



Rail, Tram and Bus Union of NSW

STATE FINANCIAL STATEMENTS FOR 2016

Final:

25 May 2017

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MEMBERS OF THE COMMITTEE OF MANAGEMENT

The members of the Committee of Management during the year ending 31 December 2016 were:

Joanne McCallum	President (Honorary)	1/01/2016 to 31/12/2016
Alex Claassens	Secretary	1/01/2016 to 31/12/2016
Robert Hayden	Assistant Secretary Rail (Honorary)	1/01/2016 to 31/12/2016
David Woollams	Assistant Secretary Road (Honorary)	1/01/2016 to 31/12/2016
Brett Rosser	Locomotive Divisional President (Honorary)	1/01/2016 to 31/12/2016
Robert Hayden	Locomotive Divisional Secretary	1/01/2016 to 31/12/2016
David Woollams (<i>Elected</i>)	Tram & Bus Divisional President	21/04/2016 to 31/12/2016
Chris Preston	Tram & Bus Divisional Secretary	1/01/2016 to 31/12/2016
Michael Sullivan	Infrastructure Divisional President (Honorary)	1/01/2016 to 31/12/2016
James Buckley	Infrastructure Divisional Secretary (Honorary)	1/01/2016 to 31/12/2016
Mark Thompson (<i>resigned</i>)	Administrative, Supervisory Technical and Professional Divisional President (Honorary)	1/01/2016 to 24/10/2016
Stephen Lourey (<i>resigned</i>)	Administrative, Supervisory Technical and Professional Divisional Secretary (Honorary)	1/01/2016 to 18/8/2016
Michael Bartlett	Fleet Manufacture, Overhaul, Maintenance and Service Divisional President (Honorary)	1/01/2016 to 31/12/2016
David Hastie (<i>resigned</i>)	Fleet Manufacture, Overhaul, Maintenance and Service Divisional Secretary (Honorary)	1/01/2016 to 19/8/2016
John Steck	Rail Operations Divisional President (Honorary)	1/01/2016 to 31/12/2016
Craig Turner	Rail Operations Divisional Secretary (Honorary)	1/01/2016 to 31/12/2016

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

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, 2016 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 an 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> Name	<u>Alexander Claassens</u> Signature	<u>25-5-2017</u> Date
<u>David Williams</u> Name	<u>David Williams</u> Signature	<u>25-5-2017</u> Date

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 13,805 persons who were members of the organisation as at the end of the financial year ended 31 December, 2016, 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 25 MAY 2017

RAIL, TRAM AND BUS UNION OF NEW SOUTH WALES

STATEMENT COMPREHENSIVE INCOME

For the Year Ended 31st December 2016

	Note	2016 \$	2015 \$
INCOME			
Rent – Caravans		119,040	131,799
Rent – Units		150,721	150,929
Valuation gain from investment property		226,560	-
Interest Received		99	70
TOTAL INCOME		496,420	282,798
EXPENSES			
Administration Expenses	2	256,801	206,162
Depreciation Expenses		140,427	132,790
Other Expenses	3	35,790	35,362
TOTAL EXPENSES		433,018	374,314
NET PROFIT/(LOSS)		63,402	(91,516)
OTHER COMPREHENSIVE INCOME			
Gain on Revaluation of Land & Buildings		2,679,250	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2,742,652	(91,516)

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 2016

	Retained Profits	Asset Revaluation	Total
		\$	\$
Balance 01/01/2015	2,536,483	1,016,604	3,553,087
Net (Loss) for the Year	(91,516)	-	(91,516)
Other Comprehensive Income for the Year	-	-	-
Total Comprehensive Income for the Year	(91,516)	-	(91,516)
Balance 31/12/2015	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

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 2016

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	48,703	114,688
Receivables	5	2,871	168
TOTAL CURRENT ASSETS		51,574	114,856
NON-CURRENT ASSETS			
Investment Property	6	1,000,000	796,878
Property, Plant & Equipment	7	6,131,401	3,538,493
TOTAL NON-CURRENT ASSETS		7,131,401	4,335,371
TOTAL ASSETS		7,182,975	4,450,227
CURRENT LIABILITIES			
Payables	8	887	15,118
TOTAL CURRENT LIABILITIES		887	15,118
NON-CURRENT LIABILITIES			
Payables	8	977,865	973,538
TOTAL NON-CURRENT LIABILITIES		977,865	973,538
TOTAL LIABILITIES		978,752	988,656
NET ASSETS		6,204,223	3,461,571
ACCUMULATED FUNDS			
Reserves	9	3,695,854	1,016,604
Accumulated Surplus	10	2,508,369	2,444,967
ACCUMULATED FUNDS		6,204,223	3,461,571

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 2016

	Note	This Year Inflows (Outflows)	This Year Inflows (Outflows)
		2016	2015
CASH FLOW FROM OPERATING ACTIVITIES			
Rent Received		296,737	311,001
Interest Received		99	70
Payments to Suppliers and Employees		(332,174)	(241,343)
Net Cash (Used in)/Provided by Operating Activities	B	(35,338)	69,728
CASH FLOW FROM INVESTING ACITIVITIES			
Payment for Assets		(30,647)	(39,400)
Net Cash (Used in) Investing Activities		(30,647)	(39,400)
Net (Decrease)/Increase in Cash Held		(65,985)	30,328
Cash at beginning of the Year		114,688	84,360
Cash at the End of Year	A	48,703	114,688

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	48,703	114,688
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Note B – Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities

Profit/(Loss) from Ordinary Activities	63,402	(91,516)
Valuation gain from investment property	(226,560)	-
Depreciation	140,427	132,790
Change in Assets and Liabilities		
(Increase) in Receivables	(2,871)	-
Decrease in Prepaid Expenses	-	16,345
(Decrease) / Increase in Creditors	(9,736)	12,109
Cash Flows from Operations	(35,338)	69,728

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 2016

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 (Cth) ("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.

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CON'T.)**(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.

(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.

	2016	2015
	\$	\$
NOTE 2 – ADMINISTRATION EXPENSES		
Bank Fees	4,376	2,478
Contractors	166,574	132,292
Consulting Fees	500	
Property Expenses		
Electricity	14,333	16,426
Rates & Taxes	16,003	13,582
Repair & Maintenance	48,703	38,810
Office Expenses		
Printing, Stationery & Computer Software	3,300	-
Telephone	3,012	2,574
	<u>256,801</u>	<u>206,162</u>
NOTE 3 – OTHER EXPENSES		
General Expenses	-	101
Insurance – Workers Compensation	22,752	32,455
Legal Fees	8,502	-
Motor Vehicle Expenses	4,536	2,806
	<u>35,790</u>	<u>35,362</u>

RAIL TRAM AND BUS UNION OF NEW SOUTH WALES

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st December 2016

	2016 \$	2015 \$
NOTE 4 – CASH AND CASH EQUIVALENTS		
Cash on Hand	50	50
Cash at Bank and on Deposit	48,653	114,638
	<u>48,703</u>	<u>114,688</u>
NOTE 5 – Receivables		
GST Receivables	2,739	168
Other Receivables	132	-
	<u>2,871</u>	<u>168</u>
NOTE 6 - INVESTMENT PROPERTY		
Leasehold Improvements – at valuation	1,000,000	937,500
Less: Provision for Depreciation	-	(140,622)
	<u>1,000,000</u>	<u>796,878</u>
NOTE 7 – PROPERTY, PLANT & EQUIPMENT		
Pitt St, Level 4 – at Valuation	6,000,000	3,590,000
Less: Provision for Depreciation – L4 Pitt St	-	(179,500)
Furniture	258,222	252,974
Plant & Equipment	50,000	50,000
Motor Vehicle	46,567	21,168
Less: Accumulated Depreciation	(223,388)	(196,149)
	<u>6,131,401</u>	<u>3,538,493</u>

RAIL TRAM AND BUS UNION OF NEW SOUTH WALES

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st December 2016

NOTE 7 – PROPERTY, PLANT & EQUIPMENT – CONT'D

	Investment Property	Property, plant and equipment
<u>Movement in Carrying Amount</u>	\$	\$
Balance at Beginning of Year	796,878	3,538,493
Addition		30,647
Revaluation	226,560	2,679,250
Depreciation	(23,438)	(116,989)
Carrying Amount at End of Year	<u>1,000,000</u>	<u>6,131,401</u>
	2016	2015
	\$	\$

**NOTE 8 – PAYABLES
CURRENT**

Accounts Payable	887	15,118
	<u>887</u>	<u>15,118</u>

NON-CURRENT

Payable to Other Reporting Units –

RTBU NSW Branch	977,865	973,538
	<u>977,865</u>	<u>973,538</u>

NOTE 9 – RESERVES

Asset Revaluation Reserve	3,695,854	1,016,604
	<u>3,695,854</u>	<u>1,016,604</u>

NOTE 10 – ACCUMULATED FUNDS

Unappropriated Profit Brought Forward	2,508,369	2,444,967
	<u>2,508,369</u>	<u>2,444,967</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
<u>31 December 2015</u>	\$	\$	\$
Cash	114,638	50	114,688
	<u>114,638</u>	<u>50</u>	<u>114,688</u>
<u>31 December 2016</u>	48,653	50	48,703
Cash	48,653	50	48,703
	<u>48,653</u>	<u>50</u>	<u>48,703</u>

RAIL TRAM AND BUS UNION OF NEW SOUTH WALES

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st December 2016

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 principal place of business is:

Level 4/321 Pitt St

Sydney NSW 2000

NOTE 14: RECOVERY WAGES

The Council has not derived any revenue during the year as a result of any recovery of wages activity it may have undertaken on behalf of members.

NOTE 15: 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 16: FINANCIAL SUPPORT

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

NOTE 17: 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.



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 2016, 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 2016, 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 2016 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.

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

Dated at Sydney on the 25 May 2017

ESV Accounting and Business Advisors

Tim Valtwies
Partner