



9 July 2015

Mr Tony Sheldon  
National Secretary  
Transport Workers' Union of Australia  
Level 2, 388-390 Sussex Street  
SYDNEY NSW 2000

via email: [twu@twu.com.au](mailto:twu@twu.com.au)

Dear Mr Sheldon

**Transport Workers' Union of Australia Financial Report for the year ended 31 December 2014 - [FR2014/411]**

I acknowledge receipt of the financial report of the Transport Workers' Union of Australia. The documents were lodged with the Fair Work Commission (FWC) on 2 July 2015.

The financial report has now been filed.

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

Please note that the financial report for the year ending 31 December 2015 may be subject to an advanced compliance review.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The FWC will confirm these concerns have been addressed prior to filing next year's report.

**Timescale requirements**

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timeline requirements can be found on the FWC website. In particular, I draw your attention to Financial reporting process and timelines which explains the timeline requirements, and Diagrammatic summary of financial reporting timelines which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirements were not met:

Reports must be provided to Members within 5 months of end of financial year where report is presented before Committee of Management meeting

The Designated Officer's Certificate states that the concise financial report was provided to members from 30 June 2015 and from 2 July 2015, and presented to a Committee of Management meeting on 24 June 2015. Under section 265(5)(b) of the RO Act, where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of the end of the financial year.

If these dates are correct, the reporting unit should have applied for an extension of time for the provision of the financial report to members in accordance with section 265(5) of the RO Act.

Please note that in future financial years if an extension of time is required, a written request, signed by a relevant officer, including any reason for the delay, must be made prior to required date for the provision of the reports to members.

## **Other**

### Reference to FWC

Following the enactment of the *Fair Work Amendment Act 2012*, Fair Work Australia was renamed Fair Work Commission with effect from 1 January 2013. All references to Fair Work Australia must be changed to Fair Work Commission.

### **Reporting Requirements**

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you wish to discuss the matter raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7886 or via email at [joanne.fenwick@fwc.gov.au](mailto:joanne.fenwick@fwc.gov.au).

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Joanne Fenwick', with a long horizontal flourish extending to the right.

Joanne Fenwick  
Financial Reporting Specialist  
Regulatory Compliance Branch

**Tony Sheldon National Secretary**

Ms Bernadette O'Neill  
General Manager,  
Fair Work Commission  
GPO Box 1994  
Melbourne VIC 3001

2 July 2015

By email – [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)

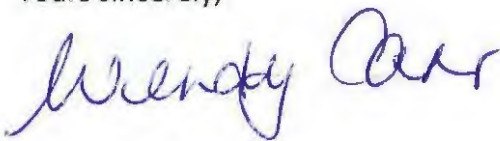
Dear Ms O'Neill

**Re: Division 5 – Reporting Requirements of the *Fair Work (Registered Organisations) Act 2009***

Please find enclosed the reports and designated certificate as required by s.268 of the *Fair Work (Registered Organisations) Act 2009*.

In you require any further information please contact me via email at [wendy.carr@twu.com.au](mailto:wendy.carr@twu.com.au) or telephone (02) 81146573.

Yours sincerely,



Wendy Carr  
Director of Legal



### Tony Sheldon National Secretary

Section 268 *Fair Work (Registered Organisations) Act 2009* (RO Act).

#### CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

I, Anthony Sheldon, being the National Secretary of the Transport Workers Union of Australia certify:

- that the documents lodged herewith are copies of the full and the concise reports referred to in s268 of the *RO Act* for the Transport Workers Union of Australia for the period ended 31 December 2014; and
- that, in accordance with s266 of the *RO Act*, the full report was presented to the relevant series of meetings as follows:
  - to the National Committee of Management of the reporting unit on 15 April 2015 (at which meeting the Committee of Management authorised the signing of the full and concise reports and also resolved (as required by section 265(2)) to provide a copy of the Concise report to members); and
  - to the National Council of the reporting unit on 18 May 2015 (at which meeting the National Council endorsed the signed reports); and
  - to the National Committee of Management of the reporting unit on 24 June 2015 (at which meeting the National Committee of Management endorsed the signed reports as endorsed by the National Council).
- that the concise report was provided to members from 30 June 2015 and from 2 July in accordance with section 265 of the *RO Act*.



Anthony Sheldon

National Secretary

2 July 2015



# Grant Thornton

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## **Independent Auditor's Report To the Members of Transport Workers' Union of Australia - National Council**

We have audited the accompanying financial report of Transport Workers' Union of Australia - National Council (the "Trade Union"), which comprises the statement of financial position as at 31 December 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Committee of Management.

### **Responsibility of the Committee of Management for the financial report**

The Committee of Management of the Trade Union is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work Act 2009 (Registered Organisations). This responsibility includes such internal controls as the Committee of Management determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

### **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 which require us to 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.

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In making those risk assessments, the auditor considers internal control relevant to the Trade Union'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 Trade Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, 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 applicable independence requirements of the Accounting Professional and Ethical Standards Board.

### **Auditor's Opinion**

In our opinion,

- a the financial report of Transport Workers' Union of Australia - National Council:
  - i presents fairly, in all material respects, the Trade Union's financial position as at 31 December 2014 and of its performance and cash flows for the year then ended ;  
and
  - ii complies with Australian Accounting Standards and the relevant legislation;
- b the Committee of Management appropriately applied the going concern basis of accounting.

### **Report on the recovery of wages activity**

The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2)(c) of the Fair Work Act 2009 (Registered Organisations). 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. We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the Committee of Management to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity.

**Other Matters**

The signor is an Approved Auditor (who holds a current Public Practice Certificate) with the Institute of Chartered Accountants in Australia, and is a registered company auditor.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



Neville Sinclair  
Partner - Audit & Assurance

Sydney, 15 April 2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2014**



**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL**

**ANALYSIS OF FINANCIAL STATEMENTS**

The Transport Workers' Union of Australia National Council presents its reports for the 2014 financial year.

**Statement of Comprehensive Income and Statement of Financial Position:**

**REVENUE**

Revenue earned from Sustentation Fees and Grants for the year was \$4,471,378 which when compared to the prior year has increased by \$79,206 (2013: \$4,392,172).

The total income generated by National Council was \$5,735,160, an increase of \$608,852 when compared to the prior year (2013: \$5,126,308).

**EXPENDITURE**

- (i) **Employee Related Payments (ERP)** for the year was \$2,632,094 which includes salary on-costs, Superannuation payments, FBT, and annual 4% salary increase.) (2013: \$2,459,815). When wage increases, the superannuation guarantee increase and relevant on-costs are removed, the increase in ERPs for the year was nominal at approx. 2%.
- (ii) **Operating Expenditure** for the year was \$3,901,748 (2013: \$3,108,910). The increase in expenditure by \$792,838 relates to a mix of over and under spend in expenditure over the year.
- (iii) **Cumulative Operating Expenditure** which includes Employee Related payments for the year was \$6,707,280 (2013: \$5,743,996).

**NET POSITION**

The Deficit for the year ended 2014 is \$972,120 (2013 Deficit: \$617,689). The extent of the deficit is attributable in the main to costs associated with the Royal Commission instigated by the conservative Federal Government into the industrial wing of the Labour movement, Trade Unions. There was also an increase in campaign activity in Road Transport and Aviation Sectors.

**CASH FLOW STATEMENT**

The cash flow of the National Council has been managed to ensure liabilities are met when they fall due. Cash at the end of the year amounted to \$270,162 and reflects consistency in the cash flow experienced during the year. (2013: \$417,335). National Council continues to perform to expectations.



**ANTHONY SHELDON**  
NATIONAL SECRETARY  
15 April 2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL**

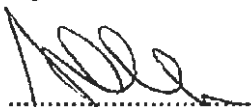
**OPERATING REPORT**

The National Committee of Management presents its operating report of the Transport Workers' Union of Australia, National Council for the financial year ended 31 December 2014.

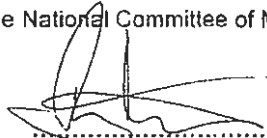
1. The principal activity of National Council during the financial year was that of governing body of the Transport Workers' Union of Australia. No significant changes in the nature of that activity occurred during the year.
2. There were no significant changes to National Council's financial affairs during the year.
3. National Council's principal activity resulted in a deficit for the year of \$972,120.
4. In accordance with Section 174(1) of the Fair Work (Registered Organisations) Act 2009 a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.
5. The following officers of the Transport Workers Union of Australia, National Council are directors of the TWU Superannuation fund: Mr Anthony Sheldon and Mr Michael Kaine.
6. The number of members of the Transport Workers Union of Australia at 31 December 2014 was 74,150. (The change in figure from 2013 is the result of amendments to branch methodology regarding the number of members recorded on the registers of members. The change does not represent a fall in financial membership but a reduction in the number of non-financial members recorded on the registers.)
7. The number of persons who were employees of National Council on 31 December 2014 was 26 (2013: 23), where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis.
8. The names of each person who were members of the National Committee of Management at any time during the financial year are as follows:

Name	Period Position Held
Anthony Sheldon	1 January 2014 to 31 December 2014
Michael Kaine	1 January 2014 to 31 December 2014
Rick Burton	1 January 2014 to 14 April 2014
Wayne Forno	1 January 2014 to 31 December 2014
Wayne Mader	1 January 2014 to 31 December 2014
Ray Wyatt	1 January 2014 to 31 December 2014
Peter Biagini	1 January 2014 to 31 December 2014
Tim Dawson	14 April 2014 to 31 December 2014

Signed in accordance with a resolution of the National Committee of Management.



ANTHONY SHELDON  
2 July 2015



RAY WYATT

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL**


**NATIONAL COMMITTEE OF MANAGEMENT'S STATEMENT**

On 15 April 2015 the National Committee of Management of Transport Workers Union of Australia, National Council passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2014.

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

- (a) the financial report and notes comply with Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- (c) the financial report 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 ended 31 December 2014;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year ended 31 December 2014 and since the end of the financial year:
  - (i) meetings of the National Committee of Management were held in accordance with the rules of the organisation; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulation 2009; and
  - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the branches of the organisation; and
  - (v) no information has been sought in any request of a member of the reporting unit or the General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and
  - (vi) no orders have been made for inspection of the financial records by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009;
- (f) During the financial year ended 31 December 2014 the National Council did not participate in any recovery of wages activity.

For the National Committee of Management



**ANTHONY SHELDON**

15 April 2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 \$	2013 \$
<b>INCOME</b>			
Capitation/ Sustentation Fees	4	4,471,378	4,392,172
ACTU Contributions		122,668	142,689
Distribution from Available-for-sale Financial Assets		36,707	65,373
National Training Fund		30,667	51,306
Grant Income		44,980	20,883
Legal Fees Reimbursement from Branches		777,231	64,544
Interest Received		175,516	211,130
Sundry Income		11,483	(70,629)
Sponsorship TWU Super		31,926	16,818
Trustee Fees Received		30,000	30,000
ITF		2,604	-
FWEIP Grant		-	202,022
		<hr/>	<hr/>
<b>TOTAL INCOME</b>		<b>5,735,160</b>	<b>5,126,308</b>
		<hr/>	<hr/>
<b>EXPENDITURE</b>			
<b>Depreciation</b>		<b>173,437</b>	<b>175,271</b>
		<hr/>	<hr/>
<b>Employee benefits expense</b>			
Accrued Annual Leave	5 d	71,326	23,044
Accrued LSL	5 d	(10,909)	24,249
Fringe Benefits Tax	5 d	25,264	4,421
Salaries	5 d	2,278,884	2,178,519
Superannuation	5 d	267,529	229,582
		<hr/>	<hr/>
		<b>2,632,094</b>	<b>2,459,815</b>
		<hr/>	<hr/>
<b>Other expenses</b>			
Advertising		5,938	4,470
Affiliation Fees		420,808	326,783
Accommodation		55,838	82,513
ACTU Levy		160,000	80,000
Auditors' Remuneration		26,673	35,050
Bank Charges		2,806	5,702
Building Expenses		34,480	69,018
Campaign Expenses		208,036	187,913
Overnight /Interstate		47,245	22,633
Computer Maintenance		79,744	165,370
Donations		3,650	60,004
Gifts		1,785	4,879
Functions		4,121	51
FWEIP Expenses		-	113,922
National Committee of Mgmt. Expenses		127,393	54,018
National Council		79,241	109,077
General Expenses		15,911	17,277
Carried forward		<hr/>	<hr/>
		<b>1,273,671</b>	<b>1,339,018</b>

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)**

Brought Forward	1,273,671	1,339,018
Insurance	18,328	39,371
Lease Rental Expenses – Operating leases	62,158	3,211
Legal & Professional Fees	5(f) 1,232,829	286,363
Loss on Disposal of Assets	2,749	1,713
Meeting Expenses	33,726	85,546
Merchandise	2,158	2,476
Motor Vehicle Expenses	30,716	28,602
Overseas Expenses	-	-
Organising Assistance	3,640	6,055
Payroll Tax	128,991	117,121
Postage & Freight	15,103	9,433
Printing and Stationery	72,672	111,316
Publications	14,106	21,756
Reimbursement to S.A./N.T. Branch	-	-
Reimbursement to Branches	158,654	358,091
Records Storage	730	712
Repairs and Maintenance	4,773	1,289
Rent	266,551	220,142
Seminar and Course Fees	-	9,184
Staff Amenities	21,115	36,249
Telephone and Faxes	76,976	97,554
Training & Research Projects	16,116	24,993
Travelling Expenses	396,581	283,379
TUF FWEIP ITF Project Expense	-	5,523
Workers Compensation	13,481	19,813
NT Expenses	36,897	-
Entertainment	19,029	-
	3,901,748	3,108,910
<b>TOTAL EXPENDITURE</b>	<b>6,707,280</b>	<b>5,743,996</b>
	(972,120)	(617,689)
<b>DEFICIT FOR THE YEAR</b>	<b>(972,120)</b>	<b>(617,689)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Increase/(Decrease) in Value of Available-for-Sale Financial Assets	(16,103)	158,386
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>(16,103)</b>	<b>158,386</b>

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL**

<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>	(988,223)	(459,303)
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(The accompanying notes form part of this financial report)

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2014**

	Note	2014 \$	2013 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	9	270,162	417,335
Receivables	10	1,231,134	1,032,400
Other Financial Assets	9	4,500,530	4,748,911
Available-for-sale Financial Assets	11	1,085,102	1,100,647
<b>TOTAL CURRENT ASSETS</b>		<b>7,086,928</b>	<b>7,299,293</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	12	180,201	327,357
Investment in Associate	13	100	100
<b>TOTAL NON-CURRENT ASSETS</b>		<b>180,301</b>	<b>327,457</b>
<b>TOTAL ASSETS</b>		<b>7,267,229</b>	<b>7,626,750</b>
<b>CURRENT LIABILITIES</b>			
Payables	14	1,566,818	982,180
Provision for Accrued Annual Leave		193,272	121,945
Provision for Long Service Leave		39,205	66,468
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,799,295</b>	<b>1,170,593</b>
<b>NET ASSETS</b>		<b>5,467,934</b>	<b>6,456,157</b>
Accumulated Funds		5,308,390	6,280,510
Available for Sale Reserve		159,544	175,647
<b>TOTAL EQUITY</b>		<b>5,467,934</b>	<b>6,456,157</b>

(The accompanying notes form part of this financial report)



TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL

STATEMENT OF CHANGES IN ACCUMULATED FUNDS AND RESERVES  
FOR THE YEAR ENDED 31 DECEMBER 2014

	Accumulated Funds	Available-for- sale Investment Reserve	Total Equity
	\$	\$	\$
<b>Balance at 1 January 2013</b>	6,898,199	17,261	6,915,460
Deficit for the year	(617,689)	-	(617,689)
<i>Other Comprehensive Income</i>			
Increase/(Decrease) in Value of Available-for-Sale Financial Assets	-	158,386	158,386
Total Comprehensive Loss for the year	(617,689)	158,386	(459,303)
<b>Balance at 31 December 2013</b>	6,280,510	175,647	6,456,157
Deficit for the year	(972,120)	-	(972,120)
<i>Other Comprehensive Income</i>			
Increase/(Decrease) in Value of Available-for-Sale Financial Assets	-	(16,103)	(16,103)
Total Comprehensive Loss for the year	(972,120)	(16,103)	(988,223)
<b>Balance at 31 December 2014</b>	5,308,390	159,544	5,467,934

(The accompanying notes form part of this financial report)

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

		2014	2013
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Sustentation Fees		4,701,653	4,368,455
ACTU Contributions		134,935	207,668
Interest and Distributions Received		205,065	272,965
Grants Received		47,584	222,905
National Organising Fund		-	-
Legal fee reimbursement		637,384	184,420
Other Income		303,239	77,594
Payments to Suppliers and Employees		(6,395,826)	(5,715,193)
<hr/>			
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	15(b)	(365,966)	(381,186)
Payment for Available-for-sale Investment		(558)	-
Payment for Property, Plant and Equipment		(30,080)	(131,111)
Proceeds from Sale of Property, Plant & Equipment		1,049	6,891
Payment for Term Deposits invested		-	(4,748,911)
Proceeds from Term Deposit redeemed		248,381	-
<hr/>			
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		218,793	4,873,131)
<b>NET (DECREASE) IN CASH HELD</b>		(147,173)	(5,254,317)
Cash at Beginning of Year		417,335	5,671,652
<b>CASH AT END OF YEAR</b>	15(a)	270,162	417,335

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL**

(The accompanying notes form part of this financial report)

**RECOVERY OF WAGES ACTIVITY  
FOR THE YEAR ENDED 31 DECEMBER 2014**

The Transport Workers' Union of Australia - National Council has not undertaken recovery of wages activity. The Federal office does assist with recovery of TWU member wages.

However as and when decreed by the court we confirm that any settlement or recovery of wages is directly managed between the employer and the employee (i.e. State Branch TWU member) and at no point of time is any money banked in the Union's TWU National Council bank account. Reportable amounts are NIL for:

- 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.

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**1. STATEMENT OF ACCOUNTING POLICIES**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Standards Board, and the Fair Work (Registered Organisations) Act 2009.

The reporting guidelines made under section 255 of the Fair Work (Registered Organisations) Act 2009 (the RO Act) require all reporting units to apply the Tier 1 reporting requirements as per Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards. As such the National Council of the Transport Workers' Union of Australia have prepared a full set of financial statements with all disclosures requirements.

The financial statements were authorised for issue in accordance with a resolution of the committee of management on the 15 April 2015.

**BASIS OF PREPARATION**

The financial report is for the National Council of the Transport Workers' Union of Australia, and in accordance with the Fair Work (Registered Organisations) Act 2009 the National Council is a reporting unit. The Transport Workers' Union of Australia is an organisation registered under the Fair Work (Registered Organisations) Act 2009. The National Council is a reporting unit of the registered organisation. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the National Council are not subject to the Corporations Act 2001.

The financial report has been prepared on the basis of historical costs, except for available-for-sale financial assets that have been measured at fair value. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the National Council in the preparation of the financial report.

**(a) Revenue**

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

Revenue from sustenance fees is accounted for on an accrual basis and is recorded as revenue in the year to which it relates. Grant revenue is recognised when earned in accordance with grant conditions. Donation income is recognised when it is received.

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

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**1. STATEMENT OF ACCOUNTING POLICIES (cont'd)**

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

**(b) Income Tax**

No provision for Income Tax is necessary as the Union is exempt from Income Tax under Section 50 - 15 of the Income Tax Assessment Act 1997.

**(c) Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost less where applicable, any accumulated depreciation and any impairment in value.

*Depreciation*

The depreciable amounts of all fixed assets are depreciated on a straight line basis over their estimated useful lives to the Union commencing from the time the asset is held ready for use.

The depreciation rates used for each class of assets are:

Class of Fixed Asset	Depreciation Rate
Office Furniture and Equipment	5 – 40%
Library Computer Equipment	5 – 40%
Motor Vehicles	15%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal, and is included in the statement of comprehensive income in the year of disposal.

**(d) Impairment**

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and value in use. For the purpose of assessing value in use, this represents depreciated current replacement cost, as the Union is a not-for-profit organisation.

**(e) Employee Benefits**

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled plus related on-costs.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**1. STATEMENT OF ACCOUNTING POLICIES (cont'd)**

**(e) Employee Benefits (cont'd)**

Other employee benefits payable later than one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. In the case of Long Service Leave this results in an amount not materially different to that achieved by discounting future cash flows.

Contributions are made by the Union to employee superannuation funds and are charged as expenses when incurred.

**(f) Investments**

All investments and other financial assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognised on trade date, which is the date on which the entity commits to purchase, or sell the asset. Accounting policies for each category of investments and other financial assets subsequent to initial recognition are set out below.

*Available-for-sale financial assets*

Investments which are classified as available for sale are measured at fair value. Unrealised gains or losses on these investments are recognised directly to equity in the Available-for-Sale Investments Reserve until the investment is sold or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported for that asset is included in the statement of comprehensive income.

**(g) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables on the statement of financial position are shown inclusive of GST.

**(h) Accounting Standards Issued But Not Yet Effective**

There have been no accounting standards issued which will impact the financial report in future periods and which are not yet effective.



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**(i) Going concern**

The National Council ability to continue as a going concern is reliant on the on-going sustentation fees paid by the State branches.

The terms and conditions are as follows:

- i. The State branches must pay the National Council 17.64% (NSW 12.69%) of the total fees received by the State branches as Entrance fees and Annual Fees in each calendar month;
- ii. The payments must be made to the National Council within 21 days of the last day of the month in which the dues are received by the State Branches;
- iii. The payments of Sustentation Fees must not be used by Branches for any other purpose.

**(j) Going concern support**

The National Council has not agreed to provide financial support to any other reporting units to ensure they can continue on a going concern basis.

**(k) Amalgamations and Restructures**

There have been no amalgamations or restructures in the financial year and previous financial year. No assets or liabilities have been acquired as a result of any amalgamations or restructures.

**(l) Business Combinations**

There have been no business combinations during the financial year and previous financial year. No assets or liabilities have been acquired as a result of any business combinations.

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**2. ACCOUNTING ESTIMATES AND JUDGEMENTS**

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

**(a) Critical accounting estimates and assumptions**

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

**(b) Critical judgments in applying the Union's accounting principles**

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

**3. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER  
OF FAIR WORK AUSTRALIA**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272 of the Fair Work (Registered Organisations) Act 2009 which read as follows:

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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).

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

4. INCOME

(a) Capitation/Sustentation fees

	2014	2013
	\$	\$
NSW & ACT	1,283,203	1,285,974
VIC & TAS	1,236,234	1,233,140
QLD	775,327	773,967
WA	833,063	808,793
SA	343,550	290,298
<b>Total Capitation/Sustentation fees</b>	<b>4,471,378</b>	<b>4,392,172</b>

(b) Other income

The following income items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. Membership fees
- b. Compulsory levies
- c. Donations or grants
- d. Other financial support from other reporting units

5. EXPENSES

(a) Fees and periodic subscriptions are paid in respect of its affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters

<b>Affiliation Fees</b>	<b>2014</b>	<b>2013</b>
	\$	\$
ACTU	285,818	274,182
International Transport Federation	134,990	42,601
Australian Trucking Association	-	10,000
	<b>420,808</b>	<b>326,783</b>
<b>Reimbursement to State Branches</b>	<b>2014</b>	<b>2013</b>
	\$	\$
TWU of Australia - Victoria Branch	158,654	358,091

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**(b) Compulsory levies**

ACTU Levy	160,000	80,000
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The levy is imposed by ACTU as a fee for affiliation with the peak union body.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**(c) Donations**

**2014**

**Non-reportable donations less than or equal to \$1,000 (Incl. GST)**

Details to whom payment made	Purpose	\$
Australian Labor Party	Michael Daley's anniversary dinner	900
Australian Labor Party	ALP Fundraising event	750
Steve Kamper for Rockdale ALP	ALP Rockdale State Campaign	980

**Reportable donations exceeding \$1,000 (Incl. GST)**

Details to whom payment made	Purpose	\$
Greg Warren for Campbelltown ALP	ALP Campbelltown State Campaign	1,020

**2013**

**Non-reportable donations less than or equal to \$1,000 (Incl. GST)**

Details to whom payment made	Purpose	\$
Grayndler Federal campaign	Stamps	200

**Reportable donations exceeding \$1,000 (Incl. GST)**

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Details to whom payment made	Purpose	\$
Rob Mitchell	McEwen Assembly Candidate	5,000
Mike Kelly	Eden Monaro Federal Campaign	5,000
Maritime Union of Australia	TUF Organising Campaign	5,000
Bill Shorten Leadership campaign	Australian Labor Leadership campaign	10,000
The McKell Institute	Institute Hosted a speech by the National Secretary- Tony Sheldon	1,000
Emma McBride	Dobell Federal Election campaign	5,000
Clare O'Neil	Hotham Campaign Fund	5,000

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**Reportable donations exceeding \$1,000 (Incl. GST) (continued)**

Details to whom payment made	Purpose	\$
Maritime and Transport Industry	Support White Ribbon Lunch	1,000
Australian Labor Party- NSW Branch	Fundraising Lunch	2,000
Anthony Albanese	Grayndler Election Campaign	7,175
Philippine Airlines Employees Association	PALEA's strike and picket fund to aid PALEA workers	3,000

**(d) Employee expenses related to holders of office**

	2014	2013
	\$	\$
<b>Officers benefits expense</b>		
Wages and Salaries	201,118	244,326
Superannuation	55,034	51,038
Leave and other entitlements	(1,064)	26,056
Separation and redundancies	-	-
Other employee expenses	61,862	58,244
	<u>316,951</u>	<u>379,664</u>

**(e) Employee expenses related to employees (other than holders of office)**

	2014	2013
	\$	\$
<b>Employees benefits expense</b>		

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Wages and Salaries	2,077,776	1,934,193
Superannuation	212,494	178,544
Leave and other entitlements	61,482	21,237
Separation and redundancies	63,089	95,355
Other employee expenses	27,974	91,176
	<u>2,442,805</u>	<u>2,320,505</u>

**(f) Legal costs**

	<b>2014</b>	<b>2013</b>
	\$	\$
Legal costs	45,086	-
Legal costs - Litigation	<u>1,187,743</u>	<u>286,363</u>
	<u>1,232,829</u>	<u>286,363</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**(g) Other expenses**

The following expense items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. Payments to employers for payroll deduction activity
- b. Capitation fee payments to other reporting units
- c. Fees or allowances (other than those already disclosed above) paid to persons in respect of their attendances as representatives of the Union at conferences or other meetings.
- d. Expenses (other than expenses included in any amounts referred to above) 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
- e. Penalties imposed under the RO Act.

**6. DISCLOSURES IN RESPECT OF STATEMENT OF FINANCIAL POSITION**

**(a) Amounts receivable/payable to/from other reporting units of the Union**

Amounts receivable and payable in respect of the State Branches have been disclosed in Note 10 and Note 14 respectively. A breakdown of amounts due from Branches is disclosed in Note 16.

**(b) Legal costs payable**

	<b>2014</b>	<b>2013</b>
	\$	\$
Legal costs payable	-	-
Legal costs payable - Litigation	<u>429,762</u>	<u>81,398</u>
	<u>429,762</u>	<u>81,398</u>



**TRANSPORT WORKERS' UNION OF AUSTRALIA  
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**(c) Employee provisions related to holders of office**

	2014	2013
	\$	\$
<b>Officers provisions</b>		
Annual leave	53,943	47,897
Long service leave	39,503	38,516
Separation and redundancies	-	-
Other employee provisions	-	-
	<u>93,446</u>	<u>86,413</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**(d) Employee provisions related to employees (other than holders of office)**

	2014	2013
	\$	\$
<b>Employees provisions</b>		
Annual leave	139,329	74,048
Long service leave	(298)	27,952
Separation and redundancies	-	-
Other employee provisions	-	-
	<u>139,031</u>	<u>102,000</u>

**(e) Other balances at 31 December 2014**

Items noted above as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009 which have not occurred in the reporting period do not have respective balances at year-end and therefore not disclosed. These include:

- a. Payables to employers as consideration for the employers making payroll deductions of membership subscriptions

**7. DISCLOSURES IN RESPECT OF STATEMENT OF CHANGES IN EQUITY**

The following equity items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. No separate fund or account operated in respect of compulsory levies raised by the Union or voluntary contributions collected from members of the Union.
- b. No monies in respect of compulsory levies raised or voluntary contributions collected from members of the Union have been invested in any assets.
- c. No separate fund or account which is required by the rules of the Union or rules of a Branch of the Union.

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
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- d. No transfer(s) and/or withdrawal(s) to a fund, account or controlled entity, when any of these are kept for a specific purpose(s) by the Union.

**8. DISCLOSURES IN RESPECT OF STATEMENT OF CASH FLOWS**

**(a) Amounts received/paid to/from other reporting units of the Union**

Amounts received and paid in respect of the State Branches have been incorporated as part of the Statement of Cash Flows and detailed below.

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Cash inflows from State Branches	4,061,942	4,854,202
Cash outflows to State Branches	158,654	358,091

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>9. CASH AND CASH EQUIVALENTS</b>		
Cash at Bank	269,162	415,556
Cash in Hand	1,000	1,000
Deposits at Call	-	779
	<u>270,162</u>	<u>417,335</u>
<b>OTHER FINANCIAL ASSETS</b>		
Term Deposits	4,500,530	4,748,911
<b>10. RECEIVABLES</b>		
Accrued Interest & Distributions	55,298	46,428
Debtors – Branches	1,086,237	869,375
Sundry Debtors	-	3,084
Prepayments	89,599	113,513
	<u>1,231,134</u>	<u>1,032,400</u>
<b>11. AVAILABLE-FOR-SALE FINANCIAL ASSET</b>		
Integrity Australian Share Fund – Fair Value	1,084,544	1,100,647
Wesfarmers Share Holding – Fair Value	558	-

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Fair value of the unlisted share fund was based on the market value of the investment in accordance to the statement as at 31 December 2014 provided by the investment management institution. Fair value increments have been recognised in other comprehensive income as a separate component of equity.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

<b>12. PROPERTY, PLANT AND EQUIPMENT</b>	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Office Furniture and Equipment – At Cost	273,220	273,220
Less: Accumulated Depreciation	<u>(192,132)</u>	<u>(141,533)</u>
	81,088	131,687
Library – At cost	75,135	75,135
Less: Accumulated Depreciation	<u>(75,135)</u>	<u>(75,135)</u>
	-	-
Computer Equipment – At cost	454,397	437,504
Less: Accumulated Depreciation	<u>(417,807)</u>	<u>(316,059)</u>
	36,590	121,445
Motor Vehicles – At cost	97,593	117,944
Less: Accumulated Depreciation	<u>(44,440)</u>	<u>(43,719)</u>
	53,153	74,225
Leasehold Improvements – At cost	13,182	-
Less: Accumulated Depreciation	<u>(3,812)</u>	<u>-</u>
	9,370	-
	<u>180,201</u>	<u>327,357</u>

**I Total Property, Plant and Equipment**

	Office Furniture and Equipment	Library	Computer Equipment	Motor Vehicles	Leasehold Improvements	Total
	\$	\$	\$	\$	\$	\$
1 Jan 2014	131,687	-	121,445	74,222	-	327,354
Additions	-	-	16,896	-	13,183	30,079
Disposals	-	-	-	(3,795)	-	(3,795)
Depreciation	<u>(50,599)</u>	<u>-</u>	<u>(101,751)</u>	<u>(17,275)</u>	<u>(3,812)</u>	<u>(173,437)</u>
31 Dec 2014	81,088	-	36,590	53,152	9,371	180,201

**2014**  
**\$**

**2013**  
**\$**

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
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**13. INVESTMENT IN ASSOCIATE**

Shares in unlisted company – at cost Blue Card Training Pty. Ltd.	100	100
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**14. PAYABLES**

Deferred Revenues	30,000	-
Creditors – Branches	131,257	188,844
Creditors – Other	1,405,561	793,336
	<u>1,566,818</u>	<u>982,180</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**15. CASH FLOW INFORMATION**

(a)	For the purpose of the Statement of Cash Flows, Cash includes: Cash on hand and in at call deposits with banks or financial institutions, net of bank overdrafts.	<b>2014</b> \$	<b>2013</b> \$
	Cash at Bank	269,162	415,556
	Cash on Hand	1,000	1,000
	Deposits at call	-	779
		<u>270,162</u>	<u>417,335</u>
(b)	Reconciliation of cash flow from operations with operating result		
	<b>Operating Deficit</b>	(972,120)	(617,689)
	<b>Non Cash Flows in Operating Result</b>		
	Depreciation	173,437	175,271
	Loss on Disposal of Assets	2,749	1,713
	<b>Changes in assets and liabilities</b>		
	Increase/(Decrease) in Payables	584,638	353,403
	Decrease/(Increase) in Receivables	(198,734)	(341,178)
	Increase in Employees Entitlements	44,064	47,294
	<b>CASH FLOWS FROM OPERATIONS</b>	<u>(365,966)</u>	<u>(381,186)</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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**16. AMOUNTS DUE FROM BRANCHES**

	<b>NSW &amp; ACT</b>	<b>VIC/TAS</b>	<b>SA &amp; NT</b>	<b>QLD</b>	<b>WA</b>	<b>TOTAL</b>
<b>AMOUNTS DUE FROM BRANCHES AT 1 JANUARY 2014</b>						
Sustentation Fees	180,713	210,435	36,248	169,085	169,085	765,566
A.C.T.U. Contributions	43,412	-	-	-	-	43,412
Litigation Reimbursement	12,909	12,909	12,909	12,909	12,909	64,545
Training Levy	-	-	-	-	-	-
National Organising Fund	-	-	-	-	-	-
Other	(7,940)	22,334	2,417	20,050	13,027	49,888
	<u>229,094</u>	<u>245,678</u>	<u>51,574</u>	<u>202,044</u>	<u>195,021</u>	<u>923,411</u>

**AMOUNTS CHARGED TO BRANCHES**

Sustentation Fees	1,283,203	1,236,234	343,550	775,327	833,063	4,471,378
A.C.T.U. Contributions	44,880	30,146	8,466	19,116	20,060	122,668
Litigation reimbursement	175,449	142,041	144,533	143,309	144,533	749,865
Training Levy	11,220	7,537	2,116	4,779	5,015	30,667
National Organising Fund	-	-	-	-	-	-
Other	9,347	8,554	8,554	8,774	9,114	44,342
	<u>1,524,099</u>	<u>1,424,511</u>	<u>507,219</u>	<u>951,306</u>	<u>1,011,785</u>	<u>5,418,920</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**AMOUNTS RECEIVED FROM BRANCHES**

Sustentation Fees	1,348,437	1,193,287	342,092	830,764	890,238	4,604,818
A.C.T.U. Contributions	43,412	-	-	-	20,060	63,472
Litigation reimbursement	164,445	120,057	138,328	24,461	132,148	579,440
Training Levy	11,220	-	2,116	-	5,015	18,352
National Organising Fund	-	-	-	-	-	-
Other	841	30,888	6,287	28,604	22,141	88,761
	<u>1,568,355</u>	<u>1,344,232</u>	<u>488,824</u>	<u>883,829</u>	<u>1,069,602</u>	<u>5,354,843</u>

**AMOUNTS DUE FROM BRANCHES AT 31 DECEMBER 2014**

Sustentation Fees	115,480	253,383	37,706	113,648	111,909	632,126
A.C.T.U. Contributions	44,880	30,146	8,466	19,116	-	102,608
Litigation reimbursement	23,912	34,893	19,113	131,757	25,294	234,970
Training Levy	-	7,537	-	4,779	-	12,316
National Organising Fund	-	-	-	-	-	-
Other	566	-	4,683	221	-	5,469
	<u>184,838</u>	<u>325,958</u>	<u>69,969</u>	<u>269,521</u>	<u>137,203</u>	<u>987,488</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**17. RELATED PARTY DISCLOSURES**

**(a) Related party transactions**

Transactions with related parties are on normal terms and conditions no more favourable than those available to other parties, unless otherwise stated.

- (a) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Financial Report (Note 5 (d)).
- (b) The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officers was \$55,034 (2013: \$51,038).
- (c) There have been no other transactions between the officers and the National Council other than those relating to their membership of National Council and the reimbursement by National Council in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.
- (d) Sustentation Fees received from and administration fees paid to the Transport Workers' Union State Branches are disclosed as income and expenses respectively in the Statement of Comprehensive Income and as cash received and cash paid respectively in Note 8(a).
- (e) Amounts receivable from and payable to the Transport Workers' of Australia State Branches at balance date are disclosed at Note 14 and Note 10 of the accounts respectively.

**(b) Key management personnel remuneration**

Key management persons are those persons having authority and responsibility for planning, directing and controlling the activities of the Branch, directly or indirectly, including any member of the Committee of Management. Key management personnel remuneration includes the following expenses:

	2014	2013
	\$	\$
<b>Short-term employee benefits</b>		
Wages and Salaries	201,118	244,326
Annual leave	21,740	9,448
Other employee expenses	61,862	58,244
<b>Post-employment benefits</b>		
Superannuation	55,034	51,038
<b>Other long-term employee benefits</b>		
Long service leave	(22,803)	16,608
<b>Total</b>	<u>316,951</u>	<u>379,664</u>

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**18. SUPERANNUATION**

Employees of National Council are entitled to benefits from a superannuation plan on retirement, disability or death. National Council participated in a defined contribution plan. The benefits provided under this plan are based on accumulated contributions and earnings for each employee. National Council's liability is limited to paying the contributions to the plan.

**19. CAPITAL AND LEASING COMMITMENTS**

**Operating Lease Commitments**

Non-cancellable operating leases contracted for, but not capitalised in the financial statements:

	2014	2013
	\$	\$
No longer than 1 year	26,667	98,983
Longer than 1 year but not longer than 5 years	-	-
	<u>26,667</u>	<u>98,983</u>

**20. FINANCIAL RISK MANAGEMENT**

*(a) General objectives, policies and processes*

The National Council is exposed to risks that arise from its use of financial instruments. This note describes the National Council's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the National Council's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The National Council's financial instruments consist mainly of deposits with banks and receivables. The main risks the National Council is exposed to through its financial instruments are interest rate risk (see section (d (i)) below), liquidity risk and credit risk.

The National Council, The National Committee of Management and the National Secretary (in cascading order) have overall responsibility for the determination of the Reporting Unit's risk management objectives and policies.



**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

(b) *Credit Risk*

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the National Council incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the National Council.

There is no concentration of credit risk with respect to current and non-current receivables.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:

	2014	2013
	\$	\$
Cash and cash equivalents	270,162	417,335

The cash and cash equivalents are held in high quality Australian financial institution.

Debtors - Branches	1,086,237	869,375
Sundry Debtors	-	3,084
Total accounts receivable	<u>1,086,237</u>	<u>872,459</u>

There has been no history of default, no amounts are past due and all receivables are likely to be repaid within the expected terms.

(c) *Liquidity Risk*

Liquidity risk is the risk that the National Council may encounter difficulties raising funds to meet commitments associated with financial instruments. The National Council is not significantly exposed to this risk. As at 31 December 2014 it had \$270,162 (2013: \$417,335) of Cash and Cash Equivalents and \$4,500,530 (2013: \$4,748,911) of Other Financial Assets (Term Deposits) to meet these obligations as they fall due. Financial liabilities at 31 December 2014 totalled \$1,566,818 (2013: \$982,180). The National Council manages liquidity risk by monitoring cash flows.

(d) *Market Risk*

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

(e) *Interest Rate Risk*

National Council's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarised below:

<b>31 December 2014</b>	<b>Fixed Interest rate</b>	<b>Floating interest rate</b>	<b>Non- interest Bearing</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>				
Cash and cash equivalents	-	269,162	1,000	270,162
Held- to maturity investments	4,500,530	-	-	4,500,530
Available for sale financial asset	1,085,102	-	-	1,085,102
Receivables	-	-	1,086,237	1,086,237
<b>Total financial assets</b>	<b>5,585,632</b>	<b>269,162</b>	<b>1,087,237</b>	<b>6,942,031</b>
Weighted average Interest rate	3.55%	0.04%	-	-
<b>Financial Liabilities</b>				
Payables	-	-	(1,566,818)	(1,566,818)
<b>Net Financial Assets</b>	<b>5,585,632</b>	<b>269,162</b>	<b>(479,581)</b>	<b>5,375,213</b>

<b>31 December 2013</b>	<b>Fixed Interest rate</b>	<b>Floating interest rate</b>	<b>Non- interest Bearing</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Financial Assets</b>				
Cash and cash equivalents	-	416,335	1,000	417,335
Held- to maturity investments	4,748,911	-	-	4,748,911
Available for sale financial asset	1,100,647	-	-	1,100,647
Receivables	-	-	1,032,400	1,032,400
<b>Total financial assets</b>	<b>5,849,558</b>	<b>416,335</b>	<b>1,033,400</b>	<b>7,299,293</b>
Weighted average Interest rate	4.06%	0.05%	-	-
<b>Financial Liabilities</b>				
Payables	-	-	(982,180)	(982,180)
<b>Net Financial Assets</b>	<b>5,849,558</b>	<b>416,335</b>	<b>51,220</b>	<b>6,317,113</b>

TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

Sensitivity Analysis

2014	Carrying Amount	+0.5% (50 basis points) Profit	-0.5% (50 basis points) Loss
	\$	\$	\$
Cash Assets	<u>270,162</u>	<u>1,351</u>	<u>(1,351)</u>
2013			
Cash Assets	<u>417,335</u>	<u>2,087</u>	<u>(2,087)</u>

(f) *Other Price Risks*

The National Council manages risks arising from share price fluctuations as deemed appropriate.

(g) *Foreign Exchange Risk*

The National Council is not directly exposed to foreign exchange rate.

**21. UNION DETAILS**

The registered office and the principal place of business of the Union is

2<sup>nd</sup> Floor, 388-390 Sussex Street,  
Sydney, NSW 2000

Level 17, 363 Kent Street  
Sydney NSW 2000

Correspondence to  
Locked Bag Q800  
QVB Post Office  
Sydney NSW 1230

T +61 2 8297 2400  
F +61 2 9299 4445  
E [info.nsw@au.gt.com](mailto:info.nsw@au.gt.com)  
W [www.grantthornton.com.au](http://www.grantthornton.com.au)

## **Independent Auditor's Report To the Members of Transport Workers' Union of Australia National Council**

### **Report on the concise financial report**

We have audited the accompanying concise financial report of Transport Workers' Union of Australia National Council comprises the statement of financial position as at 31 December 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and related notes, derived from the audited financial report of Transport Workers' Union of Australia National Council for the year ended 31 December 2014. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards and accordingly, reading the concise financial report is not a substitute for reading the audited financial report.

### **Directors responsibility for the concise financial report**

The Directors are responsible for the preparation of the concise financial report in accordance with Accounting Standard AASB 1039 Concise Financial Reports, and the Corporations Act 2001, and for such internal control as the directors determine are necessary to enable the preparation of the concise financial report.

### **Auditor's responsibility**

Our responsibility is to express an opinion on the concise financial report based on our audit procedures which were conducted in accordance with Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Transport Workers' Union of Australia National Council for the year ended 31 December 2014. Our audit report on the financial report for the year was signed on 28 April 2015 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan

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and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the concise financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the concise 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.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039 Concise Financial Reports.

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 Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Transport Workers' Union of Australia National Council would be in the same terms if given to the directors as at the time of this auditor's report.

### **Auditor's opinion**

In our opinion,

- a. the concise financial report of Transport Workers' Union of Australia National Council for the year ended 31 December 2014 complies with Accounting Standard AASB 1039 Concise Financial Reports.
- b. the Committee of Management has appropriately applied the going concern basis of accounting.

**Report on the recovery of wages activity**

The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2)(c) of the Fair Work Act 2009 (Registered Organisations). 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. We have been advised that no recovery of wages activity has been undertaken in the current financial year. Accordingly we have not been instructed by the committee of management to include in the scope of the audit required under subsection 257(1) of the RO Act all recovery of wages activity by the reporting unit from which revenues had been derived for the financial year in respect of such activity.

**Auditor's opinion on the recovery of wages activity financial report**

Based upon the management statements above, no opinion is expressed on the recovery of wages activity financial report of Transport Workers Union of Australia New South Wales Branch presents fairly all reporting guidelines of the General Manager, including:

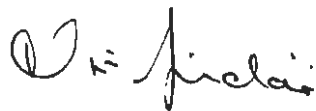
- i any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- ii any donations or other contributions deducted from recovered money

**Other Matters**

The signor is an Approved Auditor (who holds a current Public Practice Certificate) with the Institute of Chartered Accountants in Australia, and is a registered company auditor.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



Neville Sinclair  
Partner - Audit & Assurance

Sydney, 16 April 2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL**

**CONCISE FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

Notice to members

This concise financial report is an extract from the financial report.  
The financial statements and specific disclosures included in the concise financial report have been derived from the financial report;  
The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the financial report; and further financial information can be obtained from the financial report and that the financial report is available, free of charge, on request to the entity.

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL**

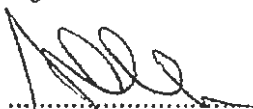
**OPERATING REPORT**

The National Committee of Management presents its operating report of the Transport Workers' Union of Australia, National Council for the financial year ended 31 December 2014.

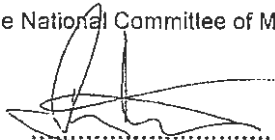
1. The principal activity of National Council during the financial year was that of governing body of the Transport Workers' Union of Australia. No significant changes in the nature of that activity occurred during the year.
2. There were no significant changes to National Council's financial affairs during the year.
3. National Council's principal activity resulted in a deficit for the year of \$972,120.
4. In accordance with Section 174(1) of the Fair Work (Registered Organisations) Act 2009 a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.
5. The following officers of the Transport Workers Union of Australia, National Council are directors of the TWU Superannuation fund: Mr Anthony Sheldon and Mr Michael Kaine.
6. The number of members of the Transport Workers Union of Australia at 31 December 2014 was 74,150. (The change in figure from 2013 is the result of amendments to branch methodology regarding the number of members recorded on the registers of members. The change does not represent a fall in financial membership but a reduction in the number of non-financial members recorded on the registers.)
7. The number of persons who were employees of National Council on 31 December 2014 was 26 (2013: 23), where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis.
8. The names of each person who were members of the National Committee of Management at any time during the financial year are as follows:

Name	Period Position Held
Anthony Sheldon	1 January 2014 to 31 December 2014
Michael Kaine	1 January 2014 to 31 December 2014
Rick Burton	1 January 2014 to 14 April 2014
Wayne Forno	1 January 2014 to 31 December 2014
Wayne Mader	1 January 2014 to 31 December 2014
Ray Wyatt	1 January 2014 to 31 December 2014
Peter Biagini	1 January 2014 to 31 December 2014
Tim Dawson	14 April 2014 to 31 December 2014

Signed in accordance with a resolution of the National Committee of Management.



ANTHONY SHELDON  
2 July 2015



RAY WYATT



**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL**

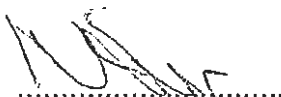
**NATIONAL COMMITTEE OF MANAGEMENT'S STATEMENT**

On 15 April 2015 the National Committee of Management of Transport Workers Union of Australia, National Council passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2014.

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

- (a) the financial report and notes comply with Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- (c) the financial report 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 ended 31 December 2014;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year ended 31 December 2014 and since the end of the financial year:
  - (i) meetings of the National Committee of Management were held in accordance with the rules of the organisation; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulation 2009; and
  - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the branches of the organisation; and
  - (v) no information has been sought in any request of a member of the reporting unit or the General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and
  - (vi) no orders have been made for inspection of the financial records by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009;
- (f) During the financial year ended 31 December 2014 the National Council did not participate in any recovery of wages activity.

For the National Committee of Management



**ANTHONY SHELDON**

15 April 2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL  
CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**DISCUSSION AND ANALYSIS INFORMATION**

The financial statements and disclosures in the concise financial report have been derived from the 2014 financial report of the Transport Workers' Union of Australia National Council.

The concise report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial report.

A copy of the full financial report and auditors report can be sent to any member, free of charge, upon request.

This discussion and analysis is provided to assist members in understanding the concise report and is based on the Transport Workers' Union of Australia National Council 2014 financial report.

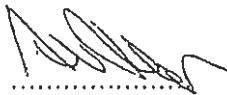
**Statement of Comprehensive Income and Statement of Financial Position**

The deficit for the year 2014 was \$972,120. Almost \$400,000 of this was attributable to what many TWU members have identified as a politically motivated Royal Commission - instigated by the conservative federal government into the industrial wing of the labour movement, Unions. If that extraordinary expense had not been incurred, the deficit would have improved considerably in comparison to 2013 with non-royal commission expenses down by \$50,000.

In 2014, the National Committee of Management and the National Council endorsed the "Towards 2035" Vision and Strategic Plan. Implementation of the plan commenced in 2014 and led to an agreed and significant allocation of resources to organising, research and mapping in the key areas of road transport & distribution and aviation. Important progress has been made in these campaigns with substantial projects underway across the country including in Cairns, Adelaide and Sydney. Together with increased affiliations to relevant bodies necessary to achieving the 2035 Vision, the lift in campaign and organising intensity accounted for the majority of the balance of expenditure.

**Cash Flow Statement**

The cash flow of the National Council has been managed to ensure liabilities are met when they fall due. Cash at the end of the year amounted to \$270,162 and reflects consistency in the cash flow experienced during the year. (2013: \$417,335). National Council continues to perform to expectations.



**ANTHONY SHELDON**  
NATIONAL SECRETARY  
16 April 2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL  
CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 \$	2013 \$
<b>INCOME</b>			
Capitation/ Sustentation Fees	4	4,471,378	4,392,172
ACTU Contributions		122,668	142,689
Distribution from Available-for-sale Financial Assets		36,707	65,373
National Training Fund		30,667	51,306
Grant Income		44,980	20,883
Legal Fees Reimbursement from Branches		777,231	64,544
Interest Received		175,516	211,130
Sundry Income		11,483	(70,629)
Sponsorship TWU Super		31,926	16,818
Trustee Fees Received		30,000	30,000
ITF		2,604	-
FWEIP Grant		-	202,022
<b>TOTAL INCOME</b>		<b>5,735,160</b>	<b>5,126,308</b>
<b>EXPENDITURE</b>			
<b>Depreciation</b>		<b>173,437</b>	<b>175,271</b>
<b>Employee benefits expense</b>			
Accrued Annual Leave		71,326	23,044
Accrued LSL		(10,909)	24,249
Fringe Benefits Tax		25,264	4,421
Salaries		2,278,884	2,178,519
Superannuation		267,529	229,582
		<b>2,632,094</b>	<b>2,459,815</b>
<b>Other expenses</b>			
Advertising		5,938	4,470
Affiliation Fees		420,808	326,783
Accommodation		55,838	82,513
ACTU Levy		160,000	80,000
Auditors' Remuneration		26,673	35,050
Bank Charges		2,806	5,702
Building Expenses		34,480	69,018
Campaign Expenses		208,036	187,913
Overnight /Interstate		47,245	22,633
Computer Maintenance		79,744	165,370
Donations		3,650	60,004
Gifts		1,785	4,879
Functions		4,121	51
FWEIP Expenses		-	113,922
National Committee of Mgmt. Expenses		127,393	54,018
National Council		79,241	109,077
General Expenses		15,911	17,277
<b>Carried forward</b>		<b>1,273,671</b>	<b>1,339,018</b>

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL  
CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)**

Brought Forward	1,273,671	1,339,018
Insurance	18,328	39,371
Lease Rental Expenses – Operating leases	62,158	3,211
Legal & Professional Fees	1,232,829	286,363
Loss on Disposal of Assets	2,749	1,713
Meeting Expenses	33,726	85,546
Merchandise	2,158	2,476
Motor Vehicle Expenses	30,716	28,602
Overseas Expenses	-	-
Organising Assistance	3,640	6,055
Payroll Tax	128,991	117,121
Postage & Freight	15,103	9,433
Printing and Stationery	72,672	111,316
Publications	14,106	21,756
Reimbursement to S.A./N.T. Branch	-	-
Reimbursement to Branches	158,654	358,091
Records Storage	730	712
Repairs and Maintenance	4,773	1,289
Rent	266,551	220,142
Seminar and Course Fees	-	9,184
Staff Amenities	21,115	36,249
Telephone and Faxes	76,976	97,554
Training & Research Projects	16,116	24,993
Travelling Expenses	396,581	283,379
TUF FWEIP ITF Project Expense	-	5,523
Workers Compensation	13,481	19,813
NT Expenses	36,897	-
Entertainment	19,029	-
	<u>3,901,748</u>	<u>3,108,910</u>
<b>TOTAL EXPENDITURE</b>	<u>6,707,280</u>	<u>5,743,996</u>
<b>DEFICIT FOR THE YEAR</b>	<u>(972,120)</u>	<u>(617,689)</u>
<b>OTHER COMPREHENSIVE INCOME</b>		
Increase/(Decrease) in Value of Available-for-Sale Financial Assets	(16,103)	158,386
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>(16,103)</u>	<u>158,386</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
NATIONAL COUNCIL  
CONCISE FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**TOTAL COMPREHENSIVE LOSS FOR THE YEAR** (988,223) (459,303)  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2014**

	Note	2014 \$	2013 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	9	270,162	417,335
Receivables	10	1,231,134	1,032,400
Other Financial Assets	9	4,500,530	4,748,911
Available-for-sale Financial Assets	11	1,085,102	1,100,647
<b>TOTAL CURRENT ASSETS</b>		<u>7,086,928</u>	<u>7,299,293</u>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	12	180,201	327,357
Investment in Associate	13	100	100
<b>TOTAL NON-CURRENT ASSETS</b>		<u>180,301</u>	<u>327,457</u>
<b>TOTAL ASSETS</b>		<u>7,267,229</u>	<u>7,626,750</u>
<b>CURRENT LIABILITIES</b>			
Payables	14	1,566,818	982,180
Provision for Accrued Annual Leave		193,272	121,945
Provision for Long Service Leave		39,205	66,468
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,799,295</u>	<u>1,170,593</u>
<b>NET ASSETS</b>		<u>5,467,934</u>	<u>6,456,157</u>
Accumulated Funds		5,308,390	6,280,510
Available for Sale Reserve		159,544	175,647
<b>TOTAL EQUITY</b>		<u>5,467,934</u>	<u>6,456,157</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**NATIONAL COUNCIL**  
**CONCISE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS AND RESERVES**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

	Accumulated Funds	Available-for- sale Investment Reserve	Total Equity
	\$	\$	\$
<b>Balance at 1 January 2013</b>	6,898,199	17,261	6,915,460
Deficit for the year	(617,689)	-	(617,689)
<i>Other Comprehensive Income</i>			
Increase/(Decrease) in Value of Available-for-Sale Financial Assets	-	158,386	158,386
Total Comprehensive Loss for the year	(617,689)	158,386	(459,303)
<b>Balance at 31 December 2013</b>	6,280,510	175,647	6,456,157
Deficit for the year	(972,120)	-	(972,120)
<i>Other Comprehensive Income</i>			
Increase/(Decrease) in Value of Available-for-Sale Financial Assets	-	(16,103)	(16,103)
Total Comprehensive Loss for the year	(972,120)	(16,103)	(988,223)
<b>Balance at 31 December 2014</b>	5,308,390	159,544	5,467,934

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014	2013
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Sustentation Fees	4,701,653	4,368,455
ACTU Contributions	134,935	207,668
Interest and Distributions Received	205,065	272,965
Grants Received	47,584	222,905
National Organising Fund	-	-
Legal fee reimbursement	637,384	184,420
Other Income	303,239	77,594
Payments to Suppliers and Employees	(6,395,826)	(5,715,193)
	<hr/>	<hr/>
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	(365,966)	(381,186)
	<hr/>	<hr/>
Payment for Available-for-sale Investment	(558)	-
Payment for Property, Plant and Equipment	(30,080)	(131,111)
Proceeds from Sale of Property, Plant & Equipment	1,049	6,891
Payment for Term Deposits invested	-	(4,748,911)
Proceeds from Term Deposit redeemed	248,381	-
	<hr/>	<hr/>
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	218,793	(4,873,131)
	<hr/>	<hr/>
<b>NET (DECREASE) IN CASH HELD</b>	(147,173)	(5,254,317)
	<hr/>	<hr/>
Cash at Beginning of Year	417,335	5,671,652
	<hr/>	<hr/>
<b>CASH AT END OF YEAR</b>	270,162	417,335
	<hr/>	<hr/>

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**NOTES TO THE CONCISE FINANCIAL REPORT  
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**NOTE 1: BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT**

The Concise Financial Report has been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board and the Fair Work (Registered Organisations) Act 2009.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full report of the Transport Workers' Union of Australia National Council. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financials position and financing and investing activities of Transport Workers' Union of Australia National Council as the full financial report.

**NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER OF FAIR WORK AUSTRALIA**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272 of the Fair Work (Registered Organisations) Act 2009 which read as follows:

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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).

**NOTE 3: RECOVERY OF WAGES ACTIVITY  
FOR THE YEAR ENDED 31 DECEMBER 2014**

The Transport Workers' Union of Australia - National Council has not undertaken recovery of wages activity. The Federal office does assist with recovery of TWU member wages.

However as and when decreed by the court we confirm that any settlement or recovery of wages is directly managed between the employer and the employee (i.e. State Branch TWU member) and at no point of time is any money banked in the Union's TWU National Council bank account. Reportable amounts are NIL for:

- 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.



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**4. Statement of Accounting Policies**

**a) Going concern**

The National Council ability to continue as a going concern is reliant on the on-going sustentation fees paid by the State branches.

The terms and conditions are as follows:

- i. The State branches must pay the National Council 17.64% of the total fees received by the State branches as Entrance fees and Annual Fees in each calendar month;
- ii. The payments must be made to the National Council within 21 days of the last day of the month in which the dues are received by the State Branches;
- iii. The payments of Sustentation Fees must not be used by Branches for any other purpose.

**b) Going concern support**

The National Council has not agreed to provide financial support to any other reporting units to ensure they can continue on a going concern basis.

**c) Amalgamations and Restructures**

There have been no amalgamations or restructures in the financial year and previous financial year. No assets or liabilities have been acquired as a result of any amalgamations or restructures.

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**5. Income**

**(a) Capitation/Sustentation fees**

	2014	2013
	\$	\$
NSW & ACT	1,283,203	1,285,974
VIC & TAS	1,236,234	1,233,140
QLD	775,327	773,967
WA	833,063	808,793
SA	343,550	290,298
<b>Total Capitation/Sustentation fees</b>	<u>4,471,378</u>	<u>4,392,172</u>

**(b) Other income**

The following income items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. Membership fees
- b. Compulsory levies
- c. Donations or grants
- d. Other financial support from other reporting units

**6. Expenses**

**(a) Fees and periodic subscriptions are paid in respect of its affiliation to any political party, any federation, congress, council or group of organizations, or any international body having an interest in industrial matters**

	2014	2013
	\$	\$
<b>Affiliation Fees</b>		
ACTU	285,818	274,182
International Trucking Federation	134,990	42,601
Australian Trucking Association	-	10,000
	<u>420,808</u>	<u>326,783</u>
	2014	2013
<b>Reimbursement to State Branches</b>	\$	\$
TWU of Australia - Victoria Branch	158,654	358,091

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**(b) Compulsory levies**

ACTU Levy	160,000	80,000
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The levy is imposed by ACTU as a fee for affiliation with the peak union body.

**NOTES TO THE CONCISE FINANCIAL REPORT  
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**(c) Donations**

2014

**Non-reportable donations less than or equal to \$1,000 (Incl. GST)**

Details to whom payment made	Purpose	\$
Australian Labor Party	Michael Daley's anniversary dinner	900
Australian Labor Party	ALP Fundraising event	750
Steve Kamper for Rockdale ALP	ALP Rockdale State Campaign	980

**Reportable donations exceeding \$1,000 (Incl. GST)**

Details to whom payment made	Purpose	\$
Greg Warren for Campbelltown ALP	ALP Campbelltown State Campaign	1,020

2013

**Non-reportable donations less than or equal to \$1,000 (Incl. GST)**

Details to whom payment made	Purpose	\$
Grayndler Federal campaign	Stamps	200

**Reportable donations exceeding \$1,000 (Incl. GST)**

Details to whom payment made	Purpose	\$
Rob Mitchell	McEwen Assembly Candidate	5,000
Mike Kelly	Eden Monaro Federal Campaign	5,000
Maritime Union of Australia	TUF Organising Campaign	5,000
Bill Shorten Leadership campaign	Australian Labor Leadership campaign	10,000
The McKell Institute	Institute Hosted a speech by the National Secretary- Tony Sheldon	1,000
Emma McBride	Dobell Federal Election campaign	5,000

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**Reportable donations exceeding \$1,000 (Incl. GST) Continued**

Details to whom payment made	Purpose	\$
Clare O'Neil	Hotham Campaign Fund	5,000
Maritime and Transport Industry	Support White Ribbon Lunch	1,000
Australian Labor Party- NSW Branch	Fundraising Lunch	2,000
Anthony Albanese	Grayndler Election Campaign	7,175
Philippine Airlines Employees Association	PALEA's strike and picket fund to aid PALEA workers	3,000

**(d) Employee expenses related to holders of office**

	2014	2013
	\$	\$
<b>Officers benefits expense</b>		
Wages and Salaries	201,118	244,326
Superannuation	55,034	51,038
Leave and other entitlements	(1,064)	26,056
Separation and redundancies	-	-
Other employee expenses	61,862	58,244
	<u>316,951</u>	<u>379,664</u>

**(e) Employee expenses related to employees (other than holders of office)**

	2014	2013
	\$	\$
<b>Employees benefits expense</b>		
Wages and Salaries	2,077,776	1,934,193
Superannuation	212,494	178,544
Leave and other entitlements	61,482	21,237
Separation and redundancies	63,089	95,355
Other employee expenses	27,974	91,176
	<u>2,442,805</u>	<u>2,320,505</u>

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**(f) Legal costs**

	2014	2013
	\$	\$
Legal costs - other	45,086	-
Legal costs - Litigation	1,187,743	286,363
	<u>1,232,829</u>	<u>286,363</u>

**(g) Other expenses**

The following expense items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. Payments to employers for payroll deduction activity
- b. Capitation fee payments to other reporting units
- c. Fees or allowances (other than those already disclosed above) paid to persons in respect of their attendances as representatives of the Union at conferences or other meetings.
- d. Expenses (other than expenses included in any amounts referred to above) 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
- e. Penalties imposed under the RO Act.

**7. DISCLOSURES IN RESPECT OF STATEMENT OF FINANCIAL POSITION**

**(a) Amounts receivable/payable to/from other reporting units of the Union**

Amounts receivable and payable in respect of the State Branches have been disclosed in Note 10 and Note 11 respectively. A breakdown of amounts due from Branches is disclosed in Note 12 and 13.

**(b) Legal costs payable**

	2014	2013
	\$	\$
Legal costs payable - other	-	-
Legal costs payable - Litigation	429,762	81,398
	<u>429,762</u>	<u>81,398</u>

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**(c) Employee provisions related to holders of office**

	2014	2013
	\$	\$
<b>Officers provisions</b>		
Annual leave	53,943	47,897
Long service leave	39,503	38,516
Separation and redundancies	-	-
Other employee provisions	-	-
	<u>93,446</u>	<u>86,413</u>

**(d) Employee provisions related to employees (other than holders of office)**

	2014	2013
	\$	\$
<b>Employees provisions</b>		
Annual leave	139,329	74,048
Long service leave	(298)	27,952
Separation and redundancies	-	-
Other employee provisions	-	-
	<u>139,031</u>	<u>102,000</u>

**(e) Other balances at 31 December 2014**

Items noted above as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009 which have not occurred in the reporting period do not have respective balances at year-end and therefore not disclosed. These include:

- a. Payables to employers as consideration for the employers making payroll deductions of membership subscriptions

**8. DISCLOSURES IN RESPECT OF STATEMENT OF CHANGES IN EQUITY**

The following equity items as prescribed under the reporting guidelines of the Fair Work (Registered Organisations) Act, 2009, have not occurred in the reporting period:

- a. No separate fund or account operated in respect of compulsory levies raised by the Union or voluntary contributions collected from members of the Union.
- b. No monies in respect of compulsory levies raised or voluntary contributions collected from members of the Union have been invested in any assets.
- c. No separate fund or account which is required by the rules of the Union or rules of a Branch of the Union.
- d. No transfer(s) and/or withdrawal(s) to a fund, account or controlled entity, when any of these are kept for a specific purpose(s) by the Union.

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**9. DISCLOSURES IN RESPECT OF STATEMENT OF CASH FLOWS**

**(a) Amounts received/paid to/from other reporting units of the Union**

Amounts received and paid in respect of the State Branches have been incorporated as part of the Statement of Cash Flows and detailed below.

	2014	2013
	\$	\$
Cash inflows from State Branches	4,061,942	4,854,202
Cash outflows to State Branches	158,654	358,091

**10. RECEIVABLES**

Accrued Interest & Distributions	55,298	46,428
Debtors – Branches	1,086,237	869,375
Sundry Debtors	-	3,084
Prepayments	89,599	113,513
	<u>1,231,134</u>	<u>1,032,400</u>

**11. PAYABLES**

Deferred Revenues	30,000	-
Creditors – Branches	131,257	188,844
Creditors – Other	1,405,561	793,336
	<u>1,566,818</u>	<u>982,180</u>

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**12. AMOUNTS DUE FROM BRANCHES**

	NSW & ACT	VIC/TAS	SA & NT	QLD	WA	TOTAL
<b>AMOUNTS DUE FROM BRANCHES AT 1 JANUARY 2014</b>						
Sustentation Fees	180,713	210,435	36,248	169,085	169,085	765,566
A.C.T.U. Contributions	43,412	-	-	-	-	43,412
Litigation Reimbursement	12,909	12,909	12,909	12,909	12,909	64,545
Training Levy	-	-	-	-	-	-
National Organising Fund	-	-	-	-	-	-
Other	(7,940)	22,334	2,417	20,050	13,027	49,888
	<u>229,094</u>	<u>245,678</u>	<u>51,574</u>	<u>202,044</u>	<u>195,021</u>	<u>923,411</u>

**AMOUNTS CHARGED TO BRANCHES**

Sustentation Fees	1,283,203	1,236,234	343,550	775,327	833,063	4,471,378
A.C.T.U. Contributions	44,880	30,146	8,466	19,116	20,060	122,668
Litigation reimbursement	175,449	142,041	144,533	143,309	144,533	749,865
Training Levy	11,220	7,537	2,116	4,779	5,015	30,667
National Organising Fund	-	-	-	-	-	-
Other	9,347	8,554	8,554	8,774	9,114	44,342
	<u>1,524,099</u>	<u>1,424,511</u>	<u>507,219</u>	<u>951,306</u>	<u>1,011,785</u>	<u>5,418,920</u>



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**13. AMOUNTS RECEIVED FROM BRANCHES**

	NSW & ACT	VIC/TAS	SA & NT	QLD	WA	TOTAL
Sustentation Fees	1,348,437	1,193,287	342,092	830,764	890,238	4,604,818
A.C.T.U. Contributions	43,412	-	-	-	20,060	63,472
Litigation reimbursement	164,445	120,057	138,328	24,461	132,148	579,440
Training Levy	11,220	-	2,116	-	5,015	18,352
National Organising Fund	-	-	-	-	-	-
Other	841	30,888	6,287	28,604	22,141	88,761
	<u>1,568,355</u>	<u>1,344,232</u>	<u>488,824</u>	<u>883,829</u>	<u>1,069,602</u>	<u>5,354,843</u>

**AMOUNTS DUE FROM BRANCHES AT 31 DECEMBER 2014**

Sustentation Fees	115,480	253,383	37,706	113,648	111,909	632,126
A.C.T.U. Contributions	44,880	30,146	8,466	19,116	-	102,608
Litigation reimbursement	23,912	34,893	19,113	131,757	25,294	234,970
Training Levy	-	7,537	-	4,779	-	12,316
National Organising Fund	-	-	-	-	-	-
Other	566	-	4,683	221	-	5,469
	<u>184,838</u>	<u>325,958</u>	<u>69,969</u>	<u>269,521</u>	<u>137,203</u>	<u>987,488</u>