



7 September 2018

Mr Peter Anderson
National Secretary/Treasurer
Australian Road Transport Industrial Organisation

cc. Mr Paul Ryan, National Industrial Officer

Dear Mr Anderson

Re: – Australian Road Transport Industrial Organisation, Western Australian Branch - financial report for year ending 30 June 2017 (FR2017/212)

I refer to the financial report of the Australian Road Transport Industrial Organisation Western Australian Branch (the **WA Branch**) which was lodged with the Registered Organisations Commission (the **ROC**) on 7 May 2018. The financial report has now been filed.

The financial report has been filed based on the various correspondence and information provided by the Australian Road Transport Industrial Organisation (the **organisation**) and the WA Branch accountant, Mr Mike Pilkington, and following a meeting between the organisation and the ROC on 20 July 2018. I am satisfied that the issues I raised in my initial correspondence dated 22 June 2018 have been addressed.

As per your correspondence dated 26 July 2018, a resolution of the organisation's Federal Council was passed on 16 July 2018 which cancelled the WA Branch with immediate effect. I also note that in accordance with the resolution of 16 July 2018 eligible members of the WA Branch at the date of the cancellation are to be attached to the Victorian Branch of the organisation and that the assets and liabilities of the WA Branch are to be treated as assets and liabilities of the organisation under the control of the Federal Council from the date of cancellation.

The ROC has considered the rules of the organisation and accepts that the WA Branch has been dissolved from 16 July 2018.

As a consequence of the above, the ROC considers that the organisation has the obligation to prepare, have audited, provide to members, present to a meeting and lodge with the ROC a general purpose financial report in accordance with Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the **RO Act**) of the WA Branch for the following periods:

- (1) the financial year from 1 July 2017 to 30 June 2018; and
- (2) a final period from 1 July 2018 to 16 July 2018.

I make the following comments to assist in the preparation of the above reports, as appropriate.

WA Branch financial reports

Committee of Management

In view of the cessation of the WA Branch and the related officer positions, the committee of management for relevant purposes of Part 3 of Chapter 8 of the RO Act in respect of both reports appears to be the organisation's Federal Council.

Timescale requirements – provision to members

The timeframe ordinarily prescribed under subsection 265(5) for the provision to the members of the WA Branch of a full report for the year ending 30 June 2018 will be 30 November 2018. If it is anticipated that the organisation's Federal Council will not be able to comply with this timeframe, a request to the Commissioner for an extension of time should be made prior to that deadline. The maximum extension allowable is one month, that is, until 31 December 2018.

Events after the reporting period

The financial report for the WA Branch for the year ending 30 June 2018 should include information about the cancellation of the WA Branch in accordance with Australian Accounting Standard *AASB 110 Events after the Reporting Period*.

Final period financial report

Please note that the ROC will accept the lodgement of the financial report for the final period at the same time as the financial report for the year ending 30 June 2018. The organisation does not need to wait until the completion of the current reporting period i.e. after 30 June 2019, to prepare, have audited, provide to members, present to a meeting and lodge with the ROC the final period financial report.

Considerations due to the cancellation

Based on the resolutions of 16 July 2018, the following considerations will need to be made when preparing the relevant financial reports for the Federal Council and the organisation's Victorian Branch.

Restructure information

The financial report for the Federal Council for the year ending 30 June 2019 will need to disclose the information relating to the transfer of assets and liabilities from the WA Branch on 16 July 2018.

Membership

The operating report for the organisation's Victorian Branch for the year ending 30 June 2019 must include, in the number of its members, such members as were attached to it on 16 July 2018 by operation of the relevant resolution.

Reporting Requirements

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

On the ROC website is a number of factsheets in relation to the financial reporting process and associated timelines. Along with the new Reporting Guidelines, 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 questions about the above or the reporting requirements, please do not hesitate to contact me by email at stephen.kellett@roc.gov.au.

Yours faithfully



Stephen Kellett
Financial Reporting
Registered Organisations Commission

**Australian Road Transport Industrial Organisation
Western Australian Branch
Financial Statements
For the Year ended 30 June 2017**

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

**Annual Report
for the Year Ended 30 June 2017**

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**INDEPENDENT AUDITOR REPORT TO THE MEMBERS OF
AUSTRALIAN ROAD TRANSPORT INDUSTRIAL ORGANISATION
WESTERN AUSTRALIAN BRANCH**

Report on the Financial Report

Opinion

We have audited the financial report of Australian Road Transport Industrial Organisation – Western Australian Branch (“the Reporting Unit”), which comprises the statement of financial position as at 30 June 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2017, notes to the financial statements, including a summary of significant accounting policies and the Committee of Management Statement.

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

We have conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those Standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the Reporting Unit in accordance with the 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.

Material Uncertainty Related to Going Concern

Without qualifying our opinion above, we wish to draw your attention to Note 1(r) of the financial statements “Going Concern”. The matters as set forth in Note 1(r) “Going Concern” indicates the existence of a material uncertainty that may cast significant doubt about the Reporting Unit’s ability to continue as a going concern and therefore, the Reporting Unit may be unable to realise its assets and discharge its liabilities in the normal course of business.

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

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

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 the 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 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 and 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit 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 Chartered Accountants Australia & New Zealand and hold a current Public Practice Certificate.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of section 257(7) of the RO Act, we are 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.

Our opinion on the financial report is not modified as all matters have been appropriately addressed by Australian Road Transport Industrial Organisation – Western Australian Branch and is not considered material in the context of the audit of the financial report as a whole.

Report on the Recovery of Wages Activity financial report

Opinion

The scope of our work extended to the recovery of wages activity and we have audited the recovery of wages activity financial report for the year ended 30 June 2017.

In our 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. Our responsibility is to express an opinion on the recovery of wages activity financial report, based on our audit conducted in accordance with Australian Auditing Standards.

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LUCY P GARDNER
Director

Perth

Date: 26 March 2018

Registration number AA2017/20

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


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

I, Dennis Sutton, 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 2017 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 9 April 2018; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 27th April 2018 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



President: Dennis Sutton



Treasurer: Campbell Dumesny

Date: 27 April 2018

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

**Operating Report
For the year ended 30 June 2017**

The Committee of Management presents its operating report on the reporting unit for the financial year ended 30 June 2017.

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 Organisation 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 Organisation'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 Organisation'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 Organisation.

Right of members to resign

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

Officers or members who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee

There are no officers or members who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee.

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 2017**

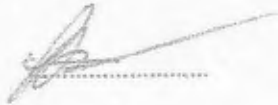
Names of Committee of Management members and period positions held during the financial year

President: Dennis Sutton (appointed 22 July 2016)
Vice President: Alan Herbert (resigned 22 July 2016)
Secretary/Treasurer: Campbell Dumesny (appointed 22 July 2016)
Other Committee Members: Peter Beach
Raymond U'Chong (resigned 22 July 2016)
Kyle Sutherland
Michael Pilkington (appointed 22 July 2016)

All of the above persons held their position for the full financial year, except where appointment or resignation dates are recorded.



President: Dennis Sutton



Treasurer: Campbell Dumesny

Date: 26 March 2018

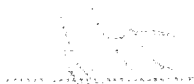
**Australian Road Transport Industrial Organisation
Western Australian Branch
Committee of Management Statement**

On 26 March 2018 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 (GPFR) for the year ended 30 June 2017:

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 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; and
- 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 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) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the RO Act, there has been compliance.
- f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

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



Dennis Sutton

President

Date: 26 March 2018

Perth, Western Australia

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

**Statement of Comprehensive Income
For the Year ended 30 June 2017**

	Note	2017 \$	2016 \$
Revenue			
Membership subscriptions	3	-	-
Other revenue	3	<u>23,783</u>	<u>20,310</u>
Total revenue		<u><u>23,783</u></u>	<u><u>20,310</u></u>
Expenses			
Audit fees	9	3,300	3,612
Capitation Fees	4B	12,100	12,100
Accounting Fees	4G	2,564	3,121
Other expenses	4G	<u>-</u>	<u>227</u>
Total expenses		<u><u>17,964</u></u>	<u><u>19,060</u></u>
Surplus for the year		<u><u>5,819</u></u>	<u><u>1,250</u></u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>5,819</u></u>	<u><u>1,250</u></u>

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

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

**Statement of Financial Position
As at 30 June 2017**

	Note	2017 \$	2016 \$
Current Assets			
Trade and other receivables	5A	-	-
Total Current Assets		-	-
Total Assets			
		-	-
Current Liabilities			
Trade and other payables	6A	5,864	11,683
Total Current Liabilities		5,864	11,683
Total Liabilities			
		5,864	11,683
Net Assets			
		(5,864)	(11,683)
Equity			
Reserves	8	33,341	33,341
Accumulated deficit		(39,205)	(45,024)
Total Equity		(5,864)	(11,683)

The above statement should be read in conjunction with the notes

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

**Statement of Changes in Equity
For the Year ended 30 June 2017**

	Note	Reserves \$	Retained earnings \$	Total equity \$
Balance as at 1 July 2015		33,341	(46,274)	(12,933)
Surplus		-	1,250	1,250
Closing balance as at 30 June 2016		33,341	(45,024)	(11,683)
Surplus		-	5,819	5,819
Closing balance as at 30 June 2017		33,341	(39,205)	(5,864)

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

**Statement of Cash Flows
For the Year ended 30 June 2017**

	Note	2017 \$	2016 \$
Cash Flows from Operating Activities			
Receipts from customers and members	10B	23,783	20,310
Payments to suppliers and employees	10B	(23,783)	(15,719)
Net cash from operating activities	10A	<u>-</u>	<u>4,591</u>
Cash Flows from Financing Activities			
Proceeds from borrowings		-	-
Repayment of borrowings		-	(4,591)
Net cash used by financing activities		<u>-</u>	<u>(4,591)</u>
Net cash increase/(decrease) in cash held		<u>-</u>	<u>-</u>
Cash and cash equivalents at the start of the year		<u>-</u>	<u>-</u>
Cash and cash equivalents at the end of the year		<u>-</u>	<u>-</u>

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

**Recovery of Wages Activity
For the Year ended 30 June 2017**

	2017	2016
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash assets in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
Fund or account operated for recovery of wages		
Wage Recoupment Trust Account	-	-

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

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

Note 1: Summary of significant accounting policies

(a) Basis of preparation of the financial statements

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) Significant accounting judgements and estimates

There are no accounting assumptions or estimates that have been identified as having a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

(d) New Australian Accounting Standards

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year:

AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities. This Standard makes amendments to AASB 124 Related Party Disclosures to extend the scope of that Standard to include not-for-profit public sector entities.

The adoption of this amendment did not have an impact on the Australian Road Transport Industrial Organisation Western Australian Branch.

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

Future Australian Accounting Standards Requirements

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods and which the Branch has decided not to early adopt. A discussion of those future requirements and their impact on the Branch follows:

Reference	Title	Summary
AASB 9	Financial Instruments	<p>AASB 9 replaces AASB 139 Financial Instruments: Recognition and Measurement.</p> <p>Except for certain trade receivables, an entity initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.</p> <p>Debt instruments are subsequently measured at fair value through profit or loss (FVTPL), amortised cost, or fair value through other comprehensive income (FVOCI), on the basis of their contractual cash flows and the business model under which the debt instruments are held.</p> <p>There is a fair value option (FVO) that allows financial assets on initial recognition to be designated as FVTPL if that eliminates or significantly reduces an accounting mismatch.</p> <p>Equity instruments are generally measured at FVTPL. However, entities have an irrevocable option on an instrument-by-instrument basis to present changes in the fair value of non-trading instruments in other comprehensive income (OCI) without subsequent reclassification to profit or loss.</p> <p>For financial liabilities designated as FVTPL using the FVO, the amount of change in the fair value of such financial liabilities that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation in OCI of the fair value change in respect of the liability's credit risk would create or enlarge an accounting mismatch in profit or loss.</p> <p>All other AASB 139 classification and measurement requirements for financial liabilities have been carried forward into AASB 9, including the embedded derivative separation rules and the criteria for using the FVO. The incurred credit loss model in AASB 139 has been replaced with an expected credit loss model in AASB 9. The requirements for hedge accounting have been amended to more closely align hedge accounting with risk management, establish a more principle-based approach to hedge accounting</p>

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

		<p>and address inconsistencies in the hedge accounting model in AASB 139.</p> <p>Effective for periods commencing 1 January 2018.</p> <p>This amendment is not anticipated to significantly impact the Branch.</p>
AASB 15	Revenue from Contracts with Customers	<p>AASB 15 replaces all existing revenue requirements in Australian Accounting Standards (AASB 111 Construction Contracts, AASB 118 Revenue, AASB Interpretation 13 Customer Loyalty Programmes, AASB Interpretation 15 Agreements for the Construction of Real Estate, AASB Interpretation 18 Transfers of Assets from Customers and AASB Interpretation 131 Revenue – Barter Transactions Involving Advertising Services) and applies to all revenue arising from contracts with customers, unless the contracts are in the scope of other standards, such as AASB 117 (or AASB 16 Leases , once applied).</p> <p>The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with the core principle by applying the following steps:</p> <ul style="list-style-type: none"> ▶ Step 1: Identify the contract(s) with a customer. ▶ Step 2: Identify the performance obligations in the contract. ▶ Step 3: Determine the transaction price. ▶ Step 4: Allocate the transaction price to the performance obligations in the contract. ▶ Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation. <p>Effective for periods commencing 1 January 2019.</p> <p>This amendment is not anticipated to significantly impact the Branch.</p>
AASB 1058	Income of Not-for-Profit Entities	<p>AASB 1058 and AASB 2016-8 will defer income recognition in some circumstances for not-for-profit entities, particularly where there is a performance obligation or any other liability. In addition, certain components in an arrangement, such as donations, may be separated from other types of income and recognised immediately. The Standard also expands the circumstances in which not-for-profit entities are required to recognise income for goods and services received for consideration that is significantly less than the fair value of the asset principally to enable the entity to further its objectives (discounted goods and services), including for example, peppercorn leases.</p>
AASB 2016-8	Amendments to Australian Accounting Standards – Australian	

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

	Implementation Guidance for Not-For-Profit Entities	Consequently AASB 1004 Contributions is also amended, with its scope effectively limited to address issues specific to government entities and contributions by owners in a public sector entity context.
AASB 16	Leases	<p>AASB 16 requires lessees to account for all leases under a single on-balance sheet model in a similar way to finance leases under AASB 117 Leases. The standard includes two recognition exemptions for lessees –leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).</p> <p>Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.</p> <p>Lessees will be required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.</p> <p>Lessor accounting is substantially unchanged from today's accounting under AASB 117. Lessors will continue to classify all leases using the same classification principle as in AASB 117 and distinguish between two types of leases: operating and finance leases.</p> <p>Effective for periods commencing 1 January 2019.</p> <p>Based on the current number of operating leases held by the Branch, the impact is not expected to be significant.</p>
AASB 2016-1	Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses	<p>This Standard makes amendments to AASB 112 Income Taxes to clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value.</p> <p>Effective for periods commencing 1 January 2018.</p> <p>Based on the income taxes of the Branch, the impact is not expected to be significant.</p>

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

AASB 2016-2	Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	<p>The amendments to AASB 107 Statement of Cash Flows are part of the IASB’s Disclosure Initiative and help users of financial statements better understand changes in an entity’s debt. The amendments require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).</p> <p>Effective for periods commencing 1 January 2017.</p> <p>Based on the taxes of the Branch, the impact is not expected to be significant.</p>
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(e) 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.

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

(g) 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.

(h) Revenue and Other Income

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

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

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.

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

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.

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 2016 and 2017 financial years;

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

All revenue is stated inclusive of goods and services tax (GST).

(i) 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 organisation that remain unpaid. Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

(j) Cash and Cash Equivalents

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

(k) Expenditure

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

In accordance with Regulation 18 of the Reporting Guidelines the organisation declares that it has not incurred any of the following expenses during the 2016 and 2017 financial years;

- Costs of employers making payroll deductions of members subscriptions
- Fees or subscriptions for affiliation with any political party, federation, congress, councillor group of organisations or any international body with an interest in industrial affairs
- Compulsory levies
- Grants or donations
- 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

(l) Liabilities

In accordance with Regulation 21 of the Reporting Guidelines the organisation declares that there were no liabilities at 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.

(m) Related Reporting Units

The organisation is a State based organisation that is a member of a National Body.

The organisation provides financial support to the National body through the payment of annual subscriptions.

As at 30 June 2017 the organisation had no amounts payable to another reporting organisation.

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

As at 30 June 2017 the organisation had no amounts receivable from another reporting organisation.

(n) Financial Assets

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

Fair value through profit or loss

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

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

A financial asset is classified as held for trading if:

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

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

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

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

Held-to-maturity investments

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

Available-for-sale

Listed shares and listed redeemable notes held by the reporting unit that are traded in an active market are classified as available-for-sale and are stated at fair value. The reporting unit also has investments in unlisted shares that are not traded in an active market but that are also classified as available-for-sale financial assets and stated at fair value.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

**Australian Road Transport Industrial Organisation
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**Notes to the Financial Statements
For the Year ended 30 June 2017**

Dividends on available-for-sale equity instruments are recognised in profit or loss when the reporting unit right to receive the dividends is established. The fair value of available-for-sale monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loan and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the amount of the impairment loss is recognised in a separate allowance account.

Australian Road Transport Industrial Organisation Western Australian Branch

Notes to the Financial Statements For the Year ended 30 June 2017

through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

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

Derecognition of financial assets

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

(o) Financial Liabilities

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

Fair value through profit or loss

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

A financial liability is classified as held for trading if:

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

Australian Road Transport Industrial Organisation Western Australian Branch

Notes to the Financial Statements For the Year ended 30 June 2017

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

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

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

Other financial liabilities

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

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

Derecognition of financial liabilities

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

(p) 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 statement of cash flows 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.

(q) Impairment of Non financial Assets

Australian Road Transport Industrial Organisation Western Australian Branch

Notes to the Financial Statements For the Year ended 30 June 2017

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

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

(r) **Going Concern**

For the year ended 30 June 2017, the Australian Road Transport Industrial Organisation Western Australian Branch had a net cash inflow from operating activities of \$0 and recorded a net surplus for the year of \$5,819 (2016: \$1,250). In addition, the Organisation had net liabilities of \$5,864 as at 30 June 2017. The Organisation received income of \$23,783 during the year in the form of recoveries of costs paid by the Western Australian Road Transport Organisation Incorporated ("WARTA"), a related party of the reporting unit, incurred by the Australian Road Transport Industrial Organisation Western Australian Branch pursuant to an arrangement between the two organisations.

WARTA was deregistered on 22 December 2017 however a new affiliation has been formed with Bus WA Inc. t/a Logistics & Passenger Services in Western Australia ("Bus WA Inc.") on a similar arrangement to that of WARTA.

There were no Creditors as at 30 June 2017 with liabilities of \$5,864 comprised entirely of accrued accounting and audit fees. The Committee of Management considers that the Organisation is a going concern and recognises that additional funding of approximately \$15,000 is required to ensure that it can continue to fund its operations and repay all existing liabilities during the twelve month period from the date of approval of the financial report.

Such additional funding may be derived from one or a combination of the following:

- further related party funding from Bus WA Inc.; and/or
- revenue from membership subscriptions payable annually to Bus WA Inc.
- Annual membership to Bus WA Inc. will allow members access to an IR specialist who may provide the assistance required by the member at an agreed rate on a fee for service basis.

Accordingly, the Committee believes that the Organisation will obtain sufficient funding to enable it to continue as a going concern and that it is appropriate to adopt that basis of accounting in the preparation of the financial report.

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

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

Note 2: Events after the Reporting Period

WARTA, a related party of the reporting unit, was deregistered on 22 December 2017. A new affiliation has been formed with Bus WA Inc. t/a Logistics & Passenger Services in Western Australia ("Bus WA Inc.") on a similar arrangement to that of WARTA.

Other than the issues noted above, no events occurred after 30 June 2017, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Australian Road Transport Industrial Organisation Western Australian Branch.

	2017	2016
	\$	\$
Note 3: Revenue		
Revenue		
Membership subscriptions	-	-
	-	-
Other revenue		
Recoveries (i)	23,783	20,310
	23,783	20,310
Total revenue	<u>23,783</u>	<u>20,310</u>

- (i) Recoveries are costs paid by the Western Australian Road Transport Organisation Incorporated (a related party of the reporting unit) incurred by the Australian Road Transport Industrial Organisation Western Australian Branch pursuant to an arrangement between the two organisations.

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

	2017	2016
	\$	\$
Note 3A: Capitation fees		
The Australian Road Transport Industrial Organisation Western Australian Branch	-	-
Total capitation fees	-	-
Note 3B: Levies		
Compulsory levies	-	-
Total levies	-	-
Note 3C: Grants or donations		
Grants	-	-
Donations	-	-
Total grants or donations	-	-
Note 4: Expenses		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	-	-
Employees other than office holders:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses employees other than office holders	-	-
Total employee expenses	-	-

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

	2017	2016
	\$	\$
Note 4B: Capitation fees		
The Australian Road Transport Industrial Organisation Western Australian Branch	12,100	12,100
Total capitation fees	12,100	12,100
Note 4C: Affiliation fees		
<i>{list name and amount for each entity}</i>	-	-
Total affiliation fees/subscriptions	-	-
Note 4D: Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies		
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Total administration expenses	-	-
Note 4E: Grants or donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-
Note 4F: Legal costs		
Litigation	-	-
Other legal matters	-	-
Total legal costs	-	-
Note 4G: other Expenses		
Accounting fees	2,564	3,121
Sundry fees – ARTIO (Federal)	-	227
Penalties - via RO Act or RO Regulations	-	-
Total other expenses	2,564	3,348

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

	2017	2016
	\$	\$
Note 5 Current Assets		
Note 5A: Trade and Other Receivables		
Receivables from other reporting unit[s]	-	-
Total receivables from other reporting unit[s]	-	-
Less provision for doubtful debts	-	-
Total provision for doubtful debts	-	-
Receivable from other reporting unit[s] (net)	-	-
Total trade and other receivables (net)	-	-
 Note 6 Current Liabilities		
Note 6A: Trade payables		
Trade creditors and accruals	5,864	4,413
Other Creditors	-	7,270
Subtotal trade creditors	5,864	11,683
Payables to other reporting unit[s]		
Subtotal payables to other reporting unit[s]	-	-
Total trade payables	5,864	11,683
Settlement is usually made within 30 days.		
Note 6B: Other payables		
Consideration to employers for payroll deductions	-	-
Legal costs		
Litigation	-	-
Other legal matters	-	-
Total other payables	-	-

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

	2017	2016
	\$	\$
Note 7 Provisions		
Note 7A: Employee Provisions		
Office Holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—office holders	-	-
Employees other than office holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions—employees other than office holders	-	-
Total employee provisions	-	-
Current	-	-
Non Current	-	-
Total employee provisions	-	-
Note 8: Equity		
Retained Earnings		
Balance as at start of year	(45,024)	(46,274)
Surplus for the year	5,819	1,250
Transferred out of reserve	-	-
Balance as at end of year	(39,205)	(45,024)
General Reserve		
Balance as at start of year	33,341	33,341
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	33,341	33,341
Total Reserves	33,341	33,341

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

	2017	2016
	\$	\$
Note 8A: Other Specific disclosures - Funds		
Compulsory levy/voluntary contribution fund – if invested in assets	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Other fund(s) required by rules	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	<u>-</u>	<u>-</u>
Note 9: Remuneration of Auditors		
Financial statement audit services	3,300	3,612
Other Services	-	-
	<u>3,300</u>	<u>3,612</u>

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 2017**

	2017	2016
	\$	\$
Note 10: Cash Flow		
Note 10A: Cash flow reconciliation		
Reconciliation of profit to net cash from operating activities		
Surplus for the year	<u>5,819</u>	<u>1,250</u>
Adjustments for non-cash items		
Depreciation	-	-
Movement in net market values	-	-
Changes in assets/liabilities		
Decrease in trade and other receivables	-	-
Increase/(Decrease) in trade and other payables	(5,819)	3,341
Net cash from operating activities	<u>-</u>	<u>4,591</u>
(ii) Repayment of borrowings		
Western Australian Road Transport Organisation Inc	<u>-</u>	<u>4,591</u>
Note 10B: Cash flow information		
Cash inflows		
Western Australian Road Transport Organisation Inc	<u>23,783</u>	<u>20,310</u>
Total cash inflows	<u>23,783</u>	<u>20,310</u>
Cash outflows		
Australian Road Transport Industry Organisation Fees	12,100	12,327
Audit Fees	3,612	3,392
Accounting Fees	8,071	-
Total cash outflows	<u>23,783</u>	<u>15,719</u>
Note 11: 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 WA Road Transport Organisation includes the following:		
Recovery of operating costs	<u>23,783</u>	<u>20,312</u>
	<u>23,783</u>	<u>20,312</u>

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

	2017	2016
	\$	\$
<i>Expenses paid to WA Road Transport Organisation includes the following:</i>		
	-	-
	-	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
<i>Amounts owed by WA Road Transport Organisation includes the following:</i>		
	-	-
	-	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
<i>Loans from/to WA Road Transport Organisation includes the following:-</i>		
	-	-
	-	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
<i>Assets transferred from/to WA Road Transport Organisation includes the following:</i>		
	-	-
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

Terms and conditions of transactions with related parties

The Organisation received income of \$23,783 during the year in the form of recoveries of costs paid by the Western Australian Road Transport Organisation Incorporated ("WARTA"), a related party of the reporting unit, incurred by the Australian Road Transport Industrial Organisation Western Australian Branch pursuant to an arrangement between the two organisations. 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 2017, 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 (2016: \$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.

Note 12: Other acquisitions of assets and liabilities

No assets or liabilities have been acquired during the financial year as a result of:

- a) an amalgamation under Part 2 of Chapter 3 of the RO Act in which the organisation (of which the reporting unit form part) was the amalgamated organisation; or
- b) a restructure of the branches of the organisation; or
- c) a determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation; or
- d) a revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

Note 13: 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:

	2017 \$	2016 \$
Financial Assets		
Trade and Other Receivables	-	-
	-	-
	<u>-</u>	<u>-</u>
Financial Liabilities		
Trade and Other Payables	5,864	11,683
Financial Liabilities	-	-
	<u>5,864</u>	<u>11,683</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.

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.

Note 14: Section 272 Fair Work (Registered Organisations) Act 2009

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 subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commissioner:

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

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

**Notes to the Financial Statements
For the Year ended 30 June 2017**

Note 15: Contingent Liabilities, Assets and Commitments

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

Note 16: Organisation Details

The principal place of business is:

Australian Road Transport Industrial Organisation Western Australian Branch
4/13 Townsend Road, Malaga WA

Note 17: Prior Year Restatement

Correction of errors

The 2016 Branch Fees expense were incorrectly recorded exclusive of GST at \$11,000. As the Branch is not registered for GST, an adjustment of \$1,100 is required to correct the expense account as well as the other revenue account, whereby the expense is recovered.

Reclassification of Expenses

The accounting and audit fees for 31 December 2016 were incorrectly grouped together into the audit fees expense account. These balances have now been separately disclosed in the notes and Statement of Comprehensive Income.

As a result of the error and reclassification, the statement of profit or loss and other comprehensive income and the statement of financial position have been restated for the year ended 31 December 2016. The effects of above restatements are as follows:

Statement of Profit or loss and other Comprehensive Income	Reported 2016	Adjustment	Restated 2016
Revenue			
Other Revenue	19,210	1,100	20,310
Expenses			
Audit Fees	6,733	(3,121)	3,612
Branch Fees	11,000	1,100	12,100
Accounting Fees	-	3,121	3,121
Other Expenses		-	227
Surplus/(Deficit) for the year	1,250	-	1,250
Other Comprehensive Income	-	-	-
Total Comprehensive Income/(loss) for the year	1,250	-	1,250