



9 June 2015

Mr Timothy Dawson  
Branch Secretary  
Western Australia Branch  
Transport Workers' Union of Australia  
[tim.dawson@twuwa.org.au](mailto:tim.dawson@twuwa.org.au)

CC:Butler Settineri, ATTN: Marius Van Der Merwe, by email: [mail@butlersettineri.com.au](mailto:mail@butlersettineri.com.au)

Dear Mr Dawson,

**Transport Workers' Union of Australia - Western Australia Branch  
Financial Report for the year ended 31 December 2014 - [FR2014/409]**

I acknowledge receipt of the financial report of the Transport Workers' Union of Australia, Western Australia Branch. The documents were lodged with the Fair Work Commission (the Commission) on 8 April 2015. Following correspondence from the Commission the branch provided further statements on 29 May 2015.

The new statements provided required breakdowns in the employees' expenses and provisions, corrected the policy for member subscriptions and provided the auditor's declaration. I note that the branch will need to include in its financial return next year an explanation of the change of policy.

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.

**Concise report**

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

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

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

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

## 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](#).

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

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

Yours sincerely



**CATHERINE BEBBINGTON**

Regulatory Compliance Branch

### **FAIR WORK COMMISSION**

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**TRANSPORT WORKERS' UNION OF AUSTRALIA**

**WESTERN AUSTRALIAN BRANCH**

**AUDITED GENERAL PURPOSE FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**31 DECEMBER 2014**

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**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

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FOR THE YEAR ENDED 31 DECEMBER 2014**

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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRANSPORT WORKERS' UNION OF AUSTRALIA – WESTERN AUSTRALIAN BRANCH**

### **Report on the Financial Report**

We have audited the accompanying financial report of Transport Workers' Union of Australia – Western Australian Branch, which comprises the statement of financial position as at 31 December 2014 and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and the recovery of wages activity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Committee of Management's statement.

### **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 for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report which gives a true and fair view 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 of Management, as well as evaluating the overall presentation of the financial report.

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

### **Independence**

In conducting our audit, we have complied with the independence requirements of the professional accounting bodies.

### **Auditor's Opinion**

In our opinion, the financial report of Transport Workers' Union of Australia - Western Australian Branch is in accordance with the requirements of Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009, including:

- a) giving a fair view of the entity's financial position as at 31 December 2014 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards (including Australian Accounting Interpretations).

#### **Other Matters: Going Concern Basis of Preparation**

Based on all reasonably foreseeable circumstances impacting the entity and the information obtained during the audit, we concur with management's decision to prepare the financial report on the going concern basis.

#### **Other Matters: Replacement of Audit Report**

This report replaces our audit report dated 6 March 2015. Additional disclosures have been made in the notes to the financial report as a result of matters raised by the Fair Work Commission.

#### **Report on the Recovery of Wages Activity**

We have audited the Recovery of Wages Activity included on page 13 of the entity's general purpose financial report for the year ended 31 December 2014.

The members of the Committee of Management are responsible for the preparation and presentation of the Recovery of Wages Activity in accordance with Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

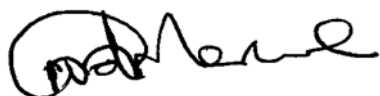
Our responsibility is to express an opinion on the Recovery of Wages Activity, based on our audit conducted in accordance with Australian Auditing Standards.

#### **Auditor's Opinion**

In our opinion the Recovery of Wages Activity is in accordance with the reporting guidelines of the Industrial Registrar for the year ended 31 December 2014, including:

- a) presenting fairly and properly the Recovery of Wages Activity's financial position as at 31 December 2014 and its performance for the year ended on that date, including:
  - (i) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity, and
  - (ii) any donations or other contributions deducted from recovered money

BUTLER SETTINERI (AUDIT) PTY LTD  
Registered Company Auditor No. 289109



MARIUS VAN DER MERWE CA  
Director

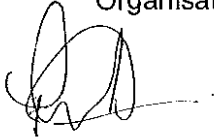
Perth  
Date: 28 May 2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER  
FOR THE YEAR ENDED 31 DECEMBER 2014**

I Timothy Dawson being the branch secretary of the Transport Workers' Union of Australia – Western Australian Branch ("Branch") certify:

- that the documents lodged herewith are copies of the full report and the concise report for the Branch for the year ended 31 December 2014 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 20/05/2015 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



Timothy Dawson

Branch Secretary

Dated: 28/05/2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

**OPERATING REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

The committee presents its report on the reporting unit for the financial year ended 31 December 2014.

**Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year**

The Principal activities of the Transport Workers' Union – Western Australian Branch ("Branch") during the reporting period were to provide industrial and organising services to the members consistent with the objects of the Branch and particularly the object of protecting and improving the interest of the members.

The Branch's 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 Branch.

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

**Significant changes in financial affairs**

There were no significant changes to the Branch's financial affairs during the reporting period.

**Right of members to resign**

Clause 11 of the Branch rules details the right of a member to resign from the Branch:

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;

whichever is later; or



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**WESTERN AUSTRALIAN BRANCH**

(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 Branch took effect, may be sued for and recovered in accordance with rule 81 as a debt to the Branch.
- (4) A notice delivered in accordance with sub-rule (1) is deemed to have been received by the Branch when it was delivered.
- (5) A notice of resignation that has been received by the Branch 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 was not effected in accordance with this rule, if the member is informed in writing by the Branch that the resignation has been accepted.

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

Timothy Dawson is a Director of the TWU Superannuation Fund.

**Number of members**

The number of persons that were, as at 31 December 2014, recorded in the register as effective members was 9,926.

**Number of employees**

The number of persons who were, as at 31 December 2014, employees of the Branch, including both full-time employees and part-time employees was 17.

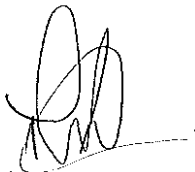
**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
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**Names of Committee of Management members and period positions held during the financial year**

The name of each person who was a member of the Committee of Management of the Branch during the financial year ended 31 December 2014, and the period for which he or she held such a position during that year is detailed as follows:

**Committee Member Period Position Held**

Ray McMillan	01/01/14 – 31/12/14
Mark Bebich	01/01/14 – 31/12/14
Richard Burton	01/01/14 – 14/04/14
Paul Aslan	01/01/14 – 31/12/14
John Davis	01/01/14 – 31/12/14
Timothy Dawson	01/01/14 – 31/12/14
Jeff Williams	01/01/14 – 31/12/14
Kevin Starr	01/01/14 – 30/06/14
Deborah Dunbar	01/01/14 – 31/12/14
Bruce Spaul	01/01/14 – 31/12/14
Peter Elliott	01/01/14 – 31/12/14
Ralph Roth	04/08/14 – 31/12/14
William Nuttal	22/07/14 – 31/12/14



Timothy Dawson

Branch Secretary

Dated: 28/05/2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

On the 20/05/15 the committee of management of the Transport Workers' Union of Australia – Western Australian Branch ("Branch") passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2014:

The 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 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 (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

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- (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.



Timothy Dawson

Branch Secretary

Dated: 28/05/2013

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
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**STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

	Notes	2014 \$	2013 \$
<b>Revenue</b>			
Membership subscriptions		4,692,324	4,558,647
Federal Committee expenses reimbursement		18,208	12,063
Super Fund Director reimbursement		131,466	211,280
Funeral benefit recoveries		10,000	35,000
Advertising and sponsorship		32,272	18,214
Interest received		64,054	91,440
Sundry income		158,926	94,231
<b>Total income</b>		<u>5,107,250</u>	<u>5,020,875</u>
<b>Expenses</b>			
Affiliation fees	3B	158,560	152,431
Audit and accountancy fees	3C	54,221	29,421
Donations	3D	1,322	23,300
Depreciation and amortisation	3E	195,834	273,856
Employee expenses	3A	2,323,275	2,577,363
Litigations and other legal costs		176,330	34,014
Meeting expenses	3F	106,491	101,413
Net loss from sale of fixed assets	3G	36,044	90,484
Sustentation fees		827,726	804,145
Other expenses	3H	1,408,244	1,728,956
<b>Total expenses</b>		<u>5,288,047</u>	<u>5,815,383</u>
<b>Loss for the year before income tax</b>		<u>(180,797)</u>	<u>(794,508)</u>
Income tax benefit		-	-
<b>Loss for the year after income tax</b>		<u>(180,797)</u>	<u>(794,508)</u>
<b>Other comprehensive income</b>			
Revaluation of land and buildings		-	(37,965)
<b>Total comprehensive income for the year</b>		<u>(180,797)</u>	<u>(832,473)</u>

The above statement should be read in conjunction with the notes.

TRANSPORT WORKERS' UNION OF AUSTRALIA

WESTERN AUSTRALIAN BRANCH

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2014

	Notes	2014 \$	2013 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4A	3,065,475	3,064,949
Trade and other receivables	4B	228,919	15,746
Other current assets		30,542	23,377
<b>Total current assets</b>		<u>3,324,936</u>	<u>3,104,072</u>
<b>Non-current assets</b>			
Land and buildings	5A	2,412,601	2,810,601
Plant and equipment	5A	582,853	801,974
Office refurbishment	5A	74,957	90,221
<b>Total non-current assets</b>		<u>3,070,411</u>	<u>3,702,796</u>
<b>Total assets</b>		<u>6,395,347</u>	<u>6,806,868</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	6A	295,897	390,090
Employee provisions	7A	383,265	494,772
<b>Total current liabilities</b>		<u>679,162</u>	<u>884,862</u>
<b>Non-current liabilities</b>			
Employee provisions	7A	-	25,024
<b>Total non-current liabilities</b>		<u>-</u>	<u>25,024</u>
<b>Total liabilities</b>		<u>679,162</u>	<u>909,886</u>
<b>Net assets</b>		<u>5,716,185</u>	<u>5,896,982</u>
<b>EQUITY</b>			
Accumulated funds	8A	4,629,701	4,724,255
Asset revaluation reserve	8B	1,086,484	1,172,727
<b>Total equity</b>		<u>5,716,185</u>	<u>5,896,982</u>

The above statement should be read in conjunction with the notes.

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

	Notes	Accumulated funds \$	Asset revaluation reserve \$	Total equity \$
<b>Balance as at 1 January 2013</b>		5,518,763	1,210,692	6,729,455
Loss for the year after income tax		(794,508)	-	(794,508)
Other comprehensive income for the year		-	(37,965)	(37,965)
<b>Closing balance as at 31 December 2013</b>		<b>4,724,255</b>	<b>1,172,727</b>	<b>5,896,982</b>
Loss for the year after income tax		(180,797)	-	(180,797)
Transfer (from)/to reserve		86,243	(86,243)	-
Other comprehensive income for the year		-	-	-
<b>Closing balance as at 31 December 2014</b>		<b>4,629,701</b>	<b>1,086,484</b>	<b>5,716,185</b>

The above statement should be read in conjunction with the notes.

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Notes	2014	2013
		\$	\$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Membership receipts		4,692,324	4,558,647
Reimbursements from Transport Workers Union – National Office		3,505	-
Interest received		47,936	133,670
Other receipts		150,412	427,341
<b>Cash used</b>			
Sustentation fees paid to Transport Workers Union – National Office		(830,866)	(763,401)
Payment to suppliers and employees		(4,463,192)	(4,570,550)
<b>Net cash used in operating activities</b>	9A	<u>(399,981)</u>	<u>(214,293)</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant and equipment		498,719	270,196
<b>Cash used</b>			
Purchase of fixed assets		(98,212)	(2,037,764)
<b>Net cash from/(used in) investing activities</b>		<u>400,507</u>	<u>(1,767,568)</u>
<b>Net increase/(decrease) in cash held</b>		<u>526</u>	<u>(1,981,861)</u>
Cash & cash equivalents at the beginning of the reporting period		3,064,949	5,046,810
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	4A	<u>3,065,475</u>	<u>3,064,949</u>

The above statement should be read in conjunction with the notes.



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**RECOVERY OF WAGES ACTIVITY  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Cash assets in respect of recovered money at beginning of year</b>	-	-
<b>Receipts</b>		
Amounts recovered from employers in respect of wages etc.	5,184	-
Interest received on recovered money	-	-
<b>Total receipts</b>	5,184	-
<b>Payments</b>		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	5,184	-
<b>Total payments</b>	5,184	-
<b>Cash asset's in respect of recovered money as at end of year</b>	-	-
Number of workers to which the monies recovered relates	5	-
<b>Aggregate payables to workers attributable to recovered monies but not yet distributed</b>		
Payable balance	-	-
Number of workers the payable relates to	5	-
<b>Fund or account operated for recovery of wages</b>		
Wage Recoupment Trust Account	-	-

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

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

**Note 1 Summary of Significant Accounting Policies**

**1.1 Basis of Preparation of the Financial Statements**

Transport Workers' Union of Australia – Western Australian Branch ("Branch") is a trade union with a principal place of business located at 3<sup>rd</sup> Floor, 82 Beaufort Street, Perth WA.

Transport Workers' Union of Australia ("the Federal Organisation") are the registered proprietors and owners of the Branch's office.

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 Organisations) Act 2009*. For the purpose of preparing the general purpose financial statements, the 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 New Australian Accounting Standards**

Certain new accounting standards and interpretations have been published but are not mandatory for 31 December 2014 reporting periods. The Branch's assessment is that these new pronouncements will have no impact on the amounts recognised in the financial statements but may affect their disclosure in future periods.

**1.4 Revenue**

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

Interest due on term deposits is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Membership revenue is recognised when the amount of revenue can be reliably measured and when there is no significant uncertainty as to its collectability.

No capitation fee, voluntary contributions or any other financial support from another reporting unit was received during the year.

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

**Note 1 Summary of Significant Accounting Policies (continued)**

**1.5 Gains**

***Sale of assets***

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

**1.6 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 (as defined in AASB 119 *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.

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.

**1.7 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 statement of financial position.

**1.8 Financial instruments**

Financial assets and financial liabilities are recognised when a reporting unit becomes a party to the contractual provisions of the instrument.

## TRANSPORT WORKERS' UNION OF AUSTRALIA

### WESTERN AUSTRALIAN BRANCH

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

#### Note 1 Summary of Significant Accounting Policies (continued)

##### 1.8 Financial instruments (continued)

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

##### 1.9 Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

##### *1.9.a Fair value through profit or loss*

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

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

**Note 1 Summary of Significant Accounting Policies (continued)**

**1.9 Financial assets (continued)**

***1.9.a Fair value through profit or loss (continued)***

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of profit or loss and other comprehensive income.

***1.9.b Held-to-maturity investments***

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

***1.9.c Loan and receivables***

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. Membership receivables have not been accounted for as there is significant uncertainty as to the recoverability thereof and we therefore do not have reasonable information to measure the future economic benefit of the asset.

***1.9.d Effective interest method***

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

***1.9.e Impairment of financial assets***

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

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**FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 1 Summary of Significant Accounting Policies (continued)**

**1.9 Financial assets (continued)**

***1.9.e Impairment of financial assets (continued)***

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

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**Note 1 Summary of Significant Accounting Policies (continued)**

**1.9 Financial assets (continued)**

***1.9.e Impairment of financial assets (continued)***

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

***1.9.f Derecognition of financial assets***

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

**1.10 Financial Liabilities**

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

***1.10.a Fair value through profit or loss***

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.



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**Note 1 Summary of Significant Accounting Policies (continued)**

**1.10 Financial liabilities (continued)**

***1.10.a Fair value through profit or loss (continued)***

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of profit or loss and other comprehensive income.

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

***1.10.b Derecognition of financial liabilities***

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**1.11 Contingent Liabilities and Contingent Assets**

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

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**Note 1 Summary of Significant Accounting Policies (continued)**

**1.12 Buildings, Plant and Equipment**

***1.12.a 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.

***1.12.b 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.

***1.12.c 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.

Depreciation rates applying to each class of depreciable asset are as follows:

Property	2.5% straight line
Plant & equipment	7.5% - 40% reducing balance
Office refurbishments	10% - 37.5% reducing balance
Motor vehicles	18.75% reducing balance

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**Note 1 Summary of Significant Accounting Policies (continued)**

**1.12 Buildings, Plant and Equipment (continued)**

***1.12.d 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.

**1.13 Taxation**

The 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 statement of cash flows 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 31 December 2014, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

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	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Note 3 Expenses</b>		
<b>Note 3A: Employee expenses</b>		
<b>    Holders of Office:</b>		
Wages & Salaries	264,921	312,191
Superannuation	61,249	55,922
Leave and other entitlements	57,931	68,025
Separation and redundancies	226,698	567,706
Other employee expenses	-	-
<b>    Employees other than office holders:</b>		
Wages & Salaries	1,271,327	1,077,804
Superannuation	244,280	255,074
Leave and other entitlements	196,869	240,644
Separation and redundancies	-	-
Other employee expenses	-	-
<b>Total employee expenses</b>	<b>2,323,275</b>	<b>2,577,363</b>
<b>Note 3B: Affiliation fees</b>		
Australian Labour Party	82,919	79,545
Trades and Labour Council	75,641	72,886
<b>Total affiliation fees/subscriptions</b>	<b>158,560</b>	<b>152,431</b>
<b>Note 3C: Audit and accountancy fees</b>		
Audit services	19,719	13,682
Agreed-upon procedures	14,023	-
<b>Non-audit services:</b>		
Accountancy work by related practice	20,479	15,739
<b>Total audit and accountancy fees</b>	<b>54,221</b>	<b>29,421</b>

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

	Notes	2014 \$	2013 \$
<b>Note 3 Expenses (continued)</b>			
<b>Note 3D: Donations</b>			
ACTU Organising Centre		-	40
ALP Hasluck Campaign		-	10,000
ALP North West Central		-	1,500
ALP Perth Campaign		-	10,000
Lions Australia		500	660
McGrath Foundation		322	-
PALES		-	500
PCYC		-	500
Pilbara Heavy Haulage Girls Inc		500	-
Trades & Labour Council		-	100
<b>Total donations</b>		<u>1,322</u>	<u>23,300</u>
<b>Note 3E: Depreciation and amortisation</b>			
Depreciation			
Buildings		-	-
Plant and equipment		180,570	255,335
Office refurbishment		15,264	18,521
<b>Total depreciation and amortisation</b>	<b>5A</b>	<u>195,834</u>	<u>273,856</u>
<b>Note 3F: Meeting expenses</b>			
Branch Committee of Management		42,600	25,700
Other meeting expenses		63,891	75,713
<b>Total meeting expenses</b>		<u>106,491</u>	<u>101,413</u>
<b>Note 3G: Net loss from sale of assets</b>			
Profit on disposal of land & buildings		97,334	-
Loss on disposal of plant and equipment		(133,378)	(90,484)
<b>Total net loss from sale of assets</b>		<u>(36,044)</u>	<u>(90,484)</u>

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

	2014	2013
	\$	\$
<b>Note 3 Expenses (continued)</b>		
<b>Note 3H: Other expenses</b>		
Advertising	4,473	12,722
Bank charges	32,232	30,395
Commission paid	10,000	10,000
Compulsory levies to Federal Office levies	30,619	25,093
Computer operating expenses	11,298	7,674
Computer programming maintenance	54,153	47,263
Consultancy fees	2,500	107
Debt collection expenses	32,683	25,095
Employee fringe benefit	-	98,000
Freight & couriers	7,345	8,189
Fringe benefits tax	9,359	13,732
Funeral benefit	72,000	113,000
General expenses	7,314	16,751
Hire of equipment	248	242
Insurance	83,147	259,204
Lease expenses	5,566	8,373
Motor vehicle expenses	162,297	166,764
Office refurbishment costs	2,590	-
Organisers' expenses - country	36,481	39,279
Payroll tax	101,865	109,107
Presidential honorarium fees	11,000	11,000
Printing, stationery and stamps	231,667	229,352
Promotional products purchases	118,201	78,236
Rent, rates and electricity	75,182	62,975
Repairs and maintenance	2,805	10,136
Staff amenities	1,440	1,406
Staff/Delegates training	3,002	4,869
Subscriptions	12,198	11,310
Telephone	78,878	93,579
Travelling and accommodation	197,409	211,122
Uniforms	6,917	5,981
<b>Total other expenses</b>	<b>1,408,244</b>	<b>1,728,956</b>

There were no expenses relating to compulsory levies, grants, fees / allowances paid to persons in respect of their attendances as representatives at conferences or other meetings, wholly or partly responsible, during the year.

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

	<b>2014</b>	<b>2013</b>
	\$	\$

**Note 4 Current assets**

**Note 4A: Cash and cash equivalents**

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks, net of outstanding bank overdrafts, and short term money market balances. 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 at bank	3,063,035	3,051,184
Cash on hand	2,007	2,398
Other	433	11,367
<b>Total cash and cash equivalents</b>	<b>3,065,475</b>	<b>3,064,949</b>

**Note 4B: Trade and other receivables**

Trade receivables	33,063	15,746
<b>Other receivables:</b>		
Accrued interest	16,118	-
Sundry debtors	179,738	-
<b>Total other receivables</b>	<b>195,856</b>	<b>-</b>
<b>Total trade and other receivables (net)</b>	<b>228,919</b>	<b>15,746</b>

An amount of \$27,563 is included in trade receivables and due to be received from Transport Workers' Union – National Office.

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	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Note 5 Non-current assets</b>		
<b>Note 5A: Property, plant and equipment</b>		
Land and buildings at valuation	2,412,601	2,810,601
Less: Accumulated depreciation	-	-
	2,412,601	2,810,601
Plant and equipment at cost	1,252,336	1,362,804
Less: Accumulated depreciation	(669,483)	(560,830)
	582,853	801,974
Office refurbishment at cost	199,286	199,286
Less: Accumulated depreciation	(124,329)	(109,065)
	74,957	90,221
	3,070,411	3,702,796

The Transport Workers' Union of Australia ("the Federal Organisation") are the registered proprietors and owners of the Branch's offices. The office property was acquired by the expenditure of the WA Branch funds and forms part of the assets of the Branch.

The basis of valuation of the Branch's office premises and industrial unit is fair market value based upon market appraisal valuations carried out by Mr C Colomb from Ray White Real Estate on the 24 January 2014 and by Mr P Reid from Bazzo Real Estate on 4 February 2014, both being independent firms of Real Estate Agents and Valuers.

	Land & buildings	Plant & equipment	Office refurbishment	Total
	\$	\$	\$	\$
Balance at 1 Jan 2013	1,579,375	573,090	107,342	2,259,807
Additions	1,269,191	844,900	1,400	2,115,491
Disposals	-	(360,681)	-	(360,681)
Revaluation	(37,965)	-	-	(37,965)
Depreciation	-	(255,335)	(18,521)	(273,856)
Balance at 31 Dec 2013	2,810,601	801,974	90,221	3,702,796
Additions	-	98,212	-	98,212
Disposals	(398,000)	(136,763)	-	(534,763)
Depreciation	-	(180,570)	(15,264)	(195,834)
Balance at 31 Dec 2014	2,412,601	582,853	74,957	3,070,411



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

	2014	2013
	\$	\$
<b>Note 6 Current liabilities</b>		
<b>Note 6A: Trade payables</b>		
Trade creditors and accruals	203,645	282,361
GST payable (net)	89,792	104,775
Payroll liabilities	2,460	2,954
<b>Total trade payables</b>	295,897	390,090

Settlement is usually made within 30 days.

An amount of \$6,481 is included in the trade creditors and is due to be paid to Slater and Gordon.

**Note 7 Provisions**

The amounts expected to be paid to fund employees for their pro rata entitlements to annual leave and long service leave are accrued annually at current salary rates. Sick leave has not been accrued, as any sick leave entitlements are considered contingent and non-vesting.

**Note 7A: Employee provisions**

**Holders of Office:**

Annual leave	33,058	80,458
Long service leave	107,082	126,910
Separation and redundancies	-	-
Other	-	-

**Employees other than office holders:**

Annual leave	147,078	164,627
Long service leave	96,047	147,801
Separation and redundancies	-	-
Other	-	-
<b>Total employee provisions</b>	383,265	519,796

Current	383,265	494,772
Non-current	-	25,024
<b>Total employee provisions</b>	383,265	519,796

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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
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	2014	2013
	\$	\$
<b>Note 8 Equity</b>		
<b>Note 8A: Accumulated funds</b>		
<b>Balance as at start of year</b>	4,724,255	5,518,763
Loss for the year	(180,797)	(794,508)
Transfer from reserves	86,243	-
<b>Balance as at end of year</b>	<u>4,629,701</u>	<u>4,724,255</u>

Accumulated funds relate to surpluses built over the years since commencement of operations.

**Note 8B: Asset revaluation reserve**

<b>Balance as at start of year</b>	1,172,727	1,210,692
Revaluation decrement for the year	-	(37,965)
Transfer to reserves	(86,243)	-
<b>Balance as at end of year</b>	<u>1,086,484</u>	<u>1,172,727</u>

The revaluation reserve is a reserve that accumulates increments of fair value adjustments to assets being carried at fair value. Its purpose is to quantify movements in fair value to be able to establish unrealised gains on assets held.

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	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Note 9 Notes to the Statement of Cash Flows</b>		
<b>Note 9A: Cash Flow Reconciliation</b>		
<b>Reconciliation of cash and cash equivalents as per Statement of Financial Position to Statement of Cash Flows:</b>		
<b>Cash and cash equivalents as per:</b>		
Statement of Cash Flows	3,065,475	3,064,949
Statement of Financial Position	3,065,475	3,064,949
<b>Difference</b>	<u>-</u>	<u>-</u>
<b>Reconciliation of (deficit) to net cash from operating activities:</b>		
Deficit for the year	(180,797)	(794,508)
<b>Adjustments for non-cash items</b>		
Depreciation/amortisation	195,834	273,856
Loss on disposal of assets	36,044	90,484
<b>Changes in assets/liabilities</b>		
(Increase)/decrease in trade and other receivables	(213,173)	98,784
(Increase) in prepayments	(7,165)	(3,578)
(Decrease)/increase in trade payables	(94,193)	161,158
(Decrease) in employee provisions	(136,531)	(40,489)
<b>Net cash used in operating activities</b>	<u>(399,981)</u>	<u>(214,293)</u>

**Note 10 Contingent liabilities and assets**

No material contingent liabilities and assets exist as at 31 December 2014.

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

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

**Note 11 Political and Sponsorship Fund**

The Branch maintains a separate account known as the "Political Fund and Sponsorship Account". Funds received from advertising and sponsorship revenue are deposited to this account. The account is then used to pay out political donations, sponsorships and affiliation fees.

The balance of the fund as at 31 December 2014 was \$123,136 (2013: \$101,167) with the funds being held in a separate Commonwealth Bank account, which is an interest bearing account. This forms part of the balance of the Branch cash and cash equivalents.

**Note 12 Commitments**

There are no capital commitments, lease commitments or contractual obligations as at 31 December 2014.

**Note 13 Related Party Disclosures**

**Note 13A: Related party transactions for the reporting period**

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Revenue received from Transport Workers Union – Superannuation Fund includes the following:</b>		
Expense reimbursement	131,466	211,280
	131,466	211,280
 <b>Revenue received from Transport Workers Union - National Office includes the following:</b>		
Travel reimbursements	25,057	26,320
	25,057	26,320
 <b>Expenses paid to Australian Labour Party includes the following:</b>		
Donation	-	21,500
Affiliation	82,919	79,545
	82,919	101,045

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

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

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Note 13 Related Party Disclosures (continued)</b>		
<b>Note 13A: Related Party Transactions for the Reporting Period (continued)</b>		
<b>Expenses paid to Trades and Labour Council includes the following:</b>		
Affiliation	75,641	72,886
	75,641	72,886
<b>Expenses paid to Transport Workers Union – National Office includes the following:</b>		
Sustentation	827,726	804,145
	827,726	804,145
<b>Expenses paid to Transport Workers Union – Superannuation Fund includes the following:</b>		
Expense reimbursement	131,466	211,280
	131,466	211,280
<b>Amounts owed by Transport Workers Union – National Office include the following:</b>		
Expense reimbursement	3,665	3,405
	3,665	3,405
<b>Amounts owed by Transport Workers Union – Superannuation Fund include the following:</b>		
Expense reimbursement	-	6,865
	-	6,865
<b>Amounts owed to Transport Workers Union – National Office include the following:</b>		
Sustentation	111,909	115,049
	111,909	115,049
<b>Amounts owed to Transport Workers Union – New South Wales Branch include the following:</b>		
Expense reimbursement	-	6,268
	-	6,268

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 13 Related Party Disclosures (continued)**

**Note 13B: Key Management Personnel Remuneration for the Reporting Period**

	2014	2013
	\$	\$
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	340,028	402,598
Annual leave accrued	(56,767)	(18,185)
<b>Total short-term employee benefits</b>	<u>283,261</u>	<u>384,413</u>
<b>Post-employment benefits:</b>		
Superannuation	70,350	71,917
<b>Total post-employment benefits</b>	<u>70,350</u>	<u>71,917</u>
<b>Other long-term benefits:</b>		
Long-service leave	29,860	(6,658)
<b>Total other long-term benefits</b>	<u>29,860</u>	<u>(6,658)</u>
<b>Termination benefits</b>	226,698	477,295
<b>Total</b>	<u>226,698</u>	<u>477,295</u>
<b>Share based payments</b>	-	-
<b>Total</b>	<u>-</u>	<u>-</u>

**Note 13C: Transactions with key management personnel and their close family members**

There were no transactions with key management personal and their close family members.

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

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

**Note 14 Financial Instruments**

The Branch's policy is to review bank products and ensure the maximum rate of interest is earned on at call deposits.

**Note 14A: Categories of Financial Instruments**

	2014	2013
	\$	\$
<b><i>Financial Assets</i></b>		
Loans and receivables:		
Cash and cash equivalents	3,065,475	3,064,949
Trade and other receivables	228,919	15,746
<b>Total</b>	<b>3,294,394</b>	<b>3,080,695</b>
<b><i>Carrying amount of financial assets</i></b>	<b>3,294,394</b>	<b>3,080,695</b>
<b><i>Financial Liabilities</i></b>		
Fair value through profit or loss:		
Trade and other payables	295,897	390,090
<b>Total</b>	<b>295,897</b>	<b>390,090</b>
<b><i>Carrying amount of financial liabilities</i></b>	<b>295,897</b>	<b>390,090</b>

**Note 14B: Credit Risk**

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The credit risk of financial assets of the Branch which have been recognised on the Statement of Financial Position is the carrying amount, net of any provision for doubtful debts. The Branch has limited exposure to credit risk due to its association with recognisable banking and financial institutions.

**Note 14C: Liquidity Risk**

Liquidity risk is the risk that the Branch will not be able to meet its financial obligations as they fall due. The Branch has limited exposure to liquidity risk as there are few payables (as per Note 6A) and ample cash available to settle all payables as they fall due.

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

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

**Note 14 Financial Instruments (continued)**

**Note 14D: Market Risk**

Market risk is the risk of changes in market prices, such as foreign exchange rate interest rates. The Branch has no exposure to foreign currency risk as activities are wholly performed within Australia. The Branch's exposure to interest rate risk is limited to the money held in the bank accounts. Interest benefiting assets are managed in such a way as to maximise results for external market forces.

*Interest rate risk*

All financial assets recognised in the Statement of Financial Position are carried at cost and are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes. The Branch's exposure to market interest rates relates primarily to the Branch's cash and cash equivalents.

**Sensitivity analysis of the risk that the entity is exposed to for financial year ended 31 December 2014**

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$	Equity \$
Interest rate risk	30,655	1.00	-	30,655

**Sensitivity analysis of the risk that the entity is exposed to for financial year ended 31 December 2013**

	Risk variable	Change in risk variable %	Effect on	
			Profit and loss \$	Equity \$
Interest rate risk	30,650	1.00	-	30,650



**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 15 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 Australia:

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

**Note 16 Recovery of Wages Activity**

A total of \$5,184 was received from 5 members during the reporting period. This amount was returned to members before 31 December 2014.

**Note 17 Activities not occurred during the year**

There was no amalgamation, restructure or revocation during the year.



13 April 2015

Mr Timothy Dawson  
Branch Secretary  
Western Australia Branch  
Transport Workers' Union of Australia  
[tim.dawson@twuwa.org.au](mailto:tim.dawson@twuwa.org.au)

CC: Marius Van Der Merwe, Butler Settineri, [mail@butlersettineri.com.au](mailto:mail@butlersettineri.com.au)

CC: Debra Hodgson, Financial Controller, [debra.hodgson@twuwa.org.au](mailto:debra.hodgson@twuwa.org.au)

Dear Mr Dawson,

**Transport Workers' Union of Australia, Western Australia Branch  
Financial Report for the year ended 31 December 2014 - [FR2014/409]**

I acknowledge receipt of the financial report of the Transport Workers' Union of Australia, Western Australia Branch (the Branch). The documents were lodged with the Fair Work Commission (the Commission) on 8 April 2015.

The financial report has not been filed. Further information is required before the financial report can be filed.

On 11 July 2014, the financial return of the Branch for the year ending 31 December 2013 was filed by the Commission and a series of issues were identified that required rectification in the 2014 financial report before it could be filed. Including:

- The expenses for employees and officers were not broken down into the categories required by the reporting guidelines (which are mandatory even if the figures are NIL);
- The provisions for employees and officers were not broken down into the categories required by the reporting guidelines (which are mandatory even if the figures are NIL);
- The membership subscriptions were reported on a cash basis instead of accruals; and
- The auditor had not provided a declaration that the management's use of the going concern basis of accounting was appropriate.

It does not appear that these issues have been resolved in the 2014 financial report.

I have attached the original correspondence from the filing of last year's report with this letter and examples of the breakdowns required from the Fair Work Commission's Model Financial Statements. Please note each category must be supplied even if the figure is NIL. The branch must provide breakdowns for the expenses and provisions, the declaration from the auditor and statements that reflect the accruals manner of recognising membership subscriptions before the report can be filed.

I also note that the branch has included a Recovery of Wages statement. Could you please confirm that the branch derived revenue from its Recovery of Wages activity? It is not apparent from the face of the statement itself that revenue was made from the activity.

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

Yours sincerely



**CATHERINE BEBBINGTON**  
Regulatory Compliance Branch

**FAIR WORK COMMISSION**

Tel: 03 8661 7974

Fax: 03 9655 0410

[catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au)

[www.fwc.gov.au](http://www.fwc.gov.au)



Tim Dawson Branch Secretary

## TRANSPORT WORKERS UNION

Western Australian Branch

3rd Floor, 82 Beaufort Street, Perth WA | PO Box 8497, Perth Business Centre, Perth WA 6849

Phone (08) 9328 7477 | Facsimile (08) 9227 8320 | ABN 37 494 080 681

s.268 *Fair Work (Registered Organisations) Act 2009*

### Certificate of Secretary

Certificate for the period ended 31 December 2014

I Timothy Dawson being the Secretary of the Transport Workers' Union of Australia, Western Australian Branch certify:

- that the documents lodged herewith are copies of the full report and the concise report for the Transport Workers' Union of Australia, Western Australian Branch for the period ended 31 December 2014 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the concise report was provided to members of the reporting unit on 06 March 2015 and
- that the full report was presented to a 2<sup>nd</sup> meeting of the committee of management of the reporting unit (Branch Committee of Management, of the Transport Workers' Union of Australia, Western Australian Branch) on 01 April 2015 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signed:

Timothy Dawson

Secretary, Transport Workers' Union of Australia, Western Australian Branch.

Date: 8/04/2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA**

**WESTERN AUSTRALIAN BRANCH**

**AUDITED GENERAL PURPOSE FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**31 DECEMBER 2014**

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**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

**INDEX TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRANSPORT WORKERS' UNION OF AUSTRALIA – WESTERN AUSTRALIAN BRANCH

### Report on the Financial Report

We have audited the accompanying financial report of Transport Workers' Union of Australia – Western Australian Branch, which comprises the statement of financial position as at 31 December 2014 and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and the recovery of wages activity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the Committee of Management's statement.

### 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 for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report which gives a true and fair view 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 of Management, as well as evaluating the overall presentation of the financial report.

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

### Independence

In conducting our audit, we have complied with the independence requirements of the professional accounting bodies.

## **Auditor's Opinion**

In our opinion, the financial report of Transport Workers' Union of Australia - Western Australian Branch is in accordance with the requirements of Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009, including:

- a) giving a fair view of the entity's financial position as at 31 December 2014 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards (including Australian Accounting Interpretations).

## **Report on the Recovery of Wages Activity**

We have audited the Recovery of Wages Activity included on page 13 of the entity's general purpose financial report for the year ended 31 December 2014.

The members of the Committee of Management are responsible for the preparation and presentation of the Recovery of Wages Activity in accordance with Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

Our responsibility is to express an opinion on the Recovery of Wages Activity, based on our audit conducted in accordance with Australian Auditing Standards.

## **Auditor's Opinion**

In our opinion the Recovery of Wages Activity is in accordance with the reporting guidelines of the Industrial Registrar for the year ended 31 December 2014, including:

- a) presenting fairly and properly the Recovery of Wages Activity's financial position as at 31 December 2014 and its performance for the year ended on that date, including:
  - (i) any fees charged to, or reimbursements of expenses claimed from, members and others for recovery of wages activity, and
  - (ii) any donations or other contributions deducted from recovered money

BUTLER SETTINERI (AUDIT) PTY LTD  
Registered Company Auditor No. 289109



MARIUS VAN DER MERWE CA  
Director

Perth  
Date: 6 March 2015



**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER  
FOR THE YEAR ENDED 31 DECEMBER 2014**

I Timothy Dawson being the branch secretary of the Transport Workers' Union of Australia – Western Australian Branch ("Branch") certify:

- that the documents lodged herewith are copies of the full report and the concise report for the Branch for the year ended 31 December 2014 referred to in s.268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 5 March 2015 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



Timothy Dawson

Branch Secretary

Dated: 5 March 2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

**OPERATING REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

The committee presents its report on the reporting unit for the financial year ended 31 December 2014.

**Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year**

The Principal activities of the Transport Workers' Union – Western Australian Branch ("Branch") during the reporting period were to provide industrial and organising services to the members consistent with the objects of the Branch and particularly the object of protecting and improving the interest of the members.

The Branch's 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 Branch.

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

**Significant changes in financial affairs**

There were no significant changes to the Branch's financial affairs during the reporting period.

**Right of members to resign**

Clause 11 of the Branch rules details the right of a member to resign from the Branch:

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;whichever is later; or

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

(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 Branch took effect, may be sued for and recovered in accordance with rule 81 as a debt to the Branch.
- (4) A notice delivered in accordance with sub-rule (1) is deemed to have been received by the Branch when it was delivered.
- (5) A notice of resignation that has been received by the Branch 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 was not effected in accordance with this rule, if the member is informed in writing by the Branch that the resignation has been accepted.

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

Timothy Dawson is a Director of the TWU Superannuation Fund.

**Number of members**

The number of persons that were, as at 31 December 2014, recorded in the register as effective members was 9,926.

**Number of employees**

The number of persons who were, as at 31 December 2014, employees of the Branch, including both full-time employees and part-time employees was 17.

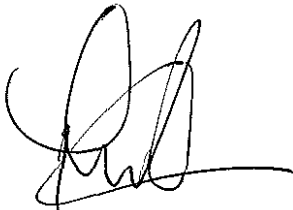
**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

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

The name of each person who was a member of the Committee of Management of the Branch during the financial year ended 31 December 2014, and the period for which he or she held such a position during that year is detailed as follows:

**Committee Member Period Position Held**

Ray McMillan	01/01/14 – 31/12/14
Mark Bebich	01/01/14 – 31/12/14
Richard Burton	01/01/14 – 14/04/14
Paul Aslan	01/01/14 – 31/12/14
John Davis	01/01/14 – 31/12/14
Timothy Dawson	01/01/14 – 31/12/14
Jeff Williams	01/01/14 – 31/12/14
Kevin Starr	01/01/14 – 30/06/14
Deborah Dunbar	01/01/14 – 31/12/14
Bruce Spaul	01/01/14 – 31/12/14
Peter Elliott	01/01/14 – 31/12/14
Ralph Roth	04/08/14 – 31/12/14
William Nuttal	22/07/14 – 31/12/14



Timothy Dawson

Branch Secretary

Dated: 5 March 2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

On 5 March 2015, the committee of management of the Transport Workers' Union of Australia – Western Australian Branch ("Branch") passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2014:

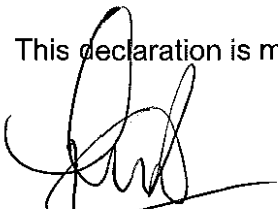
The committee of management declares that in its opinion:

- (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 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 (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

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

- (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.



Timothy Dawson

Branch Secretary

Dated: 5 March 2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

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

	Notes	2014 \$	2013 \$
<b>Revenue</b>			
Membership subscriptions		4,692,324	4,558,647
Federal Committee expenses reimbursement		18,208	12,063
Super Fund Director reimbursement		131,466	211,280
Funeral benefit recoveries		10,000	35,000
Advertising and sponsorship		32,272	18,214
Interest received		64,054	91,440
Sundry income		158,926	94,231
<b>Total income</b>		<b>5,107,250</b>	<b>5,020,875</b>
<b>Expenses</b>			
Affiliation fees	3B	158,560	152,431
Audit and accountancy fees	3C	54,221	29,421
Donations	3D	1,322	23,300
Depreciation and amortisation	3E	195,834	273,856
Employee expenses	3A	2,323,275	2,577,363
Litigations and other legal costs		176,330	34,014
Meeting expenses	3F	106,491	101,413
Net loss from sale of fixed assets	3G	36,044	90,484
Sustentation fees		827,726	804,145
Other expenses	3H	1,408,244	1,728,956
<b>Total expenses</b>		<b>5,288,047</b>	<b>5,815,383</b>
<b>Loss for the year before income tax</b>		<b>(180,797)</b>	<b>(794,508)</b>
Income tax benefit		-	-
<b>Loss for the year after income tax</b>		<b>(180,797)</b>	<b>(794,508)</b>
<b>Other comprehensive income</b>			
Revaluation of land and buildings		-	(37,965)
<b>Total comprehensive income for the year</b>		<b>(180,797)</b>	<b>(832,473)</b>

The above statement should be read in conjunction with the notes.

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

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

	Notes	2014 \$	2013 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4A	3,065,475	3,064,949
Trade and other receivables	4B	228,919	15,746
Other current assets		30,542	23,377
<b>Total current assets</b>		<b>3,324,936</b>	<b>3,104,072</b>
<b>Non-current assets</b>			
Land and buildings	5A	2,412,601	2,810,601
Plant and equipment	5A	582,853	801,974
Office refurbishment	5A	74,957	90,221
<b>Total non-current assets</b>		<b>3,070,411</b>	<b>3,702,796</b>
<b>Total assets</b>		<b>6,395,347</b>	<b>6,806,868</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	6A	295,897	390,090
Employee provisions	7A	383,265	494,772
<b>Total current liabilities</b>		<b>679,162</b>	<b>884,862</b>
<b>Non-current liabilities</b>			
Employee provisions	7A	-	25,024
<b>Total non-current liabilities</b>		<b>-</b>	<b>25,024</b>
<b>Total liabilities</b>		<b>679,162</b>	<b>909,886</b>
<b>Net assets</b>		<b>5,716,185</b>	<b>5,896,982</b>
<b>EQUITY</b>			
Accumulated funds	8A	4,629,701	4,724,255
Asset revaluation reserve	8B	1,086,484	1,172,727
<b>Total equity</b>		<b>5,716,185</b>	<b>5,896,982</b>

The above statement should be read in conjunction with the notes.



**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

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

	Notes	Accumulated funds \$	Asset revaluation reserve \$	Total equity \$
<b>Balance as at 1 January 2013</b>		5,518,763	1,210,692	6,729,455
Loss for the year after income tax		(794,508)	-	(794,508)
Other comprehensive income for the year		-	(37,965)	(37,965)
<b>Closing balance as at 31 December 2013</b>		<b>4,724,255</b>	<b>1,172,727</b>	<b>5,896,982</b>
Loss for the year after income tax		(180,797)	-	(180,797)
Transfer (from)/to reserve		86,243	(86,243)	-
Other comprehensive income for the year		-	-	-
<b>Closing balance as at 31 December 2014</b>		<b>4,629,701</b>	<b>1,086,484</b>	<b>5,716,185</b>

The above statement should be read in conjunction with the notes.

**TRANSPORT WORKERS' UNION OF AUSTRALIA**

**WESTERN AUSTRALIAN BRANCH**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

	Notes	2014 \$	2013 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Membership receipts		4,692,324	4,558,647
Reimbursements from Transport Workers Union – National Office		3,505	-
Interest received		47,936	133,670
Other receipts		150,412	427,341
<b>Cash used</b>			
Sustentation fees paid to Transport Workers Union – National Office		(830,866)	(763,401)
Payment to suppliers and employees		(4,463,192)	(4,570,550)
<b>Net cash used in operating activities</b>	9A	<u>(399,981)</u>	<u>(214,293)</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant and equipment		498,719	270,196
<b>Cash used</b>			
Purchase of fixed assets		(98,212)	(2,037,764)
<b>Net cash from/(used in) investing activities</b>		<u>400,507</u>	<u>(1,767,568)</u>
<b>Net increase/(decrease) in cash held</b>		<u>526</u>	<u>(1,981,861)</u>
Cash & cash equivalents at the beginning of the reporting period		3,064,949	5,046,810
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	4A	<u>3,065,475</u>	<u>3,064,949</u>

The above statement should be read in conjunction with the notes.

**TRANSPORT WORKERS' UNION OF AUSTRALIA**

**WESTERN AUSTRALIAN BRANCH**

**RECOVERY OF WAGES ACTIVITY**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014	2013
	\$	\$
<b>Cash assets in respect of recovered money at beginning of year</b>	-	-
<b>Receipts</b>		
Amounts recovered from employers in respect of wages etc.	5,184	-
Interest received on recovered money	-	-
<b>Total receipts</b>	5,184	-
<b>Payments</b>		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	5,184	-
<b>Total payments</b>	5,184	-
<b>Cash asset's in respect of recovered money as at end of year</b>	-	-
Number of workers to which the monies recovered relates	5	-
<b>Aggregate payables to workers attributable to recovered monies but not yet distributed</b>		
Payable balance	-	-
Number of workers the payable relates to	5	-
<b>Fund or account operated for recovery of wages</b>		
Wage Recoupment Trust Account	-	-

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

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# TRANSPORT WORKERS' UNION OF AUSTRALIA

## WESTERN AUSTRALIAN BRANCH

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

#### **Note 1 Summary of Significant Accounting Policies**

##### **1.1 Basis of Preparation of the Financial Statements**

Transport Workers' Union of Australia – Western Australian Branch ("Branch") is a trade union with a principal place of business located at 3<sup>rd</sup> Floor, 82 Beaufort Street, Perth WA.

Transport Workers' Union of Australia ("the Federal Organisation") are the registered proprietors and owners of the Branch's office.

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 Organisations) Act 2009*. For the purpose of preparing the general purpose financial statements, the 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 New Australian Accounting Standards**

Certain new accounting standards and interpretations have been published but are not mandatory for 31 December 2014 reporting periods. The Branch's assessment is that these new pronouncements will have no impact on the amounts recognised in the financial statements but may affect their disclosure in future periods.

##### **1.4 Revenue**

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

Interest due on term deposits is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Under s252(3) of the Fair Work (Registered Organisations) Act 2009, contributions received during the year have been recognised on a cash basis. This is to the discretion of the organisation and is accepted as the Transport Workers' Union of Australia's revenue recognition policy.

No capitation fee, voluntary contributions or any other financial support from another reporting unit was received during the year.

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 1 Summary of Significant Accounting Policies (continued)**

**1.5 Gains**

***Sale of assets***

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

**1.6 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 (as defined in AASB 119 *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.

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.

**1.7 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 statement of financial position.

**1.8 Financial instruments**

Financial assets and financial liabilities are recognised when a reporting unit becomes a party to the contractual provisions of the instrument.

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

**Note 1 Summary of Significant Accounting Policies (continued)**

**1.8 Financial instruments (continued)**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**1.9 Financial assets**

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

***1.9.a Fair value through profit or loss***

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 1 Summary of Significant Accounting Policies (continued)**

**1.9 Financial assets (continued)**

***1.9.a Fair value through profit or loss (continued)***

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of profit or loss and other comprehensive income.

***1.9.b Held-to-maturity investments***

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

***1.9.c Loan and receivables***

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

***1.9.d Effective interest method***

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

***1.9.e Impairment of financial assets***

Financial assets, other than those at fair value through profit or loss, are assessed for impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.



**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 1 Summary of Significant Accounting Policies (continued)**

**1.9 Financial assets (continued)**

***1.9.e Impairment of financial assets (continued)***

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the reporting units past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

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

**Note 1 Summary of Significant Accounting Policies (continued)**

**1.9 Financial assets (continued)**

***1.9.e Impairment of financial assets (continued)***

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

***1.9.f Derecognition of financial assets***

The reporting unit derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

**1.10 Financial Liabilities**

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

***1.10.a Fair value through profit or loss***

Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 1 Summary of Significant Accounting Policies (continued)**

**1.10 Financial liabilities (continued)**

***1.10.a Fair value through profit or loss (continued)***

A financial liability other than a financial liability held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the statement of profit or loss and other comprehensive income.

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

***1.10.b Derecognition of financial liabilities***

The reporting unit derecognises financial liabilities when, and only when, the reporting units obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**1.11 Contingent Liabilities and Contingent Assets**

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

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

**Note 1 Summary of Significant Accounting Policies (continued)**

**1.12 Buildings, Plant and Equipment**

***1.12.a 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.

***1.12.b 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.

***1.12.c 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.

Depreciation rates applying to each class of depreciable asset are as follows:

Property	2.5% straight line
Plant & equipment	7.5% - 40% reducing balance
Office refurbishments	10% - 37.5% reducing balance
Motor vehicles	18.75% reducing balance

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 1 Summary of Significant Accounting Policies (continued)**

**1.12 Buildings, Plant and Equipment (continued)**

**1.12.d 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.

**1.13 Taxation**

The 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 statement of cash flows 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 31 December 2014, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014	2013
	\$	\$
<b>Note 3 Expenses</b>		
<b>Note 3A: Employee expenses</b>		
Wages - Executive	322,852	312,191
Wages - Other	1,410,265	1,318,448
Annual Leave - Executive	24,457	14,591
Long Service - Executive	33,474	53,434
Superannuation contributions	305,529	310,996
Redundancies – J McGiveron	-	567,703
Redundancies – R Burton	226,698	-
<b>Total employee expenses</b>	<b>2,323,275</b>	<b>2,577,363</b>
<b>Note 3B: Affiliation fees</b>		
Australian Labour Party	82,919	79,545
Trades and Labour Council	75,641	72,886
<b>Total affiliation fees/subscriptions</b>	<b>158,560</b>	<b>152,431</b>
<b>Note 3C: Audit and accountancy fees</b>		
Audit services	19,719	13,682
Agreed-upon procedures	14,023	-
Non-audit services:		
Accountancy work by related practice	20,479	15,739
<b>Total audit and accountancy fees</b>	<b>54,221</b>	<b>29,421</b>
<b>Note 3D: Donations</b>		
ACTU Organising Centre	-	40
ALP Hasluck Campaign	-	10,000
ALP North West Central	-	1,500
ALP Perth Campaign	-	10,000
Lions Australia	500	660
McGrath Foundation	322	-
PALES	-	500
PCYC	-	500
Pilbara Heavy Haulage Girls Inc	500	-
Trades & Labour Council	-	100
<b>Total donations</b>	<b>1,322</b>	<b>23,300</b>

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

	Notes	2014	2013
		\$	\$
<b>Note 3 Expenses (continued)</b>			
<b>Note 3E: Depreciation and amortisation</b>			
Depreciation			
Buildings		-	-
Plant and equipment		180,570	255,335
Office refurbishment		15,264	18,521
<b>Total depreciation and amortisation</b>	<b>5A</b>	<b>195,834</b>	<b>273,856</b>
<b>Note 3F: Meeting expenses</b>			
Branch Committee of Management		42,600	25,700
Other meeting expenses		63,891	75,713
<b>Total meeting expenses</b>		<b>106,491</b>	<b>101,413</b>
<b>Note 3G: Net loss from sale of assets</b>			
Profit on disposal of land & buildings		97,334	-
Loss on disposal of plant and equipment		(133,378)	(90,484)
<b>Total net loss from sale of assets</b>		<b>(36,044)</b>	<b>(90,484)</b>
<b>Note 3H: Other expenses</b>			
Advertising		4,473	12,722
Bank charges		32,232	30,395
Commission paid		10,000	10,000
Compulsory levies to Federal Office levies		30,619	25,093
Computer operating expenses		11,298	7,674
Computer programming maintenance		54,153	47,263
Consultancy fees		2,500	107
Debt collection expenses		32,683	25,095
Employee fringe benefit		-	98,000
Freight & couriers		7,345	8,189
Fringe benefits tax		9,359	13,732
Funeral benefit		72,000	113,000
General expenses		7,314	16,751
Hire of equipment		248	242
Insurance		83,147	259,204
Lease expenses		5,566	8,373

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014	2013
	\$	\$
<b>Note 3 Expenses (continued)</b>		
<b>Note 3H: Other expenses (continued)</b>		
Motor vehicle expenses	162,297	166,764
Office refurbishment costs	2,590	-
Organisers' expenses - country	36,481	39,279
Payroll tax	101,865	109,107
Presidential honorarium fees	11,000	11,000
Printing, stationery and stamps	231,667	229,352
Promotional products purchases	118,201	78,236
Rent, rates and electricity	75,182	62,975
Repairs and maintenance	2,805	10,136
Staff amenities	1,440	1,406
Staff/Delegates training	3,002	4,869
Subscriptions	12,198	11,310
Telephone	78,878	93,579
Travelling and accommodation	197,409	211,122
Uniforms	6,917	5,981
<b>Total other expenses</b>	<b>1,408,244</b>	<b>1,728,956</b>

There were no expenses relating to the following during the year:

- compulsory levies
- grants
- fees / allowances paid to persons in respect of their attendances as representatives at conferences or other meetings, wholly or partly responsible.

**Note 4 Current assets**

**Note 4A: Cash and cash equivalents**

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks, net of outstanding bank overdrafts, and short term money market balances. 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 at bank	3,063,035	3,051,184
Cash on hand	2,007	2,398
Other	433	11,367
<b>Total cash and cash equivalents</b>	<b>3,065,475</b>	<b>3,064,949</b>



**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

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

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Note 4 Current assets (continued)</b>		
<b>Note 4B: Trade and other receivables</b>		
<b>Trade receivables</b>	33,063	15,746
<b>Other receivables:</b>		
Accrued interest	16,118	-
Sundry debtors	179,738	-
<b>Total other receivables</b>	195,856	-
<b>Total trade and other receivables (net)</b>	228,919	15,746

An amount of \$27,563 is included in trade receivables and due to be received from Transport Workers' Union – National Office.

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

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

	2014	2013
	\$	\$
<b>Note 5 Non-current assets</b>		
<b>Note 5A: Property, plant and equipment</b>		
Land and buildings at valuation	2,412,601	2,810,601
Less: Accumulated depreciation	-	-
	2,412,601	2,810,601
Plant and equipment at cost	1,252,336	1,362,804
Less: Accumulated depreciation	(669,483)	(560,830)
	582,853	801,974
Office refurbishment at cost	199,286	199,286
Less: Accumulated depreciation	(124,329)	(109,065)
	74,957	90,221
	3,070,411	3,702,796

The Transport Workers' Union of Australia ("the Federal Organisation") are the registered proprietors and owners of the Branch's offices. The office property was acquired by the expenditure of the WA Branch funds and forms part of the assets of the Branch.

The basis of valuation of the Branch's office premises and industrial unit is fair market value based upon market appraisal valuations carried out by Mr C Colomb from Ray White Real Estate on the 24 January 2014 and by Mr P Reid from Bazzo Real Estate on 4 February 2014, both being independent firms of Real Estate Agents and Valuers.

	Land & buildings	Plant & equipment	Office refurbishment	Total
	\$	\$	\$	\$
Balance at 1 Jan 2013	1,579,375	573,090	107,342	2,259,807
Additions	1,269,191	844,900	1,400	2,115,491
Disposals	-	(360,681)	-	(360,681)
Revaluation	(37,965)	-	-	(37,965)
Depreciation	-	(255,335)	(18,521)	(273,856)
Balance at 31 Dec 2013	2,810,601	801,974	90,221	3,702,796
Additions	-	98,212	-	98,212
Disposals	(398,000)	(136,763)	-	(534,763)
Depreciation	-	(180,570)	(15,264)	(195,834)
Balance at 31 Dec 2014	2,412,601	582,853	74,957	3,070,411

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

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

	2014	2013
	\$	\$
<b>Note 6 Current liabilities</b>		
<b>Note 6A: Trade payables</b>		
Trade creditors and accruals	203,645	282,361
GST payable (net)	89,792	104,775
Payroll liabilities	2,460	2,954
<b>Total trade payables</b>	295,897	390,090

Settlement is usually made within 30 days.

An amount of \$6,481 is included in the trade creditors and is due to be paid to Slater and Gordon.

**Note 7 Provisions**

The amounts expected to be paid to fund employees for their pro rata entitlements to annual leave and long service leave are accrued annually at current salary rates. Sick leave has not been accrued, as any sick leave entitlements are considered contingent and non-vesting.

**Note 7A: Employee provisions**

Annual leave	180,136	245,085
Long service leave	203,129	274,711
<b>Total employee provisions</b>	383,265	519,796
Current	383,265	494,772
Non-current	-	25,024
<b>Total employee provisions</b>	383,265	519,796

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

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

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Note 8 Equity</b>		
<b>Note 8A: Accumulated funds</b>		
<b>Balance as at start of year</b>	4,724,255	5,518,763
Loss for the year	(180,797)	(794,508)
Transfer from reserves	86,243	-
<b>Balance as at end of year</b>	<u>4,629,701</u>	<u>4,724,255</u>

Accumulated funds relate to surpluses built over the years since commencement of operations.

**Note 8B: Asset revaluation reserve**

<b>Balance as at start of year</b>	1,172,727	1,210,692
Revaluation decrement for the year	-	(37,965)
Transfer to reserves	(86,243)	-
<b>Balance as at end of year</b>	<u>1,086,484</u>	<u>1,172,727</u>

The revaluation reserve is a reserve that accumulates increments of fair value adjustments to assets being carried at fair value. Its purpose is to quantify movements in fair value to be able to establish unrealised gains on assets held.

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Note 9 Notes to the Statement of Cash Flows</b>		
<b>Note 9A: Cash Flow Reconciliation</b>		
<b>Reconciliation of cash and cash equivalents as per Statement of Financial Position to Statement of Cash Flows:</b>		
<b>Cash and cash equivalents as per:</b>		
Statement of Cash Flows	3,065,475	3,064,949
Statement of Financial Position	3,065,475	3,064,949
<b>Difference</b>	<u>-</u>	<u>-</u>
<b>Reconciliation of (deficit) to net cash from operating activities:</b>		
Deficit for the year	(180,797)	(794,508)
<b>Adjustments for non-cash items</b>		
Depreciation/amortisation	195,834	273,856
Loss on disposal of assets	36,044	90,484
<b>Changes in assets/liabilities</b>		
(Increase)/decrease in trade and other receivables	(213,173)	98,784
(Increase) in prepayments	(7,165)	(3,578)
(Decrease)/increase in trade payables	(94,193)	161,158
(Decrease) in employee provisions	(136,531)	(40,489)
<b>Net cash used in operating activities</b>	<u>(399,981)</u>	<u>(214,293)</u>

**Note 10 Contingent liabilities and assets**

No material contingent liabilities and assets exist as at 31 December 2014.

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

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

**Note 11 Political and Sponsorship Fund**

The Branch maintains a separate account known as the "Political Fund and Sponsorship Account". Funds received from advertising and sponsorship revenue are deposited to this account. The account is then used to pay out political donations, sponsorships and affiliation fees.

The balance of the fund as at 31 December 2014 was \$123,136 (2013: \$101,167) with the funds being held in a separate Commonwealth Bank account, which is an interest bearing account. This forms part of the balance of the Branch cash and cash equivalents.

**Note 12 Commitments**

There are no capital commitments, lease commitments or contractual obligations as at 31 December 2014.

**Note 13 Related Party Disclosures**

**Note 13A: Related party transactions for the reporting period**

The following table provides the total amount of transactions that have been entered into with related parties for the relevant year.

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Revenue received from Transport Workers Union – Superannuation Fund includes the following:</b>		
Expense reimbursement	131,466	211,280
	131,466	211,280
 <b>Revenue received from Transport Workers Union - National Office includes the following:</b>		
Travel reimbursements	25,057	26,320
	25,057	26,320
 <b>Expenses paid to Australian Labour Party includes the following:</b>		
Donation	-	21,500
Affiliation	82,919	79,545
	82,919	101,045

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

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

	2014	2013
	\$	\$
<b>Note 13 Related Party Disclosures (continued)</b>		
<b>Note 13A: Related Party Transactions for the Reporting Period (continued)</b>		
<b>Expenses paid to Trades and Labour Council includes the following:</b>		
Affiliation	75,641	72,886
	75,641	72,886
<b>Expenses paid to Transport Workers Union – National Office includes the following:</b>		
Sustentation	827,726	804,145
	827,726	804,145
<b>Expenses paid to Transport Workers Union – Superannuation Fund includes the following:</b>		
Expense reimbursement	131,466	211,280
	131,466	211,280
<b>Amounts owed by Transport Workers Union – National Office include the following:</b>		
Expense reimbursement	3,665	3,405
	3,665	3,405
<b>Amounts owed by Transport Workers Union – Superannuation Fund include the following:</b>		
Expense reimbursement	-	6,865
	-	6,865
<b>Amounts owed to Transport Workers Union – National Office include the following:</b>		
Sustentation	111,909	115,049
	111,909	115,049
<b>Amounts owed to Transport Workers Union – New South Wales Branch include the following:</b>		
Expense reimbursement	-	6,268
	-	6,268

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 13 Related Party Disclosures (continued)**

**Note 13B: Key Management Personnel Remuneration for the Reporting Period**

	2014	2013
	\$	\$
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	340,028	402,598
Annual leave accrued	(56,767)	(18,185)
<b>Total short-term employee benefits</b>	<u>283,261</u>	<u>384,413</u>
<b>Post-employment benefits:</b>		
Superannuation	70,350	71,917
<b>Total post-employment benefits</b>	<u>70,350</u>	<u>71,917</u>
<b>Other long-term benefits:</b>		
Long-service leave	29,860	(6,658)
<b>Total other long-term benefits</b>	<u>29,860</u>	<u>(6,658)</u>
<b>Termination benefits</b>	226,698	477,295
<b>Total</b>	<u>226,698</u>	<u>477,295</u>

**Note 13C: Transactions with key management personnel and their close family members**

There were no transactions with key management personal and their close family members.



**TRANSPORT WORKERS' UNION OF AUSTRALIA**

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

**Note 14 Financial Instruments**

The Branch's policy is to review bank products and ensure the maximum rate of interest is earned on at call deposits.

**Note 14A: Categories of Financial Instruments**

	<b>2014</b>	<b>2013</b>
	\$	\$
<b><i>Financial Assets</i></b>		
Loans and receivables:		
Cash and cash equivalents	3,065,475	3,064,949
Trade and other receivables	228,919	15,746
<b>Total</b>	<b>3,294,394</b>	<b>3,080,695</b>
 <b><i>Carrying amount of financial assets</i></b>	<b>3,294,394</b>	<b>3,080,695</b>
 <b><i>Financial Liabilities</i></b>		
Fair value through profit or loss:		
Trade and other payables	295,897	390,090
<b>Total</b>	<b>295,897</b>	<b>390,090</b>
 <b><i>Carrying amount of financial liabilities</i></b>	<b>295,897</b>	<b>390,090</b>

**Note 14B: Credit Risk**

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The credit risk of financial assets of the Branch which have been recognised on the Statement of Financial Position is the carrying amount, net of any provision for doubtful debts. The Branch has limited exposure to credit risk due to its association with recognisable banking and financial institutions.

**Note 14C: Liquidity Risk**

Liquidity risk is the risk that the Branch will not be able to meet its financial obligations as they fall due. The Branch has limited exposure to liquidity risk as there are few payables (as per Note 6A) and ample cash available to settle all payables as they fall due.

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

**Note 14 Financial Instruments (continued)**

**Note 14D: Market Risk**

Market risk is the risk of changes in market prices, such as foreign exchange rate interest rates. The Branch has no exposure to foreign currency risk as activities are wholly performed within Australia. The Branch's exposure to interest rate risk is limited to the money held in the bank accounts. Interest benefiting assets are managed in such a way as to maximise results for external market forces.

*Interest rate risk*

All financial assets recognised in the Statement of Financial Position are carried at cost and are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes. The Branch's exposure to market interest rates relates primarily to the Branch's cash and cash equivalents.

**Sensitivity analysis of the risk that the entity is exposed to for financial year ended 31 December 2014**

	<b>Risk variable</b>	<b>Change in risk variable %</b>	<b>Effect on</b>	
			<b>Profit and loss</b>	<b>Equity</b>
			<b>\$</b>	<b>\$</b>
Interest rate risk	30,655	1.00	-	30,655

**Sensitivity analysis of the risk that the entity is exposed to for financial year ended 31 December 2013**

	<b>Risk variable</b>	<b>Change in risk variable %</b>	<b>Effect on</b>	
			<b>Profit and loss</b>	<b>Equity</b>
			<b>\$</b>	<b>\$</b>
Interest rate risk	30,650	1.00	-	30,650

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

**Note 15 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 Australia:

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

**Note 16 Recovery of Wages Activity**

A total of \$5,184 was received from 5 members during the reporting period. This amount was returned to members before 31 December 2014.

**Note 17 Activities not occurred during the year**

There was no amalgamation, restructure or revocation during the year.

**TRANSPORT WORKERS' UNION OF AUSTRALIA**

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**AUDITED GENERAL PURPOSE CONCISE FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**31 DECEMBER 2014**

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**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

**STATEMENT AS REQUIRED BY PARAGRAPH  
265(3)(e) OF THE FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009**

The enclosed concise financial report has been derived from Transport Workers' Union of Australia – Western Australian Branch ("Branch") 2014 full audited financial report.

The financial statements included in the concise report cannot be expected to provide as full an understanding of the financial performance, financial position, financial and investing activities of the Branch as provided by the full financial report.

A copy of the Branch's 2014 full financial report together with the independent auditor's report is available free of charge on request to the Branch.

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
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**INDEX TO CONCISE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRANSPORT WORKERS' UNION OF AUSTRALIA - WESTERN AUSTRALIAN BRANCH**

### **Report on the Concise Financial Report**

The accompanying concise financial report of Transport Workers' Union of Australia - Western Australian Branch comprises the statement of financial position as at 31 December 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and related notes, derived from the audited financial report of Transport Workers' Union of Australia - Western Australian Branch for the year ended 31 December 2014. The concise financial report does not contain all the disclosures required by Australian Accounting Standards.

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

The members of Committee of Management are responsible for the preparation and presentation of the concise financial report in accordance with Australian Accounting Standard AASB 1039: Concise Financial Reports. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Transport Workers' Union of Australia - Western Australian Branch for the year ended 31 December 2014. Our audit report on the financial report for the year was signed on 5 March 2015 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information included in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standards AASB 1039: Concise Financial Reports.

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

### **Independence**

In conducting our audit, we have complied with the independence requirements of the professional accounting bodies.

### **Auditor's Opinion**

In our opinion, the concise financial report of Transport Workers' Union of Australia - Western Australian Branch for the year ended 31 December 2014 complies with Australian Accounting Standard AASB 1039: Concise Financial Reports.

BUTLER SETTINERI (AUDIT) PTY LTD  
Registered Company Auditor No. 289109



MARIUS VAN DER MERWE CA  
Director

Perth  
Date: 6 March 2015



**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

**OPERATING REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

The committee presents its report on the reporting unit for the financial year ended 31 December 2014.

**Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year**

The Principal activities of the Transport Workers' Union – Western Australian Branch (“Branch”) during the reporting period were to provide industrial and organising services to the members consistent with the objects of the Branch and particularly the object of protecting and improving the interest of the members.

The Branch's 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 Branch.

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

**Significant changes in financial affairs**

There were no significant changes to the Branch's financial affairs during the reporting period.

**Right of members to resign**

Clause 11 of the Branch rules details the right of a member to resign from the Branch:

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;whichever is later; or

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

(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 Branch took effect, may be sued for and recovered in accordance with rule 81 as a debt to the Branch.
- (4) A notice delivered in accordance with sub-rule (1) is deemed to have been received by the Branch when it was delivered.
- (5) A notice of resignation that has been received by the Branch 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 was not effected in accordance with this rule, if the member is informed in writing by the Branch that the resignation has been accepted.

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

Timothy Dawson is a Director of the TWU Superannuation Fund.

**Number of members**

The number of persons that were, as at 31 December 2014, recorded in the register as effective members was 9,926.

**Number of employees**

The number of persons who were, as at the 31 December 2014, employees of the Branch, including both full-time employees and part-time employees was 17.

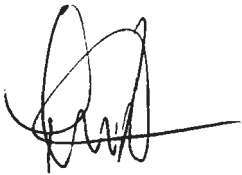
**Names of Committee of Management members and period positions held during the financial year**

The name of each person who was a member of the Committee of Management of the Branch during the financial year ended 31 December 2014, and the period for which he or she held such a position during that year is detailed as follows:

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

**Committee Member Period Position Held**

Ray McMillan	01/01/14 – 31/12/14
Mark Bebich	01/01/14 – 31/12/14
Richard Burton	01/01/14 – 14/04/14
Paul Aslan	01/01/14 – 31/12/14
John Davis	01/01/14 – 31/12/14
Timothy Dawson	01/01/14 – 31/12/14
Jeff Williams	01/01/14 – 31/12/14
Kevin Starr	01/01/14 – 30/06/14
Deborah Dunbar	01/01/14 – 31/12/14
Bruce Spaul	01/01/14 – 31/12/14
Peter Elliott	01/01/14 – 31/12/14
Ralph Roth	04/08/14 – 31/12/14
William Nuttal	22/07/14 – 31/12/14



Timothy Dawson

Branch Secretary

Dated: 5 March 2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

On 5 March 2015, the committee of management of the Transport Workers' Union of Australia – Western Australian Branch ("Branch") passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2014:

The committee of management declares that in its opinion:

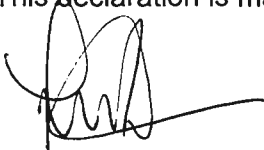
- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position 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 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 (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

**TRANSPORT WORKERS' UNION OF AUSTRALIA**

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- (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.



Timothy Dawson

Branch Secretary

Dated: 5 March 2015

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

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

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Revenue</b>		
Membership subscriptions	4,692,324	4,558,647
Federal Committee expenses reimbursement	18,208	12,063
Super Fund Director reimbursement	131,466	211,280
Funeral benefit recoveries	10,000	35,000
Advertising and sponsorship	32,272	18,214
Interest received	64,054	91,440
Sundry income	158,926	94,231
<b>Total income</b>	<b>5,107,250</b>	<b>5,020,875</b>
<b>Expenses</b>		
Affiliation fees	158,560	152,431
Audit and accountancy fees	54,221	29,421
Donations	1,322	23,300
Depreciation and amortisation	195,834	273,856
Employee expenses	2,323,275	2,577,363
Litigations and other legal costs	176,330	34,014
Meeting expenses	106,491	101,413
Net loss from sale of fixed assets	36,044	90,484
Sustentation fees	827,726	804,145
Other expenses	1,408,244	1,728,956
<b>Total expenses</b>	<b>5,288,047</b>	<b>5,815,383</b>
<b>Loss for the year before income tax</b>	<b>(180,797)</b>	<b>(794,508)</b>
Income tax benefit	-	-
<b>Loss for the year after income tax</b>	<b>(180,797)</b>	<b>(794,508)</b>
<b>Other comprehensive income</b>		
Revaluation of land and buildings	-	(37,965)
<b>Total comprehensive income for the year</b>	<b>(180,797)</b>	<b>(832,473)</b>

The above statement should be read in conjunction with the notes.

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

**STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	3,065,475	3,064,949
Trade and other receivables	228,919	15,746
Other current assets	30,542	23,377
<b>Total current assets</b>	<b>3,324,936</b>	<b>3,104,072</b>
<b>Non-current assets</b>		
Land and buildings	2,412,601	2,810,601
Plant and equipment	582,853	801,974
Office refurbishment	74,957	90,221
<b>Total non-current assets</b>	<b>3,070,411</b>	<b>3,702,796</b>
<b>Total assets</b>	<b>6,395,347</b>	<b>6,806,868</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade payables	295,897	390,090
Employee provisions	383,265	494,772
<b>Total current liabilities</b>	<b>679,162</b>	<b>884,862</b>
<b>Non-current liabilities</b>		
Employee provisions	-	25,024
<b>Total non-current liabilities</b>	<b>-</b>	<b>25,024</b>
<b>Total liabilities</b>	<b>679,162</b>	<b>909,886</b>
<b>Net assets</b>	<b>5,716,185</b>	<b>5,896,982</b>
<b>EQUITY</b>		
Accumulated funds	4,629,701	4,724,255
Asset revaluation reserve	1,086,484	1,172,727
<b>Total equity</b>	<b>5,716,185</b>	<b>5,896,982</b>

The above statement should be read in conjunction with the notes.

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

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

	Accumulated funds \$	Asset revaluation reserve \$	Total equity \$
<b>Balance as at 1 January 2013</b>	5,518,763	1,210,692	6,729,455
Loss for the year after income tax	(794,508)	-	(794,508)
Other comprehensive income for the year	-	(37,965)	(37,965)
<b>Closing balance as at 31 December 2013</b>	<b>4,724,255</b>	<b>1,172,727</b>	<b>5,896,982</b>
Loss for the year after income tax	(180,797)	-	(180,797)
Transfer (from)/to reserve	86,243	(86,243)	-
Other comprehensive income for the year	-	-	-
<b>Closing balance as at 31 December 2014</b>	<b>4,629,701</b>	<b>1,086,484</b>	<b>5,716,185</b>

The above statement should be read in conjunction with the notes.



**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

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

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>OPERATING ACTIVITIES</b>		
<b>Cash received</b>		
Membership receipts	4,692,324	4,558,647
Reimbursements from Transport Workers Union – National Office	3,505	-
Interest received	47,936	133,670
Other receipts	150,412	427,341
<b>Cash used</b>		
Sustentation fees paid to Transport Workers Union – National Office	(830,866)	(763,401)
Payment to suppliers and employees	(4,463,192)	(4,570,550)
<b>Net cash used in operating activities</b>	<b>(399,981)</b>	<b>(214,293)</b>
<b>INVESTING ACTIVITIES</b>		
<b>Cash received</b>		
Proceeds from sale of plant and equipment	498,719	270,196
<b>Cash used</b>		
Purchase of fixed assets	(98,212)	(2,037,764)
<b>Net cash from/(used in) investing activities</b>	<b>400,507</b>	<b>(1,767,568)</b>
<b>Net increase/(decrease) decrease in cash held</b>	<b>526</b>	<b>(1,981,861)</b>
Cash & cash equivalents at the beginning of the reporting period	3,064,949	5,046,810
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	<b>3,065,475</b>	<b>3,064,949</b>

The above statement should be read in conjunction with the notes.

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
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**RECOVERY OF WAGES ACTIVITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Cash assets in respect of recovered money at beginning of year</b>	-	-
<b>Receipts</b>		
Amounts recovered from employers in respect of wages etc.	5,184	-
Interest received on recovered money	-	-
<b>Total receipts</b>	<u>5,184</u>	<u>-</u>
<b>Payments</b>		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	5,184	-
<b>Total payments</b>	<u>5,184</u>	<u>-</u>
<b>Cash asset's in respect of recovered money as at end of year</b>	<u>-</u>	<u>-</u>
Number of workers to which the monies recovered relates	5	-
<b>Aggregate payables to workers attributable to recovered monies but not yet distributed</b>		
Payable balance	-	-
Number of workers the payable relates to	5	-
<b>Fund or account operated for recovery of wages</b>		
Wage Recoupment Trust Account	-	-

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

**Index to the Notes of the Financial Statements**

Note 1	Summary of Significant Accounting Policies
Note 2	Revenue
Note 3	Information to be provided to Members or Registrar
Note 4	Segment information
Note 5	Events after the Reporting Period
Note 6	Recovery of Wages Activity

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

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

**Note 1 Summary of Significant Accounting Policies**

This concise financial report relates to the Transport Workers' Union of Australia, Western Australian Branch for the year ended 31 December 2014. The accounting policies adopted have been consistently applied to all years presented.

The financial statements are presented in Australian dollars.

**Note 2 Revenue**

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

Interest due on term deposits is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Under s252(3) of the Fair Work (Registered Organisations) Act 2009, contributions receipted during the year have been recognised on a cash basis. This is to the discretion of the organisation and is accepted as the Transport Workers' Union of Australia's revenue recognition policy.

**Note 3 Information to be provided to Members or Registrar**

In accordance with the requirements of the RO Act, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272.

**272(1) (Application for Information)** 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.

**272(2) (Form of Application)** 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.

**272(3) (Compliance)** A reporting unit must comply with the application made under subsection (1).

**Note 4 Segment information**

The branch, which is a division of the Transport Workers' Union of Australia, operates exclusively in Western Australia.

**Note 5 Events after the reporting period**

There were no events that occurred after 31 December 2014, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

**TRANSPORT WORKERS' UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH**

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

**Note 6 Recovery of Wages Activity**

A total of \$5,184 was received from 5 members during the reporting period. This amount was returned to members before 31 December 2014.

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
**WESTERN AUSTRALIAN BRANCH**

**REPORT TO MEMBERS**

**ANALYSIS OF FINANCIAL PERFORMANCE AND FINANCIAL POSITION**

**Financial Performance**

The Transport Workers Union – Western Australian Branch (“Branch”) produced an operating deficit of \$180,797 for the year ended 31 December 2014, a decrease of \$613,711 on the 2013 result.

Revenue

Revenue for the year ended 31 December 2014 was \$5,107,250 which was an increase of \$86,375 compared to 2013 revenue of \$5,020,875. This is equivalent to an increase of 2% on last year’s result.

The predominant contributors to the increased revenue are the increase in membership subscriptions and interest received.

Expenditure

Operating expenditure for the year ended 31 December 2014 totalled \$5,288,047 (2013: \$5,815,383) which has decreased by \$527,336. This represents a 9% decrease from the 2013 year.

The main areas of expenditure contributing to the decreases are as follows:

- Compulsory levies to Federal Office
- Computer Programming maintenance
- Donations
- Organisers’ expenses - country
- Repairs and maintenance
- Uniforms
- Insurance expense
- Redundancy payments
- Depreciation and amortisation
- Net loss on sale of fixed assets

**Financial Position**

During the 31 December 2014 year there has been a decrease in the net asset position. The decrease in net assets relates to the disposal of property, plant and equipment and the operating deficit generated during the 2014 year. The current ratio is 4.90 (2013: 3.51)

**TRANSPORT WORKERS' UNION OF AUSTRALIA**  
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

**Cash flows**

The cash inflow exceeded the cash outflow for the year by \$526 (2013: outflow (\$1,981,861)), being \$399,981 net cash outflow from operating activities (2013: outflow (\$214,293)) and a net cash inflow from investing activities of \$400,507 (2013: outflow (\$1,767,567)).

**Equity**

The change in equity for the year related to operating activities.