



28 May 2014

Wayne Mader  
Branch Secretary  
Transport Workers Union of Australia, Vic/Tas Branch  
PO Box 203  
Port Melbourne VIC 3207

via e-mail: wayne.mader@twu.asn.au

Dear Mr Mader

**Transport Workers Union of Australia, Vic/Tas Branch  
Financial Report for the year ended 31 December 2013 - FR2013/454**

I acknowledge receipt of the financial report for the year ended 31 December 2013 for the Transport Workers Union of Australia, Vic/Tas Branch (TWU-VICTAS). The financial report was lodged with the Fair Work Commission (FWC) on 19 May 2014.

The financial report has now been filed.

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

Please note that the financial report for the year ending 31 December 2014 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.

General purpose financial report to be prepared on accrual basis

Section 252 of the RO Act places obligations upon reporting units 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...'. Paragraph 27 of Australian Accounting Standard *AASB101 Presentation of Financial Statements*, states that 'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting'.

The notes to the financial statements state 'Membership contributions are accounted for on a cash basis in accordance with s252(4) of the Act.' In future please ensure that membership contributions are brought to account on an accruals basis in accordance with the Australian Accounting Standards. 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.

#### Auditor's report: declaration regarding going concern

Paragraph 45 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.

#### 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 a listing of the key management personnel for the organisation, 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.

The definition for these categories can be found within accounting standard *AASB 119: Employee Benefits*.

#### Disclosure of employee expenses/provisions to office holders and other employees

The Reporting Guidelines require reporting units to disclose in the statement of comprehensive income or in the notes to the financial statements employee expenses to holders of office (item 17(f)) and employee expenses to other employees (item 17(g)).

Note 10 to the GPRS does not distinguish between employee expenses for office holders and other employees by wages and salaries, superannuation, leave and other entitlements and other employee expenses.

The Reporting Guidelines also require either the statement of financial position or the notes to disclose any liability for employee benefits in respect of office holders and other employees (items 21(c) and 21 (d)).

Note 8 to the GPRS does not distinguish between employee provisions for office holders and other employees by annual leave, long service leave, separation and redundancies and other employee provisions.

In future years please ensure that expenses/provisions for office holders and other employees are disclosed correctly in accordance with the Reporting Guidelines.

#### Capitation fees received

Reporting Guideline 15(b) requires capitation fees received to be disclosed or if there are no capitation fees Reporting Guideline 16 requires a statement to this effect in the notes to the GPFR. I note that no such disclosure has been made.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7675 or by email at [ken.morgan@fwc.gov.au](mailto:ken.morgan@fwc.gov.au)

Yours sincerely

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

Ken Morgan  
Financial Reporting Advisor  
Regulatory Compliance Branch



**TRANSPORT WORKERS UNION OF AUSTRALIA**  
**VICTORIAN/TASMANIAN BRANCH**

ABN 47 634 608 538

President: David White  
Vice President: Allan Taylor  
Branch Secretary: Wayne Mader  
Branch Assistant Secretary: John Berger  
Trustees: Anna Gileno, Chris Fennell

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Email: info@twu.asn.au  
Website: www.twu.asn.au



15<sup>th</sup> May, 2014

Fair Work Australia,  
G.P. O. BOX 1994  
MELBOURNE. VIC. 3001

Dear Sir/Madam,

**RE: ANNUAL FINANCIAL REPORT 2013**

In accordance with the Fair Work (Registered Organisations) Act 2009 the Transport Workers Union of Australia (Vic/Tas Branch) hereby submits the Certificate of Secretary and 2013 Annual Financial Report documents which were presented to a meeting of the Committee of Management on 11<sup>th</sup> March 2014 and again on 13<sup>th</sup> May 2014 and distributed to members in the TWU Journal on 9<sup>th</sup> April 2014.

If you have any questions regarding this matter, please contact Wendy Wang on 1300 727 614.

Yours Sincerely,

Wayne Mader  
BRANCH SECRETARY

Encl.

*100 Years of Australian Transport Unionism*



ISO 9001  
FS 521039

**VICTORIAN/TASMANIAN BRANCH**  
**A.B.N. 47 634 608 538**

**CERTIFICATE OF SECRETARY**

I, Wayne Mader, being the Secretary of the Transport Workers' Union of Australia, Victorian Tasmanian Branch, certify:

- (i) that the documents lodged herewith are copies of the full report referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- (ii) that the full report was presented to a meeting of the committee of management of the reporting unit on 11<sup>th</sup> March 2014 (the first meeting) in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009; and
- (iii) that the full report was provided to members on 9<sup>th</sup> April 2014; and
- (iv) that the full report was presented to a meeting of the committee of management of the reporting unit on 13<sup>th</sup> May 2014 (the second meeting) in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.



Wayne Mader

15 May 2014

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN TASMANIAN BRANCH  
A.B.N. 47 634 608 538**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2013**

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**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN/TASMANIAN BRANCH  
A.B.N. 47 634 608 538**

**OPERATING REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

Review of Principle Activities

The Union's principal activities are representing its members on industrial and safety issues, and training and supporting Delegates and Occupational Health and Safety Representatives in their duties. There have been no significant changes in the nature of these activities during the year.

Review of Financial Affairs

The surplus for the full year was \$714,445 (2012: \$705,394). The following is noted:

Membership;

- A total of 2,760 persons joined the Union during 2013.
- A total of 1,654 persons resigned from the Union during 2013.
- Membership increased by 1,106 persons. Income from members increased by 4.19% (2012: Increase 3.00%) or \$276,003 (2012: Increase \$190,612).
- Income from conducting Training Courses amounted to \$45,630 (2012: \$77,291).

As at 31 December 2013, the kerbside valuation of Land & Buildings is \$5,750,000 (2012: \$5,500,000) in line with last year, and \$2,325,258 over the value reflected in these Financial Statements.

The following events need to be recognized in the preparation of the Financials Statements;

- There have been no significant changes in the Union's financial affairs during the year.

Members Right to Resign

Members are able to resign in writing at any time. Unless a date is specified, the resignation takes effect on receipt of the resignation if the member has ceased to be eligible for membership, or after two weeks for any other reason. The Union may sue former members for unpaid dues.

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN/TASMANIAN BRANCH  
A.B.N. 47 634 608 538**

**OPERATING REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2013**

Trusteeships of Superannuation Entities

The Branch Secretary, Wayne Mader, is a director of the following trustee company associated with the TWU Superannuation Fund:

- TWU Nominees Pty Ltd

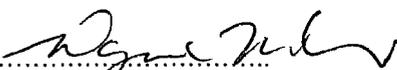
There are no other officers or members of the reporting unit who are a trustee or a director of a company that is a trustee of a superannuation entity.

Prescribed Information

24,612 persons (2012: 23,506) were recorded in the register of members at 31 December 2013.  
30 full-time equivalent persons (2012: 29) were employed at 31 December 2013.

Branch Committee of Management Members:	Period Position Held:
Anna Gileno	All of 2013
Bob Rule	All of 2013
David White	All of 2013
Howard Smith	All of 2013
John Rowe	All of 2013
John Siggers	All of 2013
Kevin Hoey	All of 2013
Allan Taylor	All of 2013
Manny Spiteri	All of 2013
Michael Wirrick	All of 2013
Wayne Mader	All of 2013
Jim Hughes	All of 2013
John Berger	All of 2013
Chris Fennell	All of 2013
Ken Griffin	All of 2013
Kevin Whelan	All of 2013
Carmine D'Amico	07 Jan.13 to 07 Dec.13
George Pantelidis	17 De.13 to 31 Dec.13

For the Committee of Management:

  
.....  
Wayne Mader

11 March 2014

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN TASMANIAN BRANCH**

**STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 \$	2012 \$
<b>CURRENT ASSETS</b>			
Cash on Hand		2,000	2,000
Cash at Bank		618,312	465,660
Accrued Interest		97,567	25,504
Sundry Debtors	4	143,881	81,311
Prepayments		50,012	41,901
Investments	5	3,202,080	2,550,000
<b>Total Current Assets</b>		<u>4,113,852</u>	<u>3,166,376</u>
<b>NON CURRENT ASSETS</b>			
Property, Plant & Equipment	6,9	3,654,670	3,690,267
<b>Total Non Current Assets</b>		<u>3,654,670</u>	<u>3,690,267</u>
<b>TOTAL ASSETS</b>		7,768,522	6,856,643
<b>CURRENT LIABILITIES</b>			
Sundry Creditors	7	608,956	424,525
Income in Advance		59,706	60,563
Employee Entitlements	8	753,664	799,293
<b>Total Current Liabilities</b>		<u>1,422,326</u>	<u>1,284,381</u>
<b>NON-CURRENT LIABILITIES</b>			
Employee Entitlements	8	202,749	143,259
<b>Total Non Current Liabilities</b>		<u>202,749</u>	<u>143,259</u>
<b>TOTAL LIABILITIES</b>		1,625,075	1,427,640
<b>NET ASSETS</b>		<u>6,143,447</u>	<u>5,429,002</u>
<b>MEMBERS FUNDS</b>			
Members funds at beginning of year		5,429,002	4,723,608
Movement for year		714,445	705,394
<b>Members funds at end of year</b>		<u>6,143,447</u>	<u>5,429,002</u>

The statement of financial position is to be read in conjunction with the notes to the financial statements

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN TASMANIAN BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 \$	2012 \$
<b>INCOME</b>			
Contributions and Entrance Fees		6,850,789	6,574,786
Federal Office Payroll Reimbursement		281,623	317,127
Investment Income - Interest		146,281	120,978
TWU Superannuation Training Officer		90,268	89,302
Occupational Health & Safety Course Fees		45,630	77,291
Sundry Income		66,610	61,681
Sponsorship - TWU Super		23,759	57,827
OHS Representative Grant		-	45,690
Federal Office Rental Income		44,000	44,000
TWU Superannuation Director Fee		30,000	30,000
Sponsorship - Maurice Blackburn		-	14,405
Worksafe Workhealth		-	12,920
<b>Total Income</b>		<u>7,578,959</u>	<u>7,446,007</u>
<b>EXPENDITURE</b>			
Accountancy Fees		-	1,200
Administration & Rent (Country Offices)		3,333	2,773
Affiliation & Levies - ALP		64,291	62,822
Affiliation & Levies - Other		70,432	67,787
Annual Leave	10	265,901	292,499
Auditor's Remuneration		6,500	7,950
Bank Charges		14,536	14,563
Car Allowance	10	257,351	267,786
Certificates & Awards		7,122	8,424
Clothing & Uniforms		1,264	3,072
Conference & Meeting Expenses		9,439	2,998
Cleaning		43,017	40,513
Computer Costs		25,206	21,103
Delegates Commission		88,147	92,759
Delegate Meeting Expenses		35,882	37,311
Depreciation		96,105	108,937
Donations		37,018	5,125
Federal Office Training Fund		8,027	0
Federal Council Levies		1,240,587	873,329
Federal Council Expenses		22,417	1,656

The statement of comprehensive income is to be read in conjunction with the notes to the financial statements

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN TASMANIAN BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 \$	2012 \$
Fringe Benefits Tax		17,556	25,454
Insurance		14,321	17,019
Lease & Hire of Equipment		36,753	22,212
Legal Expenses - Industrial Matters		162,201	185,275
Light, Power & Water		45,263	39,032
Long Service Leave	10	94,684	138,404
Loss on Sale of Assets		181	4,946
Marketing		50,063	126,687
Mortuary Benefits		7,500	7,500
Motor Vehicle Expenses		64,687	82,098
Occupational Health & Safety Expense		35,086	61,844
Payroll Tax		140,671	162,408
Postage		93,278	79,193
Printing & Stationery		35,203	45,670
Publications, Awards & Subscriptions		6,141	4,964
Rates & Taxes		46,076	34,240
Repairs & Maintenance		34,534	36,774
Salaries	10	2,708,480	2,792,168
Schoolbook Scholarship		3,341	3,668
Security Costs		9,197	10,157
Staff Amenities		9,893	8,122
Sundry Expenses		23,586	26,329
Superannuation	10	546,466	556,379
Telephone		88,795	70,105
Training Courses - Members		4,646	2,537
Training Courses - Staff		14,237	16,466
Travel & Accommodation		243,435	234,093
WorkCover		31,666	21,340
WorkSafe WorkHealth Expenses		-	12,920
<b>Total Expenditure</b>		<b>6,864,514</b>	<b>6,740,612</b>
<b>OPERATING SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>714,445</b>	<b>705,394</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>0</b>	<b>0</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>714,445</b>	<b>705,394</b>
Add Member Funds at Beginning of Year		5,429,002	4,723,608
<b>MEMBER FUNDS AT END OF YEAR</b>		<b>6,143,447</b>	<b>5,429,002</b>

The statement of comprehensive income is to be read in conjunction with the notes to the financial statements

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN TASMANIAN BRANCH**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013	2012
		\$	\$
<hr/>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Receipts</i>			
- Contributions and Entrance Fees		6,850,789	6,574,786
- Course and Seminar Fees		45,630	77,291
- Grants		0	58,610
- Interest Received		74,218	113,218
- Other Receipts		473,690	613,816
<i>Payments</i>			
- Suppliers and Employees		(5,505,802)	(5,706,347)
- Levy Payments to Federal Office		(1,073,103)	(873,329)
<b>NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES</b>	11	865,421	858,046
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
- Investment in Term Deposit		(652,080)	(1,500,000)
- Sale Proceeds - Plant & Equipment		6,695	
- Purchase of Plant & Equipment		(67,384)	(70,251)
<b>NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES</b>		(712,769)	(1,570,251)
<b>NET INCREASE / (DECREASE) IN CASH HELD</b>		152,652	(712,205)
Cash at Beginning of Year		467,660	1,179,865
<b>CASH AT END OF YEAR</b>	11	620,312	467,660

The statement of cash flows is to be read in conjunction with the notes to the financial statements

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN TASMANIAN BRANCH**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Accumulated Funds \$	Reserves	Total \$
<b>Balance at 31 December 2010</b>	4,133,284	-	4,133,284
Surplus/(Deficit) for the year	590,324	-	590,324
<b>Balance at 31 December 2011</b>	4,723,608	-	4,723,608
Surplus/(Deficit) for the year	705,394	-	705,394
<b>Balance at 31 December 2012</b>	5,429,002	-	5,429,002
Surplus/(Deficit) for the year	714,445	-	714,445
<b>Balance at 31 December 2013</b>	6,143,447		6,143,447

The statement of changes in equity is to be read in conjunction with the notes to the financial statements

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN/TASMANIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

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**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Fair Work (Registered Organisations) Act 2009 ("the Act")

Compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report comprising the financial report comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS) except for:

- Segment reporting because AASB 114 "Segment Reporting" does not apply to not-for-profit organizations.
- Impairment of assets under AASB 136 "Impairment of assets"

**BASIS OF PREPARATION**

The financial report is for the Victorian/Tasmanian Branch of the Transport Workers' Union of Australia and is in accordance with the Act. The Branch is a reporting unit. The transport Workers' Union of Australia is an organization registered under the Act. The Victorian/Tasmania branch is a branch of the registered organization. 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 Federal Council are not subject to the Corporations Act 2001.

The financial report has been prepared on the basis of historical costs 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 Committee of Management.

**(a) Revenue**

**Memberships**

Membership contributions are accounted for on a cash basis in accordance with S252(4) of the Act. This means that all memberships received during the financial year ending on the 31<sup>st</sup> of December are included as income in the Statement of Income and Expenditure for that year. Membership income in any one year will comprise amounts received for prior, current and future financial years.

**Other Revenue**

All other revenue is accounted for on an accruals basis.

**(b) Income Tax**

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

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

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

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN/TASMANIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

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*Depreciation*

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

The depreciation rates used for each class of assets are:

Class of Fixed Asset	Depreciation Rate
Property, Plant and Equipment	1.00 -- 66.67%

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

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

**(d) Impairment**

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

**(e) Employee Benefits**

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

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

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

**(f) Investments**

All investments and other financial assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognized 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.

*Held-to-maturity investments*

These investments have fixed maturities, and it is the Union's intention to hold these investments to maturity. Any held-to-maturity investments held by the Union are stated at a current value based on revaluing the investment on an amortised cost basis to its face value at maturity. Any adjustment is debited to the diminution in value of investments expense.

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN TASMANIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

*Loans and receivables*

Loans and receivables are non-derivative financial assets with a fixed or determinable payment that are not quoted on an active market. They are recognized at amortised cost.

**(g) Goods and Services Tax**

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

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

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

**2. ACCOUNTING ESTIMATES AND JUDGEMENTS**

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

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

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

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

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

**3. INFORMATION TO BE PROVIDED TO MEMBERS OR GENERAL MANAGER**

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 which reads as follows:

- (1) A member of a reporting unit, or the General Manager, 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 matter 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  
VICTORIAN TASMANIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013	2012
	\$	\$
<hr/>		
<b><u>4 SUNDRY DEBTORS</u></b>		
Federal Council	137,190	69,401
Trade & Other Debtors	6,691	11,910
	143,881	81,311
<b><u>5 INVESTMENTS</u></b>		
Comprises the following Held to Maturity Financial Instruments :-		
CBA Term Deposits	1,000,000	100,000
Bendigo Bank Term Deposit	102,080	50,000
ME Bank Term Deposits	2,100,000	1,400,000
ANZ SUB FRN	-	1,000,000
	3,202,080	2,550,000
<b><u>6 PROPERTY, PLANT &amp; EQUIPMENT</u></b>		
Land - Rouse St. Port Melbourne (at cost)	9 2,180,000	2,180,000
Building - Rouse St. Port Melb. (at cost)	2,470,759	2,468,777
Less: Accumulated Depreciation	(1,226,017)	(1,189,953)
	1,244,742	1,278,824
Motor Vehicles (at cost)	106,374	90,400
Less: Accumulated Depreciation	(47,500)	(44,290)
	58,874	46,110
Office Furniture & Equipment (at cost)	1,352,111	1,319,516
Less: Accumulated Depreciation	(1,181,058)	(1,134,183)
	171,053	185,333
Total Property, Plant & Equipment	3,654,670	3,690,267

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN TASMANIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	<b>2013</b>	<b>2012</b>
	\$	\$
<hr/>		
<b><u>7 SUNDRY CREDITORS</u></b>		
Trade Creditors	84,378	95,090
Federal Council	245,678	78,179
Accrued Expenses	24,547	11,436
Delegate Commission	42,547	41,389
PAYE Tax	71,479	74,276
Other Taxes	53,679	58,161
Superannuation & Salary Sacrifice	83,505	60,963
Other Creditors	3,144	5,031
	<u>608,956</u>	<u>424,525</u>
<b><u>8 EMPLOYEE ENTITLEMENTS</u></b>		
<b>CURRENT LIABILITIES</b>		
Provision for Annual Leave	367,267	356,177
Provision for Long Service Leave	386,397	443,116
	<u>753,664</u>	<u>799,293</u>
<b>NON CURRENT LIABILITIES</b>		
Provision for Long Service Leave	202,749	143,259
	<u>202,749</u>	<u>143,259</u>
<b>TOTAL LIABILITY</b>	<u>956,413</u>	<u>942,552</u>
Elected Officials	286,937	364,832
Other Employees	669,476	577,720
	<u>956,413</u>	<u>942,552</u>
<b>MOVEMENT IN ANNUAL LEAVE PROVISION</b>		
Opening Balance	356,177	309,198
Increase/(Decrease) in Provision	11,089	46,979
Closing Balance	<u>367,266</u>	<u>356,177</u>
<b>MOVEMENT IN LONG SERVICE LEAVE PROVISION</b>		
Opening Balance	586,375	594,036
Increase / (Decrease) in Provision	2,772	(7,661)
Closing Balance	<u>589,147</u>	<u>586,375</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN TASMANIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013	2012
	\$	\$

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**9 VALUATION - LAND AND BUILDINGS**

**ROUSE STREET, PORT MELBOURNE**

A valuation of the land & building at Rouse Street was undertaken as at 31 December 2013. The property is valued at \$5,750,000 (2012: \$5,500,000) assuming a notional owner occupied lease.

The written down value of the Rouse Street property included in the financial statements is \$3,424,742 (2012: \$3,458,824). This comprises the purchase price paid for the land & building in 1990 plus the cost of building improvements, less depreciation on the building and the improvements.

The excess of the valuation over the book value has not been reflected in these Financial Statements.

**10 EMPLOYEE REMUNERATION**

Remuneration and superannuation paid to employees and officials is as follows:

**REMUNERATION**

Branch Secretary	164,297	158,973
Branch Assistant Secretary	149,630	138,384
Other Elected Officials	719,317	498,453
Other Employees	2,293,173	1,996,358
	3,326,416	2,792,168

(Remuneration includes salary, car allowances, annual leave, long service leave)

**SUPERANNUATION**

Branch Secretary	28,380	27,119
Branch Assistant Secretary	22,898	23,102
Other Elected Officials	103,772	113,604
Other Employees	391,416	392,554
	546,466	556,379

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN TASMANIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013	2012
	\$	\$
<b><u>11 CASH FLOW INFORMATION</u></b>		
(a) Reconciliation of cash flows from operations with operating surplus/(deficit) for the year.		
Operating Surplus/(Deficit)	714,445	705,394
Non Cash Flows in Operating Result		
Depreciation	96,105	108,937
Loss on sale of assets	181	5,583
Changes in Assets and Liabilities		
(Increase)/decrease in receivables	(62,570)	4,420
(Increase)/decrease in accrued interest	(72,063)	(7,760)
(Increase)/decrease in other assets	(8,111)	(13,885)
Increase/(decrease) in payables	183,573	16,039
Increase/(decrease) in provisions	13,861	39,318
Cash Flows from Operations	865,421	858,046

(b) Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash on hand	2,000	2,000
Cash at Bank	618,312	465,660
Cash at End of Year	620,312	467,660

**12 AUDITORS REMUNERATION**

Audit Services	6,500	7,950
Non Audit Services	0	0
Total	6,500	7,950

**13 CONTINGENT LIABILITIES**

There are no material contingent liabilities in existence at 31 December 2013

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN TASMANIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013	2012
	\$	\$
<hr/>		
<b><u>14 CAPITAL AND LEASING COMMITMENTS</u></b>		
<b>Operating Lease Commitments</b>		
Non cancellable operating lease contracted for but not capitalised in the financial statements		
Payable in next 12 months	32,525	32,525
Payable after 12 months but less than 60 months	86,733	119,258
Total	119,258	151,783

**15 SUBSEQUENT EVENTS**

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has affected, or may significantly affect, the operations of the branch, the result of operations, or the state of the branch in the future financial years.

**16 RELATED PARTY TRANSACTIONS**

Amount owing by the TWU Federal Office to TWU Vic/Tas Branch at 31 December	137,190	134,087
Amount owing by the TWU Vic/Tas Branch to the TWU Federal Office at 31 December	245,678	78,179
Sustentation fees and levies paid to the TWU Federal Office for the 2013 year	1,248,614	873,329

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
THE TRANSPORT WORKERS UNION OF AUSTRALIA VICTORIAN/TASMANIAN  
BRANCH

*Scope*

I have audited the accompanying financial report, being a general purpose financial report, of the Transport Workers Union of Australia Victorian/Tasmanian Branch for the year ended 31 December 2013. The Financial Report comprises the Statement of Financial Position, Statement of Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity and Notes To and Forming Part of The Financial Statements.

*Committee of Management's Responsibility for the Financial Report*

The members of the Committee of Management are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009. The Committee's responsibilities also include establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based on my audit. I have conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I 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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

*Independence*

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
THE TRANSPORT WORKERS UNION OF AUSTRALIA VICTORIAN/TASMANIAN  
BRANCH

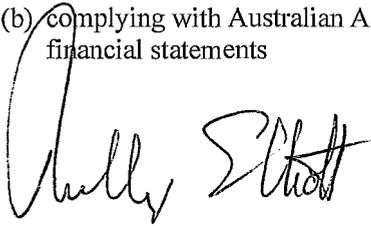
*Status as Approved Auditor*

I confirm that at the time of signing this audit report I am a member of the Institute of Chartered Accountants and my Certificate of Public Practice is current.

*Auditor's Opinion*

In my opinion the financial report of the Transport Workers Union Victorian/Tasmanian Branch is in accordance with section 253 of the Fair Work (Registered Organisations) Act 2009, including:-

- (a) giving a true and fair view of the financial position of the Branch as at 31 December 2013 and the results of its operations and its cash flows for the year then ended, and
- (b) complying with Australian Accounting Standards to the extent detailed in Note 1 to the financial statements



.....  
Phillip Elliott \*

Address: Suite 105, 620 St Kilda Road Melbourne Vic 3004

Dated this : 18th Day of March 2014

\* Liability limited by a scheme approved under Professional Standards Legislation

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
VICTORIAN/TASMANIAN BRANCH  
A.B.N. 47 634 608 538**

**COMMITTEE OF MANAGEMENT STATEMENT**

On 11 March 2014 the Committee of Management of the Transport Workers' Union of Australia, Victorian Tasmanian Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2013:

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; and
- (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 organization including the rules of the branch concerned; and
  - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organization including the rules of the 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. where the organization consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each the other reporting units of the organization; and
  - v. no applications by members have been made under section 272 of the Fair Work (Registered Organisations) Act 2009 during the period; and
  - vi. no orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009 during the period; and
  - vii. No recovery of wages has occurred.

For the Committee of Management:

  
Anna Gileno

  
Christopher Fennell

11 March 2014