

# **Australian Rail, Tram and Bus Industry Union - Tasmanian Branch**

## **Financial Report**

**For the Year Ended 31 December 2016**

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

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For the Year Ended 31 December 2016

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# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Operating Report

31 December 2016

I, Colin Vandenhoff , being the designated officer responsible for preparing this report for the financial year ended 31 December 2016 of Australian Rail, Tram and Bus Industry Union - Tasmanian Branch, report as follows:

### 1. General information

#### Branch Council Members

The names of Branch Executive members throughout the year and at the date of these statements are:

Samantha Simonetis - Branch Secretary	1 January 2016 to 31 December 2016
Colin Vandenhoff - Branch President	2 December 2016 to 31 December 2016
Vacant - Branch Vice President	1 January 2016 to 31 December 2016
Vacant - Branch Divisional President - Rail	1 January 2016 to 31 December 2016
David Payne - Branch Divisional Secretary - Rail	1 January 2016 to 29 August 2016
Vacant - Branch Divisional Secretary - Rail	30 August 2016 to 31 December 2016
Samantha Simonetis - Branch Divisional Secretary - Bus	1 January 2016 to 31 December 2016
Jamie Cole - Branch Divisional President - Bus	1 January 2016 to 31 December 2016

#### Principal Activities

The Australian Rail, Tram and Bus Industry Union Tasmanian Branch is a branch of the federally registered Australian Rail, Tram and Bus Industry Union representing members whose usual place of work is located within the state of Tasmania. The Tasmanian Branch has members employed in Rail and Bus sectors who are employed by the public and private sectors. The reporting unit's activities are directed by the Tasmanian Branch Executive and Branch Council. There have been no changes in the nature of these activities during the year.

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Operating Report

31 December 2016

### 1. General information continued

#### Principal Activities continued

The principal activities and results of these activities fell into the following categories.

Activities	2016 Results
Making agreements with employers.	0
Implementation of Branch Council's membership agenda, including providing assistance and strategic advice to individual members in relation to workplace issues.	Received applications for admittance for 51 new members.
Attended meetings called by peak union bodies in Tasmania.	Attended 1 meetings called by Unions Tasmania.
Training delegates and representatives.	1 Workplace Officials were trained.

#### Significant changes

No significant changes in the Branch's principal activities occurred during the year.

#### Superannuation Trustees

No officer or employee of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public superannuation fund scheme, where the criteria for holding such as position is that they are an officer or member of the reporting unit.

#### Number of Members & Right To Resign

The number of members of the Branch at at 31 December 2016 was 415 (inclusive of all categories), (2015: 387).

Members have the right to resign from the entity by giving 2 weeks notice of their intention to resign in writing. Members retain the right to resign from the Australian Rail, Tram and Bus Industry Union in accordance with rule 14, Resignation from Membership of the Rail Tram and Bus Industry Union.

#### Number of Employees

As at 31 December 2016, the Union employed 2 part time employees, being 1 official and 1 employee, (2015: 2).

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Operating Report

31 December 2016

### 2. Operating Results and Review of Operations for the Year

#### Operating result

The surplus/(deficit) from ordinary activities for the year amounted to \$ (16,150), (2015 \$(16,081)).

#### Significant changes in financial affairs

A review of the operations of the Branch during the financial year and the results of those operations show the only significant change in financial affairs relate to the payment of Metro Lost Time. The Branch now pays Lost Time direct as wage to Branch Secretary and any Metro time lost is paid to Delegates attending to RTBU official business or meetings.

Signed in accordance with a resolution of the Branch Council:

  
.....  
Colin Van Den Hoff - Branch President

  
.....  
Samantha Simonetis - Branch Secretary

Dated this .....10..... day of .....April.....2017.

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Branch Council Statement

On the 6 of April 2017 the Branch Council of the Australian Rail, Tram and Bus Union Tasmanian Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the financial year ended 31 December 2016:

1. The financial statements and notes comply with the Australian Accounting Standards;
2. The financial statements and notes comply with the reporting guidelines of the General Manager;
3. 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;
4. 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;
5. During the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the Branch Council were held in accordance with the rules of the organisation including the rules of a Branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a Branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009; and
  - (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 to each other 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 Fair Work (Registered Organisations) Act 2009 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 Fair Work (Registered Organisations) Act 2009, there has been compliance.
6. No revenue has been derived from undertaking recovery of wages activity during the reporting period.

This declaration is made in accordance with a resolution of the Branch Council:

  
Colin Van Den Hoff - Branch President

  
Samantha Simonetis - Branch Secretary

Dated this 10 day of April 2017.

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Statement of Comprehensive Income

For the Year Ended 31 December 2016

	Note	2016 \$	2015 \$
<b>Income</b>			
Interest income		304	480
Member subscriptions		140,410	140,367
Capitation fees and levies	3(a)	-	-
Grants and donations	3(b)	-	-
Other revenue		1,207	1,075
Reimbursement for lost time - RTBU National		5,234	7,570
<b>Total Income</b>		<b>147,155</b>	<b>149,492</b>
<b>Less: Expenses</b>			
Affiliation fees, capitation fees and levies	4(a)	26,224	25,636
Audit and accounting fees	12	4,065	3,895
Bank charges		1,351	1,464
Depreciation		1,648	1,698
Electricity and water		968	942
Employee expenses	4(b)	101,225	102,243
Grants and donations	4(c)	-	300
Hardship loan - member		-	(597)
Insurance		4,766	4,576
Medical supplies		1,259	2,562
Motor vehicle expenses		3,067	4,372
Other administrative expenses	4(d)	3,584	3,098
Printing and stationery		3,894	2,045
Rates and taxes		2,385	3,239
Rent		600	250
Sundry expenses		80	708
Telephone and fax		8,189	9,142
<b>Total Expenses</b>		<b>163,305</b>	<b>165,573</b>
<b>Net surplus/(deficit) for the year</b>		<b>(16,150)</b>	<b>(16,081)</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(16,150)</b>	<b>(16,081)</b>

The accompanying notes form part of these financial statements.

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Statement of Financial Position

31 December 2016

	Note	2016 \$	2015 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	14,351	23,608
Trade and other receivables	6	2,900	4,722
<b>TOTAL CURRENT ASSETS</b>		<b>17,251</b>	<b>28,330</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	30,034	31,682
<b>TOTAL NON-CURRENT ASSETS</b>		<b>30,034</b>	<b>31,682</b>
<b>TOTAL ASSETS</b>		<b>47,285</b>	<b>60,012</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	14,095	15,355
Employee benefits	9	6,356	1,673
<b>TOTAL CURRENT LIABILITIES</b>		<b>20,451</b>	<b>17,028</b>
<b>NON-CURRENT LIABILITIES</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>20,451</b>	<b>17,028</b>
<b>NET ASSETS</b>		<b>26,834</b>	<b>42,984</b>
<b>EQUITY</b>			
Accumulated surpluses		26,834	42,984
<b>TOTAL EQUITY</b>		<b>26,834</b>	<b>42,984</b>

The accompanying notes form part of these financial statements.



# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Statement of Changes in Equity

For the Year Ended 31 December 2016

### 2016

	<b>Accumulated Surpluses</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 January 2016</b>	42,984	42,984
Net surplus/(deficit) for the year	(16,150)	(16,150)
<b>Balance at 31 December 2016</b>	<u>26,834</u>	<u>26,834</u>

### 2015

	<b>Accumulated Surpluses</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 January 2015</b>	59,065	59,065
Net surplus/(deficit) for the year	(16,081)	(16,081)
<b>Balance at 31 December 2015</b>	<u>42,984</u>	<u>42,984</u>

The accompanying notes form part of these financial statements.

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Statement of Cash Flows

For the Year Ended 31 December 2016

	Note	2016 \$	2015 \$
<b>CASH FROM OPERATING ACTIVITIES:</b>			
Receipts from members		157,764	155,733
Payments to suppliers and employees		(144,074)	(153,581)
Payments to other reporting units	13(b)	(29,690)	(20,053)
Receipts from other reporting units	13(b)	3,411	7,664
Interest received		304	480
Other receipts		3,028	981
Net cash provided by (used in) operating activities	13(a)	(9,257)	(8,776)
Net cash increase (decreases) in cash and cash equivalents		(9,257)	(8,776)
Cash and cash equivalents at beginning of year		23,608	32,384
Cash and cash equivalents at end of financial year	5	14,351	23,608

The accompanying notes form part of these financial statements.

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

The financial report covers Australian Rail, Tram and Bus Industry Union - Tasmanian Branch as an individual entity, incorporated and domiciled in Australia. Australian Rail, Tram and Bus Industry Union - Tasmanian Branch is a registered employee organisation under the *Fair Work (Registered Organisations) Act 2009*.

### 1 Summary of Significant Accounting Policies

#### (a) Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the *Fair Work (Registered Organisations) Act 2009*. The Branch is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected fixed assets, financial assets and financial liabilities. The financial statements are presented in Australian dollars and have been rounded to the nearest dollar.

#### (b) Comparative Figures

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

#### (c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

#### (d) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, any accumulated depreciation and impairment losses.

##### Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment are measured on the cost basis less, where applicable, any accumulated depreciation. Under the cost model, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimates of the costs of dismantling and restoring the asset where applicable.

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 1 Summary of Significant Accounting Policies continued

#### (d) Property, Plant and Equipment continued

##### Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

##### **Class of Fixed Asset**

Buildings	2.5%
Furniture and fittings	10%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

#### (e) Financial Instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Branch becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

##### Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

##### *Financial Assets*

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 1 Summary of Significant Accounting Policies continued

#### (e) Financial Instruments continued

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in surplus or deficit or in other comprehensive income.

##### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in surplus or deficit.

The Branch's trade and other receivables fall into this category of financial instruments.

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future
- designated by the entity to be carried at fair value through profit or loss upon initial recognition or
- which are derivatives not qualifying for hedge accounting.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in the statement of comprehensive income.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

##### *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the Branch's management to hold them until maturity.

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 1 Summary of Significant Accounting Policies continued

#### (e) Financial Instruments continued

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in surplus or deficit.

##### *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets or which have been designated in this category.

All available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

##### *Financial liabilities*

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The Branch's financial liabilities consist of trade and other payables, which are measured at amortised cost using the effective interest rate method.

#### **Impairment**

At the end of each reporting period, the Branch assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the Statement of Comprehensive Income.

#### (f) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Branch during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

#### (g) Employee Benefits

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 1 Summary of Significant Accounting Policies continued

**(g) Employee Benefits continued**

estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Those cashflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cashflows.

**(h) Provisions**

Provisions are recognised when the Branch has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

**(i) Income Tax**

No provision for income tax has been raised as the reporting unit is exempt from income tax under *Div 50 of the Income Tax Assessment Act 1997*.

**(j) Leases**

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight line basis over the life of the lease term.

**(k) Revenue and Other Income**

Interest revenue is recognised when received or when the right to receive has been met.

Membership and levy income is recognised over the period to which the membership or levy relates.

All revenue is stated net of the amount of goods and services tax (GST).

**(l) Goods and Services Tax (GST)**

Revenue, expenses, liability and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payable are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 1 Summary of Significant Accounting Policies continued

#### (m) Critical Accounting Estimates and Judgments

The preparation of the financial statements in conformity with Australian Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Management believes the estimates used in preparing the financial statements are reasonable.

The significant estimates and judgements made have been described below.

#### Key estimates - Impairment

The Branch assesses impairment at the end of each reporting period by evaluating conditions specific to Branch that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

#### Key judgements - Employee Benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related services. The Branch expects most employees will not take their annual leave entitlements within this 12 month period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

#### (n) Adoption of new and revised accounting standards

During the current year, standards which became mandatory had no significant impact on the financial report of the Branch.



# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 1 Summary of Significant Accounting Policies continued

#### (o) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Branch has decided against early adoption of these standards. The following table summarises those future requirements, and their impact on the Branch:

Standard name	Effective date for entity	Requirements	Impact
AASB 9 Financial Instruments	1 January 2018	<ul style="list-style-type: none"> <li>- Changes to the classification and measurement requirements for financial assets and financial liabilities</li> <li>- New rules relating to derecognition of financial instruments.</li> </ul>	The impact of this standard is expected to be minimal.
AASB 15 Revenue from Contracts with Customers	1 January 2018	<ul style="list-style-type: none"> <li>- The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract</li> </ul>	The impact of this standard is expected to be minimal.
AASB 16 Leases	1 Jan 2019	This standard will replace the current accounting requirements applicable to leases in AASB 17: Leases and related interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirements to be classified as operating or finance leases.	The impact of this standard is expected to be minimal.

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 1 Summary of Significant Accounting Policies continued

#### (o) New accounting standards for application in future periods continued

Standard name	Effective date for entity	Requirements	Impact
AASB 2015-6 amendments to AASB 10, AASB 124 and AASB 1049 arising from not-for-profit public sector entities – extending related party disclosures	1 July 2016	Affected entities will be required to disclose the information in AASB 124 Related party disclosures, including key management personnel remuneration. Implementation guidance is included to assist with application.	The impact of this standard is expected to be minimal.
AASB 2015-7 amendments to AASB 13 arising from not-for-profit public sector entities fair value measurement disclosures	1 July 2016	Affected entities are relieved from certain fair value measurement disclosures for property, plant and equipment that are held primarily for their current service potential rather than to generate future net cash inflows.	The impact of this standard is expected to be minimal.

#### (p) Transaction Occurrence

Transactions requiring disclosure under the *Fair Work (Registered Organisations) Act 2009* which have not been included in this report have not occurred during the financial year.

### 2 Going Concern

a) Australian Rail, Tram and Bus Industry Union - Tasmanian Branch has received going concern support. The National Office funds significant expenditure (e.g; insurance payments) by way of loans to assist cash flow, being repayable over the remaining year. In addition, the Branch utilises the services of other Branches to contain costs wherever possible, such as legal advice. The Branch does not have any going concern agreements in place with any other entity nor do they provide any going concern support.

b) The Branch has had consistent losses for the past five years and current liabilities are exceeding current assets at year end. The Branch Council will explore options to liquidate assets and reduce costs with a view to improve the financial performance and financial position of the Branch. The National Office will continue to support the Branch through loans and other resource sharing. The financial statements have been prepared on a going concern basis.

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 3 Revenue

#### (a) Capitation Fees and Levies

	2016	2015
	\$	\$
Capitation fees received	-	-
Levies received	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

#### (b) Grants and Donations

	2016	2015
	\$	\$
Grants	-	-
Donations	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

### 4 Expenses

#### (a) Affiliation Fees, Capitation Fees and Levies

	2016	2015
	\$	\$
Unions Tasmania - affiliation fee	2,283	2,382
ACTU - affiliation fee	1,981	1,739
ALP Tasmania - affiliation fee	1,557	1,488
RTBU National - capitation fee	20,403	20,027
Levies	-	-
	<u>26,224</u>	<u>25,636</u>

#### (b) Employee Expenses

	2016	2015
	\$	\$
<b>Holders of office</b>		
Wages	54,281	52,850
Superannuation contributions	5,109	996
Leave and other entitlements	5,263	-
Separation and redundancies	-	-
Other employee expenses	-	-

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 4 Expenses continued

#### (b) Employee Expenses continued

	2016 \$	2015 \$
	-	-
<b>Employees other than office holders</b>		
Wages	29,137	35,230
Superannuation contributions	2,867	6,585
Leave and other entitlements	(580)	33
Separation and redundancies	-	-
Other employee expenses	177	1,665
<b>Other payroll expenses</b>		
Payroll tax	4,971	4,884
	<u>101,225</u>	<u>102,243</u>

#### (c) Grants and Donations

	2016 \$	2015 \$
<b>Grants</b>		
Total paid that were \$1,000 or less	-	-
Total paid that were \$1,000 or more	-	-
<b>Donations</b>		
Total paid that were \$1,000 or less	-	300
Total paid that were \$1,000 or more	-	-
	<u>-</u>	<u>300</u>

#### (d) Other Administrative Expenses

	2016 \$	2015 \$
Consideration to employers for payroll deductions	-	-
Penalties via the RO Act or RO Regulations	-	-
Fees/allowances - meeting and conferences	3,584	3,031
Conference and meeting expenses	-	-
Litigation fees	-	-
Other legal fees	-	67
	<u>3,584</u>	<u>3,098</u>

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 5 Cash and Cash Equivalents

	2016	2015
	\$	\$
Cash on hand	400	400
Cash at bank	13,951	23,208
	<u>14,351</u>	<u>23,608</u>

### 6 Trade and Other Receivables

	2016	2015
	\$	\$
Trade receivables	1,320	1,350
Receivables from other reporting units	-	-
Provision for impairment	-	-
Impairment from other reporting units	-	-
Other receivables	1,580	3,372
	<u>2,900</u>	<u>4,722</u>

#### (a) Aged analysis

The ageing analysis of receivables is as follows:

	2016	2015
	\$	\$
0-30 days	1,680	3,427
31-60 days	10	55
61-90 days (past due not impaired)	1,014	702
91+ days (past due not impaired)	196	538
	<u>2,900</u>	<u>4,722</u>

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 7 Property, Plant and Equipment

	2016 \$	2015 \$
<b>LAND AND BUILDINGS</b>		
Building - Suite 5, 113 Main Road, Moonah		
At cost	40,000	40,000
Accumulated depreciation	(11,795)	(10,795)
Total land and buildings	28,205	29,205
<b>PLANT AND EQUIPMENT</b>		
Furniture and fittings		
At cost	24,446	24,446
Accumulated depreciation	(22,617)	(21,969)
Total furniture, fixture and fittings	1,829	2,477
Total property, plant and equipment	30,034	31,682

#### (a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Buildings \$	Furniture and Fittings \$	Total \$
<b>2016</b>			
Balance at the beginning of year	29,205	2,477	31,682
Depreciation expense	(1,000)	(648)	(1,648)
<b>Balance at 31 December 2016</b>	28,205	1,829	30,034
<b>2015</b>			
Balance at the beginning of year	30,205	2,946	33,151
Depreciation expense	(1,000)	(469)	(1,469)
<b>Balance at 31 December 2015</b>	29,205	2,477	31,682

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 8 Trade and Other Payables

	2016	2015
	\$	\$
Credit card	1,332	1,048
Trade payables	3,764	3,623
Trade payables - other reporting units (RTBU National)	-	1,709
Legal fees - litigation	-	-
Legal fees - other legal matters	-	-
Employers for payroll deductions	-	-
GST payable/(receivable)	1,760	1,418
PAYG withholding	5,948	6,024
Superannuation payable	1,291	1,533
	<u>14,095</u>	<u>15,355</u>

### 9 Employee benefits

	2016	2015
	\$	\$
<b>Office Holders</b>		
Annual leave	-	-
Long service leave	-	-
Separation and redundancies	-	-
Other	-	-
<b>Employees other than office holders</b>		
Annual leave	-	-
Long service leave	6,356	1,673
Separation and redundancies	-	-
Other	-	-

### Analysis of total provisions

	2016	2015
	\$	\$
Current	6,356	1,673
Non-current	-	-
	<u>6,356</u>	<u>1,673</u>

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 10 Financial Risk Management

The Branch's financial instruments consist mainly of deposits with banks. The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

		2016 \$	2015 \$
<b>Financial Assets</b>			
Cash and cash equivalents	5	14,351	23,608
Trade and other receivables	6	2,900	4,772
<b>Total Financial Assets</b>		<u>17,251</u>	<u>28,380</u>
<b>Financial Liabilities</b>			
Trade and other payables	8	14,095	15,355
<b>Total financial liabilities</b>		<u>14,095</u>	<u>15,355</u>

#### Financial Risk Exposures and Management

The main risks the Branch is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk and commodity and equity price risk.

##### (a) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The Branch does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the reporting unit.

##### (b) Liquidity Risk

The Branch manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

##### (c) Interest Rate Risk

The Branch does not have any material interest rate risk. Any risk arising is managed through floating rate investments.

##### (d) Foreign Exchange Risk

The Branch is not exposed to fluctuations in foreign currencies.



# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 10 Financial Risk Management continued

#### 10 Financial Risk Management continued

##### (e) Price Risk

The Branch is not exposed to any material commodity price risk.

##### Sensitivity Analysis

The Branch Council has performed an assessment of its exposure to interest rate risk, liquidity risk and credit risk at balance date. The Australian Rail, Tram and Bus Industry Union - Tasmanian Branch is not currently subject to any interest rate risk on its financial liabilities and has assessed that there is no exposure to liquidity risk required to meet its financial obligations. The Australian Rail, Tram and Bus Industry Union - Tasmanian Branch Branch's exposure to credit risk has been assessed as not material, due to the nature, collectability and recoverability of amounts owed.

As a result of the risk assessment performed, any positive or negative changes in the interest rate risk, liquidity risk or credit risk would not have a material effect on the financial statements. Hence quantitative disclosures are not required.

### 11 Key Management Personnel Disclosures

Key management personnel remuneration included within employee expenses for the year is shown below:

	2016	2015
	\$	\$
Short-term employee benefits	62,394	55,538
Long-term benefits	5,263	-
Post-employment benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
	<u>67,657</u>	<u>55,538</u>

### 12 Auditors' Remuneration

	2016	2015
	\$	\$
Remuneration of the auditor Crowe Horwath for:		
- auditing and reviewing the financial report	4,065	3,895
- other services	-	-
	<u>4,065</u>	<u>3,895</u>

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 13 Cash Flow Information

#### (a) Reconciliation of Cash Flow from Operations with Surplus/(Deficit)

	2016	2015
	\$	\$
Net surplus/(deficit) for the year	(16,150)	(16,081)
Non-cash flows in net surplus/(deficit)		
- Depreciation	1,648	1,698
Changes in assets and liabilities		
- (Increase)/decrease in trade and other receivables	1,820	1,241
- (Increase)/decrease in financial assets	-	(20)
- Increase/(decrease) in trade and other payables	(1,259)	4,353
- Increase/(decrease) in employee benefits	4,684	33
	<u>(9,257)</u>	<u>(8,776)</u>

#### (b) Cash Flows with Reporting Units

	2016	2015
	\$	\$
<b>Cash Inflows</b>		
RTBU National	<u>3,411</u>	<u>7,664</u>
	<u>3,411</u>	<u>7,664</u>
<b>Cash Outflows</b>		
RTBU National	<u>(29,690)</u>	<u>(20,053)</u>
	<u>(29,690)</u>	<u>(20,053)</u>

### 14 Other Specific Disclosures - Funds

#### (a) Compulsory levy/voluntary contribution fund

	2016	2015
	\$	\$
Compulsory levy/voluntary contribution fund	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 14 Other Specific Disclosures - Funds continued

#### (b) Other fund(s) required by rules

	2016	2015
	\$	\$
Balance as at start of the year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
<b>Balance as at year end</b>	<b>-</b>	<b>-</b>

There have been no fund or account operated in respect of compulsory levies or voluntary contributions.

### 15 Operating Segments

The Branch operates predominantly in one business and geographical segment being representing members employed in Rail and Bus sectors who are employed by the public and private sectors in the state of Tasmania.

### 16 Capital and Leasing Commitments

#### (a) Operating Lease Commitments

There are no lease commitments as at reporting date to be disclosed.

#### (b) Capital Expenditure Commitments

There are no capital commitments as at reporting date to be disclosed.

### 17 Contingent Liabilities and Contingent Assets

There are no contingent liabilities or contingent assets as at reporting date to be discussed.

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 18 Related Party Transactions

Any transactions with related parties are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and which in management's opinion is comparable to amounts that would have been paid to non related parties.

The following transactions occurred with related parties during the year:

	Loan repayments	Membership Subscriptions	Balance outstanding as at 31 Dec 2016
	\$	\$	\$
Samantha Simonetis (Branch Secretary)	883	416	0
Colin Vandenhoff	0	416	0
David Payne	0	288	0
Jamie Cole	0	416	0
Susan Round	0	416	0
Chris Stanwix	0	416	0
Christine Hewitt	0	416	0
Stephen Knight	0	416	0
David Snook	0	416	0
Lorraine Singline	0	208	0
Darren Hawkins	0	416	0

Other related party transactions occurred throughout the year, which involve purchases and sales relating to the RTBU National Office for loan repayments, capitation fees and reimbursement for time lost (Refer Note 12).

### 19 Events After the End of the Reporting Period

There are no known events after balance date affecting this financial report to be disclosed.

# Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

## Notes to the Financial Statements

For the Year Ended 31 December 2016

### 20 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) and (3) of section 272, which reads as follows:

Information to be provided to members or General Manager:

- (1) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the 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).

### 21 Union Details

The registered office of the Union is:

Australian Rail, Tram and Bus Industry Union - Tasmanian Branch  
Suite 5, 113 Main Rd  
MOONAH TAS 7009

## Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

### Auditors' Independence Declaration to the Council of the Australian Rail, Tram and Bus Industry Union - Tasmanian Branch

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2016 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Professional Ethical Standards in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



**Crowe Horwath Tasmania**



**Alison Flakemore**  
**Audit Partner**

Dated this 28<sup>th</sup> day of March 2017.

Hobart, Tasmania

## **Australian Rail, Tram and Bus Industry Union - Tasmanian Branch**

### **Independent Audit Report to the members of Australian Rail, Tram and Bus Industry Union - Tasmanian Branch**

#### **Opinion**

We have audited the financial report of the Australian Rail, Tram and Bus Industry Union - Tasmanian Branch, which comprises the statement of financial position as at 31 December 2016, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the members of the Branch Council.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Branch as at 31 December 2016, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*.

#### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Branch in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### **Emphasis of Matter - Going Concern**

Without modifying our opinion, we draw attention to Note 2 to the financial statement, which indicates that the Branch has had consistent losses for the past five years and current liabilities are exceeding current assets at year end. The Branch Council will continue to implement a remedy plan to improve the financial performance and financial position. If the remedy plan is not successful, the Branch may not be able to extinguish its debt or realise its asset in the normal course of business. The financial statements have been prepared on a going concern basis, given the mitigating factor outlined within Note 2.

#### **Responsibilities of the Branch Council for the Financial Report**

The Branch Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

## **Australian Rail, Tram and Bus Industry Union - Tasmanian Branch**


### **Independent Audit Report to the members of Australian Rail, Tram and Bus Industry Union - Tasmanian Branch**

In preparing the financial report, the Branch Council is responsible for assessing the Branch's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Branch Council either intends to liquidate the Branch or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Branch's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_files/ar3.pdf](http://www.auasb.gov.au/auditors_files/ar3.pdf). This description forms part of our auditor's report.



**Crowe Horwath Tasmania**



**Alison Flakemore**  
**Audit Partner**

#### **Auditor Qualifications**

Bachelor of Commerce with Honours

Registered Company Auditor No. 241220

Institute of Chartered Accountants Australia No. 96387

Dated this 12<sup>th</sup> day of April 2017.

Hobart, Tasmania