



21 May 2014

Mr Ray Wyatt
Secretary

Transport Workers' Union of Australia-South Australian/Northern Territory Branch
ray.wyatt@twusant.com.au

Dear Mr Wyatt,

**Transport Workers' Union of Australia-South Australian/Northern Territory Branch
Financial Report for the year ended 31 December 2012 - [FR2012/561]**

I acknowledge receipt of the financial report of the Transport Workers' Union of Australia-South Australian/Northern Territory Branch (the reporting unit). The documents were lodged with the Fair Work Commission on 8 April 2013.

The financial report has now been filed. This financial report was filed based on a preliminary review. Please note that the reporting unit financial report for the year ending 31 December 2013 may be subject to a full compliance audit.

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

General purpose financial report to be prepared on accrual basis

Section 252 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) places obligations upon organisations to keep financial records. Under section 252(4) an organisation may keep the financial records for its membership subscriptions on a cash basis. This is distinct from the obligation under section 253 to prepare a general purpose financial report (GPFR). Section 253 requires that '...a reporting unit must cause a general purpose financial report to be prepared, in accordance with the Australian Accounting Standards, from the financial records kept under subsection 252(1) in relation to the financial year...'

Please note that paragraph 27 of Australian Accounting Standard 101 states that 'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting'. In future the GPFR, in particular membership contributions, should be prepared on an accrual basis as required by section 253 of the RO Act and the relevant Australian Accounting Standard (AASB 101(27)). It is further noted that this will result in a change of accounting policy that will need to be disclosed in accordance with AASB 108 (Accounting Policies, Changes in Accounting Estimates and Errors). You may need to discuss this with your auditor.

Changes to the legislation and reporting guidelines

I note with the change of legislation, references to Fair Work Australia will need to be updated to the Fair Work Commission.

Additionally, a third edition to the General Manager's s.253 reporting guidelines was gazetted on 26 June 2013. These guidelines will apply to all financial reports that end on or after 30 June 2013. Fair Work Commission has also developed a model set of financial statement for the 2012-2013 financial year. There is no requirement to use this model but it may be a useful resource to ensure compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 reporting guidelines and the Australian Accounting Standards.

The guidelines and model financial statements are available on the website here:

<http://www.fwc.gov.au/index.cfm?pagename=regorgsfrguidelines#finance>

As stated previously, this financial report was filed based on a preliminary review. The financial report for the year ending 31 December 2013 may be subject to a full compliance audit.

If you have any queries regarding this letter, please contact me on (03) 8661 7675 or via email at nick.salzberg@fwc.gov.au

Yours sincerely



Nick Salzberg
Regulatory Compliance Branch
Fair Work Commission



8 April 2013

Fair Work Commission
Tribunal Services and Organisations
GPO Box 1994
Melbourne VIC 3001

Via email: orgs@fwc.gov.au

Designated Officer's Certificate [FR2012/561]

s268 Fair Work (Registered Organisations) Act 2009

I Raymond Wyatt, being Branch Secretary/Treasurer of the Transport Workers' Union of Australia – South Australia and Northern Territory 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 report was provided to members on 26 March 2013; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 26 March 2013; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature:

Raymond Wyatt

Date: 8 April 2013

**TRANSPORT WORKERS' UNION OF AUSTRALIA
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH
INCLUDING GAS SUB-BRANCH**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2012**

	2011	2012
	\$	\$
INCOME		
Membership Fees	1,613,932.31	1,767,478.04
Distribution - G.S. JB Were Trust	28,478.31	70,591.16
Interest Received	69,266.73	71,597.38
Other Income	1,515.76	26,809.25
Reimbursements Received	164,837.01	162,003.99
Rent Received	2,636.36	7,800.00
	<u>1,880,666.48</u>	<u>2,106,279.82</u>
LESS EXPENDITURE		
Advertising & Marketing	49,865.71	46,118.36
Affiliated Associations	19,524.67	25,959.48
Audit & Accounting Fees	11,640.00	12,100.00
Away from Home Expenses	14,504.17	14,703.35
Bank Charges	14,771.08	14,951.65
Benefits Paid to Dec. Members	2,000.00	8,909.09
Computer Expenses	6,010.38	7,486.57
Consulting Fees	56,880.60	-
Contributions to National Council	180,513.00	177,483.51
Debt collecting Services & Costs	37.00	-
Delegates Telephone & Other Expenses	25,349.35	24,519.36
Depreciation	31,471.12	23,654.64
Donations	9,463.64	16,127.28
Employee Costs (Note 6)	904,081.79	914,441.71
Insurance	16,770.65	16,357.32
Internet Costs	4,980.56	5,408.08
Legal Fees	119,918.63	177,402.78
Light & Power	6,833.91	7,665.60
Maintenance of Properties, Equipment	6,560.55	5,596.44
Meeting Expenses	16,650.64	18,029.19
Motor Vehicle Expenses	90,159.23	54,042.05
National Council Expenses	1,261.93	1,908.00
National Council Training Fund	28,730.06	54,628.00

**TRANSPORT WORKERS' UNION OF AUSTRALIA
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH
INCLUDING GAS SUB-BRANCH**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2012**

		2011		2012
	\$	\$	\$	\$
N.T. Unit Costs	1926.51		15912.29	
Payroll Tax	52,385.04		48,706.78	
Postages	24,793.09		28,752.82	
Printing & Stationery	24,704.30		22,525.07	
Rates, Taxes & Strata Levies	14,732.47		16,387.21	
Security Patrols	2,448.94		5,879.12	
Subscriptions & Registrations	5,089.99		1,309.89	
Sundry Expenses	11,784.97		11,543.03	
Telephone	33,630.44		26,650.84	
Training Courses & Seminars	21,542.60		17,538.09	
Travelling & Accommodation	78,231.03		69,270.31	
WorkCover Insurance Premiums	<u>16,987.66</u>		<u>19,508.21</u>	
		<u>1,906,235.71</u>		<u>1,911,476.12</u>
OPERATING SURPLUS (DEFICIT) FOR THE YEAR	(\$ 25,569.23)		\$ 194,803.70	
 LESS OTHER EXPENSES				
Provision to increase costs of				
Investments to Market Value		<u>272,867.36</u>		<u>289,326.02</u>
SURPLUS (DEFICIT) FOR THE YEAR		<u>(\$ 298,436.59)</u>		<u>\$ 484,129.72</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2012**

			2011		2012
	Note	\$	\$	\$	\$
ACCUMULATED FUNDS					
Balance 1st January 2012			5,582,507.49		5,284,070.90
Surplus Deficit for the Year			(298,436.59)		484,129.72
BALANCE 31st DECEMBER 2012			<u>5,284,070.90</u>		<u>5,768,200.62</u>
Represented by:					
CURRENT ASSETS					
Sundry Debtors and Prepayments			31,672.41		81,567.39
Cash on Hand			700.00		850.00
Cash at Bank	3		345,420.81		285,496.74
			<u>377,793.22</u>		<u>367,914.13</u>
INVESTMENTS					
Investments in Public Entities	4		2,652,043.00		3,002,798.00
Bank Interest Bearing Deposits			1,029,755.95		1,198,179.38
			<u>3,681,798.95</u>		<u>4,200,977.38</u>
FIXED ASSETS					
Furniture & Machines (at cost)		60,721.33		102,777.00	
Less Accumulated Depcn.		35,914.69	24,806.64	50,768.00	52,009.00
Motor Vehicles (at cost)		139,683.00		161,758.00	
Less Accumulated Depcn.		38,778.05	100,905.00	65,880.00	95,878.00
Buildings (at cost)	5	832,262.64		836,022.00	
Less Accumulated Depcn.		129,270.64	702,992.00	153,296.00	682,726.00
Land & Buildings (at Valuation)	5		658,453.00		658,453.00
			<u>1,487,156.64</u>		<u>1,489,066.00</u>
			<u>5,546,748.81</u>		<u>6,057,957.51</u>
TOTAL ASSETS					
LESS CURRENT LIABILITIES					
Accrued Expenses			186,526.29		194,544.70
Provision for Long Service Leave			40,497.37		55,817.48
Provision for Annual Leave			35,654.25		39,394.71
			<u>262,677.91</u>		<u>289,756.89</u>
NET ASSETS			<u>5,284,070.90</u>		<u>5,768,200.62</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2012

	2011	2012
	\$	\$
Cash flows from Operating Activities		
Receipts from members and clients	1,615,448.07	1,794,287.29
Payments to suppliers	(1,369,807.66)	(1,657,929.09)
Interest and Distributions Received	97,745.04	142,188.54
Rent received	2,636.36	7,800.00
<i>Net cash provided/(used) by Operating Activities</i>	<u>346,021.81</u>	<u>286,346.74</u>
Net Increase/(Decrease) in Cash Held	(54,657.58)	(59,774.07)
Cash at the beginning of the reporting period	<u>400,778.39</u>	<u>346,120.81</u>
Cash at the end of the reporting period	<u>346,120.81</u>	<u>286,346.74</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2012

	2011	2012
	\$	\$
Accumulated Members FUNDS - Beginning of year	5,582,507.49	5,284,070.90
Surplus for the Year	-	484,129.72
Deficit for the Year	(298,436.59)	-
Accumulated Members FUNDS - End of Year	<u>5,284,070.90</u>	<u>5,768,200.62</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2012**

NOTE 1: ACCOUNTING METHODS

In accordance with generally accepted accounting principals for organisations, membership contributions are accounted for on a cash receipts basis. Otherwise, the accounts are prepared under the historical cost convention and in accordance with the Accounting Standards jointly issued by the Australian Professional Accounting Bodies. In particular -

- (a) The accounts have not been adjusted to record either changes in the general purchasing power of the dollar or in the prices of specific assets.
- (b) Depreciation of fixed assets is calculated on the reducing balance basis in order to write the assets off over their useful lives. Additions are depreciated from the date of purchase at the rates applicable to the asset.
- (c) Provisions for employee benefits in the form of Long Service Leave and Accrued Annual Leave have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment.
- (d) No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 23(f) of the Income Tax Assessment Act. Fringe Benefits Tax has been paid by the Union in accordance with the provisions of the Fringe Benefits Tax Assessment Act.
- (e) Membership for the 2012 financial year and future years are accounted on a cash received basis.

NOTE 2a: INFORMATION TO BE PROVIDED TO MEMBERS

In accordance with Section 272 of the Fair Work (Registered Organisation) Act 2009 the attention of members is required to be drawn to subsections 272(1), (2) and (3) which read as follows

- (1) A member of a reporting unit, or a Registrar, 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
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2012**

NOTE 2b: In accordance with Section 265 (1) of the Fair Work (Registered Organisation) Act 2009 the Branch Committee of Management resolved to provide a report to Members of the Auditor's Report, General Purpose Financial Report and Operating Report by publishing a full report in the Union Journal.

NOTE 3:	CASH AT BANK	2011	2012
		\$	\$
	Cash Maximiser Account	158,821.57	91,241.85
	Contingencies Fund - Gas Sub Branch	77,814.47	78,417.09
	General Fund Working Account	79,151.94	77,856.89
	Salary Sacrifice Clearing Account	1,120.83	2,159.91
	GSJB Were Cash Account	28,512.00	35,821.00
		<u>345,420.81</u>	<u>285,496.74</u>

NOTE 4:	INVESTMENTS IN PUBLIC ENTITIES		
	Investment at Cost	3,135,300.00	2,986,646.00
	Less Provision to reduce costs of Investments to Market Value	483,257.00	-
	Add Provision to increase costs of Investments to Market Value	-	16,152.00
		<u>2,652,043.00</u>	<u>3,002,798.00</u>

NOTE 5: LAND & BUILDINGS
The properties were acquired by the expenditure of Branch Funds and form part of the Branch Funds.
The properties are subject to the custodial control and management of the Branch.

The properties are registered in the name of the Transport Workers Union of Australia Federal Council.

NOTE 6:	EMPLOYEE COSTS		
	Salaries - Officials	488,939.14	548,792.80
	- Employees	415,142.65	365,648.91
		<u>904,081.79</u>	<u>914,441.71</u>

Committee of Management Statement

On 18 February 2013 the Branch Committee of Management of the Transport Workers' Union of Australia SA/NT Branch passed the following resolution in relation to the General Purpose Financial Report of the reporting unit for the financial year ended 31 December 2012.

"That the 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;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year;
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
 - (iv) the organisation consists of six reporting units; and the financial records of the branch have been kept, as far as practical, in a consistent manner to each of the other reporting units.
 - (v) no information has been sought in any request of a member of the reporting unit or registrar under section 272 of the Fair Work (Registered Organisations) Act 2009;
 - (vi) no orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period.
 - (vii) there was no recovery of wages activity during the financial year that this statement relates."

Committee of Management:

Ray Wyatt

Ian Smith

Title of Office held:

Branch Secretary/Treasurer

Assistant Branch Secretary

Signature:



18 February 2013



18 February 2013

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
THE TRANSPORT WORKERS' UNION OF AUSTRALIA
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH**

SCOPE

We have audited the Accounts being the Committee of Management Statement of Financial Position for the Year Ended 31st December 2012 Statement of Financial Performance as at 31st December 2012 Statement of Cash Flows for the Year Ended 31st December 2012, Statement of Charges in Equity for the Year Ended 31st December 2012 and notes to and forming part of the Accounts of The Transport Workers Union of Australia, South Australian/Northern Territory Branch, for the year ended 31st December 2012.

The Committee of Management are responsible for the preparation and presentation of the accounts and the information they contain.

We have conducted an independent audit of these accounts in order to express an opinion on them to the Members of the Branch.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free from material misstatements. Our procedures included examination on a test basis, of evidence supporting the amounts and other disclosures in the Accounts, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects the accounts are presented fairly in accordance with Australian Accounting Concepts and Standards and statutory requirements so as to present a view of the Branch which is consistent with our understanding of its financial position and the results of its operations.

In common with organisations of this type, it is not practical to establish adequate records or controls over cash receipts prior to their receipt and entry in the accounting records. Accordingly, our audit of cash receipts was limited to the amount recorded in the accounting records of the Union.

In our opinion, as far as it appears from our testing and examination, monies recorded as receipts have been properly brought to account by the Union.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In our opinion:-

- 1) There were kept by the Branch in respect of the year, satisfactory accounting records detailing the sources and nature of the income of the Branch (including Income from Members) and the nature and purposes of Expenditure.
- 2) The attached General Purpose Financial Report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (registered Organisation) Act 2009.
- 3) We received from the Officers and Employees of the Branch, all the information and explanations which were required for the purposes of our audit.

PETER HALL - CHARTERED ACCOUNTANTS



PETER J HALL
REGISTERED COMPANY AUDITOR

ADELAIDE:

12TH March 2013

Operating Report

Transport Workers' Union of Australia SA/NT Branch

Operating Report for the year 2012 ended 31 December 2012

Principle Activities

The principal activities of the Association during the reporting period were to provide industrial and organising services to the members consistent with the objects of the Association and particularly the object of protecting and improving the interest of the members.

The Associations' principal activities resulted in maintaining and improving the wages and conditions of employment of the membership, particularly for those members in collective enterprise agreements negotiated by the Association.

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

There were no significant changes in the financial affairs of the Association during the reporting period.

Manner of resignation

Members may resign from the Association in accordance with rule 11, which reads as follows;

11. Resignation from membership
 - (1) A Member may resign from Membership by notice in writing addressed and delivered to the Branch Secretary of the Branch in which the Member is enrolled.
 - (2) A notice of resignation from Membership takes effect;
 - (a) if the Member has ceased to be Eligible:
 - (i) on the day on which the notice is received by the Union;
 - (ii) on the day specified in the notice;
 - (b) in any other case:
 - (i) at the end of 2 weeks after the notice is received by the Branch Secretary;
 - or
 - (ii) on the day specified in the notice;
- whichever is later.
- (3) Any Dues payable but not paid by a former Member, in relation to a period before the Member's resignation from the Union took effect, may be sued for and recovered in accordance with rule 81 as a debt due to the Union.
 - (4) A notice delivered in accordance with sub-rule (1) is deemed to have been received by the Union when it was delivered.

- (5) A notice of resignation that has been received by the Union is not invalid only because it was not addressed and delivered in accordance with sub-rule (1).
- (6) A resignation from Membership is valid, even if it is not effected in accordance with this rule, if the Member is informed in writing by the Union that the resignation has been accepted.

Transport Workers' Union of Australia SA/NT Branch

Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme

The following officers of the Association held preserved positions in the following entities.

Raymond Wyatt is an alternate director of TWUSUPER.

Number of Members

The number of persons who, at the end of the reporting period, were recorded on the Registrar of Members of the Association was 6067.

Number of employees


The number of persons who were, at the end of the reporting period, employees of the Association was 11.

Members of the Committee of Management

The persons who held office as members of the committee of Management of the Association during the reporting period are;

- Bryan McIntosh (President),
- Michael Vogt (Vice-President)
- Ray Wyatt (Secretary/Treasurer)
- Ian Smith (Assistant Secretary)
- Bruce Chambers (Committee Member) 21 Aug 2012 – 31 Dec 2012
- Ian Gonsalves (Branch Trustee)
- Matthew Spring (Branch Trustee) 1 Jan 2012 - 3 July 2012
- Frank Manocchio (Committee Member)
- Neville Steed (Committee Member)
- Peter Brammy (Committee Member)
- Romana Hutchinson (Committee Member)
- Ian Carr (Committee Member) 1 Jan 2012 - 21 Aug 2012
- Ian Gallacher (Committee Member) 1 Jan 2012 - 21 Aug 2012
- Andrew Whinnen (Branch Trustee) 1 Jan 2012 - 3 July 2012

Signed:



Ray Wyatt
Branch Secretary
18 February 2013