



Rail, Tram and Bus Union of NSW

STATE FINANCIAL STATEMENTS FOR 2017

Prepared: May 2018

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MEMBERS OF THE COMMITTEE OF MANAGEMENT

The members of the Committee of Management during the year ending 31 December 2017 were:

EXECUTIVE	
President (Honorary)	Joanne McCallum
Secretary	Alex Claassens
Assistant Secretary Rail (Honorary)	Robert Hayden
Assistant Secretary Road (Honorary)	David Woollams
Locomotive Divisional President	Brett Rosser
Locomotive Divisional Secretary	Robert Hayden
Tram & Bus Divisional President	David Woollams
Tram & Bus Divisional Secretary	Chris Preston
Infrastructure Divisional President	Michael Sullivan
Infrastructure Divisional Secretary	Scott Wilson – 21/9/2017 – 31/12/2017
Administrative, Supervisory Technical and Professional Divisional President	Paul Casey – 21/9/2017
Administrative, Supervisory Technical and Professional Divisional Secretary	Simon Bolin – 21/9/2017 – 31/12/2017
Fleet Manufacture, Overhaul, Maintenance and Service Divisional President	Michael Bartlett
Fleet Manufacture, Overhaul, Maintenance and Service Divisional Secretary	Nyssa Parsons – 2/2/2017 – 31/12/2017
Rail Operations Divisional President	John Steck
Rail Operations Divisional Secretary	Craig Turner

THE REGISTERED OFFICE OF THE RAIL, TRAM AND BUS UNION OF NEW SOUTH WALES IS:

LEVEL 4, 321 PITT STREET
SYDNEY NSW 2000

CERTIFICATE BY COMMITTEE OF MANAGEMENT

State Financial Statements for 2017

CERTIFICATE BY COMMITTEE OF MANAGEMENT

We, the undersigned members of the committee of management of

The RAIL, TRAM AND BUS UNION of NEW SOUTH WALES

hereby certify in respect of the financial year ended **31 December, 2017** that:

- (a) In the opinion of the committee of management the accounts prepared show a true and fair view of the financial affairs of the organization as at the end of the financial year to which they related; and
- (b) In the opinion of the committee of management, during the financial year to which the accounts relate, meetings of the committee of management were, in the opinion of the committee, held in accordance with the rules of the organization; and
- (c) To the knowledge of a member of the committee, there have not been, during the financial year to which the accounts relate, instances where records of the organization or other documents (not being documents containing information made available to a member of the organization under section 512 (2) of the 1991 Act, as applied by section 282(3) of the Industrial Relations Act 1996, or copies of those records or other documents, or copies of the rules of the organization, have not been furnished or made available, to members of the organization in accordance with the Act, this Regulation or the rules of the organization, as the case maybe; and
- (d) In relation to the report prepared in accordance with section 514 of the 1991 Act, as applied by section 282(3) of the Industrial Relations Act 1996, by the auditor of the organization in respect of the financial year immediately preceding the financial year to which the accounts relate [i.e. the second most recently concluded financial year] and in relation to any accounts and statements prepared in accordance with section 510 (1) of the 1991 Act to which that report relates, the organization has complied with section 517 (1) of the 1991 Act and whichever of subsections (5) and (6) of that section of that Act is applicable.

This certificate is in accordance with a resolution passed by the committee of management of the organization in relation to the matters to be stated in the certificate and is signed on behalf of the committee of management by at least 2 members of the committee.

<u>Alexander Claassens</u>	<u>A. Claassens</u>	<u>24/05/18</u>
Name	Signature	Date
<u>David Hollams</u>	<u>[Signature]</u>	<u>24/05/18</u>
Name	Signature	Date

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ACCOUNTING OFFICER STATEMENT

I, Alexander Claassens, the accounting officer of the RAIL, TRAM AND BUS UNION OF NEW SOUTH WALES hereby certify that to the best of my knowledge and belief that there were 13,802 persons who were members of the organisation as at the end of the financial year ended **31 December, 2017**, and in my opinion:

- (a) the accounts show a true and fair view of the financial affairs of the organisation as at the end of the financial year; and
- (b) a record has been kept of all money paid by, or collected from, members of the organisation, and all money so paid or collected has been credited to the bank account or accounts to which the money is to be credited, in accordance with the rules of the organisation; and
- (c) before any expenditure was incurred by the organisation, approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation; and
- (d) No payment was made out of a fund referred to in clause 57(b)(xiii) or (xv) of the Regulation for a purpose other than the purpose for which the fund was operated;
- (e) All loans or other financial benefits granted to persons holding office in the organisation were authorized in accordance with the rules of the organisation; and
- (f) The register of members of the organisation was maintained in accordance with the Act.



ALEXANDER CLAASSENS
SECRETARY

Signed at Sydney on the 24 May 2018

RAIL, TRAM AND BUS UNION OF NEW SOUTH WALES

STATEMENT COMPREHENSIVE INCOME
For the Year Ended 31st December 2017

	Notes	2017 \$	2016 \$
INCOME			
Rent – Caravans		122,988	119,040
Rent – Units		175,250	150,721
Valuation gain from investment property – Jervis Bay		-	226,560
Gain on sale of motor vehicle		7,273	-
Interest Received		39	99
TOTAL INCOME		305,550	496,420
EXPENSES			
Administration Expenses	2	269,946	256,801
Depreciation Expenses		172,416	140,427
Other Expenses	3	43,566	35,790
TOTAL EXPENSES		485,928	433,018
NET (LOSS)/PROFIT		(180,378)	63,402
OTHER COMPREHENSIVE INCOME			
Gain on Revaluation of Land & Buildings		-	2,679,250
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(180,378)	2,742,652

The accompanying notes form part of these financial statements

RAIL, TRAM AND BUS UNION OF NEW SOUTH WALES

STATEMENT OF CHANGES IN MEMBER'S EQUITY
As at 31st December 2017

	Retained Profits	Asset Revaluation \$	Total \$
Balance 01/01/2016	2,444,967	1,016,604	3,461,571
Net Profit for the Year	63,402	-	63,402
Other Comprehensive Income for the Year	-	2,679,250	2,679,250
Total Comprehensive Income for the Year	63,402	2,679,250	2,742,652
Balance 31/12/2016	2,508,369	3,695,854	6,204,223
Net (Loss) for the Year	(180,378)	-	(180,378)
Other Comprehensive Income for the Year	-	-	-
Total Comprehensive Income for the Year	(180,378)	-	(180,378)
Balance 31/12/2017	2,327,991	3,695,854	6,023,845

The accompanying notes form part of these financial statements

RAIL, TRAM AND BUS UNION OF NEW SOUTH WALES

STATEMENT OF FINANCIAL POSITION
As at 31st December 2017

		2017	2016
	Notes	\$	\$
CURRENT ASSETS			
Cash and Cash Equivalents	4	29,907	48,703
Receivables	5	5,511	2,871
TOTAL CURRENT ASSETS		35,418	51,574
NON-CURRENT ASSETS			
Investment Property – Jervis Bay	6	1,000,000	1,000,000
Property, Plant & Equipment	7	5,968,777	6,131,401
TOTAL NON-CURRENT ASSETS		6,968,777	7,131,401
TOTAL ASSETS		7,004,195	7,182,975
CURRENT LIABILITIES			
Payables	8	1,304	887
TOTAL CURRENT LIABILITIES		1,304	887
NON-CURRENT LIABILITIES			
Payables	8	979,046	977,865
TOTAL NON-CURRENT LIABILITIES		979,046	977,865
TOTAL LIABILITIES		980,350	978,752
NET ASSETS		6,023,845	6,204,223
ACCUMULATED FUNDS			
Reserves	9	3,695,854	3,695,854
Accumulated Surplus	10	2,327,991	2,508,369
ACCUMULATED FUNDS		6,023,845	6,204,223

The accompanying notes form part of these financial statements

RAIL, TRAM AND BUS UNION OF NEW SOUTH WALES

STATEMENT OF CASH FLOWS
For the Year Ended 31st December 2017

	Notes	This Year Inflows (Outflows) 2017	This Year Inflows (Outflows) 2016
CASH FLOW FROM OPERATING ACTIVITIES			
Rent Received		328,062	296,737
Interest Received		39	99
Payments to Suppliers and Employees		<u>(344,378)</u>	<u>(332,174)</u>
Net Cash Provided by (Used in) Operating Activities	B	(16,277)	(35,338)
CASH FLOW FROM INVESTING ACITIVITIES			
Payment for Assets		(9,792)	(30,647)
Proceed from Sale of Assets		<u>7,273</u>	<u>-</u>
Net Cash Provided by (Used in) Investing Activities		(2,519)	(30,647)
Net Increase (Decrease) in Cash Held		(18,796)	(65,985)
Cash at beginning of the Year		<u>48,703</u>	<u>114,688</u>
Cash at the End of Year	A	<u>29,907</u>	<u>48,703</u>

NOTES TO THE STATEMENT OF CASH FLOW**Note A - Reconciliation of Cash**

Cash at the end of the financial year as show in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash at Bank and on Deposit	29,907	48,703
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Note B – Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities

Profit from Ordinary Activities	(180,378)	63,402
Valuation gain from investment property		(226,560)
Gain Sale Asset	(7,273)	
Depreciation	172,416	140,427
Change in Assets and Liabilities		
(Increase) in Receivables	(2,640)	(2,871)
Increase / (Decrease) in Creditors	<u>1,598</u>	<u>(9,736)</u>
Cash Flows from Operations	<u>(16,277)</u>	<u>(35,338)</u>

The accompanying notes form part of these financial statements

RAIL, TRAM AND BUS UNION OF NEW SOUTH WALES

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2017

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement is a general purpose financial statement that has been prepared in accordance with Australia Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB), other mandatory professional reporting requirements and the Industrial Relations Act 1996.

The financial report is prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

(a) Related Party and Financial Support

These financial statements relate to Rail, Tram and Bus Union of New South Wales ("State Union"), which is an industrial organisation for the purposes of the Industrial Relations Act 1996 (NSW) and is a separate legal entity to the Australian Rail, Tram and Bus Industry Union, New South Wales Branch which is a reporting unit for the purposes of the Fair Work (Registered Organisations) Act 2009 ("Branch").

Members of the Branch are also members of the State Union. The Branch accounts for the whole of the members' income and is responsible for all expenditure other than income and expenditure which related specifically to the assets of the State Union.

The Branch financially supports the State Union by assisting, as required with the maintenance of State Union assets in exchange for use of such assets.

(b) Property, Plant & Equipment.

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

Plant and equipment

Plant and equipment are included at cost. The carrying amount is reviewed annually by the Committee of Management to ensure it is not in excess of recoverable amount.

Property for own use

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the entity to have periodic independent valuations, with annual appraisals being made by the committee. The last independent valuations were carried out on 3 February 2017 for Sussex Inlet and on 19 January 2017 for Level 4 Pitt Street.

(c) Income Tax

No provision for income tax is necessary, as "Trade Unions" are exempt from income tax under Section 50.1 of the Income Tax Assessment Act 1997.

(d) Significant accounting judgements and estimates

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

RAIL, TRAM AND BUS UNION OF NEW SOUTH WALES

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2017**NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CON'T.)**

(e) New and Future Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

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

Future Australian Accounting Standards Requirements

No new standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact.

(f) Financial Liabilities

Financial liabilities are classified as other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'. Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs.

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.

	2017	2016
	\$	\$
NOTE 2 – ADMINISTRATION EXPENSES		
Accounting and audit fees	5,000	-
Bank Fees	4,859	4,376
Contractors	153,785	166,574
Consulting Fees	603	500
Property Expenses		
Electricity & Gas	20,398	14,333
Rates & Taxes	18,091	16,003
Repair & Maintenance	58,561	48,703
Office Expenses		
Printing, Stationery & Computer Software	4,421	3,300
Telephone	4,228	3,012
	<u>269,946</u>	<u>256,801</u>
NOTE 3 – OTHER EXPENSES		
Donation	200	-
Insurance – Workers Compensation	19,322	22,752
Legal Fees	20,894	8,502
Motor Vehicle Expenses	3,150	4,536
	<u>43,566</u>	<u>35,790</u>

RAIL, TRAM AND BUS UNION OF NEW SOUTH WALES

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2017

	2017 \$	2016 \$
NOTE 4 – CASH AND CASH EQUIVALENTS		
Cash on Hand	50	50
Cash at Bank and on Deposit	29,857	48,653
	<u>29,907</u>	<u>48,703</u>
NOTE 5 – Receivables		
GST Receivables	-	2,739
Other Receivables	5,511	132
	<u>5,511</u>	<u>2,871</u>
NOTE 6 – INVESTMENT PROPERTY – JERVIS BAY		
Leasehold Improvements – at valuation	<u>1,000,000</u>	<u>1,000,000</u>
NOTE 7 –PROPERTY, PLANT & EQUIPMENT		
Pitt St – Level 4 – Valuation	6,000,000	6,000,000
Less: Provision for Depreciation	(150,000)	-
Furniture	268,014	258,222
Plant & Equipment	50,000	50,000
Motor Vehicle	25,399	46,567
Less: Accumulated Depreciation	(224,636)	(223,388)
	<u>5,968,777</u>	<u>6,131,401</u>
Movement in Carrying Amount -		
	Investment Property	Property, Plant & Equipment
	\$	\$
Balance at Beginning of Year	1,000,000	6,131,401
Addition	-	9,792
Disposal	-	-
Depreciation	-	(172,416)
Carrying Amount at End of Year	<u>1,000,000</u>	<u>5,968,777</u>
NOTE 8 - PAYABLES		
CURRENT		
Accounts Payable	1,162	887
GST Payable	142	-
	<u>1,304</u>	<u>887</u>
NON-CURRENT		
Payable to Other Reporting Units – RTBU NSW Branch	<u>979,046</u>	<u>977,865</u>

RAIL, TRAM AND BUS UNION OF NEW SOUTH WALES

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2017

	2017 \$	2016 \$
NOTE 9 – RESERVES		
Asset Revaluation Reserve	<u>3,695,854</u>	<u>3,695,854</u>
NOTE 10 – ACCUMULATED FUNDS		
Unappropriated Profit Brought Forward	<u>2,327,991</u>	<u>2,508,369</u>

NOTE 11 – FINANCIAL INSTRUMENTS

Interest Rate Risk

The Branch's exposure to interest rate risk and the effective average interest rate for each class of financial Assets and financial liabilities are set out below

	Floating Interest Rate	Non Interest	Total
	\$	\$	\$
31 December 2016			
Cash	<u>48,653</u>	<u>50</u>	<u>48,703</u>
	48,653	50	48,703
31 December 2017			
Cash	<u>29,857</u>	<u>50</u>	<u>29,907</u>
	29,857	50	29,907

NOTE 12 – PROVIDING INFORMATION

In accordance with the requirements of the Industrial Relations Act 1991 the attention of members is drawn to the provisions of Section 512 which reads as follows-

- (1) A member of an organisation, or the Industrial Registrar, may apply to the organisation for specified information prescribed by the regulations in relation to the organisation.
- (2) An organisation must, on the making of such an application, make the specified information available to the member or the Industrial Registrar in the manner, and within the time prescribed by the regulations.

NOTE 13 – REGISTERED OFFICE

The registered office and principle place of business is:

Level 4/321 Pitt St
Sydney
NSW 2000

RAIL, TRAM AND BUS UNION OF NEW SOUTH WALES

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2017**

NOTE 14: GOING CONCERN

The reporting unit's ability to continue as a going concern is not reliant on any other reporting units other than referred to in Note 1.

NOTE 15: FINANCIAL SUPPORT

The reporting unit has not agreed to provide any financial support to any reporting units.

NOTE 16: ASSETS & LIABILITIES ACQUIRED

The reporting unit has not acquired any asset or liability as a result of an amalgamation, a restructure of branches, determination or revocation.

AUDITOR STATEMENT

ACCOUNTING AND
BUSINESS ADVISORS



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF RAIL TRAM AND BUS UNION OF NEW SOUTH WALES

Opinion

We have audited the accompanying financial report of Rail Tram and Bus Union of New South Wales ("the Union"), which comprises the statement of financial position as at 31st December 2017, the statement of comprehensive income, statement of changes in members' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Committee of Management Statement.

In our opinion, the financial report presents fairly, in all material respects, in accordance with the *Industrial Relations Act 1996*, and applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of the Union as at 31st December 2017, and its financial performance and its cash flows for the year then ended.

As part of the audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in the preparation of the financial report is appropriate.

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 Union in accordance with the auditor independence 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.

Report on other Legal and Regulatory Requirements

With respect to Section 514 of *Industrial Relations Act 1991 (NSW)*, we report that;

- (i) satisfactory accounting records were kept in respect of the year ended 31 December 2017 including records of the sources and nature of income (including income from members) and the records of the nature and purposes of expenditure; and
- (ii) the attached financial statement including the Certificate of the Committee of Management and Accounting Officers Statement are prepared in accordance with Section 510 of the *Industrial Relations Act 1991 (NSW)*, as applied by Section 283 (3) of the *Industrial Relations Act 1996* and has been properly prepared from accounting records of the Union.

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Committee of Managements' Responsibilities for the financial report

The Committee of Management of the Union (the "Committee") is responsible for the preparation and fair presentation in accordance with the Australian Accounting Standards (including Australian Accounting Interpretation) and the *Industrial Relations Act 1996* and for such internal control as the Committee determines is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error.

In preparing the financial report, the Committee is responsible for assessing the Union'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 Committee either intends to liquidate the Union or to cease operations, or have no realistic alternative but to do so.

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 that 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/ar4.pdf This description forms part of our auditor's report.

Dated at Sydney on the 24th day of May 2018

ESV

ESV Accounting and Business Advisors

Tim Valtwies
Partner