



13 May 2015

Mr Ray Wyatt
Secretary
South Australian/Northern Territory Branch
Transport Workers' Union of Australia
ray.wyatt@twusant.com.au

CC: Peter Hall Chartered Accountants by email: office@phall.com.au

Dear Mr Wyatt,

**Transport Workers' Union of Australia - South Australian/Northern Territory Branch
Financial Report for the year ended 31 December 2014 - [FR2014/412]**

I acknowledge receipt of the financial report of the Transport Workers' Union of Australia, South Australian/Northern Territory Branch. The documents were lodged with the Fair Work Commission on 1 May 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 may be subject to an advanced compliance review.

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

Timescale requirements

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

I note that the following timescale requirement was not met:

Reports must be provided to Members at least 21 days before the General Meeting of Members

The Designated Officer's Certificate states that the financial report was provided to members on 28 April 2015, and presented to a General Meeting of members on the same day. Under section 265(5)(a) of the RO Act, where the report is presented to a General Meeting of members, the report must be provided to members at least 21 days before that meeting.

If these dates are correct, the reporting unit did not provide members the financial report 21 days before the General Meeting.

Please note that subsection 265(5) is a civil penalty provision and future failure to meet this timelines may result in an inquiry into the organisation and the General Manager of the FWC may apply under s.310(1) of the RO Act to the Federal Court of Australia for a pecuniary penalty order to be imposed on your organisation and, potentially, an officer whose conduct led to the non-compliance.

Auditor's report

Declaration regarding going concern

Paragraph 39 of the Reporting Guidelines requires an auditor to include in the auditor's statement a declaration that as part of the audit of the financial statement they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate. This declaration was not included in the auditor's statements.

Please ensure next year's auditor's statement includes the required auditor's declarations.

Committee of Management Statement

The Auditor's Statement lists the elements of the GPFR as per Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report* paragraph 23c however it does not mention the Committee of Management Statement. Please ensure that the Committee of Management Statement is included in the auditor's scope and mentioned within the auditor's statement in future report.

Donations

The 4th edition of the Reporting Guidelines applies to any financial year ending on or after 30 June 2014. Reporting Guideline 16(e) requires that where donations are made they must be broken down between those donations that were less than \$1,000 and those that exceeded \$1,000.

Please ensure that these figures are broken down in accordance with the latest financial reporting guidelines. The reporting guidelines are available on the link below.

Key management personnel

Australian Accounting Standard *AASB 124 Related Party Disclosures* paragraph 17 requires the General Purpose Financial Report to disclose within the statements or the notes compensation paid to key management personnel.

This normally includes the total amount of compensation paid to all key management personnel, and then totals for each of the following categories:

- Short term employee benefits
- Post employment benefits
- Other long term employee benefits
- Termination benefits
- Any share based payments.

I note that while the financial report does include a key management personnel note, the figures in each line are zero. We would ordinarily expect the members of the committee of management to be identified as the Key Management Personnel of the reporting unit. It also appears from note 4A that office holders accrued employment expenses of \$377,376.37 during the financial year and are therefore paid officers.

If the reporting unit submits a key management personnel note in its next financial report with NIL disclosures, please include an explanation as to why it asserts its officers are not key management personnel within the definition of the AASB.

Re-issued Operating Report

I note that an amended report was lodged with the Commission on 7 May 2015. Following a conversation with the branch it appears that the number of members in the operating report was corrected. However, the date of the operating report appeared to remain the same. Please ensure that documents signed by officers are always dated the day they are signed. Further, the new operating report will need to be provided to members.

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

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TRANSPORT WORKERS' UNION OF AUSTRALIA (SA/NT) BRANCH

FINANCIAL STATEMENTS

For the Year Ended 31st December 2014



13 April 2015

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

Via email: orgs@fwc.gov.au

Designated Officer's Certificate [FR2014/412]

s.268 Fair Work (Registered Organisations) Act 2009
Certificate for period ended 31 December 2014

I *Raymond John Wyatt* being the *Branch Secretary* of the *Transport Workers' Union of Australia SA/NT Branch* certify:

- that the documents lodged herewith are copies of the full report for the *Transport Workers' Union of Australia SA/NT Branch* for the period ended 31 December 2014 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the *full report* was provided to members of the reporting unit on *28 April 2015* by way of the *Special Branch Committee of Management* meeting and the *Annual General Meeting*. The *full report* is also available on the internet for download at www.twusant.com.au and is available in hard copy from 25 Chief St Brompton SA 5007; and
- that the full report was presented at a *Special Branch Committee of Management* meeting and the *Annual General Meeting* of the reporting unit on *28 April 2015* in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

Name of prescribed designated officer:
Raymond John Wyatt

Title of prescribed designated officer:
Transport Workers' Union of Australia
SA/NT Branch Secretary

Dated: 28 April 2015

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**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
THE TRANSPORT WORKERS' UNION OF AUSTRALIA
SA/NT BRANCH**

SCOPE

We have audited the Accounts being the Statement of Comprehensive Income for the Year Ended 31st December 2014 Statement of Financial Position as at 31st December 2014 Statement of Cash Flows for the Year Ended 31st December 2014. Statement of Charges in Equity for the Year Ended 31st December 2014 and notes to and forming part of the Accounts of the Transport Workers Union of Australia, SA/NT Branch for the year ended 31st December 2014.

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 the 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. The 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 Financial Reports are presented 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 the audit.

PETER HALL – CHARTERED ACCOUNTANT



PETER J HALL

REGISTERED COMPANY AUDITOR

ADELAIDE ^{लिख} April 2015

Transport Workers' Union of Australia SA/NT Branch

Branch Committee of Management

OPERATING REPORT

For the period ended 31 December 2014

The Branch Committee of Management presents its report on the Reporting Unit for the financial year ended *31 December 2014*

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.

Significant changes in financial affairs

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

Right of members to resign

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

Officers & employees who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee

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 4900.

Number of employees

The number of persons who were, at the end of the reporting period, employees of the Association was 12.

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

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)
- Ian Gonsalves (Branch Trustee)
- Matthew Spring (Retired as Trustee and became a Committee Member)
- Peter Brammy (Committee Member)
- Romana Hutchinson (Committee Member)
- Edward Lawrie (Branch Trustee)
- Scott Concannon (Committee Member)
- Daniel McNicol (Committee Member)
- Jeremy Czoloszynski (Committee Member)
- Frank Kesak (Committee Member)
- Frank Manocchio (Retired Committee Member)
- Neville Steed (Retired Committee Member)

Officers & employees who are directors of a company or a member of a board

Signature of designated officer:



Name and title of designated officer: **Ray Wyatt – TWU SANT Branch Secretary**

Dated: **Tuesday 10 February 2015**

Transport Workers' Union of Australia SA/NT Branch
Branch Committee of Management

COMMITTEE OF MANAGEMENT STATEMENT

For the period ended 31 December 2014

On 13 March 2015 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 (GPRF) for the year ended 31 December 2014:

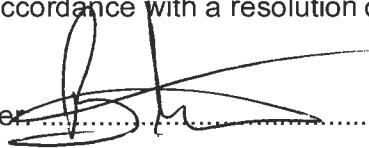
The Branch Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with 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; and
- (e) during the financial year to which the GPRF relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act 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, there has been compliance.
- (f) in relation to recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the General Manager; and

- (ii) the committee of management instructed the auditor 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; and
- (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
- (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
- (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from monies recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

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

Signature of designated officer:



Name and title of designated officer: **Ray Wyatt – TWU SA/NT Branch Secretary**

Dated: Tuesday: **13 March 2015**

Transport Workers Union of Australia SA/NT Branch
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31st December 2014

	Notes	2014 \$	2013 \$
Revenue			
Membership subscription		1960849.70	1923720.40
Capitation fees	3A	-	-
Levies	3B	-	-
Interest	3C	50993.23	59364.07
Rental revenue	3D	37371.59	33550.00
Other revenue		289286.80	248283.68
Total revenue		2338501.32	2264918.15
Total income		2338501.32	2264918.15
Expenses			
Employee expenses	4A	1278152.48	1076873.62
Capitation fees	4B	355040.74	341203.66
Affiliation fees	4C	32851.27	32038.37
Administration expenses	4D	455443.00	602115.60
Grants or donations	4E	29936.37	35973.51
Depreciation and amortisation	4F	65476.00	71114.00
Legal costs	4G	158184.98	23208.09
Audit fees	14	16421.13	11410.00
Other expenses	4H	49134.89	26353.09
Total expenses		2440640.86	2220289.94
Profit for the year		(102139.54)	44628.21
Other comprehensive income			
Gain on revaluation of Other Investments		149574.57	555642.19
Total comprehensive income for the year		47435.03	600270.40

The above statement should be read in conjunction with the notes forming part of the accounts.

Transport Workers Union of Australia SA/NT Branch
STATEMENT OF FINANCIAL POSITION
as at 31st December 2014

	Notes	2014 \$	2013 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	550728.42	364736.13
Trade and other receivables	5B	117654.27	93941.37
Other current assets	5C	7744.85	44743.37
Total current assets		676127.54	503420.87
Non-Current Assets			
Land and buildings	6A	1292974.00	1316941.00
Plant and equipment	6B	123728.00	103059.00
Other investments	6C	4678264.30	4816465.26
Total non-financial assets		6094966.30	6236465.26
Total assets		6771093.84	6739886.13
LIABILITIES			
Current Liabilities			
Trade payables	7A	157846.36	126976.35
Other payables	7B	21992.97	92302.26
Employee provisions	8A	81930.25	71447.49
Total current liabilities		261769.58	290726.10
Non-Current Liabilities			
Employee provisions	8A	93418.21	80689.01
Total non-current liabilities		93418.21	80689.01
Total liabilities		355187.79	371415.11
Net assets		6415906.05	6368471.02
EQUITY			
General funds	10A	562538.00	562538.00
Retained earnings		5853368.05	5805933.02
Total equity		6415906.05	6368471.02

The above statement should be read in conjunction with the notes forming part of the accounts.

Transport Workers Union of Australia SA/NT Branch
STATEMENT OF CHANGES IN EQUITY
for the year ended 31st December 2014

Consolidated	General funds	Retained earnings	Total equity
Notes	\$	\$	\$
Balance as at 1 January 2013	562538.00	5205662.62	5768200.62
Profit for the year	-	44628.21	44628.21
Other comprehensive income for the year – Increase in Market Value of Other Investments	-	555642.19	555642.19
Closing balance as at 31 December 2013	562538.00	5805933.02	6368471.02
Adjustment for errors	-	-	-
Profit (Loss) for the year	-	(102139.54)	(102139.54)
Other comprehensive income for the year – Increase in Market Value of Other Investments	-	149574.57	149574.57
Closing balance as at 31 December 2014	562538.00	5853368.05	6415906.05

The above statement should be read in conjunction with the notes forming part of the accounts.

Transport Workers Union of Australia SA/NT Branch
CASH FLOW STATEMENT
for the year ended 31 December 2014

	Notes	2014 \$	2013 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units/controlled entity(s)	11B	-	-
Interest		50993.23	59364.07
Other		2287508.09	2205554.08
Cash used			
Employees		1272164.01	1019949.31
Suppliers		818167.02	1164531.45
Payment to other reporting units/controlled entity(s)	11B	-	-
Net cash from (used by) operating activities	11A	248170.29	80437.39
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of plant and equipment		41603.00	-
Proceeds from sale of land and buildings		-	-
Other		-	-
Cash used			
Purchase of plant and equipment		103781.00	2048.00
Purchase of land and buildings		-	-
Other		-	-
Net cash from (used by) investing activities		(62178.00)	(2048.00)
FINANCING ACTIVITIES			
Cash received			
Contributed equity		-	-
Other		-	-
Cash used			
Repayment of borrowings		-	-
Other		-	-
Net cash from (used by) financing activities		-	-
Net increase (decrease) in cash held		185992.29	(59774.07)
Cash & cash equivalents at the beginning of the reporting period		364736.13	346120.81
Cash & cash equivalents at the end of the reporting period	5A	550728.42	286346.74

The above statement should be read in conjunction with the notes forming part of the accounts.

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**TRANSPORT WORKERS' UNION OF AUSTRALIA
SA / NT BRANCH**

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

Note 1 Summary of Significant Accounting Policies

1.1 Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Transport Workers' Union of Australia SA/NT Branch is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities at measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Comparative amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1.3 Significant Accounting Judgements and Estimates

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

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard Requirements

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year.

Future Australian Accounting Standards Requirements

There are no new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on Transport Workers' Union of Australia SA/NT Branch.

The above notes should be read in conjunction with the other notes forming part of the accounts.

1.5 Revenue

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

Revenue from memberships is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Donation income is recognised when it is received.

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

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

1.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Transport Workers' Union of Australia SA/NT Branch will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Transport Workers' Union of Australia SA/NT Branch recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Transport Workers' Union of Australia SA/NT Branch should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Transport Workers' Union of Australia SA/NT Branch with no future related costs are recognised in profit or loss in the period in which they become receivable.

1.7 Gains

Sale of assets

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

1.8 Capitation fees and levies

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

1.9 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits and termination benefits due within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

The above notes should be read in conjunction with the other notes forming part of the accounts.

Other long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. Reporting Unit recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

1.10 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

1.11 Land, Buildings, Plant and Equipment

Asset Recognition Threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations—Land and Buildings

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

The above notes should be read in conjunction with the other notes forming part of the accounts.

Depreciation rates applying to each class of depreciable asset are based on their useful lives.

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.12 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

1.13 Taxation

Transport Workers' Union of Australia SA/NT Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

Note 2 Events after the reporting period

There were no events that occurred after 31st December 2014, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Transport Workers' Union of Australia SA/NT Branch.

	2014	2013
	\$	\$
Note 3 Income		
Note 3A: Capitation fees		
	-	-
Total capitation fees	<u>-</u>	<u>-</u>
Note 3B: Levies		
	-	-
Total levies	<u>-</u>	<u>-</u>
Note 3C: Interest		
Deposits	50993.23	59364.07
Total interest	<u>50993.23</u>	<u>59364.07</u>
Note 3D: Rental revenue		
Properties	37371.59	33550.00
Total rental revenue	<u>37371.59</u>	<u>33550.00</u>
Note 3E: Grants or donations		
Grants	-	-
Donations	-	-
Total grants or donations	<u>-</u>	<u>-</u>

The above notes should be read in conjunction with the other notes forming part of the accounts.

2014	2013
\$	\$

Note 4 Expenses

Note 4A: Employee expenses

Holders of office:

Wages and salaries	281952.02	275907.94
Superannuation	58377.72	55987.80
Leave and other entitlements	17808.16	24797.50
Separation and redundancies	-	-
Other employee expenses	19238.47	19783.90
Subtotal employee expenses holders of office	377376.37	376477.14

Employees other than office holders:

Wages and salaries	775792.36	571098.75
Superannuation	111630.90	91048.22
Leave and other entitlements	5403.80	32126.81
Separation and redundancies	-	-
Other employee expenses	7949.05	6122.70
Subtotal employee expenses employees other than office holders	900776.11	700396.48
Total employee expenses	1278152.48	1076873.62

Note 4B: Capitation fees

Transport Workers Union of Australia	355040.74	341203.66
Total capitation fees	355040.74	341203.66

Note 4C: Affiliation fees

Australian Labor Party – SA/NT Branches	32851.27	32038.37
Total affiliation fees/subscriptions	32851.27	32038.37

The above notes should be read in conjunction with the other notes forming part of the accounts.

	2014	2013
	\$	\$
Note 4D: Administration expenses		
Consideration to employers for payroll deductions	1561.69	-
Compulsory levies	-	
Fees/allowances - meeting and conferences	8731.55	23425.62
Conference and meeting expenses	75524.66	159021.81
Contractors/consultants	-	-
Property expenses	42609.81	20689.16
Office expenses	159165.14	146900.67
Information communications technology	29988.66	26270.59
Other	137861.49	225807.75
Subtotal administration expense	455443.00	602115.60
Operating lease rentals:		
Minimum lease payments	-	-
Total administration expenses	455443.00	602115.60
Note 4E: Grants or donations		
Grants	-	-
Donations	29936.37	35973.51
Total grants or donations	29936.37	35973.51
Note 4F: Depreciation and amortisation		
Depreciation		
Land & buildings	23967.00	24238.00
Property, plant and equipment	41509.00	46876.00
Total depreciation	65476.00	71114.00
Amortisation		
Intangibles	-	-
Total amortisation	-	-
Total depreciation and amortisation	65476.00	71114.00
Note 4G: Legal costs		
Litigation	158184.98	23208.09
Other legal matters	-	-
Total legal costs	158184.98	23208.09

The above notes should be read in conjunction with the other notes forming part of the accounts.

2014	2013
\$	\$

Note 4H: Other expenses

Penalties - via RO Act or RO Regulations	-	-
Other Expenses	49134.89	26353.09
Total other expenses	49134.89	26353.09

Note 5 Current Assets

Note 5A: Cash and Cash Equivalents

Cash at bank	549878.42	363886.13
Cash on hand	850.00	850.00
Short term deposits		
Other		
Total cash and cash equivalents	550728.42	364736.13

Note 5B: Trade and Other Receivables

Receivables from other reporting unit[s]

Total receivables from other reporting unit[s]

Less provision for doubtful debts

Total provision for doubtful debts

Receivable from other reporting units (net)

Other receivables:

GST receivable from the Australian Taxation Office	13503.10	6749.10
Other trade receivables	104151.17	87192.27
Total other receivables	117654.27	93941.37
Total trade and other receivables (net)	117654.27	93941.37

Note 5C: Other Current Assets

Prepaid Expenses	7588.10	43523.37
Movie Tickets for resale on hand	156.75	1220.00
Total other current assets	7744.85	44743.37

The above notes should be read in conjunction with the other notes forming part of the accounts.

2014	2013
\$	\$

Note 6 Non-current Assets

Note 6A: Land and buildings

Land and buildings:

fair value	1494475.00	1494475.00
accumulated depreciation	201501.00	177534.00
Total land and buildings	1292974.00	1316941.00

Reconciliation of the Opening and Closing Balances of Land and Buildings

As at 1 January 2014		
Gross book value	1494475.00	1494475.00
Accumulated depreciation and impairment	177534.00	153296.00
Net book value 1 January 2014	1316941.00	1341179.00
Additions:		
By purchase	-	-
Depreciation expense	23967.00	24338.00
Net book value 31 December 2014	1292974.00	1316941.00
Net book value as of 31 December 2014 represented by:		
Gross book value	1494475.00	1494475.00
Accumulated depreciation and impairment	201501.00	177534.00
Net book value 31 December 2014	1292974.00	1316941.00

The above notes should be read in conjunction with the other notes forming part of the accounts.

2014	2013
\$	\$

Note 6B: Plant, Equipment & Vehicles

Plant, Equipment & Vehicles:		
at cost	328761.00	266583.00
accumulated depreciation	205033.00	163524.00
Total plant, equipment & vehicles	123728.00	103059.00

Reconciliation of the Opening and Closing Balances of Plant and Equipment

As at 1 January 2014		
Gross book value	266583.00	264535.00
Accumulated depreciation and impairment	163524.00	116648.00
Net book value 1 January 2014	103059.00	147887.00
Additions:		
By purchase	103781.00	2048.00
From acquisition of entities (including restructuring)	-	-
Impairments	-	-
Depreciation expense	41509.00	46876.00
Other movement [<i>give details below</i>]	-	-
Disposals:		
From disposal of entities (including restructuring)	-	-
Other	41603.00	-
Net book value 31 December 2014	123728.00	103059.00
Net book value as of 31 December 2014 represented by:		
Gross book value	328761.00	266583.00
Accumulated depreciation and impairment	205033.00	163524.00
Net book value 31 December 2014	123728.00	103059.00

Note 6C: Other Investments

Deposits - Banks	1011306.30	1250232.26
Other	3666958.00	3566233.00
Total other investments	4678264.30	4816465.26

The above notes should be read in conjunction with the other notes forming part of the accounts.

2014	2013
\$	\$

Note 7 Current Liabilities

Note 7A: Trade payables

Trade creditors and accruals	157846.36	126976.35
Operating lease rentals	-	-
Subtotal trade creditors	157846.36	126976.35

Payables to other reporting unit[s]

	-	-
Subtotal payables to other reporting unit[s]	157846.36	-

Total trade payables	157846.36	126976.35
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Settlement is usually made within 30 days.

Note 7B: Other payables

Consideration to employers for payroll deductions	-	-
Legal costs	-	-
Prepayments received	20081.52	90725.21
GST payable	-	-
Other	1911.45	1577.05
Total other payables	21992.97	92302.26

Total other payables are expected to be settled in:

No more than 12 months	21992.97	92302.26
More than 12 months	-	-
Total other payables	21992.97	92302.26

The above notes should be read in conjunction with the other notes forming part of the accounts.

2014	2013
\$	\$

Note 8 Provisions

Note 8A: Employee Provisions

Office Holders:

Annual leave	47501.70	40764.37
Long service leave	77928.16	66857.33
Separations and redundancies	-	-
Other	-	-

Subtotal employee provisions—office holders

125429.86	107621.70
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Employees other than office holders:

Annual leave	34428.55	30683.12
Long service leave	15490.05	13831.68
Separations and redundancies	-	-
Other	-	-

Subtotal employee provisions—employees other than office holders

49918.60	44514.80
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Total employee provisions

175348.46	152136.50
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Current	81930.25	71447.49
Non Current	93418.21	80689.01
Total employee provisions	175348.46	152136.50

Note 9 Equity

Note 9A: General Funds

PROPERTY REVALUATION RESERVE

Balance as at start of year	562538.00	562538.00
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	562538.00	562538.00
Total Reserves	562538.00	562538.00

The above notes should be read in conjunction with the other notes forming part of the accounts.

2014	2013
\$	\$

Note 10 Cash Flow

Note 10A: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement:

Cash and cash equivalents as per:

Cash flow statement	550728.42	364736.13
Balance sheet	550728.42	364736.13
Difference	<u>-</u>	<u>-</u>

The difference is represented by... (to be included only where there is a difference).

Reconciliation of profit/(deficit) to net cash from operating activities:

Profit for the year	47435.03	600270.40
Adjustments for non-cash items		
Depreciation/amortisation	65476.00	71114.00
Net write-down of non-financial assets	-	-
Gain on disposal of assets	-	-
Changes in assets/liabilities		
(Increase)/decrease in net receivables	(23712.90)	(66147.40)
(Increase)/decrease in prepayments	36998.52	9030.05
Increase/(decrease) in supplier payables	30870.01	(43250.12)
Increase/(decrease) in other payables	(70309.29)	6090.34
Increase/(decrease) in employee provisions	23181.96	56924.31
Increase/(decrease) in other provisions	76052.96	(555642.19)
Net cash from (used by) operating activities	<u>185992.29</u>	<u>78389.39</u>

Note 10B: Cash flow information

Cash inflows

-	-
<u>-</u>	<u>-</u>

Total cash inflows

Cash outflows

-	-
<u>-</u>	<u>-</u>

Total cash outflows

The above notes should be read in conjunction with the other notes forming part of the accounts.

Note 11 Contingent Liabilities, Assets and Commitments

Note 11A: There are no Commitments, Assets and Contingencies

	2014	2013
	\$	\$

Note 12 Related Party Disclosures

Note 12A: Related Party Transactions for the Reporting Period

NIL

Note 12B: Key Management Personnel Remuneration for the Reporting Period

Short-term employee benefits

Salary (including annual leave taken)	-	-
Annual leave accrued	-	-
Performance bonus	-	-
[other major categories]	-	-
Total short-term employee benefits	-	-

Post-employment benefits:

Superannuation	-	-
Total post-employment benefits	-	-

Other long-term benefits:

Long-service leave	-	-
Total other long-term benefits	-	-

Termination benefits

Total	-	-
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Note 12C: Transactions with key management personnel and their close family members

Loans to/from key management personnel	-	-
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Other transactions with key management personnel	-	-
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Note 13 Remuneration of Auditors

Value of the services provided

Financial statement audit services	10000.00	7800.00
Other services	6421.00	3610.00
Total remuneration of auditors	16421.00	11410.00

No other services were provided by the auditors of the financial statements.

The above notes should be read in conjunction with the other notes forming part of the accounts.

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

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or the General Manager of Fair Work Commission:

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

The above notes should be read in conjunction with the other notes forming part of the accounts.