



23 June 2015

Mr Michael Aird
State Secretary
New South Wales Branch
Transport Workers' Union of Australia
state.secretary@twunsw.org.au

CC: Grant Thornton Audit, Neville Sinclair, by email: info.nsw@au.gt.com

Dear Mr Aird,

**Transport Workers' Union of Australia New South Wales Branch
Financial Report for the year ended 31 December 2014 - [FR2014/407]**

I acknowledge receipt of the financial report of the Transport Workers' Union of Australia, New South Wales Branch. The documents were lodged with the Fair Work Commission on 14 May 2015. Further information was sourced from the branch on 12 June 2015.

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

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

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

Going Concern

Australian Accounting Standard *AASB 101: Presentation of Financial Statements* paragraph 25 relates to the assessment of an entity's ability to continue as a going concern. Australian Auditing Standard *ASA 570: Going Concern* looks at the requirements for auditors in relation to their responsibility to obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial report and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern.

The branch has reported an operating loss from ordinary activities over most of the past four years, a net decrease in cash held and currently is reporting a net liability of \$26,625. Additionally the branch's currently liabilities are greater than the branch's current assets.

Due to these factors, there are concerns about the branch's ability to prepare its next General Purpose Financial Report on a going concern basis. Note 11 indicates that the branch has a financial dependence upon the financial support of the Transport Workers' Union of New South Wales. However it does not contain information on the legal arrangements in place to support this financial dependence. I note that these are two separate legal entities. If the branch is dependent upon financial support of the State Union, it is highly recommended that the branch put in place a legal arrangement that outlines the financial support being offered to the federal reporting unit from the state entity.

Additionally, I remind the officers of the union of their duties under sections 285 and 287 of the RO Act in relation to the financial management of the union. These sections require officers to exercise their powers and discharge their duties with care and diligence, in the best interest of the organisation and not to cause detriment to the organisation (these are civil penalty provisions). It is incumbent on the officers of the union to take appropriate steps to address the net operating loss and ensure its ongoing solvency.

Concise report

I note that the organisation has lodged with the Commission a concise report. This is a requirement whenever a registered organisation provides a concise report to members.

Historically, concise reports were employed by organisations who found the costs of distributing a full report by post prohibitive. As the provision of financial reports has shifted to organisations' websites, the practice of providing concise reports to members has become less common, particularly in view of the additional expense in preparing and auditing a concise report.

Despite this, the decision of whether to issue a concise report is up to the organisation and the committee of management must ensure that it has a formal resolution to provide a concise report

It should also be noted that item 2 of the reporting guidelines state that '*these reporting guidelines apply to all general purpose financial reports (GPFR), including a concise financial report....*'. In future years, if the Committee of Management resolves to provide members with a concise report, please ensure that all requirements within the reporting guidelines are appropriately disclosed.

Annual return

I note that the branch has lodged a copy of a branch Annual Return with the financial report. It did the same thing with last year's report. This information had already been supplied by the National Office before the legislated 31 March 2015 deadline. There is no longer a requirement for a branch to file an annual return as long as the national office has filed the organisation's annual return on time.

Reporting Requirements

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

If you have any queries regarding this letter, please contact me on (03) 8661 7974 or via email at catherine.bebbington@fwc.gov.au.

Yours sincerely



CATHERINE BEBBINGTON
Regulatory Compliance Branch

FAIR WORK COMMISSION

Tel: 03 8661 7974

Fax: 03 9655 0410

catherine.bebbington@fwc.gov.au

11 Exhibition Street, Melbourne Victoria 3000

www.fwc.gov.au

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au

State Secretary's Certificate or other Authorised Officer's Certificate¹

s265, and 268 *Fair Work (Registered Organisations) Act 2009*

I, Michael Aird, being the Secretary of The Transport Workers Union of Australia NSW Branch certify :

- that the documents lodged herewith are copies of the full report referred to in sec 268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that in accordance with the *Fair Work (Registered Organisations) Act 2009* section 265 the full and concise audited report was provided/posted free of charge to all members of the branch on 23 March 2015
- that the full and concise report , was provided to members at a Committee of Management (COM) meeting on 06 March 2015 to accept the accounts; and
- that the full and concise report was presented to members at a meeting of the Committee of Management (COM) of the reporting unit on 08 May 2015 to adopt the accounts; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.



Michael Aird
State Secretary

~~Date: 11 May 2015~~

12 JUNE 2015 

¹The relevant regulations prescribe the designated officer for the purpose of sec 268 of the *Fair Work (Registered Organisations) Act 2009* as:

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

**T
W
U****Carrying
Australia**

ABN: 24 902 560 296

Transport Workers' Union of Australia, NSW Branch

Michael Aird State Secretary | **P:** 02 9912 0700 | **F:** 02 9891 4953 | **E:** info@twunsw.org.au | **W:** www.twunsw.org.au

11 May 2015

Ms Mary Anne GuinaManager Organisations, Research and Advice
11 Exhibition Street Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Dear Mary

**Ref: Lodgment Financial Report Transport Workers' Union of Australia, NSW Branch
year ended 31 December 2014**

In accordance with the *Fair Work (Registered Organisations) Act 2009 (the RO ACT) (FR2001/2866)*, the audited financial report and concise financial report for the financial year end 31 December 2014 is enclosed for your perusal.

As per *sec 268 of the RO Act* members were provided the full financial report and two Committee of Management (COM) meetings were held where resolutions to accept and adopt the accounts respectively on 07 March and 08 May 2015 were confirmed.

The completed Annual return for the year ended 31 December 2014 is being forwarded for your consideration and record. Further I declare the attached information provided is accurate and true.

Kindly confirm your acceptance of the same to sammy.marfatia@twunsw.org.au as soon as possible. If you require any further information in the above matter please do not hesitate to contact Sammy Marfatia, COO/Director Finance and Corporate Services on (02) 9912 0748.

Yours Faithfully

A handwritten signature in black ink, appearing to read "Michael Aird".

Michael Aird
NSW State Secretary/Treasurer**AUSTRALIA'S STRONGEST UNION, GIVING TRANSPORT WORKERS A POWERFUL VOICE SINCE 1888****PARRAMATTA**31 Cowper Street,
Parramatta NSW 2150
0 Box 649 Parramatta NSW 2124**NEWCASTLE**96 Tudor Street
Hamilton NSW 2303
P: 02 4969 3900 F: 02 4962 2614**WOLLONGONG**59 Princes Highway,
West Wollongong NSW 2500
P: 02 4229 1753 F: 02 4228 5129**CANBERRA**3/289 Canberra Avenue
Fyshwick NSW 2609
P: (02) 6280 9353 F: (02) 6280 9373

State Secretary's Certificate or other Authorised Officer's Certificate¹

s268 Fair Work (Registered Organisations) Act 2009

I, Michael Aird, being the Secretary of The Transport Workers Union of Australia NSW Branch certify :

- that the documents lodged herewith are copies of the full report referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full and concise report , was provided to members at a Committee of Management (COM) meeting on 06 March 2015 to accept the accounts; and
- that the full and concise report was presented to members at a meeting of the Committee of Management (COM) of the reporting unit on 08 May 2015 to adopt the accounts; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.



Michael Aird
State Secretary
Date: 11 May 2015

¹ The relevant regulations prescribe the designated officer for the purpose of sec 268 of the *Fair Work (Registered Organisations Act 2009* as:

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

FAIR WORK AUSTRALIA

STATUTORY DECLARATION IN RESPECT OF ANNUAL RETURN OF INFORMATION *Statutory Declarations Act 1959*

I, Michael Aird, Branch Secretary of the Transport Workers' Union of Australia, NSW Branch,
of 31 Cowper Street Parramatta NSW 2150

make the following declaration under the *Statutory Declarations Act 1959*:

1. The register of members has, during the year 1 January 2014 to 31 December 2014, been kept and maintained as required by ss 230 (1)(a) and 230 (2).
2. As at 31 December 2014 the number of persons who were members of the Union was 23,246. (NSW 21,679 + ACT 1,567)
3. The Registered Offices of the organisation are as follows:
 - NSW Branch: Quinn House
31 Cowper Street
Parramatta NSW 2150
 - Canberra Sub-Branch: 3/289 Canberra Avenue
Fyshwick ACT 2609
4. The offices in the organisation and the persons holding these offices are attached and marked "A".

I understand that a person who intentionally makes a false statement in a statutory declaration is guilty of an offence under section 11 of the *Statutory Declarations Act 1959*, and I believe that the statements in this declaration are true in every particular.

Signature of person making declaration: 

Declared at Parramatta

Date: 13-05-15

Before me:

Signature of Witness:  Date: 13-05-15

Name of Witness: SAMMY MARFATIA Qualification of Witness: CPA 9188505

Address of Witness: 31 Cowper Street Parramatta NSW 2150 JP 197877

Note 1 A person who intentionally makes a false statement in a statutory declaration is guilty of an offence, the punishment for which is imprisonment for a term of 4 years — see section 11 of the *Statutory Declarations Act 1959*.

Note 2 Chapter 2 of the *Criminal Code* applies to all offences against the *Statutory Declarations Act 1959* — see section 5A of the *Statutory Declarations Act 1959*.

Qualification to witness a statutory declaration

A statutory declaration under the *Statutory Declarations Act 1959* may be made before—

1. a person who is currently licensed or registered under a law to practise in one of the following occupations:			
Chiropractor	Dentist	Legal practitioner	Medical practitioner
Nurse	Optometrist	Patent attorney	Pharmacist
Physiotherapist	Psychologist	Trade marks attorney	Veterinary surgeon
2. a person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described)			
3. a person who is in the following list:			
<p>Agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public</p> <p>Australian Consular Officer or Australian Diplomatic Officer (within the meaning of the <i>Consular Fees Act 1955</i>)</p> <p>Bailiff</p> <p>Bank officer with 5 or more continuous years of service</p> <p>Building society officer with 5 or more years of continuous service</p> <p>Chief executive officer of a Commonwealth court</p> <p>Clerk of a court</p> <p>Commissioner for Affidavits</p> <p>Commissioner for Declarations</p> <p>Credit union officer with 5 or more years of continuous service</p> <p>Employee of the Australian Trade Commission who is:</p> <ul style="list-style-type: none"> a) in a country or place outside Australia; and b) authorised under paragraph 3 (d) of the <i>Consular Fees Act 1955</i>; and c) exercising his or her function in that place <p>Employee of the Commonwealth who is:</p> <ul style="list-style-type: none"> a) in a country or place outside Australia; and b) authorised under paragraph 3 (c) of the <i>Consular Fees Act 1955</i>; and c) exercising his or her function in that place <p>Fellow of the National Tax Accountants' Association</p> <p>Finance company officer with 5 or more years of continuous service</p> <p>Holder of a statutory office not specified in another item in this list</p> <p>Judge of a court</p> <p>Justice of the Peace</p> <p>Magistrate</p> <p>Marriage celebrant registered under Subdivision C of Division 1 of Part IV of the <i>Marriage Act 1961</i></p> <p>Master of a court</p> <p>Member of Chartered Secretaries Australia</p> <p>Member of Engineers Australia, other than at the grade of student</p> <p>Member of the Association of Taxation and Management Accountants</p>		<p>Member of the Australasian Institute of Mining and Metallurgy</p> <p>Member of the Australian Defence Force who is:</p> <ul style="list-style-type: none"> a) an officer; or b) a non-commissioned officer within the meaning of the <i>Defence Force Discipline Act 1982</i> with 5 or more years of continuous service; or c) a warrant officer within the meaning of that Act <p>Member of the Institute of Chartered Accountants in Australia, the Australian Society of Certified Practising Accountants or the National Institute of Accountants</p> <p>Member of:</p> <ul style="list-style-type: none"> a) the Parliament of the Commonwealth; or b) the Parliament of a State; or c) a Territory legislature; or d) local government authority of a State or Territory <p>Minister of religion registered under Subdivision A of Division 1 of Part IV of the <i>Marriage Act 1961</i></p> <p>Notary public</p> <p>Permanent employee of the Australian Postal Corporation with 5 or more years of continuous service who is employed in an office supplying postal services to the public</p> <p>Permanent employee of:</p> <ul style="list-style-type: none"> a) the Commonwealth or a Commonwealth authority; or b) a State or Territory or a State or Territory authority; or c) a local government authority; d) with 5 or more years of continuous service who is not specified in another item in this list <p>Person before whom a statutory declaration may be made under the law of the State or Territory in which the declaration is made</p> <p>Police officer</p> <p>Registrar, or Deputy Registrar, of a court</p> <p>Senior Executive Service employee of:</p> <ul style="list-style-type: none"> a) the Commonwealth or a Commonwealth authority; or b) a State or Territory or a State or Territory authority <p>Sheriff</p> <p>Sheriff's officer</p> <p>Teacher employed on a full-time basis at a school or tertiary education institution</p>	

TWU of Australia, NSW Branch
Office Holders

TWU of Australia, NSW Branch

Position	Person	Address	Occupation
President	George Clarke	[REDACTED]	Truck Driver
Vice-President	Charles McKay	[REDACTED]	Cash in Transit Employee
NSW Branch Secretary-Treasurer	Michael Aird	[REDACTED]	Paid Official
Assistant Secretary – Transport	Richard Olsen	[REDACTED]	Paid Official
Ordinary Member of Finance	Brian Beckwith	[REDACTED]	Truck Driver
Ordinary Member of Finance	Paul Eid	[REDACTED]	Forklift Driver
Ordinary Member of Finance	Mick Forbes	[REDACTED]	Paid Official

TWU of Australia, NSW Branch Office Holders

Position	Person	Address	Occupation
NSW Branch Secretary-Treasurer	Michael Aird	[REDACTED]	Paid Official

Position	Person	Address	Occupation
National Councillor	George Clarke	[REDACTED]	Truck Driver
National Councillor	Richard Olsen	[REDACTED]	Paid Official
National Councillor	Mick Forbes	[REDACTED]	Paid Official
Female Councillor	Margaret Harvey	[REDACTED]	Fleet Controller

TWU of Australia, NSW Branch
Office Holders

Sydney and Central Sub Branch

Position	Person	Address	Occupation
Secretary	Mick Pieri	[REDACTED]	Paid Official
Executive Committee Chairman	Barry Faucett	[REDACTED]	Truck Driver
Executive Committee Vice-Chairman	Margaret Harvey	[REDACTED]	Fleet Controller
Executive Committee Member	Jasen Bensen	[REDACTED]	Truck Driver
Executive Committee Member	Scott Brinley	[REDACTED]	Truck Driver
Executive Committee Member	Barry Hupton	[REDACTED]	Bus driver
Executive Committee Member	David Pola	[REDACTED]	Bus Driver
Executive Committee Member	Jim Mitropolous	[REDACTED]	Airline Service Operator
Executive Committee Member	Keith Stone	[REDACTED]	Truck Driver
Executive Committee Member	Glen Stutsel	[REDACTED]	Truck Driver
Executive Committee Member	John Waltis	[REDACTED]	Truck Driver

TWU of Australia, NSW Branch

Office Holders

Sydney and Central Sub Branch

Person	Position	Address	Occupation
Ray Childs	Branch Committee of Management Representative	[REDACTED]	Truck Driver
George Clarke	Branch Committee of Management Representative	[REDACTED]	Truck Driver
Paul Eid	Branch Committee of Management Representative	[REDACTED]	Forklift Driver
Charles McKay	Branch Committee of Management Representative	[REDACTED]	Cash in Transit Employee
George Oei	Branch Committee of Management Representative	[REDACTED]	Airline Service Operator
Mick Pieri	Branch Committee of Management Representative	[REDACTED]	Paid Official
Mark Trevillian	Branch Committee of Management Representative	[REDACTED]	Truck Driver

TWU of Australia, NSW Branch
Office Holders

Newcastle and Northern Sub Branch

Position	Person	Address	Occupation
Secretary	Mick Forbes	[REDACTED]	Paid Official
Executive Committee Chairman	Doug Fox	[REDACTED]	Truck Driver
Executive Committee Vice-Chairman	Trevor Binskin	[REDACTED]	Truck Driver
Executive Committee Member	Peter Meldrum	[REDACTED]	Truck Driver
Executive Committee Member	Joe Brugnani	[REDACTED]	Truck Driver
Executive Committee Member	Les Fetch	[REDACTED]	Plant Operator
Executive Committee Member	Scott Leighton	[REDACTED]	Operator/Driver
Executive Committee Member	Gary Low	[REDACTED]	Truck Driver
Executive Committee Member	Roger Maynier	[REDACTED]	Truck Driver
Executive Committee Member	Mick Wallicker	[REDACTED]	Cash in Transit Employee
Executive Committee Member	Mark Wilkinson	[REDACTED]	Truck Driver

TWU of Australia, NSW Branch
Office Holders

Newcastle and Northern Sub Branch

Person	Position	Address	Occupation
Trevor Binskin	Branch Committee of Management Representative	[REDACTED]	Truck Driver
Mick Forbes	Branch Committee of Management Representative	[REDACTED]	Paid Official
Doug Fox	Branch Committee of Management Representative	[REDACTED]	Truck Driver
Steve Pettiford	Branch Committee of Management Representative	[REDACTED]	Cash in Transit Employee

TWU of Australia, NSW Branch

Office Holders

South Coast and Southern Sub Branch

Position	Person	Address	Occupation
Secretary	Nicholas McIntosh	[REDACTED] [REDACTED]	Paid Official
Executive Committee Chairman	Gary Jorgenson	[REDACTED] [REDACTED]	Truck Driver
Executive Committee Vice- Chairman	Brian Beckwith	[REDACTED] [REDACTED]	Truck Driver
Executive Committee Member	Pat Armstrong	[REDACTED] [REDACTED]	Truck Driver
Executive Committee Member	Garry Avnell	[REDACTED] [REDACTED]	Truck Driver
Executive Committee Member	Steve Boyd	[REDACTED] [REDACTED]	Truck Driver
Executive Committee Member	David Cole	[REDACTED] [REDACTED]	Bus Driver
Executive Committee Member	Phil Jennings	[REDACTED] [REDACTED]	Truck Driver
Executive Committee Member	Steve Malamas	[REDACTED] [REDACTED]	Truck Driver
Executive Committee Member	Jeffrey Moses	[REDACTED] [REDACTED]	Truck Driver
Executive Committee Member	Jon Soper	[REDACTED] [REDACTED]	Truck Driver

TWU of Australia, NSW Branch
Office Holders

South Coast and Southern Sub Branch

Name	Position	Address	Occupation
Brian Beckwith	Branch Committee of Management Representative	[REDACTED]	Truck Driver
Nicholas McIntosh	Branch Committee of Management Representative	[REDACTED]	Paid Official
Don McPherson	Branch Committee of Management Representative	[REDACTED]	Truck Driver
Richard Olsen	Branch Committee of Management Representative	[REDACTED]	Paid Official

TWU of Australia, NSW Branch Office Holders

Canberra Sub Branch

Position	Person	Address	Occupation
Secretary	Klaus Pinkas	[REDACTED] [REDACTED]	Paid Official
Executive Committee Chairman	David Longin	[REDACTED] [REDACTED]	Cash in Transit employee
Executive Committee Vice-Chairman	Stephen Mitchell	[REDACTED] [REDACTED]	Ambulance Officer
Executive Committee Member	John Chick	[REDACTED] [REDACTED]	Courier
Executive Committee Member	Richard Cockburn	[REDACTED] [REDACTED]	Bus driver
Executive Committee Member	Paul Elford	[REDACTED] [REDACTED]	Courier
Executive Committee Member	Andrew Gergely	[REDACTED] [REDACTED]	Cash in Transit Employee
Executive Committee Member	Peter Oreskovic	[REDACTED] [REDACTED]	Bus driver
Executive Committee Member	Rob Sharpe	[REDACTED] [REDACTED]	Waste worker
Executive Committee Member	Joe Mikola	[REDACTED] [REDACTED]	Bus driver
Executive Committee Member	Robert Le Lievre	[REDACTED] [REDACTED]	Courier

TWU of Australia, NSW Branch
Office Holders

Canberra Sub Branch

Name	Position	Address	Occupation
Klaus Pinkas	Branch Committee of Management Representative	[REDACTED] [REDACTED]	Paid official
Rick Cockburn	Branch Committee of Management Representative	[REDACTED] [REDACTED]	Bus driver

**TRANSPORT WORKERS' UNION OF
AUSTRALIA (NEW SOUTH WALES BRANCH)**

FINANCIAL REPORT

YEAR ENDED 31 DECEMBER 2014

ESTABLISHED 24 JULY 1888

**PROUDLY Carrying Australia for 125+ years
(24 July 1888 – 24 July 2013)**

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

ANALYSIS OF FINANCIAL STATEMENTS

The Transport Workers' Union of Australia New South Wales Branch (Federal) presents its reports for the 2014 financial year.

Statement of Comprehensive Income and Statement of Financial Position:

REVENUE

Revenue earned from Member Contributions and Entrance Fees for the year was \$725,969 which when compared to the prior year has increased by \$78,101 i.e.12.06% (2013: \$647,868).

Service Fees for the financial year was \$1,145,960 a decrease of \$60,338 (5.00%) when compared to the prior year. (2013: \$1,206,298)

The total income generated by the branch was \$1,890,107 an increase of \$20,283 (1.08%) when compared to the prior year (2013: \$1,869,824)

EXPENDITURE

- (i) **Employee Related Payments (ERP)** for the year was \$274,439 which includes salary on-costs, novated lease payments, superannuation payments, FBT, and annual 4% salary increase.) (2013: \$263,854)
- (ii) **Operating Expenditure** for the year was \$1,680,519 (2013: \$1,581,282). The increase in expenditure by \$99,237 relates to a mix of over and under spend in expenditure over the financial period.
- (iii) **Cumulative Operating Expenditure** which includes Employee Related payments for the year was \$1,955,750 (2013: \$1,865,864).

NET POSITION

The deficit of \$65,643 for year ended 2014 (2013: \$3,960 surplus) is a direct flow-on effect of no increase/review to the membership fees and other expenses.

CASH FLOW STATEMENT

The cash flow of the Branch has been managed to ensure liabilities are paid as and when they fall due for payment. Cash at the end of the year amounted to \$190,441 and reflects consistency in the cash flow experienced during the year. (2013:\$197,971).The Branch continues to perform to expectations.

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

STATEMENT OF FINANCIAL POSITION

The net assets are a Negative \$26,625 in surplus which is mainly comprised of current liabilities exceeding current assets. The decision to recognize the member contributions unpaid from past years in 2013 has been continued in 2014 resulting in the some past contributions recovered. A significant provision has been retained against these amounts in 2014 to recognize the uncertainty of some members not being able to meet their obligations. Further details are set out in Note 1.

The financial viability of the branch is assured through the continued financial support from the Transport Workers Union of NSW. Refer Note 11.



.....
MICHAEL IAN AIRD
BRANCH SECRETARY

Friday 06 March 2015

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

OPERATING REPORT

The Branch Committee of Management presents its operating report of the Transport Workers' Union of Australia, New South Wales Branch for the financial year ended 31 December 2014.

1. The principal activities of the Branch are aimed at the improvement of wages and working conditions for members. There were no changes to those activities during the financial year.
2. There were no significant changes to the Branch's financial affairs during the year.
3. The Branch's financials reported a deficit of \$65,643 for the year. (2013 Surplus: \$3,960).
4. All members have a right to resign in accordance with rule 16.1 of the Union's Registered Rules and section 174 (1) of the Fair Work (Registered Organisations) Act 2009. 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. There was no change to this rule during the year.
5. Michael Aird took over as the new elected State Secretary/Treasurer from Mr. Wayne Forno who retired after 21 years of meritorious service on 12 January 2015.
6. Mr. Wayne Forno has also resigned his directorship of the TWU Superannuation Fund and is replaced by Michael Ian Aird as the newly appointed director of TWU Superannuation Fund.
7. No officer or employee is a director of a company or board.
8. At the end of the financial year the number of registered members of the New South Wales Branch was 23,246. (NSW 21,679 and ACT 1,567)
9. The number of persons who were employees of the reporting unit on 31 December 2014 was 3, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis;
10. The names of each person who were members of the Branch Committee of Management at any time during the financial year are as follows:

	Name	Period Position Held
1	George Clarke	1 January 2014 to 31 December 2014
2	Charles McKay	1 January 2014 to 31 December 2014
3	Paul Eid	1 January 2014 to 31 December 2014
4	Brian Beckwith	1 January 2014 to 31 December 2014
5	Wayne Forno	1 January 2014 to 31 December 2014
6	Richard Olsen	1 January 2014 to 31 December 2014
7	Michael Forbes	1 January 2014 to 31 December 2014
8	Klaus Pinkas	1 January 2014 to 31 December 2014
9	Dennis Willcox	1 January 2014 to 31 December 2014
10	Trevor Binskin	1 January 2014 to 31 December 2014
11	Stephen Pettiford	1 January 2014 to 31 December 2014
12	David Cole	1 January 2014 to 31 December 2014
13	Richard Cockburn	1 January 2014 to 31 December 2014
14	Doug Fox	1 January 2014 to 31 December 2014
15	Donald McPherson	1 January 2014 to 31 December 2014
16	Mark Trevillian	1 January 2014 to 31 December 2014
17	Michael Aird	1 January 2014 to 31 December 2014
18	George Oei	1 January 2014 to 31 December 2014

Signed in accordance with a resolution of the Branch Committee of Management


CHARLES MCKAY

Friday 06 March 2015


MICHAEL IAN AIRD

Friday 06 March 2015

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On 06 March, 2015, the Branch Committee of Management of the Transport Workers' Union of Australia, New South Wales Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 December 2014.

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

- (a) The Financial Statements and notes comply with the Australian Accounting Standards;
- (b) The Financial Statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- (c) The Financial Statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year ended 31 December 2014;
- (d) There are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) During the financial year ended 31 December 2014 and since the end of the financial year:
 - (i) meetings of the Branch Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch; and
 - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and
 - (iii) the financial records of the Branch have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) the Financial Statements of the Branch have been kept, as far as practicable, in a consistent manner to each of the other Branches and national office of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, the Branch has complied.
- (f) during the financial year ended 31 December 2014 did not undertake recovery of wages activity. The TWU of Australia (NSW Branch) assisted 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. our TWU member) and at no point of time is any money banked the Union's TWU Branch bank account

For the Branch Committee of Management:



MICHAEL IAN AIRD
BRANCH SECRETARY

Friday 06 March 2015

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE
INCOME FOR THE YEAR ENDED 31 DECEMBER 2014**

	NOTE	2014 \$	2013 \$
INCOME			
Contributions and Entrance Fees		725,969	647,868
Interest		622	634
Property Rentals		15,169	14,536
Service Fees - Transport Workers' Union of New South Wales		1,145,960	1,206,298
Sundry Income		2,387	488
TOTAL INCOME		<u>1,890,107</u>	<u>1,869,824</u>
Depreciation expense		<u>792</u>	<u>20,728</u>
Officers benefits expense			
Wages and Salaries		110,332	97,195
Superannuation		11,551	9,549
Leave and other entitlements		16,749	17,102
Separation and redundancies		-	-
Other employee expenses (Fringe benefits)		2,009	2,052
		<u>140,641</u>	<u>125,898</u>
Employees benefits expense			
Wages and Salaries		105,950	105,278
Superannuation		11,877	9,930
Leave and other entitlements		13,550	19,306
Separation and redundancies		-	-
Other employee expenses (Fringe benefits)		2,421	3,442
		<u>133,798</u>	<u>137,956</u>
Other expenses			
Administration Fees - Transport Workers' Union of New South Wales		73,932	69,073
Affiliation Fees		11,696	16,247
Audit and Accountancy Fees		11,700	12,450
Badges		-	1,028
Bank Charges		2,762	2,399
Commission		417	482
Computer Costs		17,360	18,329
Country Organising		1,226	-
Donations	4(a)	600	-
Doubtful Debt Expense	3	55,175	5,101
Deficit on Disposal of Assets		-	-
Electricity		4,174	3,784
Freight		-	-
General Expenses		4,244	9,410
Insurance		2,900	2,147
IR Levy		2,850	2,860
Legal and Professional Fees		73,109	-
Meeting and Conference Expenses		28,747	13,230
Motor Car Expenses		39,639	14,486
Officials expenses		2,565	2,746
Payroll Tax		19,841	17,153

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE
INCOME FOR THE YEAR ENDED 31 DECEMBER 2014
(CONT'D)**

Postage	2,266	8,458
Printing and Stationery	3,780	2,164
Property Expenses	46,903	47,800
Staff Training	-	197
Telephones	9,632	11,341
Sustentation Fees – NSW – to Union NSW	1,145,960	1,206,298
Sustentation Fees – ACT – to Union NSW	118,328	113,384
Training Levy	713	715
	<u>1,680,519</u>	<u>1,581,282</u>
TOTAL EXPENDITURE	<u>1,955,750</u>	<u>1,865,864</u>
OPERATING (DEFICIT)/SURPLUS FOR THE YEAR	<u>(65,643)</u>	<u>3,960</u>
(DEFICIT)/SURPLUS FOR THE YEAR	(65,643)	3,960
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(65,643)</u>	<u>3,960</u>

(The attached notes form part of these financial statements)

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

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

	NOTE	2014 \$	2013 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	190,441	197,971
Investments	6	2,554	2,554
Receivables	7	191,427	289,608
Prepayments		<u>7,634</u>	<u>5,043</u>
Total Current Assets		<u>392,056</u>	<u>495,176</u>
Non Current Assets			
Property, Plant and Equipment	8	<u>528</u>	<u>29,359</u>
Total Non Current Assets		<u>528</u>	<u>29,359</u>
TOTAL ASSETS		<u>392,584</u>	<u>524,535</u>
LIABILITIES			
Current Liabilities			
Payables	9	331,831	404,044
Provision for Accrued Annual Leave	10	39,428	40,829
Provision for Long Service Leave		<u>47,950</u>	<u>40,644</u>
Total Current Liabilities		<u>419,209</u>	<u>485,517</u>
Non Current Liabilities			
Provision for Long Service Leave		<u>-</u>	<u>-</u>
Total Non Current Liabilities		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>419,209</u>	<u>485,517</u>
NET ASSETS		<u>(26,625)</u>	<u>39,018</u>
ACCUMULATED FUNDS		<u>(26,625)</u>	<u>39,018</u>

(The attached notes form part of these financial statements)

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

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

	Accumulated Funds \$
Balance at 1 January 2013	35,058
Total Comprehensive Income for the Year	<u>3,960</u>
Balance at 31 December 2013	39,018
Total Comprehensive Income for the Year	<u>(65,643)</u>
Balance at 31 December 2014	<u>(26,625)</u>

(The attached notes form part of these financial statements)

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

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

	Note	2014 \$	2013 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members			
- Contributions and Entrance Fees		718,895	651,527
Service Fees from Transport Workers' Union of New South Wales		1,251,215	1,033,863
Payments to Transport Workers' Union of New South Wales – Administration Fees		(56,843)	(63,210)
Payments to Suppliers and Employees		(612,789)	(361,203)
Payments to Transport Workers' Union of Australia			
- Sustentation Fees & Levies		(1,354,225)	(1,141,177)
Interest Received		622	634
Other Receipts		<u>17,556</u>	<u>15,024</u>
NET CASH (USED IN) FOR OPERATING ACTIVITIES	12(b)	<u>(35,569)</u>	<u>135,458</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for mobile phones		-	(1,584)
Proceeds from sale of motor vehicle		28,039	-
Payment for motor vehicle		<u>-</u>	<u>-</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>28,039</u>	<u>(1,584)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Loan Repayment to Transport Workers' Union of New South Wales		-	-
NET CASH USED IN FINANCING ACTIVITIES		<u>-</u>	<u>-</u>
NET INCREASE/(DECREASE) IN CASH HELD		(7,530)	133,874
Cash at beginning of Year		<u>197,971</u>	<u>64,097</u>
CASH AT END OF YEAR	12(a)	<u>190,441</u>	<u>197,971</u>

(The attached notes form part of these financial statements)

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

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

1. CHANGE IN ACCOUNTING POLICY

Revenue Recognition

The union has applied the accrual basis of accounting for member contributions since the 31 December 2011 financial report using the month of January receipts to account for unpaid December contributions for Payroll deductions and direct debit recovery. For the financial year FY 2014 the unpaid member contributions (refer note 3) amounts to \$12,162 (2013 5,088) (GST inclusive). The Committee seeks to recover these unpaid contributions over the coming year and has recognised the amounts in the current years reported revenue as an accrual.

According to AASB 101 Presentation of financial Statements for NFP's in making its assessment, of material uncertainties the ability to continue as a 'Going Concern' would not be affected should the debt not be collected due to the financial support from the Transport Workers Union of NSW. Refer Note 11 .

2. STATEMENT OF ACCOUNTING POLICIES

The financial report is for the New South Wales Branch of the Transport Workers' Union of Australia, and in accordance with the Fair Work (Registered Organisations) Act 2009 the Branch is a reporting unit. The Transport Workers' Union of Australia is an organisation registered under the Fair Work (Registered Organisations) Act 2009. The New South Wales Branch is a Branch 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 New South Wales Branch are not subject to the *Corporations Act 2001*.

SIGNIFICANT ACCOUNTING POLICIES

The financial report of Transport Workers Union of Australia New South Wales Branch for the year ended 31 December 2014 was authorised for issue in accordance with a resolution of the Committee of Management on 6 March 2015.

(a) Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting 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 New South Wales Branch have, prepared a full set of general purpose financial statements to apply the Tier 1 reporting requirements under AASB 1053.

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)

2. STATEMENT OF ACCOUNTING POLICIES (Cont'd)

The financial report has been prepared on the basis of historical costs modified by the revaluation of selected financial assets for which the fair value basis of accounting has been applied. 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 Branch in the preparation of the financial report.

(b) Revenue

- (i) Revenue received for services and management fee/s is recognised when the service is provided.
- (ii) In prior years, revenue (contributions and entrance fees) was accounted on cash basis that is using the contributions-in-transit method.
- (iii) A decision was made in FY 2011 (*1(b) Financial Report FY 2011*) to move away from the cash basis contributions-in-transit method and recognize prior year revenue being received in the current year by an accrual journal at year end. That is membership income/revenue should be recognised in the subscription year in which the service was provided.
- (iv) For the financial year FY 2014 the membership-debtors accrual journal for \$12,162 (2013 \$5,088) (GST inclusive) has been accounted at year end recognising prior year revenue being received in the current year which complies with *AASB101-Presentation of Financial Statements*.
- (v) Service Fees received interest, received and rental income from the Transport Workers' Union of New South Wales is accounted for on an accrual basis.

(c) Income tax

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

(d) Employee Entitlements

Provision is made for the Branch'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 Branch to employee superannuation funds and are charged as expenses when incurred.

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)

2. STATEMENT OF ACCOUNTING POLICIES (Cont'd)

(e) Investments

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

Available-for-sale financial assets

Investments, which are classified as available for sale, are measured at fair value.

(f) 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.

(g) Property Plant and Equipment

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Branch commencing from the time the asset is ready for use.

The depreciation rates used for each class of assets are:

Mobile Phones	50.00%
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The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each period end date.

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the statement of comprehensive income in the year that the item is de-recognized.

(h) Accounting Standards Issued But Not Yet Effective

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

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 (Cont'd)

2. STATEMENT OF ACCOUNTING POLICIES (Cont'd)

(i) Financial Instruments (Cont'd)

Financial assets and financial liabilities are recognised when the Branch becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial liabilities

The Branch financial liabilities include borrowings and trade and other payable. Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments 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 Branch 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 Branch's accounting principles

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

In line with section 125 and 131 of AASB 101, the monies would be recovered and as such there will not be any significant risk resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year 2015.

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)

3. ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

Receivables

After the introduction of the new 'Membership Connect' system in September 13 and considering all old debts - The amount of \$12,162 (2013 \$ 5,088) (including gst) receivable represents:

	2014	2013
Financial Members in arrears	\$ 72,855	\$ 77,703
Less financial members FY 2015	-	(\$ 72,615)
Add: Un-financial members in arrears	-	\$ 5,611
Less provision for doubtful debts (including gst)	<u>(\$60,693)</u>	<u>(\$5,611)</u>
	\$ 12,162	\$ 5,088

The estimated amount of \$12,162 (2013 \$5,088) unpaid contributions, will be pursued in the coming year and are accordingly recognized as a receivable. Since the recognition of the past dues has only been identified in September 2013, there is a risk that some members will not be able to meet these past dues owing and a restatement of the current reported profit will be required.

The provision for doubtful debts has been determined based on the expected recovery of debts after making allowance for the age of the debts and the values outstanding in each case. The aging of the debts has been determined in accordance with the revenue recognition policy noted in Note 1.

4. 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).

**TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)**

4(a) DONATIONS

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

Details to whom payment made	Purpose	2014 \$	2013 \$
Nigel Stokes	Donation to family after member passed away	100	-
Australian Labor Party ACT Branch	Tickets to the ACT ALP Conference	500	

Reportable donations exceeding \$1,000 (excl GST)

Details to whom payment made	Purpose	2014 \$	2013 \$
Nil		-	-

4(b) RECOVERY OF WAGES ACTIVITY

The Transport Workers Union (TWU) of Australia (NSW Branch) has not undertaken recovery of wages activity. The Transport Workers Union (TWU) of Australia (NSW Branch) 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. our TWU member) and at no point of time is any money banked to the Union's TWU Branch 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

4(c) SPECIFIED ITEMS THAT HAVE NOT OCCURRED

The following prescribed disclosures under the reporting guidelines of *the Fair Work (registered Organisations) Act, 2009*, have not occurred in the reporting period

1. Statement of Comprehensive Income - revenue
 - a. Capitation fees
 - b. Compulsory levies
 - c. Donations or grants received.
2. Statement of Comprehensive Income – expenses
 - a. Payments to employer's for payroll deduction activity
 - b. 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
 - c. Legal fees related to litigation and other legal matters
 - d. Penalties imposed under the RO Act.
 - e. Grants paid ≤\$1,000
 - f. Grants paid > \$1,000
3. Statement of Financial position
 - a. Payments to employer's for payroll deduction activity
 - b. Legal fees related to litigation and other legal matters

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)**

4(d) ADMINISTRATION

The financial affairs of the branch are administered by another Transport Workers Union of New South Wales. The services provided included

- Receipt and processing of member contributions
- Payment of wages, legal and administration expenses
- Provision of office and office equipment and office utilities.

The Transport Workers Union of New South Wales receive reimbursement of the costs of the above services as set out in the Statement of income and expenses.

	2014	2013
	\$	\$
5. CASH AND CASH EQUIVALENTS		
Cash on Hand	1,125	1,125
Cash at Bank - National Australia Bank	<u>189,316</u>	<u>196,846</u>
	<u>190,441</u>	<u>197,971</u>
6. INVESTMENTS		
Available-for-Sale Financial Assets		
Listed shares at fair value	<u>2,554</u>	<u>2,554</u>
7. RECEIVABLES		
Debtor – Revenue Accruals	72,855	10,699
Less Provision for Doubtful Debts	(60,693)	(5,611)
Debtor - Transport Workers' Union of New South Wales	179,265	284,520
Sundry Debtors	<u>-</u>	<u>-</u>
	<u>191,427</u>	<u>289,608</u>
8. PROPERTY, PLANT AND EQUIPMENT		
MOTOR VEHICLES		
Motor Vehicles at cost	-	61,388
Less Accumulated Depreciation	<u>-</u>	<u>(33,349)</u>
	<u>-</u>	<u>28,039</u>
MOVEMENTS IN CARRYING AMOUNTS		
	2014	2013
	\$	\$
Balance at 1 January 2013	28,039	48,503
Additions	-	-
Disposals	(28,039)	-
Depreciation	<u>-</u>	<u>(20,464)</u>
Balance at 31 December 2013	<u>-</u>	<u>28,039</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)**

	2014 \$	2013 \$
MOBILE PHONES		
Mobile Phones at cost	1,584	1,584
Less Accumulated Depreciation	<u>(1,056)</u>	<u>(264)</u>
	<u>528</u>	<u>1,320</u>
TOTAL	<u>528</u>	<u>29,359</u>
9. PAYABLES		
Creditor - Transport Workers' Union of New South Wales	88,878	71,789
Creditor - Transport Workers' Union of Australia	207,115	297,052
Creditors and Accruals	32,991	21,951
GST Payable	<u>2,847</u>	<u>13,252</u>
	<u>331,831</u>	<u>404,044</u>
10. OFFICERS & EMPLOYEE PROVISIONS		
Annual Leave		
Officers	16,452	18,350
Employees	<u>22,976</u>	<u>22,479</u>
	<u>39,428</u>	<u>40,829</u>
Long Service Leave		
Officers	32,413	28,230
Employees	<u>15,537</u>	<u>12,414</u>
	<u>47,950</u>	<u>40,644</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)**

11. FINANCIAL DEPENDENCE

The Transport Workers' Union of Australia New South Wales Branch is dependent upon the ongoing financial support of the Transport Workers' Union of New South Wales in order to pay its debts as and when they fall due. In this regard the net assets of the Union at 31 December 2014 were \$6,072,167 (2013: \$7,096,865).

	2014 \$	2013 \$
12. CASH FLOW INFORMATION		
(a) For the purpose of the Statement of Cash Flows, Cash includes:		
Cash at Bank	189,316	196,846
Cash on Hand	<u>1,125</u>	<u>1,125</u>
	<u>190,441</u>	<u>197,971</u>
(b) Reconciliation of cash flow from operations with operating result		
Net Surplus	(65,643)	3,960
Non cash flows in operating results		
Depreciation	792	20,728
Changes in Assets and Liabilities		
Decrease/ (Increase) in Debtor - Transport Workers' Union of New South Wales	105,255	(171,858)
Decrease/(Increase) in Prepayments and Sundry Debtors	(9,665)	13,087
Increase in Employee Entitlement Provisions	5,905	21,015
Increase/(Decrease) in GST Payable	(10,405)	8,136
Increase/(Decrease) in Creditors and Accruals	11,040	(2,714)
(Decrease)/Increase in Creditor- Transport Workers' Union of Australia	(89,937)	177,838
(Decrease)/Increase in amount payable to Transport Workers' Union of New South Wales	<u>17,089</u>	<u>65,266</u>
CASH FLOWS FROM OPERATIONS	<u>(35,569)</u>	<u>135,458</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)

13. RELATED PARTY TRANSACTIONS

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

- (a) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Financial Report (Note 18).
- (b) The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officers is \$11,551 (2013: \$9,549).
- (c) There have been no other transactions between the officers and the Branch other than those relating to their membership of the Branch and the reimbursement by the Branch in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.
- (d) Service Fees received from, and administration fees paid to the Transport Workers' Union of New South Wales are disclosed as income and expenses respectively in the Statement of Comprehensive Income and as cash received and cash paid respectively in the Statement of Cash Flows.
- (e) Amounts receivable from and payable to the Transport Workers' Union of New South Wales at balance date are disclosed at Note 7 and Note 9 of the accounts respectively.

The ultimate controlling entity of the Branch is the Transport Workers' Union of Australia.

Transactions with Ultimate Controlling Entity:

- (a) Sustentation Fees and Levies are disclosed as expenses in the Statement of Comprehensive Income and as payments in the Statement of Cash Flows.
- (b) The amounts payable to the Ultimate Controlling Entity at balance date are disclosed in the Statement of Financial Position.

14. CORPORATE GOVERNANCE FRAMEWORK

The Transport Workers' Union of Australia NSW Branch has been an 'early adopter' and established a Governance Framework which is based on best practice for non-profit organizations. Governance sets out the standards of accountability and transparency expected of the Union, by our many stakeholders and members. The overall aim of the framework is to drive performance improvement while meeting our obligations through strong leadership, integrity, responsible and ethical decision-making and management, accountability and performance improvement.

15. SUPERANNUATION

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

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)**

16. COMMITMENTS	2014	2013
	\$	\$
Costs in respect of a five year Fuji Xerox copier operating lease on office equipment 25 -03-14 to 25-03-2019 (@ \$447 pm excl GST):		
- Less than one year	5,362	2,851
- One to five years	<u>17,426</u>	<u>1,188</u>
	<u>22,788</u>	<u>4,039</u>

17. CONTINGENCIES

(a) Contingent liabilities

The Union has guaranteed the novated lease payments and the lease termination cost, should the employee leave the employ of the Union and elects not to retain the novated car lease. Accordingly a potential liability arises for the repayment of motor vehicle lease payments to Summit Fleet Leasing Company (financier) upon the dismissal or resignation of an employee until such time the lease is terminated. As the amount of the commitment is contingent to the above event it cannot be determined as it is subject to the employment circumstances and election from the employee.

18. RELATED PARTY

Transactions with key management personnel.

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:

Short term employee benefits	123,166	107,723
Post-employment benefits	11,551	9,549
Long-term employee benefits	<u>3,915</u>	<u>6,574</u>
Total remuneration	<u>138,632</u>	<u>123,846</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE

(a) General objectives, policies, and processes

The Transport Workers' Union of Australia NSW Branch is exposed to risks that may arise from its use of financial instruments. This note describes the Branch's objectives, policies, and processes for managing those risks and the methods used to measure them. The Transport Workers' Union of Australia NSW Branch has no financial instruments relevant to the risk mentioned and this objective does not apply.

There have been no substantive changes in the Branch'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 Branch's financial instruments consist mainly of deposits with banks and receivables. The main risks the Branch is exposed to through its financial instruments are interest rate risk (see section (e) below), liquidity risk and credit risk.

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

(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 Branch incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Branch.

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, are disclosed below:

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)**

19. FINANCIAL RISK MANAGEMENT NOTE (Cont'd)

(b) Credit Risk (Cont'd)

	2014	2013
	\$	\$
Cash and cash equivalents	190,441	197,971

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

	2014	2013
	\$	\$
Receivable – Revenue accrual	72,855	10,699
Less Provision for Doubtful Debts	(60,693)	(5,611)
Sundry Debtors	179,265	284,520
Total receivables	191,427	289,608

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 Branch may encounter difficulties in raising funds to meet commitments associated with financial instruments.

The Branch is not significantly exposed to this risk; as at 31st Dec 2014 it has \$190,441 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 31st Dec 2014 was \$419,209.

The Branch manages liquidity risk by monitoring cash flows. Further the Transport Workers' Union of New South Wales has made an undertaking to provide financial support to the Branch.

(d) Market Risk

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

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE(Cont'd)

(e) (i) *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 2014	Floating interest rate	Non interest Bearing	Total
Financial Assets	\$	\$	\$
Cash and cash equivalents	189,316	1,125	190,441
Term Deposit	-	-	-
Receivables	-	191,427	191,427
	<u>189,316</u>	<u>192,552</u>	<u>381,868</u>
Weighted average Interest rate	0.32%	-	
Financial Liabilities			
Payables	-	331,831	331,831
	<u>-</u>	<u>331,831</u>	<u>331,831</u>
Net Financial Assets (Liabilities)	<u>189,316</u>	<u>(139,279)</u>	<u>50,037</u>
31 December 2013	Floating interest rate	Non interest bearing	Total
Financial Assets	\$	\$	\$
Cash and cash equivalents	196,846	1,125	197,971
Term Deposit	-	-	-
Receivables	-	289,608	289,608
	<u>196,846</u>	<u>290,733</u>	<u>487,579</u>
Weighted average Interest rate	1.05%		
Financial Liabilities			
Payables	-	404,044	404,044
	<u>-</u>	<u>404,044</u>	<u>404,044</u>
Net Financial Assets (Liabilities)	<u>196,846</u>	<u>(113,311)</u>	<u>83,535</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)

19. FINANCIAL RISK MANAGEMENT NOTE(Cont'd)

(e)(i) *Interest Rate Risk (Cont'd)*

Sensitivity Analysis

2014	Carrying Amount	+0.5% (50 basis points) Profit	-0.5% (50 basis points) Loss
Cash Assets	\$ 189,316	\$ 947	\$ (947)
2013			
Cash Assets	196,846	984	(984)

(e) (ii) *Other Price Risks*

The Branch does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

(e) (iii) *Foreign Exchange Risk*

The Branch is not directly exposed to foreign exchange rate.

20. **BRANCH OFFICE DETAILS**

The Registered Office of the Transport Workers' Union of Australia NSW Branch is located at:

Quinn House
31 Cowper Street
PARRAMATTA NSW 2150



Grant Thornton

An instinct for growth™

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E info.nsw@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Report To the Members of Transport Workers Union of Australia New South Wales Branch

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

Responsibility of the Branch Committee of Management for the financial report

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

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Trade Union's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trade Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

Auditor's Opinion

In our opinion, the financial report of Transport Workers Union of Australia New South Wales Branch

- i presents fairly, in all material respects, the Trade Union's financial position as at 31 December 2014 and of its performance and cash flows for the year then ended, and
- ii complies with Australian Accounting Standards and the relevant legislation
- iii management appropriately applied the going concern basis of accounting

Report on the recovery of wages activity

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

Other Matter

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



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Neville Sinclair
Partner - Audit & Assurance
Sydney, 6 March 2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA
NEW SOUTH WALES BRANCH**

CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

ESTABLISHED 24 JULY 1888

**PROUDLY Carrying Australia for 125+ years
(24 July 1888 – 24 July 2013)**

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

CONCISE FINANCIAL REPORT 31 DECEMBER 2014

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

Information on the Transport Workers' Union of Australia New South Wales Branch Concise Financial Report:

The financial statements and disclosures in the Concise Financial Report have been derived from the 2014 financial report of the Transport Workers' Union of Australia New South Wales Branch.

A copy of the full financial report and auditor's 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. The discussion and analysis is based on Transport Workers' Union of Australia New South Wales Branch 2014 financial report.

Statement of Comprehensive Income and Statement of Financial Position:

REVENUE

Revenue earned from Member Contributions and Entrance Fees for the year was \$725,969 which when compared to the prior year has increased by \$78,101 i.e.12.06% (2013: \$647,868).

Service Fees for the financial year was \$1,145,960 a decrease of \$60,338 (5.00%) when compared to the prior year. (2013: \$1,206,298)

The total income generated by the branch was \$1,890,107 an increase of \$20,283 (1.08%) when compared to the prior year (2013: \$1,869,824)

EXPENDITURE

- (i) **Employee Related Payments (ERP)** for the year was \$274,439 which includes salary on-costs, novated lease payments, superannuation payments, FBT, and annual 4% salary increase.) (2013: \$263,854)
- (ii) **Operating Expenditure** for the year was \$1,680,519 (2013: \$1,581,282). The increase in expenditure by \$99,237 relates to a mix of over and under spend in expenditure over the financial period.
- (iii) **Cumulative Operating Expenditure** which includes Employee Related payments for the year was \$1,955,750 (2013: \$1,865,864).

NET POSITION

The deficit of \$65,643 for year ended 2014 (2013: \$3,960 surplus) is a direct flow-on effect of no increase/review to the membership fees and other expenses.

CASH FLOW STATEMENT

The cash flow of the Branch has been managed to ensure liabilities are paid as and when they fall due for payment. Cash at the end of the year amounted to \$190,441 and reflects consistency in the cash flow experienced during the year. (2013:\$197,971).The Branch continues to perform to expectations.

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

CONCISE FINANCIAL REPORT 31 DECEMBER 2014

STATEMENT OF FINANCIAL POSITION

The net assets are a Negative \$26,625 in surplus which is mainly comprised of current liabilities exceeding current assets. The decision to recognize the member contributions unpaid from past years in 2013 has been continued in 2014 resulting in the some past contributions recovered. A significant provision has been retained against these amounts in 2014 to recognize the uncertainty of some members not being able to meet their obligations. Further details are set out in Note 1.

The financial viability of the branch is assured through the continued financial support from the Transport Workers Union of NSW. Refer Note 3.



MICHAEL IAN AIRD
BRANCH SECRETARY

Friday 06 March 2015

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

CONCISE FINANCIAL REPORT 31 DECEMBER 2014

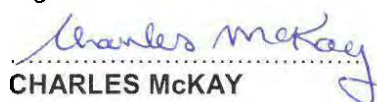
OPERATING REPORT

The Branch Committee of Management presents its operating report of the Transport Workers' Union of Australia, New South Wales Branch for the financial year ended 31 December 2014.

1. The principal activities of the Branch are aimed at the improvement of wages and working conditions for members. There were no changes to those activities during the financial year.
2. There were no significant changes to the Branch's financial affairs during the year.
3. The Branch's financials reported a deficit of \$65,643 for the year. (2013 Surplus: \$3,960).
4. All members have a right to resign in accordance with rule 16.1 of the Union's Registered Rules and section 174 (1) of the Fair Work (Registered Organisations) Act 2009. 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. There was no change to this rule during the year.
5. Michael Aird took over as the new elected State Secretary/Treasurer from Mr. Wayne Forno who retired after 21 years of meritorious service on 12 January 2015.
6. Mr. Wayne Forno has also resigned his directorship of the TWU Superannuation Fund and is replaced by Michael Ian Aird as the newly appointed director of TWU Superannuation Fund.
7. No officer or employee is a director of a company or board.
8. At the end of the financial year the number of registered members of the New South Wales Branch was 23,246. (NSW 21,679 and ACT 1,567)
9. The number of persons who were employees of the reporting unit on 31 December 2014 was 3, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis;
10. The names of each person who were members of the Branch Committee of Management at any time during the financial year are as follows:

	Name	Period Position Held
1	George Clarke	1 January 2014 to 31 December 2014
2	Charles McKay	1 January 2014 to 31 December 2014
3	Paul Eid	1 January 2014 to 31 December 2014
4	Brian Beckwith	1 January 2014 to 31 December 2014
5	Wayne Forno	1 January 2014 to 31 December 2014
6	Richard Olsen	1 January 2014 to 31 December 2014
7	Michael Forbes	1 January 2014 to 31 December 2014
8	Klaus Pinkas	1 January 2014 to 31 December 2014
9	Dennis Willcox	1 January 2014 to 31 December 2014
10	Trevor Binskin	1 January 2014 to 31 December 2014
11	Stephen Pettiford	1 January 2014 to 31 December 2014
12	David Cole	1 January 2014 to 31 December 2014
13	Richard Cockburn	1 January 2014 to 31 December 2014
14	Doug Fox	1 January 2014 to 31 December 2014
15	Donald McPherson	1 January 2014 to 31 December 2014
16	Mark Trevillian	1 January 2014 to 31 December 2014
17	Michael Aird	1 January 2014 to 31 December 2014
18	George Oei	1 January 2014 to 31 December 2014

Signed in accordance with a resolution of the Branch Committee of Management:


CHARLES MCKAY


MICHAEL IAN AIRD

Friday 06 March 2015

Friday 06 March 2015

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

CONCISE FINANCIAL REPORT 31 DECEMBER 2014

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On 06 March, 2015, the Branch Committee of Management of the Transport Workers' Union of Australia, New South Wales Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 December 2014.

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

- (a) The Financial Statements and notes comply with the Australian Accounting Standards;
- (b) The Financial Statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- (c) The Financial Statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year ended 31 December 2014;
- (d) There are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) During the financial year ended 31 December 2014 and since the end of the financial year:
 - (i) meetings of the Branch Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch; and
 - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and
 - (iii) the financial records of the Branch have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) the Financial Statements of the Branch have been kept, as far as practicable, in a consistent manner to each of the other Branches and national office of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act, that information has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, the Branch has complied.
- (f) during the financial year ended 31 December 2014 did not undertake recovery of wages activity. The TWU of Australia (NSW Branch) assisted 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. our TWU member) and at no point of time is any money banked the Union's TWU Branch bank account

For the Branch Committee of Management:



MICHAEL IAN AIRD
BRANCH SECRETARY

Friday 06 March 2015

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

CONCISE FINANCIAL REPORT 31 DECEMBER 2014

**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE
INCOME FOR THE YEAR ENDED 31 DECEMBER 2014**

	NOTE	2014 \$	2013 \$
INCOME			
Contributions and Entrance Fees		725,969	647,868
Interest		622	634
Property Rentals		15,169	14,536
Service Fees - Transport Workers' Union of New South Wales		1,145,960	1,206,298
Sundry Income		2,387	488
TOTAL INCOME		<u>1,890,107</u>	<u>1,869,824</u>
Depreciation expense		<u>792</u>	<u>20,728</u>
Employee benefits expense			
Officers benefits expense			
Wages and Salaries		110,332	97,195
Superannuation		11,551	9,5
Leave and other entitlements		16,749	17,102
Separation and redundancies		-	-
Other employee expenses (Fringe benefits)		2,009	2,052
		<u>140,641</u>	<u>125,898</u>
Employees benefits expense			
Wages and Salaries		105,950	105,278
Superannuation		11,877	9,930
Leave and other entitlements		13,550	19,306
Separation and redundancies		-	-
Other employee expenses (Fringe benefits)		2,421	3,442
		<u>133,798</u>	<u>137,956</u>
Other expenses			
Administration Fees - Transport Workers' Union of New South Wales		73,932	69,073
Affiliation Fees		11,696	16,217
Audit and Accountancy Fees		11,700	12,4
Badges		-	1,028
Bank Charges		2,762	2,399
Commission		417	482
Computer Costs		17,360	18,329
Country Organising		1,226	-
Donations	2(a)	600	-
Doubtful Debt Expense		55,175	5,101
Deficit on Disposal of Assets		-	-
Electricity		4,174	3,784
Freight		-	-
General Expenses		4,244	9,410
Insurance		2,900	2,147
IR Levy		2,850	2,860
Legal and Professional Fees		73,109	-
Meeting and Conference Expenses		28,747	13,230
Motor Car Expenses		39,639	14,486
Officials expenses		2,565	2,746
Payroll Tax		19,841	17,153
Postage		2,266	8,458
Printing and Stationery		3,780	2,164

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

CONCISE FINANCIAL REPORT 31 DECEMBER 2014

**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE
INCOME FOR THE YEAR ENDED 31 DECEMBER 2014 Contd.**

	NOTE	2014	2013
		\$	\$
Property Expenses		46,903	47,800
Staff Training		-	197
Telephones		9,632	11,341
Sustentation Fees - NSW		1,145,960	1,206,298
Sustentation Fees - ACT		118,328	113,384
Training Levy		713	715
		<u>1,680,519</u>	<u>1,581,282</u>
TOTAL EXPENDITURE		<u>1,955,750</u>	<u>1,865,864</u>
OPERATING SURPLUS/(DEFICIT) FOR THE YEAR		<u>(65,643)</u>	<u>3,960</u>
SURPLUS/(DEFICIT) FOR THE YEAR		(65,643)	3,960
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(65,643)</u>	<u>3,960</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH
CONCISE FINANCIAL REPORT 31 DECEMBER 2014

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	2014 \$	2013 \$
ASSETS		
Current Assets		
Cash and cash equivalents	190,441	197,971
Investments	2,554	2,554
Receivables	191,427	289,608
Prepayments	<u>7,634</u>	<u>5,043</u>
Total Current Assets	<u>392,056</u>	<u>495,176</u>
Non Current Assets		
Property, Plant and Equipment	<u>528</u>	<u>29,359</u>
Total Non Current Assets	<u>528</u>	<u>29,359</u>
TOTAL ASSETS	<u>392,584</u>	<u>524,535</u>
LIABILITIES		
Current Liabilities		
Payables	331,831	404,044
Provision for Accrued Annual Leave	39,428	40,829
Provision for Long Service Leave	<u>47,950</u>	<u>40,644</u>
Total Current Liabilities	<u>419,209</u>	<u>485,517</u>
Non Current Liabilities		
Provision for Long Service Leave	<u>-</u>	<u>-</u>
Total Non Current Liabilities	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>419,209</u>	<u>485,517</u>
NET ASSETS	<u>(26,625)</u>	<u>39,018</u>
ACCUMULATED FUNDS	<u>(26,625)</u>	<u>39,018</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

CONCISE FINANCIAL REPORT 31 DECEMBER 2014

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

	Accumulated Funds \$
Balance at 1 January 2013	35,058
Total Comprehensive Income for the Year	<u>3,960</u>
Balance at 31 December 2013	39,018
Total Comprehensive Income for the Year	<u>(65,643)</u>
Balance at 31 December 2014	<u>(26,625)</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH
CONCISE FINANCIAL REPORT 31 DECEMBER 2014

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from Members		
- Contributions and Entrance Fees	718,895	651,527
Service Fees from Transport Workers' Union of New South Wales	1,251,215	1,033,863
Payments to Transport Workers' Union of New South Wales – Administration Fees	(56,843)	(63,210)
Payments to Suppliers and Employees	(612,789)	(361,203)
Payments to Transport Workers' Union of Australia		
- Sustentation Fees & Levies	(1,354,225)	(1,141,177)
Interest Received	622	634
Other Receipts	17,556	15,024
	<u> </u>	<u> </u>
NET CASH (USED IN) FOR OPERATING ACTIVITIES	<u>(35,569)</u>	<u>135,458</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for mobile phones	-	(1,584)
Proceeds from sale of motor vehicle	28,039	-
Payment for motor vehicle	-	-
	<u> </u>	<u> </u>
NET CASH USED IN INVESTING ACTIVITIES	<u>28,039</u>	<u>(1,584)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Loan Repayment to Transport Workers' Union of New South Wales	-	-
	<u> </u>	<u> </u>
NET CASH USED IN FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
NET INCREASE/(DECREASE) IN CASH HELD	(7,530)	133,874
Cash at beginning of Year	197,971	64,097
	<u> </u>	<u> </u>
CASH AT END OF YEAR	<u>190,441</u>	<u>197,971</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH
CONCISE FINANCIAL REPORT 31 DECEMBER 2014

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

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 2014 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 New South Wales Branch. The Concise Financial Report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Transport Workers' Union of Australia New South Wales Branch as the full financial report.

a. CHANGE IN ACCOUNTING POLICY

Revenue Recognition

The union has applied the accrual basis of accounting for member contributions since the 31 December 2011 financial report using the month of January receipts to account for unpaid December contributions for Payroll deductions and direct debit recovery. For the financial year FY 2014 the unpaid member contributions amounts to \$12,162 (2013 5,088) (GST inclusive). The Committee seeks to recover these unpaid contributions over the coming year and has recognised the amounts in the current years reported revenue as an accrual. Refer Note 1

According to AASB 101 Presentation of financial Statements for NFP's in making its assessment, of material uncertainties the ability to continue as a 'Going Concern' would not be affected should the debt not be collected due to the financial support from the Transport Workers Union of NSW. Refer Note 3.

b. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments 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 Branch 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 Branch's accounting principles

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

In line with section 125 and 131 of AASB 101, the monies would be recovered and as such there will not be any significant risk resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year 2015.

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH
CONCISE FINANCIAL REPORT 31 DECEMBER 2014

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (Cont'd)

b. ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont'd)

Receivables

After the introduction of the new 'Membership Connect' system in September 13 and considering all old debts - The amount of \$12,162 (2013 \$ 5,088) (including GST) receivable represents:

	2014	2013
Financial Members in arrears	\$ 72,855	\$ 77,703
Less financial members FY 2015	-	(\$ 72,615)
Add: Un-financial members in arrears	-	\$ 5,611
Less provision for doubtful debts (including gst)	(\$60,693)	(\$5,611)
	<u>\$ 12,162</u>	<u>\$ 5,088</u>

The estimated amount of \$12,162 (2013 \$5,088) unpaid contributions, will be pursued in the coming year and are accordingly recognized as a receivable. Since the recognition of the past dues has only been identified in September 2013, there is a risk that some members will not be able to meet these past dues owing and a restatement of the current reported profit will be required.

The provision for doubtful debts has been determined based on the expected recovery of debts after making allowance for the age of the debts and the values outstanding in each case. The aging of the debts has been determined in accordance with the revenue recognition policy noted in Note 1.

**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.

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

CONCISE FINANCIAL REPORT 31 DECEMBER 2014

- (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).
- (4) during the financial year ended 31 December 2014 the Branch did not participate in any recovery of wages activity

2(a) DONATIONS

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

Details to whom payment made	Purpose	2014 \$	2013 \$
Nigel Stokes	Donation to family after member passed away	100	-
Australian Labor Party ACT Branch	Tickets to the ACT ALP Conference	500	

Reportable donations exceeding \$1,000 (excl GST)

Details to whom payment made	Purpose	2014 \$	2013 \$
Nil		-	-

2(b) RECOVERY OF WAGES ACTIVITY

The Transport Workers Union (TWU) of Australia (NSW Branch) has not undertaken recovery of wages activity. The Transport Workers Union (TWU) of Australia (NSW Branch) 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. our TWU member) and at no point of time is any money banked to the Union's TWU Branch 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

2(c) SPECIFIED ITEMS THAT HAVE NOT OCCURRED

The following prescribed disclosures under the reporting guidelines of *the Fair Work (registered Organisations) Act, 2009*, have not occurred in the reporting period

1. Statement of Comprehensive Income - revenue
 - a. Capitation fees
 - b. Compulsory levies
 - c. Donations or grants received.

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH

CONCISE FINANCIAL REPORT 31 DECEMBER 2014

2. Statement of Comprehensive Income – expenses
 - a. Payments to employer's for payroll deduction activity
 - b. 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
 - c. Legal fees related to litigation and other legal matters
 - d. Penalties imposed under the RO Act.
 - e. Grants paid ≤\$1,000
 - f. Grants paid > \$1,000
3. Statement of Financial position
 - a. Payments to employer's for payroll deduction activity
 - b. Legal fees related to litigation and other legal matters

2(d) ADMINISTRATION

The financial affairs of the branch are administered by another Transport Workers Union of New South Wales. The services provided included

- Receipt and processing of member contributions
- Payment of wages, legal and administration expenses
- Provision of office and office equipment and office utilities.

The Transport Workers Union of New South Wales receive reimbursement of the costs of the above services as set out in the Statement of income and expenses.

2(e) OFFICERS & EMPLOYEE PROVISIONS

Annual Leave

Officers	16,452	18,350
Employees	<u>22,976</u>	<u>22,479</u>
	<u>39,428</u>	<u>40,829</u>

Long Service Leave

Officers	32,413	28,230
Employees	<u>15,537</u>	<u>12,414</u>
	<u>47,950</u>	<u>40,644</u>

Separation and redundancies

Officers	-	-
Employees	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Other

Officers	-	-
Employees	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA NEW SOUTH WALES BRANCH
CONCISE FINANCIAL REPORT 31 DECEMBER 2014

NOTE 3: FINANCIAL DEPENDENCE

The Transport Workers' Union of Australia New South Wales Branch is dependent upon the ongoing financial support of the Transport Workers' Union of New South Wales in order to pay its debts as and when they fall due. In this regard the net assets of the Union at 31 December 2014 were \$6,072,167 (2013: \$7,096,865).

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Independent Auditor's Report

To the Members of Transport Workers' Union of Australia New South Wales Branch

Report on the concise financial report

We have audited the accompanying concise financial report of Transport Workers' Union of Australia New South Wales Branch comprises the statement of financial position as at 4, the statement of 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 New South Wales Branch for the year ended 31 December 2014. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards and accordingly, reading the concise financial report is not a substitute for reading the audited financial report.

Directors responsibility for the concise financial report

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

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures which were conducted in accordance with Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Transport Workers' Union of Australia New South Wales Branch for the year ended 31 December 2014. Our audit report on the financial report for the year was signed on 31 December 2014 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

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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, and *Fair Work (Registered Organisations) Act 2009*.

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 New South Wales Branch for the year ended 31 December 2014 complies with Accounting Standard AASB 1039 Concise Financial Reports and *Fair Work (Registered Organisations) Act 2009*.

In our opinion management appropriately applied the going concern basis of accounting

Report on the recovery of wages activity

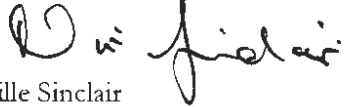
The Committee of Management are responsible for the preparation and presentation of the recovery of wages activity financial report in accordance with section 253(2)(c) of the Fair Work Act 2009 (Registered Organisations). Our responsibility is to express an opinion on the recovery of wages activity 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.

Other Matter

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



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Neville Sinclair
Partner - Audit & Assurance Services
Sydney, 6th March 2015