBERS OF THE
AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2009 there have been:

- (a) No contraventions of any auditor independence requirements.
- (b) No contraventions of any applicable code of professional conduct in relation to the audit.


Rick Jirsch
Registered Company Auditor

C/- Jirsch Reilly Tang Pty Ltd
Level 4, 83 York Street
Sydney NSW 2000

Dated this 22nd day of December 2009

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)
ABN 93 149 961 882**

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE
AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)**

Report on the financial report

I have audited the full financial report, being a general purpose financial report, of Australian Road Transport Industrial Organisation (the Branch for the year ended on 30 June 2009).

Committee's responsibility for the financial report

The Committee of the Branch are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements and needs of the members. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report which is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted the audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

Independence

In conducting my audit, I have complied with the independence requirements of the Corporations Act 2001. I confirm that the independence declaration provided to the Committee of Australian Road Transport Industrial Organisation (NSW Branch) on 22nd December 2009 would be in the same terms if provided to the directors as at the date of this auditor's report.

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)
ABN 93 149 961 882

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE
AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)

Auditor's Opinion

In my opinion the general purpose financial report of Australian Road Transport Industrial Organisation (NSW Branch) presents fairly with:

- i. Applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia, and.
- ii. The requirements of the Fair Work (Registered organisations) Act 2009.



Rick Jirsch
Registered Company Auditor
C/- Jirsch Reilly Tang Pty Ltd
Suite 405, Level 4,
83 York Street
Sydney NSW 2000

Dated 27th day of May 2010

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)
ABN 93 149 961 882

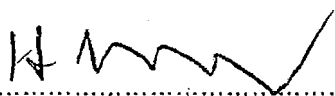
STATEMENT BY MEMBERS OF THE COMMITTEE

The Members of the Committee have determined that the branch is a reporting entity and that this general purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The Committee of the branch declare that:

1. The financial statements and notes, as set out on pages 6 to 13:
 - a. comply with Accounting Standards as described in Note 1 to the financial statements and
 - b. give a true and fair view of the branch's financial position as at 30 June 2009 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. At the date of this statement, there are reasonable grounds to believe that the branch will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:



.....
Hugh McMaster – Secretary/Treasurer

Dated this ²⁴ day of May 2010

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)
ABN 93 149 961 882

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$
Income		
Service fees		72,681
Sponsorship		36,528
Membership Income		30,972
Sitting Fees - TWU Super		24,000
Expense reimbursements		1,854
Total Income		166,034
Expenditure		
ARTIO national fees		12,000
Auditor's remuneration		4,300
Bank charges		197
Insurance		638
IR consultancy fees		12,000
Legal fees		21,085
Printing		363
Secretariat		71,161
Service fees		20,029
Travelling expenses		2,990
Total Expenditure		144,763
Operating Profit		21,272

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)
ABN 93 149 961 882

BALANCE SHEET
AS AT 30 JUNE 2009

	Note	2009
		\$
Current Assets		
Cash	2	47,537
Receivables	3	220
Other current assets	4	1,558
		<u>49,315</u>
Total Assets		<u>49,315</u>
Current Liabilities		
Payables	5	28,042
Total Liabilities		<u>28,042</u>
Net Assets		<u>21,272</u>
Members' Funds		
Retained profits		21,272
Total Equity		<u>21,272</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)
ABN 93 149 961 882

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2009

	Retained earnings \$	Total \$
Balance at 1 July 2008	-	-
Profit attributable to members	21,272	21,272
Balance at 30 June 2009	<u>21,272</u>	<u>21,272</u>

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)
ABN 93 149 961 882

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 \$
Cash flow from operating activities		
Receipts from members and sponsors		165,816
Payments to suppliers		(117,500)
Net GST refundable		<u>(779)</u>
Net cash inflow from operating activities	7	<u>47,537</u>
Net increase in cash held		47,537
Cash at the end of the financial year	2	<u>47,537</u>

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)
ABN 93 149 961 882

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

Note 1: Statement of Accounting Policies

Australian Road Transport Industrial Organisation (NSW Branch) is a reporting unit of the federally registered Australian Road Transport Industrial Organisation.

Reporting Basis and Conventions

The committee members have prepared the financial statements on the basis that the branch is a reporting entity and this is therefore a general purpose financial report. This financial report has been prepared in order to meet the requirements of the Fair Work (Registered organisations) Act 2009. ("the RO Act").

The financial report has been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the RO Act and the significant accounting policies disclosed below which the committee members have determined are appropriate to meet the needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies that have been adopted in preparation of this report are detailed below.

(a) Receivables

All trade debtors are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where some doubt as to collection exists.

(b) Income Tax

The branch is exempt from the payment of income tax under Subdivision 50 of the Income Tax Assessment Act 1997, as it is an income tax exempt entity.

(c) Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, cash includes deposits at call that are readily convertible to cash on hand and which are used in the cash management function on a day-to-day basis.

(d) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and is recorded in the period to which it relates, except for sponsorships which are recognised on a cash basis.

Income from other sources is recognised when the fee in respect of other products or services provided is receivable.

**AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)
ABN 93 149 961 882**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

Note 1: Statement of Accounting Policies (Continued)

(e) Goods & Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office or is GST-free. In these circumstances the GST is recognised as part of an item of the revenue or expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

(f) Comparative Figures

This year is the branch's first financial year, so there are no comparative figures.

AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)
ABN 93 149 961 882

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

2009
\$

Note 2: Cash and Deposits

Cash at bank	27,537
Short term bank deposits	20,000
	47,537

Note 3: Receivables

Current	
Trade debtors	220
	220

Note 4: Other Current Assets

Current	
Prepayments	1,558
	1,558

Note 5: Payables

Current	
Trade payables	25,463
Accrued expenses	1,800
Net GST payable	779
	28,042

Note 6 : Remuneration of Auditors

Amounts paid, or due and payable for: Audit of the accounts	3,700
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AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION (NSW BRANCH)
ABN 93 149 961 882

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

2009
\$

Note 7 : Cash Flow Information

(a) Reconciliation of Cash

Cash at end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash at bank	47,537
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(b) Reconciliation of cash flow from Operations with Profit from Ordinary Activities

Profit (loss) from ordinary activities	21,272
Changes in assets and liabilities:	
Decrease/(Increase) in receivables	(220)
(Increase) in tax liabilities	(779)
(Decrease)/Increase in payables	27,265
Net Cash inflow from operating activities	47,537

Note 8 : Segment Reporting

The Organisation operates predominantly in one business and geographical segment.

Note 9 : Organisation Details

The principal place of business of the Organisation is :

Australia Road Transport Industrial Organisation (NSW Branch)
 Suite 208, 54 Foveaux St
 SURRY HILLS NSW 2010