



15 December 2015

Mr Ian King
Secretary/Treasurer
Australian Road Transport Industrial Organisation
Western Australia Branch
37-41 Cohn Street
Carlisle WA 6101

via e-mail: iking@warta.com.au

Dear Mr King

**Australian Road Transport Industrial Organisation, Western Australia Branch
Financial Report for the year ended 30 June 2014 - FR2014/163**

I acknowledge receipt of the amended financial report for the year ended 30 June 2014 for the Australian Road Transport Industrial Organisation, Western Australia Branch. The financial report was lodged with the Fair Work Commission (FWC) on 10 December 2015.

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

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4685 or by email at ken.morgan@fwc.gov.au

Yours sincerely

Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch

**Australian Road Transport Industrial Organisation
Western Australian Branch
Financial Statements
For the Year ended 30 June 2014**

**Australian Road Transport Industrial Organisation
Western Australian Branch**

**Annual Report
for the Year Ended 30 June 2014**

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**Australian Road Transport Industrial Organisation
Western Australian Branch**

Independent Auditors' Report

To the Members of Australian Road Transport Industrial Organisation Western Australian Branch.

We have audited the general purpose financial report of Australian Road Transport Industrial Organisation Western Australian Branch, which comprises the statement of financial position as at 30 June 2014, and the statement of comprehensive income, statement of changes in accumulated funds and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes and committee of management's statement for the year then ended.

Committee of Management and the Secretary's Responsibility for the Financial Report

The committee of management and the organisation's secretary are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009. This responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that 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

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we 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 organisation's committee of management and secretary, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the Fair Work (Registered Organisations) Act 2009.

**Australian Road Transport Industrial Organisation
Western Australian Branch
Independent Auditors' Report**

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Australian Road Transport Industrial Organisation Western Australian Branch as at 30 June 2014, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

As part of our audit of the financial statements we have concluded that Management's use of the going concern basis of accounting in the preparation of the financial statements for the year ended 30 June 2014 is appropriate.

MERCIA TAXATION & ACCOUNTING PTY LTD

Certified Practising Accountants



Richard Lambe CPA
Approved auditor
CPA member no. 1280424
Mercia Taxation & Accounting
11 Kintail Road, Applecross WA 6153

Richard Lambe holds a current Public Practice Certificate

Dated this...11thday of....December.....2014

**Australian Road Transport Industrial Organisation
Western Australian Branch**

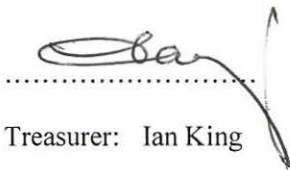
**Designated Officer's Certificate
s.268 of Fair Work (Registered Organisations) Act 2009**

I, Ian King, being the Secretary/Treasurer of the Australian Road Transport Industrial Organisation Western Australian Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Road Transport Industrial Organisation Western Australian Branch for the period ended 30 June 2014 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members of the reporting unit on 28 OCTOBER 2015; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 30 Nov 2015 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



President: Derek Nathan



Treasurer: Ian King

Date 30 NOVEMBER 2015

**Australian Road Transport Industrial Organisation
Western Australian Branch**

**Operating Report
For the year ended 30 June 2014**

The committee presents its report on the reporting unit for the financial year ended 30 June 2014.

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

The principal activities of the Association during the financial year were to promote, protect and advance the interests of its members through the maintenance of AIRC Awards, the development of EBA's and representation of members in various state and federal industrial courts and commissions.

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

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

Significant changes in financial affairs

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

Right of members to resign

Any member has the right to resign from Association in accordance with the provisions of Rule 11 of the organisation's rules.

Officers & employees who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee

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

Ian King is a Director of TWU Superannuation Nominees Pty Ltd, a trustee company that is the trustee of the TWU Superannuation Fund.

Number of members

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

Number of employees

There were no employees.

**Australian Road Transport Industrial Organisation
Western Australian Branch**

**Operating Report
For the year ended 30 June 2014**

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

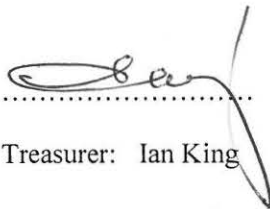
The persons who held office as members of the Committee of Management of the Association at the beginning of the financial year were:

President:	Derek Nathan (1 July 2013 to 30 June 2014)
Vice President:	Alan Herbert (1 July 2013 to 30 June 2014)
Secretary/Treasurer:	Ian King (1 July 2013 to 30 June 2014)
Other Committee Members:	Peter Beach (1 July 2013 to 30 June 2014) Raymond U'Chong (1 July 2013 to 30 June 2014) Kyle Sutherland (1 July 2013 to 30 June 2014)



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President: Derek Nathan



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Treasurer: Ian King

Date 30 NOVEMBER 2015

**Australian Road Transport Industrial Organisation
Western Australian Branch**

Committee of Management Statement

On the 30 November 2014 the Committee of Management of the Australian Road Transport Industrial Organisation Western Australian Branch passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30 June 2014:

The Committee of Management declares that in its opinion:

- a) the financial statements and notes comply with the Australian Accounting Standards;
- b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- e) during the financial year to which the GPRF 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 RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) no request of a member of the reporting unit or Registrar was made under section 272 of the RO Act; and
 - (vi) there have been no order for inspection of financial records made by the Commission under s.273 of the RO Act.
- f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

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


.....
Ian King

Secretary/Treasurer

Date: 30 November 2014

Perth, Western Australia

**Australian Road Transport Industrial Organisation
Western Australian Branch**

**Statement of Comprehensive Income
For the Year ended 30 June 2014**

	Note	2014 \$	2013 \$
Income			
Income	2	38,077	33,000
Expenditure			
Expenses	3	34,174	33,000
Profit for the year		<u>3,903</u>	<u>-</u>
Total Comprehensive Income for the year		<u>3,903</u>	<u>-</u>

The accompanying notes form part of these financial statements.

**Australian Road Transport Industrial Organisation
Western Australian Branch**

**Statement of Financial Position
As at 30 June 2014**

	Note	2014 \$	2013 \$
Current Assets			
Trade and Other Receivables	4	6,653	33,000
Total Current Assets		<u>6,653</u>	<u>33,000</u>
Total Assets		<u>6,653</u>	<u>33,000</u>
Current Liabilities			
Trade and Other Payables	5	2,750	33,000
Total Current Liabilities		<u>2,750</u>	<u>33,000</u>
Total Liabilities		<u>2,750</u>	<u>33,000</u>
Net Assets		<u>3,903</u>	<u>-</u>
Equity			
Reserves	7	33,341	33,341
Accumulated Losses		(29,438)	(33,341)
Total Equity		<u>3,903</u>	<u>-</u>

The accompanying notes form part of these financial statements.

**Australian Road Transport Industrial Organisation
Western Australian Branch**

**Statement of Changes in Equity
For the Year ended 30 June 2014**

	Note	Reserves \$	Retained earnings \$	Total equity \$
Balance as at 1 July 2012		33,341	(33,341)	-
Closing balance as at 30 June 2013		33,341	(33,341)	-
Profit for the year		-	3,903	-
Closing balance as at 30 June 2014		33,341	(29,438)	3,903

The accompanying notes form part of these financial statements.

**Australian Road Transport Industrial Organisation
Western Australian Branch**

**Statement of Cash Flows
For the Year ended 30 June 2014**

	Note	2014 \$	2013 \$
Cash Flows from Operating Activities			
Receipts from Customers and Members	(a)	31,424	33,000
Payments to Suppliers and Employees	(b)	<u>(31,424)</u>	<u>(33,000)</u>
Net Cash Inflow from Operating Activities		-	-
Cash Flows from Financing Activities			
Net Increase (decrease) in Cash Held		<u>-</u>	<u>-</u>
Cash and Cash Equivalents as at 1 July 2013		-	-
Cash and Cash Equivalents as at 30 June 2014		<u>-</u>	<u>-</u>
Note (a)			
Receipts from Customers and Members			
During the financial year there were no cash inflows from other reporting units or controlled entities (2013: \$Nil).			
Note (b)			
Payments to Suppliers and Employees include:			
Australian Road Transport Industry Organisation Fees		11,000	9,100
There were no other cash outflows to other reporting units or controlled entities during the financial year (2013: \$Nil).			
Note (c)			
Reconciliation of Cash Flow from Operations with Profit after Income Tax			
Profit after Income Tax		<u>3,903</u>	<u>-</u>
Adjustments for Non-Cash Components in Profit:			
Depreciation		-	-
Movement in Net Market Values		-	-
Changes in Assets and Liabilities			
(Increase)/Decrease in Trade and Other Receivables		26,347	10
(Decrease)/Increase in Trade and Other Payables		<u>(30,250)</u>	<u>(10)</u>
Net cash increase (decrease) in cash held		<u>-</u>	<u>-</u>

**Australian Road Transport Industrial Organisation
Western Australian Branch**

**Notes to the Financial Statements
For the Year ended 30 June 2014**

1. Summary of Significant Accounting Policies

(a) Basis of Preparation

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

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. 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.

(b) Comparative Amounts

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

(c) New Accounting Standards for Application in Future Periods

The following standards and interpretations have been issued at the reporting date but are not yet effective. The committee members' assessment of the impact of these standards and interpretations is set out below.

(i) *AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) and AASB 2013-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosure* (effective from 1 January 2015)

AASB 9 Financial Instruments improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The standard is not applicable until 1 January 2015 but is available for early adoption.

When adopted, the standard could change the classification and measurement of financial assets. AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income for equity investments that are not held for trading.

The organisation does not have any financial liabilities that are designated at fair value through profit or loss. The new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss. Therefore, there will be no impact on the organisation's accounting for financial liabilities. The organisation has decided not to early adopt AASB 9 at 30 June 2014.

The organisation does not expect to adopt the new standard before their operative date. They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2015.

**Australian Road Transport Industrial Organisation
Western Australian Branch**

**Notes to the Financial Statements
For the Year ended 30 June 2014**

Other standards and interpretations have been issued at the reporting date but are not yet effective. When adopted, these standards and interpretations are likely to impact on the financial information presented; however the assessment of impact has not yet been completed.

(d) **Trade and Other Receivables**

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in the statement of comprehensive income.

(e) **Revenue and Other Income**

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

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

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

Donation income is recognised when it is received.

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

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

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

(f) **Trade and Other Payables**

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid. Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

**Australian Road Transport Industrial Organisation
Western Australian Branch**

**Notes to the Financial Statements
For the Year ended 30 June 2014**

(g) Taxation

Australian Road Transport Industrial Organisation Western Australian Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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

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

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

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

(h) Critical Accounting Estimates and Judgments

The committee members make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates. The significant estimates and judgements made have been described below.

Key Judgments - Provision for Impairment of Receivables

The value of the provision for impairment of receivables is estimated by considering the ageing of receivables, communication with the debtors and prior history.

(i) Going Concern

Australian Road Transport Industrial Organisation Western Australian Branch is not reliant on any financial support from another reporting unit in order to continue on a going concern basis.

Australian Road Transport Industrial Organisation Western Australian Branch has not agreed to provide financial support to another reporting unit to ensure they continue on a going concern basis.

**Australian Road Transport Industrial Organisation
Western Australian Branch**

**Notes to the Financial Statements
For the Year ended 30 June 2014**

	2014	2013
	\$	\$
2. Revenue		
Revenue		
Membership Revenue	-	33,000
	<u>-</u>	<u>33,000</u>
Other Revenue		
Other Revenue	9,077	-
Government Service Contract	29,000	-
	<u>38,077</u>	<u>-</u>
	<u><u>38,077</u></u>	<u><u>33,000</u></u>

The Australian Road Transport Industrial Organisation Western Australian Branch has not received during the 2014 financial year any of the following revenue items:

1. entrance fees or periodic subscriptions
2. capitation fees
3. compulsory levies
4. donations or grants
5. receipt of any other financial support from another reporting unit of the organisation

3. Expenses

Expenses

Management Fees	-	23,900
Audit Fees	5,174	-
Application, Meeting & Seminar Expenses	18,000	-
Branch Fees – ARTIO (Federal)	10,000	9,100
Sundry Fees – ARTIO (Federal)	1,000	-
	<u>34,174</u>	<u>33,000</u>

The Australian Road Transport Industrial Organisation Western Australian Branch has not paid during the 2014 financial year any of the following expense items:

1. expenses incurred as consideration for employers making payroll deductions of membership subscriptions
2. capitation fees
3. fees or periodic subscriptions paid in respect of an affiliation to any political party, federation, congress, council or group of organisations, or international body having an interest in industrial matters
4. compulsory levies
5. donations or grants
6. fees or allowances paid to persons in respect of their attendances as representatives of the reporting unit at conferences or other meetings
7. expenses incurred in connection with holding meetings of members of the reporting unit and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible
8. legal costs and other expenses related to: (i) litigation ; or (ii) other legal matters
9. penalties imposed on the organisation under the RO Act with respect to conduct of the reporting unit

**Australian Road Transport Industrial Organisation
Western Australian Branch**

**Notes to the Financial Statements
For the Year ended 30 June 2014**

	2014	2013
	\$	\$
4. Trade and Other Receivables		
Current		
Sundry Debtors	6,653	33,000
	<u>6,653</u>	<u>33,000</u>
Total Trade and Other Receivables	<u>6,653</u>	<u>33,000</u>

1. no receivable or other right to receive cash is in respect to another reporting unit of the organisation

5. Trade and Other Payables

Current		
Other Creditors	-	33,000
Accrued Expenses	2,750	-
Total Trade and Other Payables	<u>2,750</u>	<u>33,000</u>

1. no payable or other financial liability is in respect to another reporting unit of the organisation
2. no payable is in respect of legal costs and other expenses related to: (i) litigation; or (ii) other legal matters

6. Financial Risk Management

The organisation's financial instruments consist of accounts receivable and accounts payable.

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

Financial Assets

Trade and Other Receivables	6,653	33,000
	<u>6,653</u>	<u>30,000</u>

Financial Liabilities

Trade and Other Payables	2,750	33,000
	<u>2,750</u>	<u>30,000</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.

**Australian Road Transport Industrial Organisation
Western Australian Branch**

**Notes to the Financial Statements
For the Year ended 30 June 2014**

	2014	2013
	\$	\$
7. Reserves		
General Reserve	33,341	33,341
	33,341	33,341

8. Related Party Disclosures

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

Revenue received from Australian Road Transport Industrial Organisation includes the following:

Directors Fees	-	33,000
Annual contribution to Federal ARTIO budget	8,047	-
Workplace Express User subscription	260	-
NatRoad Appeal costs	770	-
Office of Fair Work Australia – Service Contract	29,000	-
	38,077	33,000

Expenses paid to WA Road Transport Association includes the following:

Directors Fees	-	33,000
Office of Fair Work Australia – Service Contract	29,000	-
	29,000	33,000

Amounts owed by WA Road Transport Association includes the following:

Annual contribution to Federal ARTIO budget	6,653	-
	6,653	-

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2014, the Australian Road Transport Industrial Organisation Western Australian Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2013: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

9. Remuneration of Auditors

Financial statement audit services	5,174	-
	5,174	-

No other services were provided by the auditors of the financial statements

**Australian Road Transport Industrial Organisation
Western Australian Branch**

**Notes to the Financial Statements
For the Year ended 30 June 2014**

10. Section 272 Fair Work (Registered Organisations) Act 2009

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

Information to be provided to members or General Manager:

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

11. Association Details

The principal place of business is:

Australian Road Transport Industrial Organisation Western Australian Branch
37-41 Cohn Street, Carlisle WA