



15 November 2016

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

By e-mail: tony.sheldon@twu.com.au
c.c.legal@twu.com.au

Dear Mr Sheldon

**Transport Workers' Union of Australia
Financial Report for the year ended 31 December 2015 - FR2015/385**

I acknowledge receipt of the amended financial report for the year ended 31 December 2015 for the Transport Workers' Union of Australia. The financial report was lodged with the Fair Work Commission (FWC) on 14 November 2016.

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

Whilst the 2015 report has been filed the following should be addressed in the preparation of the next financial report.

Committee of Management Statement

Reporting guideline 35 requires the committee of management statement to include the following:

- (e) iv. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a manner consistent with each of the other reporting units of the organisation; and

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

Yours sincerely

A handwritten signature in black ink, appearing to read 'K. Morgan', with a stylized flourish at the end.

Ken Morgan
Financial Reporting Advisor
Regulatory Compliance Branch

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 2015; and
- that, in accordance with s266 of the *RO Act*, the full report was presented to the relevant meeting as follows:
 - to the National Committee of Management of the reporting unit on 3 November 2016 (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 14 November 2016 in accordance with section 265 of the RO Act.

Anthony Sheldon



National Secretary
14 November 2016

Grant Thornton Audit Pty Ltd
ACN 130 913 594

Level 17, 383 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
W www.grantthornton.com.au

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 2015, 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.

Grant Thornton Audit Pty Ltd ACN 130 913 594
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a current scheme applies.

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, the financial report of Transport Workers' Union of Australia - National Council:

- i. The GPFR presents fairly, in all material respects, the Trade Union's financial position as at 31 December 2015 and of its performance and cash flows for the year then ended ; and
- ii. complies with Australian Accounting Standards and the relevant legislation;
- iii. The National Committee of Management appropriately applied the going concern basis of accounting.
- iv. Complies with any other requirement imposed by these reporting guidelines or Part 3 of Chapter 8 of the RO Act

Report on the recovery of wages activity

The National 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



Madeleine Mattera
Partner - Audit & Assurance

Sydney, 3 November 2016

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

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

ANALYSIS OF FINANCIAL STATEMENTS

The Transport Workers' Union of Australia National Council (National Office) presents its reports for the 2015 financial year.

Statement of Comprehensive Income and Statement of Financial Position:

REVENUE

Revenue earned from Sustainment Fees year was \$4,546,752 which when compared to the prior year has increased by \$75,374 (2014: \$4,471,378).

The total income generated by the branch was \$5,486,075, a decrease of (\$249,085) when compared to the prior year (2014: \$5,735,160).

EXPENDITURE

- (i) **Employee Related Payments (ERP)** for the year was \$2,586,971 which includes salary on-costs, Superannuation payments, FBT, and annual 3% salary increase. (2014: \$2,632,094)
- (ii) **Operating Expenditure** for the year was \$2,941,326 (2014: \$4,075,186). The decrease in expenditure by (\$1,133,860) mainly relates to the Royal Commission investigation ending and the related costs no longer being incurred.
- (iii) **Cumulative Operating Expenditure** which includes Employee Related payments for the year was \$5,528,297 (2014: \$6,707,280).

NET POSITION

The deficit for the year 2015 was \$42,222. The substantial improvement on the 2014 result (deficit \$972,120) was largely attributable to a reduction in the costs incurred by the Union in defence of the politically motivated Royal Commission, instigated by the conservative federal government into the industrial wing of the labour movement. Although reduced, Royal Commission Costs still affected the National Council accounts in 2015. Absent the cost of that ongoing political attack, the final position in 2015 would have been a surplus of approximately \$38,000.


In 2014, the National Committee of Management and the National Council endorsed the "Towards 2035" Vision and Strategic Plan. Implementation of the plan continued and escalated in 2015 with increased activity in our Road Transport and Aviation campaigns. This included: continuing member-led actions linked with strategic training and organising initiatives focussed on the pressures in the road transport industry as a result of major client pressure; the running of 5 major cases in the Road Safety Remuneration Tribunal in retail/long distance, cash-in-transit, oil fuel & gas, waste and ports & wharves; international endorsement/adoption of "Safe Rates" as a strategy through the International Transport Federation and the ILO; a concentration of organising activities in South Australia and NSW with preparatory work for organising pilots in other states.

In the aviation sector, the Union continued to develop its Safe & Secure Skies strategy including working on organising pilots in Cairns and Adelaide; mapping of airports; enterprise agreement negotiations; the training of key delegates and member activists; and international work and focus including leading the ITF in exposing reprehensible worker treatment at airlines such as Qatar.

The Union continued to enhance governance and financial controls, including the endorsement of the Accounting for Good Review of Financial Policy & Procedure Compliance. This longstanding and ongoing commitment to continuous improvement is a core value of the Transport Workers' Union across the country.

CASH FLOW STATEMENT

The cash flow of the National Office has been managed to ensure liabilities are met when they fall due. Cash at the end of the year amounted to \$134,082 and reflects consistency in the cash flow experienced during the year (2014: \$270,162). The Branch continues to perform to expectations.



.....
ANTHONY SHELDON
NATIONAL SECRETARY
03 November 2016

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 2015.

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 \$42,222.
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 2015 was 72,041.
7. The number of persons who were employees of National Council on 31 December 2015 was 23 (2014: 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:

a) Name	Period Position Held
Anthony Sheldon	1 January 2015 to 31 December 2015
Michael Kaine	1 January 2015 to 31 December 2015
Tim Dawson	1 January 2015 to 31 December 2015
Michael Aird	10 January 2015 to 31 December 2015
Wayne Forno	1 January 2015 to 9 January 2015
Wayne Mader	1 January 2015 to 31 December 2015
Ray Wyatt	1 January 2015 to 31 December 2015
Peter Biagini	1 January 2015 to 31 December 2015

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


.....
ANTHONY SHELDON
03 November 2016


.....
RAY WYATT


NATIONAL COMMITTEE OF MANAGEMENT'S STATEMENT

On 03 November 2016 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 2015.

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 statements and notes comply with the reporting guidelines of the General Manager;
- (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 2015;
- (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 2015 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 including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) no information has been sought in any request of a member of the reporting unit or the General Manager of Fair Work Commission under section 272 of the RO Act has been provided to the member or General Manager; and
 - (v) no orders for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance;
- (f) during the financial year ended 31 December 2015 the National Council did not participate in any recovery of wages activity.

For the National Committee of Management



ANTHONY SHELDON

03 November 2016

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 \$	2014 \$
INCOME			
Capitation/ Sustentation Fees	4	4,546,752	4,471,378
ACTU Contributions		120,032	122,668
Distribution from Available-for-sale Financial Assets		204,389	36,707
National Training Fund		30,008	30,667
Grant Income		7,895	44,980
Legal Fees Reimbursement from Branches		275,754	777,231
Interest Received		132,481	175,516
Sundry Income		73,446	14,087
Sponsorship TWU Super		35,318	31,926
Trustee Fees Received		60,000	30,000
TOTAL INCOME		<u>5,486,075</u>	<u>5,735,160</u>
EXPENDITURE			
Depreciation		<u>74,044</u>	<u>173,437</u>
Employee benefits expense			
Accrued Annual Leave	5(d,e)	(33,197)	71,326
Accrued LSL	5(d,e)	5,997	(10,909)
Fringe Benefits Tax	5(d,e)	68,803	25,264
Salaries	5(d,e)	2,281,925	2,278,884
Superannuation	5(d,e)	263,443	267,529
		<u>2,586,971</u>	<u>2,632,094</u>
Other expenses			
Advertising		3,111	5,938
Affiliation Fees		358,252	420,808
Accommodation		103,478	55,838
ACTU Levy		153,490	160,000
Auditors' Remuneration		30,761	26,673
Bank Charges		15,167	2,806
Building Expenses		37,515	34,480
Campaign Expenses		173,068	208,038
Overnight /Interstate		-	47,245
Computer Maintenance		70,194	79,744
Donations		-	3,650
Gifts		2,683	1,785
Functions		5,999	4,121
FWEIP Expenses		-	-
National Committee of Mgmt. Expenses		87,836	127,393
National Council		72,428	79,241
General Expenses		10,183	15,911
Carried forward		<u>1,124,165</u>	<u>1,273,671</u>

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

	Note	2015 \$	2014 \$
Brought Forward		1,124,165	1,273,671
Insurance		11,872	18,328
Lease Rental Expenses – Operating leases		56,513	62,158
Legal & Professional Fees	5(f)	545,896	1,232,829
Loss on Disposal of Assets		5,505	2,749
Meeting Expenses		40,815	33,726
Merchandise		989	2,158
Motor Vehicle Expenses		18,016	30,716
Organising Assistance		-	3,640
Payroll Tax		110,486	128,991
Postage & Freight		15,790	15,103
Printing and Stationery		42,098	72,672
Publications		24,350	14,106
Recruitment costs		13,381	46,400
Temporary staff costs		76,699	92,926
Reimbursement to Branches		-	19,326
Records Storage		800	730
Repairs and Maintenance		1,941	4,774
Rent		292,805	266,551
Seminar and Course Fees		-	-
Staff Amenities		12,557	21,115
Telephone and Faxes		79,406	76,976
Training & Research Projects		4,732	16,116
Travelling Expenses		316,376	396,581
TUF FWEIP ITF Project Expense		-	-
Workers Compensation		20,319	13,481
NT Expenses		39,921	36,897
Entertainment		11,850	19,029
		2,867,282	3,901,749
TOTAL EXPENDITURE		<u>5,528,297</u>	<u>6,707,280</u>
DEFICIT FOR THE YEAR		<u>(42,222)</u>	<u>(972,120)</u>
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit or loss			
Increase/(Decrease) in Value of Available - for - Sale Financial Assets		(30,826)	(16,103)
OTHER COMPREHENSIVE INCOME FOR THE YEAR		<u>(30,826)</u>	<u>(16,103)</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(73,048)</u>	<u>(988,223)</u>

(The accompanying notes form part of this financial report)

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

	Note	2015 \$	2014 \$
CURRENT ASSETS			
Cash and Cash Equivalents	9	134,082	270,162
Receivables	10	1,033,424	1,231,134
Other Financial Assets	9	4,000,350	4,500,530
Available-for-sale Financial Assets	11	<u>1,054,276</u>	<u>1,085,102</u>
TOTAL CURRENT ASSETS		<u>6,222,132</u>	<u>7,086,928</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	12	142,231	180,201
Investment in Associate	13	<u>-</u>	<u>100</u>
TOTAL NON-CURRENT ASSETS		<u>142,231</u>	<u>180,301</u>
TOTAL ASSETS		<u>6,364,363</u>	<u>7,267,229</u>
CURRENT LIABILITIES			
Payables	14	733,751	1,566,818
Provision for Accrued Annual Leave		190,523	193,272
Provision for Long Service Leave		<u>45,202</u>	<u>39,205</u>
TOTAL CURRENT LIABILITIES		<u>969,477</u>	<u>1,799,295</u>
NET ASSETS		<u>5,394,886</u>	<u>5,467,934</u>
Accumulated Funds		5,266,168	5,308,390
Available for Sale Reserve		<u>128,718</u>	<u>159,544</u>
TOTAL EQUITY		<u>5,394,886</u>	<u>5,467,934</u>

(The accompanying notes form part of this financial report)

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS AND RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Accumulated Funds	Available-for-sale Investment Reserve	Total Equity
	\$	\$	\$
Balance at 1 January 2014	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)
Balance at 31 December 2014	5,308,390	159,544	5,467,934
Deficit for the year	(42,222)	-	(42,222)
<i>Other Comprehensive Income</i>			
Increase/(Decrease) in Value of Available-for-Sale Financial Assets	-	(30,826)	(30,826)
Total Comprehensive Loss for the year	(42,222)	(30,826)	(73,048)
Balance at 31 December 2015	5,266,168	128,718	5,394,886

(The accompanying notes form part of this financial report)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Sustentation Fees		4,552,130	4,701,653
ACTU Contributions		202,357	134,935
Interest and Distributions Received		169,805	205,065
Grants Received		49,923	47,584
Legal fee reimbursement		506,050	637,384
Other Income		156,744	303,239
Payments to Suppliers and Employees		(6,225,529)	(6,395,826)
NET CASH USED IN OPERATING ACTIVITIES	15(b)	(588,520)	(365,966)
Payment for Available-for-sale Investment		-	(558)
Payment for Property, Plant and Equipment		100	(30,080)
Proceeds from Sale of Property, Plant & Equipment		(45,247)	1,049
Payment for Term Deposits invested		-	-
Proceeds from Term Deposit redeemed		497,587	248,381
NET CASH PROVIDED BY INVESTING ACTIVITIES		452,440	218,793
NET (DECREASE) IN CASH HELD		(136,080)	(147,173)
Cash at Beginning of Year		270,162	417,335
CASH AT END OF YEAR	15(a)	134,082	270,162

(The accompanying notes form part of this financial report)

**RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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. For the purpose of preparing the general purpose financial statements the Union is a not-for profit entity.

The financial statements were authorised for issue in accordance with a resolution of the committee of management on the 06 April 2016.

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 is a general purpose financial report (GPFR) and 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 sustentation 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.

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.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

(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 – 20%

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.

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.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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.

(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.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

(m) Accounting Standards

There were no new accounting standards which were adopted during the year.

(n) Administration by Another Entity

The national Council was not administered by another entity.

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 COMMISSION**

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 Commission, 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).

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

4. INCOME

Capitation/Sustentation fees

	2015	2014
	\$	\$
NSW & ACT	1,351,648	1,283,203
VIC & TAS	1,203,210	1,236,234
QLD	819,782	775,328
WA	833,771	833,063
SA	338,341	343,550
Total Capitation/Sustentation fees	<u>4,546,752</u>	<u>4,471,378</u>

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

	2015	2014
	\$	\$
Affiliation Fees		
ACTU	285,878	285,818
International Transport Workers Federation (ITF)	62,374	134,990
Australian Trucking Association	10,000	-
	<u>358,252</u>	<u>420,808</u>

Reimbursement to State Branches

TWU of Australia - Victoria Branch	-	19,326
------------------------------------	---	--------

- (b) Compulsory levies

ACTU Levy	153,490	160,000
-----------	---------	---------

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 2015**

(c) Donations

2015

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

Details to whom payment made	Purpose	\$
-	-	-

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

Details to whom payment made	Purpose	\$
-	-	-

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

(d) Employee expenses related to holders of office

	2015	2014
	\$	\$
Officers benefits expense		
Wages and Salaries	237,919	201,118
Superannuation	66,516	55,034
Leave and other entitlements	5,587	(1,064)
Separation and redundancies	-	-
Other employee expenses	61,733	61,862
	<u>371,755</u>	<u>316,951</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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

	2015	2014
	\$	\$
Employees benefits expense		
Wages and Salaries	1,870,129	2,077,776
Superannuation	196,927	212,494
Leave and other entitlements	(32,787)	61,482
Separation and redundancies	54,945	63,089
Other employee expenses	126,002	27,974
	<u>2,215,216</u>	<u>2,442,805</u>

(f) Legal costs

	2015	2014
	\$	\$
Legal costs - other	187,500	45,086
Legal costs - Litigation	358,396	1,187,743
	<u>545,896</u>	<u>1,232,829</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 paid to persons in respect of their attendances as representatives of the Union at conferences or other meetings.
- d. Expenses incurred in connection with holding meetings of members of the reporting unit and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible
- e. Penalties imposed under the RO Act
- f. No amounts paid in grants that were equal to or less than \$1,000 or in excess of \$1,000.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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

	2015	2014
	\$	\$
Legal costs payable - other	14,866	-
Legal costs payable - Litigation	31,167	429,762
	<u>46,032</u>	<u>429,762</u>

(c) Employee provisions related to holders of office

	2015	2014
	\$	\$
Officers provisions		
Annual leave	28,361	53,943
Long service leave	45,202	39,503
Separation and redundancies	-	-
Other employee provisions	-	-
	<u>73,563</u>	<u>93,446</u>

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

	2015	2014
	\$	\$
Employees provisions		
Annual leave	162,163	139,329
Long service leave	-	(298)
Separation and redundancies	-	-
Other employee provisions	-	-
	<u>162,163</u>	<u>139,031</u>

(e) Other balances at 31 December 2015

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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.
- 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.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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.

		2015	2014
		\$	\$
Cash inflows from State Branches	16	5,359,932	5,354,843
Cash outflows to State Branches (VIC Branch)		-	19,326

		2015	2014
		\$	\$
9. CASH AND CASH EQUIVALENTS			
Cash at Bank		133,082	269,162
Cash in Hand		1,000	1,000
		<u>134,082</u>	<u>270,162</u>

OTHER FINANCIAL ASSETS

Term Deposits		4,000,000	4,500,530
Refundable Security Deposit		350	-
		<u>4,000,350</u>	<u>4,500,530</u>

10. RECEIVABLES

Accrued Interest & Distributions		217,324	55,298
Debtors – Branches			
TWU of Australia NSW Branch ACT		13,812	25,705
TWU of Australia QLD Branch		72,647	358,554
TWU of Australia SA Branch		34,746	76,966
TWU of Australia VIC/TAS Branch		288,521	296,473
TWU of Australia WA Branch		120,773	150,924
TWU of Australia NSW		188,369	177,617
Sundry Debtors		5,040	-
Prepayments		92,192	89,599
		<u>1,033,424</u>	<u>1,231,134</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

11. AVAILABLE-FOR-SALE FINANCIAL ASSET

Integrity Australian Share Fund – Fair Value	1,053,718	1,084,544
Wesfarmers Share Holding – Fair Value	558	558

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 2015 provided by the investment management institution. Fair value increments have been recognised in other comprehensive income as a separate component of equity.

Movement Schedule	2015	2014
<u>Integrity Australian Share Fund</u>		
Opening January	1,084,544	1,100,647
Additions	-	-
Revaluations	(30,826)	(16,103)
Closing December	1,053,718	1,084,544
<u>Wesfarmers Share Holding</u>	558	558
Opening January	-	-
Additions	-	-
Disposals	-	-
Closing December	558	558

The Union measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets, financial liabilities and available-for-sale financial assets at fair value through profit or loss (FVTPL)
- The Union has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

(a) Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

11 (a) Fair value hierarchy (continued)

(i) Recognised fair value measurements

The following table presents the Union's assets and liabilities measured and recognised at fair value at 31 December 2015 and 2014

At 31 December 2015	Level 1	Level 2	Level 3	Total
Financial Assets				
Integrity Australian Share Fund – Fair Value	1,053,718	-	-	1,053,718
Wesfarmers Share Holding – Fair Value	558	-	-	558
Total Financial Assets	1,054,276	-	-	1,054,276
At 31 December 2014	Level 1	Level 2	Level 3	Total
Financial Assets				
Integrity Australian Share Fund – Fair Value	1,084,544	-	-	1,084,544
Wesfarmers Share Holding – Fair Value	558	-	-	558
Total Financial Assets	1,085,102	-	-	1,085,102

There were no transfers between levels for recurring fair value measurements during the year.

The Unions policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Disclosed fair values

For all financial instruments other than those measured at fair value, their carrying value approximates fair value. The carrying amounts of receivables and payables are assumed to approximate their fair values due to their short-term nature.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015 \$	2014 \$
12. PROPERTY, PLANT AND EQUIPMENT		
Office Furniture and Equipment – At Cost	273,220	273,220
Less: Accumulated Depreciation	<u>(208,833)</u>	<u>(192,132)</u>
	64,387	81,088
Library – At cost	75,135	75,135
Less: Accumulated Depreciation	<u>(75,135)</u>	<u>(75,135)</u>
	-	-
Computer Equipment – At cost	460,818	454,397
Less: Accumulated Depreciation	<u>(453,914)</u>	<u>(417,807)</u>
	6,904	36,590
Motor Vehicles – At cost	95,855	97,593
Less: Accumulated Depreciation	<u>(29,907)</u>	<u>(44,440)</u>
	65,948	53,153
Leasehold Improvements – At cost	13,182	13,182
Less: Accumulated Depreciation	<u>(8,190)</u>	<u>(3,812)</u>
	4,992	9,370
Total Property, Plant and Equipment	<u>142,231</u>	<u>180,201</u>

	Office Furniture and Equipment \$	Library \$	Computer Equipment \$	Motor Vehicles \$	Leasehold Improvements \$	Total \$
1 Jan 2015	81,088	-	36,590	53,152	9,371	180,201
Additions	-	-	6,419	75,500	-	81,919
Disposals	-	-	-	(45,845)	-	(45,845)
Depreciation	<u>(16,701)</u>	-	<u>(36,105)</u>	<u>(16,859)</u>	<u>(4,379)</u>	<u>(74,044)</u>
31 Dec 2015	64,387	-	6,904	65,948	4,992	142,231

13. INVESTMENT IN ASSOCIATE

Shares in unlisted company – at cost Blue Card Training Pty. Ltd. (in liquidation)	-	100
---	---	-----

14. PAYABLES

Deferred Revenues	30,000	30,000
Creditors – Other	631,988	1,405,561
Creditors – Branches		
TWU of NSW	645	215
TWU SA/NT Branch	101	-
TWU Qld Branch	-	84,910
TWU VIC/TAS Branch	-	18,253
TWU WA Branch	-	27,563
TWU Super Fund	<u>71,017</u>	<u>316</u>
	733,751	1,566,818

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015	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.		
Cash at Bank	133,082	269,162
Cash on Hand	1,000	1,000
Deposits at call	-	-
	134,082	270,162
(b) Reconciliation of cash flow from operations with operating result		
Operating Deficit	(42,222)	(972,120)
Non Cash Flows in Operating Result		
Depreciation	74,044	173,437
Loss on Disposal of Assets	11,766	2,749
Changes in assets and liabilities		
(Decrease)/Increase in Payables	(833,067)	584,638
Decrease/(Increase) in Receivables	197,710	(198,734)
Increase in Employees Entitlements	3,249	44,064
CASH FLOWS FROM OPERATIONS	(588,520)	(365,966)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

16. AMOUNTS DUE FROM BRANCHES

	NSW & ACT	VIC/TAS	SA & NT	QLD	WA	TOTAL
AMOUNTS DUE FROM BRANCHES AT 1 JANUARY 2015						
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	234,969
Training Levy	-	7,537	-	4,779	-	12,316
National Organising Fund	-	-	-	-	-	-
Other	566	-	4,683	221	-	5,470
	<u>184,838</u>	<u>325,959</u>	<u>69,968</u>	<u>269,521</u>	<u>137,203</u>	<u>987,489</u>

AMOUNTS CHARGED TO BRANCHES

Sustentation Fees	1,351,648	1,203,210	338,341	819,781	833,771	4,546,751
A.C.T.U. Contributions	43,638	29,650	8,296	18,596	19,852	120,032
Litigation reimbursement	75,258	35,051	55,136	55,174	55,136	275,755
Training Levy	10,910	7,413	2,074	4,649	4,963	30,009
National Organising Fund	-	-	-	-	-	-
Other	6,130	16,015	9,970	10,846	10,454	53,415
	<u>1,487,584</u>	<u>1,291,339</u>	<u>413,817</u>	<u>909,046</u>	<u>924,176</u>	<u>5,025,962</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

AMOUNTS RECEIVED FROM BRANCHES

	NSW & ACT	VIC/TAS	SA & NT	QLD	WA	TOTAL
Sustentation Fees	1,304,809	1,194,702	344,860	870,988	836,771	4,552,130
A.C.T.U. Contributions	68,235	59,796	16,762	37,712	19,852	202,357
Litigation reimbursement	98,073	69,543	73,848	184,557	80,029	506,050
Training Levy	10,910	14,950	2,074	9,428	4,963	42,325
National Organising Fund	-	-	-	-	-	-
Other	6,593	16,015	14,653	9,839	9,970	57,070
	<u>1,488,620</u>	<u>1,355,006</u>	<u>452,197</u>	<u>1,112,524</u>	<u>951,585</u>	<u>5,359,932</u>

AMOUNTS DUE FROM BRANCHES AT 31 DECEMBER 2015

Sustentation Fees	162,319	261,891	31,187	62,442	108,909	626,748
A.C.T.U. Contributions	20,283	-	-	-	-	20,283
Litigation reimbursement	1,097	401	401	2,373	401	4,673
Training Levy	-	-	-	-	-	-
National Organising Fund	-	-	-	-	-	-
Other	102	-	-	1,228	484	1,814
	<u>183,801</u>	<u>262,292</u>	<u>31,588</u>	<u>66,043</u>	<u>109,794</u>	<u>653,518</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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.

- (i) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Financial Report (Note 5 (d)).
- (ii) The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officers was \$ 66,516 (2014: \$55,034).
- (iii) 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.
- (iv) 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).
- (v) 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.
- (vi) National Council of the Transport Workers' Union of Australia is a member of Transport Education Audit Compliance Health Organisation (TEACHO) Limited. There were no transactions between this entity and the National Council of the Transport Workers' Union of Australia during the year.

(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:

	2015	2014
	\$	\$
Short-term employee benefits		
Wages and Salaries	237,919	201,118
Annual leave	5,587	21,740
Other employee expenses	61,733	61,862
Post-employment benefits		
Superannuation	66,516	55,034
Other long-term employee benefits		
Long service leave	-	(22,803)
Total	<u>371,755</u>	<u>316,951</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

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:

	2015	2014
	\$	\$
No longer than 1 year	290,909	26,667
Longer than 1 year but not longer than 5 years	484,848	-
	<u>775,757</u>	<u>26,667</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 (e (i)) below), liquidity risk and credit risk.

The Federal Committee of Management and the Federal Secretary have overall responsibility for the determination of the Branch's risk management objectives and policies.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

(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:

	2015	2014
	\$	\$
Cash and cash equivalents	134,082	270,162

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

Debtors - Branches	718,869	1,086,237
Sundry Debtors	5,039	-
Total accounts receivable	<u>723,908</u>	<u>1,086,237</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 2015 it had \$134,082 (2014: \$270,162) of Cash and Cash Equivalents and \$4,000,000 (2014: \$4,500,530) of Other Financial Assets (Term Deposits) to meet these obligations as they fall due. Financial liabilities at 31 December 2015 totalled \$733,751 (2014: \$1,566,818). 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).

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

(e) *Interest Rate Risk*

The Branch'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:

31 December 2015	Fixed Interest rate	Floating interest rate	Non-interest Bearing	Total
Financial Assets	\$	\$	\$	\$
Cash and cash equivalents	-	133,082	1,000	134,082
Held- to maturity investments	4,000,000	-	-	4,000,000
Available for sale financial asset	1,054,276	-	-	1,054,276
Receivables	-	-	723,908	723,908
Total financial assets	5,054,276	133,082	724,908	5,912,266
Weighted average Interest rate	3.55%	0.04%	-	-
Financial Liabilities				
Payables	-	-	733,751	733,751
Net Financial Assets	5,054,276	133,082	1,458,659	6,646,017

31 December 2014	Fixed Interest rate	Floating interest rate	Non-interest Bearing	Total
Financial Assets	\$	\$	\$	\$
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
Total financial assets	5,585,632	269,162	1,087,237	6,942,031
Weighted average Interest rate	3.55%	0.04%	-	-
Financial Liabilities				
Payables	-	-	(1,566,818)	(1,566,818)
Net Financial Assets	5,585,632	269,162	(479,581)	5,375,213

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

Sensitivity Analysis

2015	Carrying Amount	+0.5% (50 basis points) Profit	-0.5% (50 basis points) Loss
	\$	\$	\$
Cash Assets	<u>134,082</u>	<u>671</u>	<u>(671)</u>
2014			
Cash Assets	<u>270,162</u>	<u>1,351</u>	<u>(1,351)</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 PROFESSIONAL FEES

	2015	2014
	\$	\$
Audit Fees	30,761	26,673
Audit Other Fees	-	-
	<u>30,761</u>	<u>26,673</u>

22. UNION DETAILS

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

2nd Floor, 388-390 Sussex Street,
Sydney, NSW 2000

(insert GT audit report)

Level 17, 383 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
W 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 2015, 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 2015. 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 Fair Work (Registered Organisations) Act 2009, 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 2015. Our audit report on the financial report for the year was signed on 31 November 2016 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit

Grant Thornton Audit Pty Ltd ABN 94 269 609 023

ACN 130 913 594

a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a current scheme applies.

engagements and plan 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.

Auditor's opinion

In our opinion, the concise financial report of Transport Workers' Union of Australia National Council for the year ended 31 December 2015 complies with Accounting Standard AASB 1039 Concise Financial Reports and the Fair Work Act 2009 (Registered Organisations)

In our opinion 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.

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:

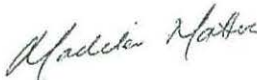
- i any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity; and
- ii any donations or other contributions deducted from recovered money

Other Matter

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



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Madeleine Mattera
Partner - Audit & Assurance

Sydney, 3 November 2016

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

CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

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
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

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 2015.

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 \$42,222.
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 2015 was 72,041.
7. The number of persons who were employees of National Council on 31 December 2015 was 23 (2014: 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 2015 to 31 December 2015
Michael Kaine	1 January 2015 to 31 December 2015
Tim Dawson	1 January 2015 to 31 December 2015
Michael Aird	10 January 2015 to 31 December 2015
Wayne Forno	1 January 2015 to 9 January 2015
Wayne Mader	1 January 2015 to 31 December 2015
Ray Wyatt	1 January 2015 to 31 December 2015
Peter Biagini	1 January 2015 to 31 December 2015

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



ANTHONY SHELDON
03 November 2016



RAY WYATT

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

NATIONAL COMMITTEE OF MANAGEMENT'S STATEMENT

On 03 November 2016 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 2015.

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 statements and notes comply with the reporting guidelines of the General Manager;
- (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 2015;
- (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 2015 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 including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) no information has been sought in any request of a member of the reporting unit or the General Manager of Fair Work Commission under section 272 of the RO Act has been provided to the member or General Manager; and
 - (v) no orders for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance;
- (f) during the financial year ended 31 December 2015 the National Council did not participate in any recovery of wages activity.

For the National Committee of Management



ANTHONY SHELDON

03 November 2016

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

DISCUSSION AND ANALYSIS INFORMATION

The financial statements and disclosures in the concise financial report have been derived from the 2015 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 2015 financial report.

Statement of Comprehensive Income and Statement of Financial Position

The deficit for the year 2015 was \$42,222. The substantial improvement on the 2014 result (deficit \$972,120) was largely attributable to a reduction in the costs incurred by the Union in defence of the politically motivated Royal Commission, instigated by the conservative federal government into the industrial wing of the labour movement. Although reduced, Royal Commission Costs still affected the National Council accounts in 2015. Absent the cost of that ongoing political attack, the final position in 2015 would have been a surplus of approximately \$38,000.

In 2014, the National Committee of Management and the National Council endorsed the "Towards 2035" Vision and Strategic Plan. Implementation of the plan continued and escalated in 2015 with increased activity in our Road Transport and Aviation campaigns. This included: continuing member-led actions linked with strategic training and organising initiatives focussed on the pressures in the road transport industry as a result of major client pressure; the running of 5 major cases in the Road Safety Remuneration Tribunal in retail/long distance, cash-in-transit, oil fuel & gas, waste and ports & wharves; international endorsement/adoption of "Safe Rates" as a strategy through the International Transport Federation and the ILO; a concentration of organising activities in South Australia and NSW with preparatory work for organising pilots in other states.

In the aviation sector, the Union continued to develop its Safe & Secure Skies strategy including working on organising pilots in Cairns and Adelaide; mapping of airports; enterprise agreement negotiations; the training of key delegates and member activists; and international work and focus including leading the ITF in exposing reprehensible worker treatment at airlines such as Qatar.

The Union continued to enhance governance and financial controls, including the endorsement of the Accounting for Good Review of Financial Policy & Procedure Compliance. This longstanding and ongoing commitment to continuous improvement is a core value of the Transport Workers' Union across the country.

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

CASH FLOW STATEMENT

The cash flow of the National Office has been managed to ensure liabilities are met when they fall due. Cash at the end of the year amounted to \$134,082 and reflects consistency in the cash flow experienced during the year (2014: \$270,162). The Branch continues to perform to expectations.



ANTHONY SHELDON
NATIONAL SECRETARY
03 November 2016

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 \$	2014 \$
INCOME			
Capitation/ Sustentation Fees	5	4,546,752	4,471,378
ACTU Contributions		120,032	122,668
Distribution from Available-for-sale Financial Assets		204,389	36,707
National Training Fund		30,008	30,667
Grant Income		7,895	44,980
Legal Fees Reimbursement from Branches		275,754	777,231
Interest Received		132,481	175,516
Sundry Income		73,446	14,087
Sponsorship TWU Super		35,318	31,926
Trustee Fees Received		60,000	30,000
TOTAL INCOME		5,486,075	5,735,160
EXPENDITURE			
Depreciation		74,044	173,437
Employee benefits expense			
Accrued Annual Leave		(33,197)	71,326
Accrued LSL		5,997	(10,909)
Fringe Benefits Tax		68,803	25,264
Salaries		2,281,925	2,278,884
Superannuation		263,443	267,529
		2,586,971	2,632,094
Other expenses			
Advertising		3,111	5,938
Affiliation Fees		358,252	420,808
Accommodation		103,478	55,838
ACTU Levy		153,490	160,000
Auditors' Remuneration		30,761	26,673
Bank Charges		15,167	2,806
Building Expenses		37,515	34,480
Campaign Expenses		173,068	208,038
Overnight /Interstate		-	47,245
Computer Maintenance		70,194	79,744
Donations		-	3,650
Gifts		2,683	1,785
Functions		5,999	4,121
FWEIP Expenses		-	-
National Committee of Mgmt. Expenses		87,836	127,393
National Council		72,428	79,241
General Expenses		10,183	15,911
Carried forward		1,124,165	1,273,671

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015 (Cont'd)**

Brought Forward	1,124,165	1,273,671
Insurance	11,872	18,328
Lease Rental Expenses – Operating leases	56,513	62,158
Legal & Professional Fees	545,896	1,232,829
Loss on Disposal of Assets	5,505	2,749
Meeting Expenses	40,815	33,726
Merchandise	989	2,158
Motor Vehicle Expenses	18,016	30,716
Organising Assistance	-	3,640
Payroll Tax	110,486	128,991
Postage & Freight	15,790	15,103
Printing and Stationery	42,098	72,672
Publications	24,350	14,106
Recruitment costs	13,381	46,400
Temporary staff costs	76,699	92,926
Reimbursement to Branches	-	19,326
Records Storage	800	730
Repairs and Maintenance	1,941	4,774
Rent	292,805	266,551
Seminar and Course Fees	-	-
Staff Amenities	12,557	21,115
Telephone and Faxes	79,406	76,976
Training & Research Projects	4,732	16,116
Travelling Expenses	316,376	396,581
TUF FWEIP ITF Project Expense	-	-
Workers Compensation	20,319	13,481
NT Expenses	39,921	36,897
Entertainment	11,850	19,029
	2,867,282	3,901,749
TOTAL EXPENDITURE	5,528,297	6,707,280
DEFICIT FOR THE YEAR	(42,222)	(972,120)
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified subsequently to profit or loss		
Increase/(Decrease) in Value of Available- for-Sale Financial Assets	(30,826)	(16,103)
OTHER COMPREHENSIVE INCOME FOR THE YEAR	(30,826)	(16,103)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(73,048)	(988,223)

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

	Note	2015 \$	2014 \$
CURRENT ASSETS			
Cash and Cash Equivalents		134,082	270,162
Receivables	10	1,033,424	1,231,134
Other Financial Assets		4,000,350	4,500,530
Available-for-sale Financial Assets		1,054,276	1,085,102
TOTAL CURRENT ASSETS		<u>6,222,132</u>	<u>7,086,928</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment		142,231	180,201
Investment in Associate		-	100
TOTAL NON-CURRENT ASSETS		<u>142,231</u>	<u>180,301</u>
TOTAL ASSETS		<u>6,364,363</u>	<u>7,267,229</u>
CURRENT LIABILITIES			
Payables	11	733,751	1,566,818
Provision for Accrued Annual Leave		190,523	193,272
Provision for Long Service Leave		45,202	39,205
TOTAL CURRENT LIABILITIES		<u>969,477</u>	<u>1,799,295</u>
NET ASSETS		<u>5,394,886</u>	<u>5,467,934</u>
Accumulated Funds		5,266,168	5,308,390
Available for Sale Reserve		128,718	159,544
TOTAL EQUITY		<u>5,394,886</u>	<u>5,467,934</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS AND RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Accumulated Funds	Available-for- sale Investment Reserve	Total Equity
	\$	\$	\$
Balance at 1 January 2014	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)
Balance at 31 December 2014	5,308,390	159,544	5,467,934
Deficit for the year	(42,222)	-	(42,222)
<i>Other Comprehensive Income</i>			
Increase/(Decrease) in Value of Available-for-Sale Financial Assets	-	(30,826)	(30,826)
Total Comprehensive Loss for the year	(42,222)	(30,826)	(73,048)
Balance at 31 December 2015	5,266,168	128,718	5,394,886

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015	2014
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Sustentation Fees	4,552,130	4,701,653
ACTU Contributions	202,357	134,935
Interest and Distributions Received	169,805	205,065
Grants Received	49,923	47,584
National Organising Fund	-	-
Legal fee reimbursement	506,050	637,384
Other Income	156,744	303,239
Payments to Suppliers and Employees	(6,225,529)	(6,395,826)
	<hr/>	<hr/>
NET CASH USED IN OPERATING ACTIVITIES	(588,520)	(365,966)
	<hr/>	<hr/>
Payment for Available-for-sale Investment	-	(558)
Payment for Property, Plant and Equipment	100	(30,080)
Proceeds from Sale of Property, Plant & Equipment	(45,247)	1,049
Payment for Term Deposits invested	-	-
Proceeds from Term Deposit redeemed	497,587	248,381
	<hr/>	<hr/>
NET CASH PROVIDED BY INVESTING ACTIVITIES	452,440	218,793
	<hr/>	<hr/>
NET (DECREASE) IN CASH HELD	(136,080)	(147,173)
	<hr/>	<hr/>
Cash at Beginning of Year	270,162	417,335
	<hr/>	<hr/>
CASH AT END OF YEAR	134,082	270,162

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**NOTES TO THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

NOTE 1: BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The Concise Financial Report has been prepared in accordance with Tier 1 reporting requirements as per Australian Accounting Standard AASB 1053 Application for Tiers of Australian Accounting Standards for the financial year 2013 and onward, 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 2015**

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
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**NOTES TO THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015 CONT**

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.

d) Administration by another Entity

The National Council was not administered by another entity.

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**NOTES TO THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015 CONT**

5. Income

(a) Capitation/Sustentation fees

	2015	2014
	\$	\$
NSW & ACT	1,351,648	1,283,203
VIC & TAS	1,203,210	1,236,234
QLD	819,782	775,328
WA	833,771	833,063
SA	338,341	343,550
Total Capitation/Sustentation fees	4,546,752	4,471,378

(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

Affiliation Fees	2015	2014
	\$	\$
ACTU	285,878	285,818
International Transport Workers Federation (ITF)	62,374	134,990
Australian Trucking Association	10,000	-
	358,252	420,808
Reimbursement to State Branches	2015	2014
	\$	\$
TWU of Australia - Victoria Branch	-	19,326

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**NOTES TO THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015 CONT**

(b) Compulsory levies

	2015	2014
	\$	\$
ACTU Levy	153,490	160,000

The levy is imposed by ACTU as a fee for affiliation with the peak union body.

(c) Donations

2015

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

Details to whom payment made	Purpose	\$
-	-	-

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

Details to whom payment made	Purpose	\$
-	-	-

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

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**NOTES TO THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015 CONT**

(d) Employee expenses related to holders of office

	2015	2014
	\$	\$
Officers benefits expense		
Wages and Salaries	237,919	201,118
Superannuation	66,516	55,034
Leave and other entitlements	5,587	(1,064)
Separation and redundancies	-	-
Other employee expenses	61,733	61,862
	<u>371,755</u>	<u>316,951</u>

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

	2015	2014
	\$	\$
Employees benefits expense		
Wages and Salaries	1,870,129	2,077,776
Superannuation	196,927	212,494
Leave and other entitlements	(32,787)	61,482
Separation and redundancies	54,945	63,089
Other employee expenses	126,002	27,974
	<u>2,215,216</u>	<u>2,442,805</u>

(f) Legal costs

	2015	2014
	\$	\$
Legal costs - other	187,500	45,086
Legal costs - Litigation	358,396	1,187,743
	<u>545,896</u>	<u>1,232,829</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**NOTES TO THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015 CONT**

(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 paid to persons in respect of their attendances as representatives of the Union at conferences or other meetings.
- d. Expenses incurred in connection with holding meetings of members of the reporting unit and any conferences or meetings of councils, committees, panels or other bodies for the holding of which the reporting unit was wholly or partly responsible
- e. Penalties imposed under the RO Act.
- f. Grants which were \$1,000 or less
- g. Grants that exceeded \$1,000

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

	2015	2014
	\$	\$
Legal costs payable - other	14,866	-
Legal costs payable - Litigation	31,167	429,762
	<u>46,033</u>	<u>429,762</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**NOTES TO THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015 CONT**

(c) Employee provisions related to holders of office

	2015	2014
	\$	\$
Officers provisions		
Annual leave	28,361	53,943
Long service leave	45,202	39,503
Separation and redundancies	-	-
Other employee provisions	-	-
	<u>73,563</u>	<u>93,446</u>

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

	2015	2014
	\$	\$
Employees provisions		
Annual leave	162,163	139,329
Long service leave	-	(298)
Separation and redundancies	-	-
Other employee provisions	-	-
	<u>162,163</u>	<u>139,031</u>

(e) Other balances at 31 December 2015

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

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**NOTES TO THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015 CONT**

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.

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.

	2015	2014
	\$	\$
Cash inflows from State Branches	12 5,359,932	5,354,843
Cash outflows to State Branches	-	19,326

10. RECEIVABLES

Accrued Interest & Distributions	217,324	55,298
Debtors – Branches		
TWU of Australia NSW Branch ACT	13,812	25,705
TWU of Australia QLD Branch	72,647	358,554
TWU of Australia SA Branch	34,746	76,966
TWU of Australia VIC/TAS Branch	288,521	296,473
TWU of Australia WA Branch	120,773	150,924
TWU of Australia NSW	188,369	177,617
Sundry Debtors	5,040	-
Prepayments	92,192	89,599
	<u>1,033,424</u>	<u>1,231,134</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
 CONCISE FINANCIAL REPORT
 FOR THE YEAR ENDED 31 DECEMBER 2015**

**NOTES TO THE CONCISE FINANCIAL REPORT
 FOR THE YEAR ENDED 31 DECEMBER 2015 CONT**

11. PAYABLES

Deferred Revenues	30,000	30,000
Creditors – Branches	71,763	131,257
TWU of NSW	645	215
TWU SA/NT Branch	101	-
TWU Qld Branch	-	84,910
TWU VIC/TAS Branch	-	18,253
TWU WA Branch	-	27,563
TWU Super Fund	71,017	316
Creditors – Other	631,988	1,405,561
	<u>733,751</u>	<u>1,566,818</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**NOTES TO THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015 CONT**

12. AMOUNTS DUE FROM BRANCHES

	NSW & ACT	VIC/TAS	SA & NT	QLD	WA	TOTAL
AMOUNTS DUE FROM BRANCHES AT 1 JANUARY 2015						
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	234,969
Training Levy	-	7,537	-	4,779	-	12,316
National Organising Fund	-	-	-	-	-	-
Other	566	-	4,683	221	-	5,470
	184,838	325,959	69,968	269,521	137,203	987,489

AMOUNTS CHARGED TO BRANCHES

Sustentation Fees	1,351,648	1,203,210	338,341	819,781	833,771	4,546,751
A.C.T.U. Contributions	43,638	29,650	8,296	18,596	19,852	120,032
Litigation reimbursement	75,258	35,051	55,136	55,174	55,136	275,755
Training Levy	10,910	7,413	2,074	4,649	4,963	30,009
National Organising Fund	-	-	-	-	-	-
Other	6,130	16,015	9,970	10,846	10,454	53,415
	1,487,584	1,291,339	413,817	909,046	924,176	5,025,962

**TRANSPORT WORKERS' UNION OF AUSTRALIA NATIONAL COUNCIL
CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

**NOTES TO THE CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015 CONT**

13. AMOUNTS RECEIVED FROM BRANCHES

	NSW & ACT	VIC/TAS	SA & NT	QLD	WA	TOTAL
Sustentation Fees	1,304,809	1,194,702	344,860	870,988	836,771	4,552,130
A.C.T.U. Contributions	68,235	59,796	16,762	37,712	19,852	202,357
Litigation reimbursement	98,073	69,543	73,848	184,557	80,029	506,050
Training Levy	10,910	14,950	2,074	9,428	4,963	42,325
National Organising Fund	-	-	-	-	-	-
Other	6,593	16,015	14,653	9,839	9,970	57,070
	1,488,620	1,355,006	452,197	1,112,524	951,585	5,359,932

AMOUNTS DUE FROM BRANCHES AT 31 DECEMBER 2015

Sustentation Fees	162,319	261,891	31,187	62,442	108,909	626,748
A.C.T.U. Contributions	20,283	-	-	-	-	20,283
Litigation reimbursement	1,097	401	401	2,373	401	4,673
Training Levy	-	-	-	-	-	-
National Organising Fund	-	-	-	-	-	-
Other	102	-	-	1,228	484	1,814
	183,801	262,292	31,588	66,043	109,794	653,518