



RTBU
NSW BRANCH

NSW BRANCH GENERAL PURPOSE FINANCIAL REPORT FOR 2020

Prepared: May 2021

SCOPE OF GENERAL PURPOSE FINANCIAL REPORT	3
INDEPENDENT AUDITOR'S STATEMENT	4
CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER	7
OPERATING REPORT	8
ANY SIGNIFICANT CHANGES IN ACTIVITIES	11
DETAILS OF THE RIGHTS OF MEMBERS TO RESIGN.....	11
DETAILS OF OFFICERS WHO HOLD POSITIONS AS TRUSTEES OR COMPANY DIRECTORS	11
PRESCRIBED INFORMATION	11
MEMBERS OF THE COMMITTEE OF MANAGEMENT	12
COMMITTEE OF MANAGEMENT STATEMENT	13
DISCUSSION AND ANALYSIS OF THE FINANCIAL FACTORS	14
REPORT REQUIRED UNDER SUBSECTION 255(2A)	16
FINANCIAL STATEMENTS.....	17
END OF REPORT.....	42

SCOPE OF GENERAL PURPOSE FINANCIAL REPORT

This General Purpose Financial Report covers the;

- 1. Activities of the Australian Rail, Tram and Bus Industry Union NSW Branch (RTBU NSW), and results of those activities for the calendar year 1 January 2020 to 31 December 2020;**
- 2. Significant changes in the nature of the activities as required under Fair Work (Registered Organisations) Act 2009.**
- 3. Details of any significant changes in financial affairs.**
- 4. Details of the rights of members to resign**
- 5. Details of officers who hold positions as trustees or company directors.**
- 6. Prescribed information - number of members and number of employees**
- 7. Members of the committee of management**
- 8. Financial statements and explanatory notes.**



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the accompanying financial report of Australian Rail, Tram and Bus Industry Union, New South Wales Branch (“the Union”), which comprises the statement of financial position as at 31st December 2020, the statement of comprehensive income, statement of changes in members’ equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report (on pages 17 to 41) and the Committee of Management statement and the subsection 255(2A) report.

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Branch as at 31st December 2020, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards; and
- b) part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the “RO Act”) and any other requirements imposed by the Reporting Guidelines.

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 Branch 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.

Information Other than the Financial Report and Audit Report Thereon

The Committee is responsible for the other information. The other information obtained at the date of this auditor’s report is in the Operating Report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Committee of Management's Responsibility 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 RO Act, 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 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Union's internal control.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee.
- Conclude on the appropriateness of the Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Union to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Union audit. We remain solely responsible for our audit opinion.

We communicate with the Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We declare that we are an auditor registered under the RO Act.

Dated at Sydney on the 21st of May 2021

ESV

ESV Business advice and accounting



Tim Valtwies
Partner

Registration number: AA2017/92

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

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

Certificate for the year ended 31 December 2020

I, Alexander Claassens being the Branch Secretary of the Australian Rail, Tram & Bus Industry Union (NSW Branch) certify:

- that the documents lodged herewith are copies of the full report for the Australian Rail, Tram & Bus Industry Union (NSW Branch) for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 21 May 2021; and
- that the full report was presented to the Committee of Management of the reporting unit on 11 June 2021 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:.....

Name of prescribed designated officer:.....

Title of prescribed designated officer:

Dated:

OPERATING REPORT

Australian Rail, Tram and Bus Industry Union NSW Branch (RTBU NSW) is a member based, federally registered trade union representing members whose usual place of work is located within the State of New South Wales (NSW) and the Australian Capital Territory (ACT) together with members employed at rail, tram (light rail) and government owned and operated bus industries.

The reporting unit's activities are directed by the NSW Branch Executive and NSW Branch Council in accordance with our objectives and rules of registration.

The Committee of Management presents its operating report on the Reporting Unit for the year ended **31st December 2020**.

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

ACTIVITIES	2020 RESULTS
1. Making agreements with employers.	<ul style="list-style-type: none"> ● 7 agreements were approved in the reporting period.
2. Implementation of Branch Council's agenda.	<ul style="list-style-type: none"> ● The Branch Plan provides a framework for major Branch activities, and include: <ul style="list-style-type: none"> - Organising - Servicing - Communications - Education and Training - Community - Campaigning - Political - Financial
3. Membership representation.	<ul style="list-style-type: none"> ● Day to day individual member industrial advice. ● Organiser visits to workplaces and workplace meetings. ● Participation in specific projects. ● Representation in restructuring and reform processes. ● Representing members in tribunals and related institutions and provided assistance and strategic advice to individual members in relation to workplace issues. ● Attending State /Federal Commission hearings and advocacy on behalf of members individually or collectively. ● Provide Workplace Health and Safety advice and guidance.
4. Campaigns	<ul style="list-style-type: none"> ● Keep our Cleaners ● International Women's Day ● Keep Our Busses Public ● International Day of Mourning ● Wage Freeze Rally ● Coffee Carts for Members ● Nurses Day of Action – Public Sector Wages ● We Won't Wait ● Members BBQ's

<p>5. Appointing representatives to peak trade union bodies.</p>	<ul style="list-style-type: none"> • UnionsNSW - 7 delegates • Hunter Unions - 7 delegates • South Coast Labor Council – 2 Delegates • Unions ACT – 1 Delegate • Broken Hill Barrier Council – 1 delegate
<p>6. Attending meetings called by peak union bodies.</p>	<ul style="list-style-type: none"> • Attended UnionsNSW General meetings. • UnionsNSW Executive meetings • UnionsNSW OHS & WC meetings • Unions Hunter General meetings • South Coast Labour Council meetings • UnionsAct meetings
<p>7. Affiliations</p>	<ul style="list-style-type: none"> • Workers Health Centre • McKell Foundation • Sydney Alliance • Permanent Way Institute • Australian Labor Party
<p>8. Training delegates & representatives.</p>	<p>Union Governance:</p> <ul style="list-style-type: none"> • 1 Participant - Train the Trainer held 4 March 2020 <p>Union Governance Training: 2 courses</p> <ul style="list-style-type: none"> • 2 Participants - 10 September 2020 • 2 Participants - 8 December 2020 <p>Delegate Training:</p> <ul style="list-style-type: none"> • 11 Participants - 3 October 2020 (ROC/Branch) • 6 Participants - 10 October 2020 (Workshops) • 7 Participants - 22- 23 September (Locomotive Division) • 20 Participants - 20 November (Tram and Bus) • 14 Participants - --25- 26 November (Locomotive Division) <p>Staff Training:</p> <ul style="list-style-type: none"> • 1 Participant held on 9 April 2020 • 1 Participant held on 16 April 2020
<p>9. Produced and distributed circulars, bulletins, newsletters and materials as authorised by the union.</p>	<ul style="list-style-type: none"> • Produced and distributed: <ul style="list-style-type: none"> - 4 - Issues of the official union journal <i>Rail & Road</i> - 12 issues of RTBU Express – electronic newsletter - 87 eDM updates - 23 Media Releases - A Membership Diary for every member - 72 – Branch Bulletins - Rail Operations Division <ul style="list-style-type: none"> o 1 Issue of Guards Blue Light - Locomotive Division: <ul style="list-style-type: none"> o 20 Loco Express Electronic newsletters o 35 Footplates

	<ul style="list-style-type: none"> - Tram and Bus <ul style="list-style-type: none"> o 38 Bus Express electronic newsletters o 5 issue of Tram & Bus Bulletin
10. General Member Services	<ul style="list-style-type: none"> • Range of member services provided: <ul style="list-style-type: none"> o RTBU Holiday Park o Access to other holiday facilities, through partner organisations o Financial Services through partner organisations o Taxation and accounting services through partner organisations o Member resources o Delegates Information Kits o Member resource Cds o Health fund services through partner organisation o Membership Information kits o Website
11. Legal Services	<ul style="list-style-type: none"> • A range of legal referral services available to members through partner legal organisations. • established Internal Industrial/legal resources to assist members with direct representation on a range of workplace issues, such as appeals, dismissal, disciplinary hearings (as per item 3. above). • Legal fund established through membership levy to provide Industrial/legal services.
12. Policy Development and Compliance	<ul style="list-style-type: none"> • A number of policy changes were implemented during the reporting period to improve the effectiveness and accountability across the Branch • All of the legislated reporting requirements were met.

ANY SIGNIFICANT CHANGES IN ACTIVITIES

The principal activities of the Branch during the year were that of a registered trade union and no significant change occurred in the nature of those activities.

DETAILS OF THE RIGHTS OF MEMBERS TO RESIGN

All members of the (RTBU NSW) have the right to resign from the union in accordance with **Rule 14, Resignation from Membership**, of the Rules of the Australian Rail Tram and Bus Industry Union.

DETAILS OF OFFICERS WHO HOLD POSITIONS AS TRUSTEES OR COMPANY DIRECTORS

The following office holders hold positions as trustees or company directors.

- Alexander Claassens • By virtue of his office within (RTBU NSW), Employee Representative appointed to the Board of the State Trustee Corporation
- Alexander Claassens • Membership Elected Director of Australia Mutual Bank

PRESCRIBED INFORMATION

Number of Members

As at the 31 December 2020 there were a total of **14,407** members of the (RTBU NSW) across the following Divisions of the union:

DIVISION	FINANCIAL MEMBERS	UNFINANCIAL MEMBERS	TOTAL
Rail Operations	3,587	38	3,625
Infrastructure	1,268	21	1,289
Workshops	669	15	684
Admin / Professional	1,422	19	1,441
Locomotive	3,763	41	3,804
Tram and Bus	3,459	105	3,564
TOTAL	14,168	239	14,407

Numbers of Employees

As at the 31 December 2020 there were **26** equivalent full-time employees.

POSITIONS	
Elected Paid Officials	4
Employed Industrial Staff	17
Administrative Support	5

MEMBERS OF THE COMMITTEE OF MANAGEMENT

The members of the Committee of Management during the reporting period from 1 January 2020 and ending 31 December 2020 were:

BRANCH EXECUTIVE	
Branch President (Honorary)	Joanne McCallum
Branch Secretary	Alex Claassens
Assistant Branch Secretary Rail (Honorary)	Robert Hayden
Assistant Branch Secretary Road (Honorary)	David Babineau
Locomotive Divisional President	Brett Rosser 01/01/2020 – 10/09/2020 Farren Campbell 10/09/2020 – 31/12/2020
Locomotive Divisional Secretary	Robert Hayden
Tram & Bus Divisional President	Daniel Jagers
Tram & Bus Divisional Secretary	David Babineau
Infrastructure Divisional President	Michael Sullivan
Infrastructure Divisional Secretary	Scott Wilson – 01/01/2020 – 21/09/2020 Vacant 22/09/2020 – 12/11/2020 Jonathan Parker 13/11/2020 – 31/12/2020
Administrative, Supervisory Technical and Professional Divisional President	Stephen Priestley
Administrative, Supervisory Technical and Professional Divisional Secretary	Usofono Filipo
Fleet Manufacture, Overhaul, Maintenance and Service Divisional President	Bronwyn Kelly
Fleet Manufacture, Overhaul, Maintenance and Service Divisional Secretary	Nyssa Parsons
Rail Operations Divisional President	Michael Sullivan
Rail Operations Divisional Secretary	Craig Turner

The Registered Office of The Australian Rail, Tram and Bus Industry Union NSW Branch is:

LEVEL 4, 321 PITT STREET
SYDNEY NSW 2000

Signature of designated officer: *A. Claassens*

Name and title of designated officer: *Alexander Claassens, Branch Secretary.*

Dated: *20 May 2021*

COMMITTEE OF MANAGEMENT STATEMENT

On 20 May 2021, The Committee of Management (Branch Executive) of the Australian Rail, Tram & Bus Industry Union (NSW Branch) passed the following resolution in relation to the General Purpose Financial Report (GPFR) for the year ended 31 December 2020:

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (vi) where any order for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the RO Act, there has been compliance.
 - (vii) 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 Committee of Management (Branch Executive).

Signature of designated officer: *A. Classens*

Name and title of designated officer: *Alexander Classens Branch Secretary*

Dated: *20 May 2021*

DISCUSSION AND ANALYSIS OF THE FINANCIAL FACTORS

This discussion and analysis is provided to members in understanding the financial report.

Related Party and Financial Support

This report relates to the Australian Rail, Tram and Bus Industry Union, New South Wales Branch ("Branch"), which is a reporting unit for the purposes of the Fair Work (Registered Organisations) Act 2009 and is part of a separate legal entity as opposed to Rail, Tram & Bus Union of NSW which is an organisation registered under the Industrial Relations Act 1996 (NSW) ("State Union").

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 the use of such assets.

Statement of Comprehensive Income

The surplus for the financial year was \$1,880,808 (FY2019: \$2,868,067). The decrease in current year surplus as compared to FY2019 is mainly attributable to fair value gains of \$1.779Mil included in prior period.

Members Contributions to the Union including the Legal Levy totaled \$8.137Mil. This is little more than 3.4% than the previous year as fees increased on 1 July 2020. With the growth of funds held on deposit the Interest income of the Union is increasing, however with falling interest rates, the growth in interest income won't be substantial in future periods.

The increase in employee expenses as compared to prior was marginal.

Administration expenses fell by 12%, which was mainly due to decrease in body corporate expenses which reduced by \$170K in the current period.

During the current period legal costs decreased by \$222K as compared to prior period as prior period has higher costs related to bus privatization and metro campaigns and increased unfair dismissal activity during FY2019.

Statement of Financial Position

During the current year total assets increased by \$2.32Mil (FY2019 growth: \$3.508Mil) The increase consisted of an increase in cash on hand and bank and term deposit of \$2.37Mil and after purchasing and replacing existing assets with new assets totaling \$103K. This increase in cash is a result of the surplus of \$1,880,808 for the year ended 2020 which generated cashflows of \$2,479,498.

Total liabilities increased in 2020 by \$439K as compared to FY2019, the increase is mainly attributable to the increase in the provision for retirement benefit by \$88K, increase in Annual Leave and Long Service Leave by \$145K and a slight increase in accounts payable by \$206K.

Statement of Cash Flows

Increase in cash held is \$2.098Mil providing a total cash balance in the Unions books at year end close of \$10.342Mil.

Cash flows from operations for current year is \$2.479Mil as compared to \$1.781Mil for FY2019, the increase is primarily as a result of higher receipts from members, cashflow boost income of \$100,000, increase in interest income and increase in accounts payable balance.

Signature of designated officer: *A. Chassens*
Name and title of designated officer: *Alexander Chassens Branch Secretary.*
Dated: *20 May 2021.*

Australian Rail, Tram and Bus Industry Union, New South Wales Branch

REPORT REQUIRED UNDER SUBSECTION 255(2A)

The Committee of Management presents the expenditure report¹ as required under subsection 255(2A) on the Reporting Unit for the year ended 31 December 2020.

Categories of expenditures	2020 \$	2019 \$
Remuneration and other employment-related costs and expenses – employees	3,242,996	3,215,821
Advertising	443,498	232,675
Operating costs	3,146,630	3,436,602
Donations to political parties	-	12,478
Legal costs	252,843	475,037

Signature of designated officer:

Name and title of designated officer:

Dated:

A. Classens

Alexander Classens Branch Secretary

20 May 2021

FINANCIAL STATEMENTS**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH****STATEMENT OF COMPREHENSIVE INCOME**

For the Year Ended 31st December 2020

	Notes	2020 \$	2019 \$
REVENUE FROM CONTRACTS WITH CUSTOMERS			
Members Contributions		7,672,107	7,364,432
Legal Levy Received		465,213	504,990
Capitation Fees and other revenue from another reporting entity		-	-
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS		8,137,320	7,869,422
OTHER INCOME			
Interest Received		319,075	224,020
Rent Received		320,622	330,264
Grants and/or Donations	4	-	-
Valuation Gain from Investment Property		-	1,500,000
Revenue from Recovery of Wages Activity		-	-
Net Gains from Sale of Assets		12,290	-
Cashflow Boost Income		100,000	-
Other Income		77,468	37,599
TOTAL OTHER INCOME		829,455	2,091,883
TOTAL INCOME		8,966,775	9,961,305
EXPENSES			
Employee Expenses	5A	3,242,996	3,215,821
Capitation Fee paid to National Office		955,511	912,525
Other Expenses to another Reporting Unit		-	-
Affiliation Fees	5B	231,063	254,717
Administration Expenses	5C	865,996	987,715
Grants or Donations	5D	3,818	22,283
Depreciation and Amortisation		94,389	87,486
Legal Costs	5E	252,843	475,037
Audit and Accounting Fees	5F	46,886	42,844
Other Expenses	5G	1,392,465	1,374,185
TOTAL EXPENSES		7,085,967	7,372,613
SURPLUS FOR THE YEAR		1,880,808	2,588,692
OTHER COMPREHENSIVE INCOME			
Items that will not be subsequently reclassified to profit or loss			
Gain on revaluation of land and building		-	279,375
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,880,808	2,868,067

The accompanying notes form part of these financial statements

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
STATEMENT OF CHANGES MEMBER'S EQUITY**As at 31st December 2020**

	Accumulated Surpluses	Asset Revaluation \$	Total \$
Balance as at 1 January 2019	22,884,151	342,500	23,226,651
Surplus for the Year	2,588,692	-	2,588,692
Other Comprehensive Income for the Year	-	279,375	279,375
Total Comprehensive Income for the Year	2,588,692	279,375	2,868,067
Balance as at 31 December 2019	25,472,843	621,875	26,094,718
Surplus for the Year	1,880,808	-	1,880,808
Other Comprehensive Income for the Year	-	-	-
Total Comprehensive Income for the Year	1,880,808	-	1,880,808
Balance as at 31 December 2020	27,353,651	621,875	27,975,526

The accompanying notes form part of these financial statements

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
STATEMENT OF FINANCIAL POSITION
As at 31st December 2020

	Notes	2020 \$	2019 \$
CURRENT ASSETS			
Cash and Cash Equivalents	9	10,342,965	8,244,009
Receivables	10	165,553	228,258
Other	11	80,068	118,556
Financial Assets	12	10,012,715	9,735,264
TOTAL CURRENT ASSETS		20,601,301	18,326,087
NON-CURRENT ASSETS			
Receivable	10	1,003,546	979,046
Financial Assets	12	1,236	1,236
Property	13	998,400	1,024,000
Investment Property	14	7,660,039	7,666,432
Plant & Equipment	15	94,612	84,927
Motor Vehicles	16	159,383	116,083
TOTAL NON-CURRENT ASSETS		9,917,216	9,871,724
TOTAL ASSETS		30,518,517	28,197,811
CURRENT LIABILITIES			
Accounts Payable	17	758,532	551,862
Provisions	18	1,784,459	1,551,231
TOTAL CURRENT LIABILITIES		2,542,991	2,103,093
TOTAL LIABILITIES		2,542,991	2,103,093
NET ASSETS		27,975,526	26,094,718
ACCUMULATED FUNDS			
Reserves	19	621,875	621,875
Accumulated Surpluses	20	27,353,651	25,472,843
ACCUMULATED FUNDS		27,975,526	26,094,718

The accompanying notes form part of these financial statements

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
STATEMENT OF CASH FLOWS
For the Year Ended 31st December 2020

	Notes	2020 \$	2019 \$
Receipt from RTBU National Office		58,298	2,586
Receipts from Members		8,984,093	8,573,085
Payment to RTBU National Office		(757,337)	(1,066,025)
Payments to Suppliers and Employees		(6,578,185)	(6,353,845)
Interest Received		319,075	223,845
Rent Received		305,688	363,290
Cashflow Boost Income		100,000	-
Receipts - Other		47,865	38,259
Net Cash Provided by Operating Activities	B	2,479,498	1,781,196
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(155,818)	(56,847)
Receipt from disposal of assets		52,727	-
Investment in term deposit		(277,451)	(147,939)
Net Cash (Used In) Investing Activities		(380,542)	(204,786)
Net Increase in Cash Held		2,098,956	1,576,410
Cash at beginning of the Year		8,244,009	6,667,599
Cash at the End of Year	A	10,342,965	8,244,009

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 on hand and at Bank and	10,342,965	8,244,009
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The accompanying notes form part of these financial statements

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
STATEMENT OF CASH FLOWS
For the Year Ended 31st December 2020

	2020	2019
	\$	\$
Note B – Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities		
Profit from Ordinary Activities	1,880,808	2,588,692
Depreciation	94,389	87,486
Gain from Sale of Asset	(12,290)	-
Valuation Gain from Investment Property	-	(1,500,000)
Change In Assets and Liabilities		
Decrease / (Increase) in Receivables	38,205	(73,947)
Decrease in Prepaid Expenses	38,488	38,115
Increase in Creditors	206,670	45,477
Increase/(Decrease) in Provision for employee benefits	<u>233,228</u>	<u>595,373</u>
Cash Flows from Operations	<u>2,479,498</u>	<u>1,781,196</u>

The accompanying notes form part of these financial statements

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020**
NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are a general purpose financial statement that have been prepared in accordance with Australia Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB), other mandatory professional reporting requirements, the Fair Work (Registered Organisations) Act 2009. For the purpose of preparing the general purpose financial statements, the Australian Rail, Tram and Bus Industry Union, New South Wales Branch is a not-for-profit entity

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.

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

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) New or amended Accounting Standards and Interpretations adopted

The Branch has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Branch.

(b) Related Party and Financial Support

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

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.

(c) 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. Independent valuations were carried out on 1 July 2019 for Wollongong and 24 June 2019 for Hamilton. The property is measured at fair value through other comprehensive income.

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020**
NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**Investment property**

Property held to earn rental income is separately disclosed from property held for own use. Investment properties are measured on the fair value basis. As with property held for own use, it is the policy of the entity to have periodic independent valuations, with annual appraisals being made by directors. Independent valuation was carried out on 1 July 2019. No depreciation is provided where the fair value basis is used. Investment property are measured at fair value through profit and loss.

(d) 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.

(e) Employee Entitlements

Provision for employee entitlements in the form of Long Service Leave and Accrued Annual Leave has been made for the estimated accrued entitlement of all employees on the basis of their terms of employment. In the case of Long Service Leave, the accrual has been measured by reference to periods of service and current salary rates as it is considered that this results in an amount not materially different to that achieved by discounting estimated future cash flows.

(f) Defined Superannuation Schemes

In respect to defined benefit plans, the cost of providing the benefits is determined using the projected unit cost method. Actuarial calculations are conducted by State Super. The amount recognised in the Statement of Financial Position represents the present value of the defined benefits obligations adjusted for any unrecognised actuarial gains and losses and unrecognised past service costs less the fair value of the plan's assets. The union has defined benefit obligations for members participating in the State Authorities Superannuation Scheme and the State Authorities Non-Contributory Superannuation Scheme. All Schemes are closed to new members.

(g) Revenue

The Union enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, capitation fees, levies, grants, and donations. The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where the Union has a contract with a customer, the Union recognises revenue when or as it transfers control of goods or services to the customer. The Union accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and
- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Membership income

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of the Union.

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH**NOTES TO THE FINANCIAL STATEMENTS****For the Year Ended 31st December 2020****NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**

If there is only one distinct membership service promised in the arrangement, the Union recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the Union's promise to stand ready to provide assistance and support to the member as required.

If there is more than one distinct good or service promised in the membership subscription, the Union allocates the transaction price to each performance obligation based on the relative standalone selling prices of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price that the Union charges for that good or service in a standalone sale. When a performance obligation is satisfied, which is either when the customer obtains control of the good (for example, books or clothing) or as the service transfers to the customer (for example, member services or training course), the Union recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

For member subscriptions paid annually in advance, the Union has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less. When a member subsequently purchases additional goods or services from the Union at their standalone selling price, the Union accounts for those sales as a separate contract with a customer.

Interest Income

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

All revenue is stated net of the amount of Goods and Services Tax (GST).

(h) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020****NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(j) 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. The main area of estimate in the financial report is for the valuation of investment properties and land and buildings owned please refer to Note 13 & 14. Estimates and judgements are required to be made of future market rental income, potential lease up periods and judgement applied to comparable market sales.

(k) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Branch for the annual reporting period ended 31 December 2020. In the Branch's assessment the impact of these new or amended Accounting Standards and Interpretations, are not relevant to the Branch.

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020
NOTE 2 REVENUE AND INCOME**Disaggregation of revenue from contracts with customers**

A disaggregation of the Union's revenue by type of arrangements is provided on the face of the Profit or loss and other comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.

	2020	2019
	\$	\$
Type of customer		
Members – recognition overtime	8,137,320	7,869,422
Other reporting units	-	-
Government	-	-
Other parties	-	-
Total revenue from contracts with customers	8,137,320	7,869,422

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020

		2020	2019
		\$	\$
NOTE 3 – OPERATING SURPLUS			
Operating Surplus		<u>1,880,808</u>	<u>2,588,692</u>
Operating Surplus for the year			
Comprises -			
General Fund	A	1,309,460	2,189,476
Bus & Tram Picnic Fund	B	79,902	(72,081)
Bus & Tram Traffic Fund	C	155,109	99,991
Legal Fund	D	<u>336,337</u>	<u>371,306</u>
		<u>1,880,808</u>	<u>2,588,692</u>
NOTE 3A – GENERAL FUND			
INCOME			
Members Contributions		7,285,829	7,028,106
Interest Received		162,383	93,273
Rent Received		320,622	330,264
Grants and/or Donations		-	-
Net Gains on Sale of Assets		12,290	-
Valuation Gain from Investment		-	1,500,000
Cashflow Boost Income		100,000	-
Other Income		<u>77,468</u>	<u>37,599</u>
TOTAL INCOME		7,958,592	8,989,242
EXPENSES			
Employee Expenses		3,242,996	3,215,821
Capitation Fee paid to National Office		955,511	912,526
Affiliation Fees		231,063	254,717
Administration Expenses		865,936	987,650
Grants or Donations		3,818	18,233
Depreciation and Amortisation		94,389	87,486
Legal Costs		67,943	284,543
Audit Fees		46,886	42,845
Other Expenses		<u>1,140,590</u>	<u>995,946</u>
TOTAL EXPENSES		6,649,132	6,799,766
SURPLUS FOR THE YEAR		1,309,460	2,189,476

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020

	2020	2019
	\$	\$
NOTE 3B – BUS & TRAM PICNIC FUND		
INCOME		
Interest Received	27,983	19,042
Members' Contributions	210,062	160,650
TOTAL INCOME	238,045	179,692
EXPENSES		
Bank Charges	-	-
Picnic Expenses	158,143	251,773
TOTAL EXPENSES	158,143	251,773
SURPLUS/(DEFICIT) FOR THE YEAR	79,902	(72,081)
NOTE 3C – BUS & TRAM TRAFFIC FUND		
INCOME		
Interest	78,545	57,104
Member Contributions	176,216	175,676
TOTAL INCOME	254,761	232,780
EXPENSES		
Consideration to Employers for Payroll Deductions	-	-
Campaigns	-	-
Traffic Fines Paid	93,732	130,516
Legal Expenses	5,920	2,273
Printing & Stationery	-	-
TOTAL EXPENSES	99,652	132,789
SURPLUS FOR THE YEAR	155,109	99,991
NOTE 3D – LEGAL FUND		
INCOME		
Interest	50,164	54,601
Legal Levy Received	465,213	504,990
TOTAL INCOME	515,377	559,591
EXPENSES		
Bank Charges	60	65
Legal Expenses	178,980	188,220
TOTAL EXPENSES	179,040	188,285
SURPLUS FOR THE YEAR	336,337	371,306

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020

	2020	2019
	\$	\$
NOTE 4: GRANTS AND/OR DONATIONS		
Grants	-	-
Donations	-	-
	-	-
	-	-
NOTE 5 – EXPENSES		
Note 5A: Employee Expenses		
Office Holders:		
Wages and salaries	562,362	566,870
Superannuation	42,647	38,189
Leave and Other Entitlements	51,074	40,894
Retirement Benefit Expenses	88,228	426,748
Fringe Benefit Tax	29,485	32,955
Separation and Redundancies	-	-
Honorariums	-	-
	773,796	1,105,656
Employees other than Office Holders:		
Wages and salaries	2,080,819	1,790,108
Superannuation	249,221	167,890
Leave and Other Entitlements	93,925	127,731
Retirement Benefit Expenses	-	-
Fringe Benefit Tax	-	-
Separation and Redundancies	-	-
Honorariums – Bus	45,235	24,436
	2,469,200	2,110,165
	3,242,996	3,215,821
Note 5B: Affiliation Fees		
ACTU – Paid to RTBU National Office	79,681	76,316
ALP	70,035	82,962
APHEDA	-	1,803
Barrier Industrial Council	399	399
Broken Hill Trades Hall Trust	406	406
CRUMA	91	100
McKell Institute	8,000	8,000
Newcastle Trades Hall Council	4,022	3,959
Permanent Way Institution	1,036	1,036
Sydney Alliance	10,713	21,425
Unions ACT	216	128
Unions NSW	54,525	56,840
Workers Health Centre	1,939	1,344
	231,063	254,717

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st December 2020

	2020	2019
	\$	\$
Note 5C: Administration Expenses		
Consideration to Employers for Payroll Deductions	-	-
Compulsory Levies – Paid to National Office	-	-
Fees/Allowance – Meeting and Conferences	-	-
Bank Fees	53,176	49,311
Branch Council, Conference and Meeting Expenses	85,980	131,233
Consulting Fees	150,267	81,992
Property Expenses	-	-
Body Corporate Fees	149,072	319,151
Electricity	61,058	59,672
Rates & Taxes	45,564	48,624
Office Expenses	7,136	-
Postage	7,214	9,660
Printing, Stationery & Computer Software	163,399	169,242
Publications and Subscriptions	67,085	8,819
Telephone	58,954	74,368
Website Maintenance	17,092	35,643
	<u>865,996</u>	<u>987,715</u>
Note 5D: Grants or Donations		
Grants	-	-
Donations:		
Total Paid that were \$1,000 or Less	1,818	5,883
Total Paid that Exceeded \$1,000	2,000	16,400
	<u>3,818</u>	<u>22,283</u>
Note 5E: Legal Costs		
Litigation	-	-
Other Legal Matters	252,843	475,037
	<u>252,843</u>	<u>475,037</u>
Note 5F: Audit and Accounting Fees		
Financial Statement Audit Services	38,700	33,880
Accounting Services	8,186	8,964
	<u>46,886</u>	<u>42,844</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020**

	2020	2019
	\$	\$
Note 5G: Other Expenses		
Airfares and Travelling Expenses	6,878	28,864
Campaign Expenses	443,498	232,675
Council, Executive Expenses & Lost Time	50,526	25,442
Organizing Expenses	-	-
Fundraisers – Functions	-	-
General Expenses	13,521	9,915
Hire – Plant and Equipment	10,795	3,345
Insurance – General	157,327	130,690
Motor Vehicle Expenses	48,928	68,782
Members Training	-	591
Members Mortality Fund	48,000	31,500
Members Council Expense	-	-
Payroll Tax	76,509	88,618
Parking Levy	-	-
Picnic Expenses	158,143	251,773
Press Release	-	-
Rail & Road Publishing & Other Costs	100,734	100,391
Repair & Maintenance	96,477	117,497
Staff Fares & Travelling	22,827	25,161
Staff Training	2,039	26,575
Staff Uniforms	-	-
Traffic Fines Paid	93,732	130,515
Badges & Other Items	19,807	101,851
Penalties – via RO Act or RO Regulations	-	-
Rent Waiver	42,724	-
	<u>1,392,465</u>	<u>1,374,185</u>
NOTE 6: PICNIC FUND ACCOUNT		
GENERAL ACCOUNT		
Bank Balance at Start of Year	451,847	536,960
Interest	50	43
Members' Contributions (Incl. GST)	176,296	174,579
Bank Charges	-	-
Picnic Expenses	(158,957)	(259,735)
Transfer to/from Other Accounts	-	-
Bank Balance at End of Year	<u>469,236</u>	<u>451,847</u>
TERM DEPOSIT ACCOUNT		
Bank Balance at Start of Year	995,461	976,462
Interest	27,933	18,999
Bank Balance at End of Year	<u>1,023,394</u>	<u>995,461</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020

	2020	2019
	\$	\$
NOTE 7: TRAFFIC FUND ACCOUNT		
GENERAL ACCOUNT		
Bank Balance at Start of Year	278,202	98,047
Interest	25	18
Members' Contributions (Incl. GST)	176,216	180,137
Consideration to Employers for Payroll		
Deductions	-	-
Fines Paid	-	-
Legal Fees Paid	-	-
Campaign Expenses	-	-
Payment for Assets	-	-
Printing & Stationery	-	-
Transfer to/from Other Accounts	(249,885)	-
Bank Balance at End of Year	204,558	278,202
TERM DEPOSIT ACCOUNT		
Bank Balance at Start of Year	2,798,319	2,741,233
Interest	78,520	57,086
Bank Balance at End of Year	2,876,839	2,798,319
NOTE 8: LEGAL FUND ACCOUNTS		
HO Legal Fund – General Account		
Bank Balance at Start of Year	1,016,270	777,219
Interest	8,757	15,928
Members' Contributions	207,411	223,122
Legal Fees Paid	-	-
Transfer to/from Other Accounts	-	-
Bank Balance at End of Year	1,232,438	1,016,270
HO Legal Fund – Term Deposit		
Bank Balance at Start of Year	757,762	741,838
Interest	22,707	15,924
Transfer to/from Other Accounts	-	-
Bank Balance at End of Year	780,469	757,762
Loco Legal Fund		
Bank Balance at Start of Year	582,441	460,942
Interest	4,955	9,298
Members' Contributions	102,000	112,200
Transfer to/from Other Accounts	-	-
Bank Balance at End of Year	689,396	582,441
Loco Legal Fund – Term Deposit		
Bank Balance at Start of Year	526,498	513,156
Interest	13,726	13,342
Transfer to/from Other Accounts	-	-
Bank Balance at End of Year	540,224	526,498

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020

	2020	2019
	\$	\$
NOTE 8: LEGAL FUND ACCOUNTS (CONT.)		
Bus & Tram Legal Fund		
Bank Balance at Start of Year	214,446	306,996
Interest	19	108
Members' Contributions	105,636	114,450
Bank Charges	(60)	(65)
Legal Fees Paid	(196,878)	(207,043)
Transfer to/from Other Accounts	-	-
Bank Balance at End of Year	<u>123,163</u>	<u>214,446</u>
NOTE 9 – CASH AND CASH EQUIVALENTS		
Cash on Hand	37,797	2,350
Cash at Bank	10,305,168	8,241,659
	<u>10,342,965</u>	<u>8,244,009</u>
NOTE 10 – RECEIVABLES		
CURRENT		
Receivable from Other Reporting Units – RTBU		
National Office	9,622	58,235
Membership Fees Receivable	126,329	170,023
Other Receivables	29,602	-
	<u>165,553</u>	<u>228,258</u>
NON-CURRENT		
Receivable from Related Party – RTBU New South Wales ("State")	<u>1,003,546</u>	<u>979,046</u>
Amount receivable from the State is unsecured and no term of repayment or interest have been determined.		
NOTE 11 – OTHER CURRENT ASSETS		
Promotional Items on Hand	14,138	14,138
Prepayments	65,930	104,418
	<u>80,068</u>	<u>118,556</u>
NOTE 12 – FINANCIAL ASSETS		
Current		
Term Deposits	10,012,715	9,735,264
	<u>10,012,715</u>	<u>9,735,264</u>
Listed Shares	1,216	1,216
Share Endeavour	20	20
Term Deposits	1,236	1,236
	<u>10,013,951</u>	<u>9,736,500</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020

	2020	2019
	\$	\$
NOTE 13 - PROPERTY		
Wollongong – Valuation	330,000	330,000
Hamilton – Valuation	694,000	694,000
Less: Allowance for Depreciation	(25,600)	-
	<u>998,400</u>	<u>1,024,000</u>

Valuations of Property for Own Use

The basis of the valuation of is fair value, being the amounts for which the properties could be exchanged between willing parties in an arm's length transactions, based on current prices in an active market for similar properties in the same location and condition, subject to similar leases and takes into consideration occupancy rates and returns on investment. Independent valuations were carried out on 24 June 2019 for Hamilton and 1 July 2019 for Wollongong by a fellow of Australian Property Institute and an accredited independent valuer having recent experience in the location and category of the property being valued.

NOTE 14 – INVESTMENT PROPERTY

Sydney – L3/Pitt St - Valuation	7,500,000	7,500,000
Pitt St Renovation	190,651	190,651
Less: Allowance for Depreciation	(30,613)	(24,219)
	<u>7,660,038</u>	<u>7,666,432</u>

Valuations of Investment Property

The basis of the valuation of investment properties is fair value, being the amounts for which the properties could be exchanged between willing parties in an arm's length transactions, based on current prices in an active market for similar properties in the same location and condition, subject to similar leases and takes into consideration occupancy rates and returns on investment. The last independent valuations were carried out on 1 July 2019 by a fellow of Australian Property Institute and an accredited independent valuer having recent experience in the location and category of the investment property being valued.

NOTE 15 – PLANT & EQUIPMENT

Pitt St – Office Equipment etc	692,631	690,946
Pitt St – Computer Hardware	463,133	430,141
Pitt St – Computer Software	97,260	97,260
Bus & Tram Division – Office Equipment	312,789	312,789
Bus & Tram Division – Computer	70,081	69,522
Hamilton – Air Conditioner	1,540	1,540
Less: Allowance for Depreciation	(1,542,822)	(1,517,271)
	<u>94,612</u>	<u>84,927</u>

NOTE 16 – MOTOR VEHICLES

Motor Vehicles	331,801	339,892
Less: Allowance for Depreciation	(172,418)	(223,809)
	<u>159,383</u>	<u>116,083</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020**

31 December 2019

	Property Own Use \$	Investment Property \$	Plant & Equip \$	Motor Vehicles \$
Balance at Beginning of Year	764,750	6,181,739	86,376	109,842
Addition	-	-	27,027	29,818
Disposal	-	-	-	-
Depreciation	(20,125)	(15,307)	(28,477)	(23,577)
Revaluations	279,375	1,500,000	-	-
Carrying Amount at End of Year	<u>1,024,000</u>	<u>7,666,432</u>	<u>84,927</u>	<u>116,083</u>

31 December 2020

	Property Own Use \$	Investment Property \$	Plant & Equip \$	Motor Vehicles \$
Balance at Beginning of Year	1,024,000	7,666,432	84,927	116,083
Addition	-	-	37,799	118,018
Disposal	-	-	(12)	(40,425)
Depreciation	(25,600)	(6,394)	(28,102)	(34,293)
Revaluation	-	-	-	-
Carrying Amount at End of Year	<u>998,400</u>	<u>7,660,038</u>	<u>94,612</u>	<u>159,383</u>

	2020 \$	2019 \$
NOTE 17 – ACCOUNTS PAYABLE		
Payable to Other Reporting Unit – National Office	380,761	87,036
Consideration to Employers for Payroll		
Deductions	-	-
Legal Costs	-	-
Other	377,771	464,826
	<u>758,532</u>	<u>551,862</u>

NOTE 18 – PROVISIONS

Office Holders		
Provision for Annual Leave	119,511	99,406
Provision for Long Service Leave	134,828	103,858
Provision for Retirement Benefits	954,220	865,992
Separation and Redundancies	-	-
Other	-	-
	<u>1,208,559</u>	<u>1,069,256</u>
Employees other than Office Holders		
Provision for Annual Leave	313,321	232,065
Provision for Long Service Leave	262,579	249,910
Provision for Retirement Benefits	-	-
Separation and Redundancies	-	-
Other	-	-
	<u>575,900</u>	<u>481,975</u>
TOTAL PROVISIONS	<u>1,784,459</u>	<u>1,551,231</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31st December 2020

NOTE 18 – PROVISIONS (CONT.)

	Annual Leave	Long Service Leave	Retirement Benefit
Movements during the Year			
	\$	\$	\$
Balance at beginning of the year	331,471	353,768	865,992
Increase (Decrease) In Provision	101,361	43,639	88,228
Balance at end of Year	432,832	397,407	954,220

	2020	2019
	\$	\$
NOTE 19 – RESERVES		
Asset Revaluation Reserve	621,875	621,875

NOTE 20 – ACCUMULATED FUNDS		
Unappropriated Surplus Brought Forward	27,353,651	25,472,843

NOTE 21 – CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

Operating lease commitments—as lessor

The Union receives rent from a tenant where the lease has expired and other rental income on a property it does not own but is managed on a care and control basis.

Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows:

Within one year	350,093	267,125
After 1 year but not more than 5 years	36,851	277,810
After five years	-	-
	386,944	544,935

Contingent liabilities

To the Committee's knowledge, the Union has no known contingent liabilities as at 31 December 2020 (31 December 2019: Nil).

NOTE 22 – RELATED PARTY DISCLOSURE

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

Revenue Received from RTBU National Office		
Reimbursement for Expenses Paid	58,298	2,586
Expenses Paid to RTBU National Office		
Capitation Fees	1,051,062	1,003,778
ACTU Membership Fees	87,649	83,948
Expenses Reimbursement	3,502	
Amounts Owed by Related Entities		
RTBU National Office – Expense Reimbursement	9,622	58,235
RTBU NSW State – Expense Reimbursement	12,225	-
Amounts Owed to Related Entities		
RTBU National Office – Capitation Fees	380,761	87,036
Loan to Related Entities		
Loan to RTBU New South Wales ("State")	1,003,546	979,046

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020
NOTE 22 – RELATED PARTY DISCLOSURE (CONT.)

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2020, the Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2019: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

	2020 \$	2019 \$
NOTE 23 – KEY MANAGEMENT PERSONNEL REMUNERATION		
Short-Term Employee Benefits		
Salary (Including Annual Leave Taken)	562,362	566,870
Annual Leave Accrued	119,511	99,407
Non-monetary Benefit – Motor Vehicle	35,195	43,407
	<u>717,068</u>	<u>709,684</u>
Post-Employment Benefits		
Superannuation	42,647	38,189
Retirement Benefit Accrued	954,218	865,992
	<u>996,865</u>	<u>904,181</u>
Other Long-Term Benefits		
Long-Service Leave Accrued	134,828	103,858
	<u>134,828</u>	<u>103,858</u>
TOTAL KEY MANAGEMENT PERSONNEL REMUNERATION	<u>1,848,761</u>	<u>1,717,723</u>

Reconciliation of the present value of the defined benefit obligation -

	2020 \$	2019 \$
Present Value at the Beginning of the Year	4,069,159	3,525,161
Current Service Cost	5,955	8,061
Interest Cost	53,913	79,562
Contributions by Funds Participants	1,826	2,551
Actuarial (Gains) / Losses	123,299	769,409
Benefits Paid	(61,207)	(295,042)
Taxes, Premiums & Expenses Paid	(12,408)	8,198
Other	(42,772)	(28,741)
	<u>4,137,765</u>	<u>4,069,159</u>

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020
NOTE 23 – KEY MANAGEMENT PERSONNEL REMUNERATION (CONT.)

	2020	2019
	\$	\$
Fair Value at the Beginning of the Year	3,203,167	3,085,919
Interest Income	42,118	69,183
Actual Return	47,773	367,627
Employer Contributions	-	-
Contributions by Funds Participant	1,827	2,555
Benefits (Paid) Transferred In	(61,227)	(295,513)
Taxes, Premiums & Expenses Paid	(12,411)	8,212
Other	(37,700)	(34,816)
	<hr/>	<hr/>
Fair Value at the End of the Year	3,183,547	3,203,167
	<hr/>	<hr/>
Reconciliation of assets and liabilities recognized in the Statement of Financial Positions -		
Present Value of Funded Defined Benefit Obligations	4,137,765	4,069,159
Fair Value of Fund Assets at End of Year	(3,183,547)	(3,203,167)
Adjustment for Effect of Asset Celling Net (Asset)/Liability Recognised in the Statement of Financial Position	<hr/>	<hr/>
	954,218	865,992
	<hr/>	<hr/>

The percentage of the Funds assets invested in each asset class at 31 December

	2020	2019
	%	%
Australian Equities	19.9	19.3
Overseas Equities	32.3	31.3
Australian Fixed Interest	1.9	3.5
Overseas Fixed Interest	4.6	4.8
Property	8.3	8.7
Other	23.5	23.5
Short Term Securities	9.5	8.9

All fund assets are invested by STC at arm's length through independent fund managers.

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020**
NOTE 24 – 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	Fixed Interest		Non Interest	Total
		1 Year	Over 1 -5		
	\$	\$	\$	\$	\$
31 December 2019					
Cash	8,298,830	9,055,846	620,000	4,597	17,979,273
Financial Assets	-	-	-	1,236	1,236
	<u>8,298,830</u>	<u>9,055,846</u>	<u>620,000</u>	<u>5,833</u>	<u>17,980,509</u>
	Floating Interest Rate	Fixed Interest		Non Interest	Total
		1 Year	Over 1 -5		
	\$	\$	\$	\$	\$
31 December 2020					
Cash	10,285,168	9,392,715	620,000	37,797	20,335,680
Financial Assets	-	-	-	1,236	1,236
	<u>10,285,168</u>	<u>9,392,715</u>	<u>620,000</u>	<u>39,033</u>	<u>20,336,916</u>

Valuation techniques for fair value measurements categorized within level 2 and level 3

- Unlisted securities have been valued at cost
- Properties for own use and investment properties have been valued based on similar assets, recent sales

Weighted average interest rate 1.2% (2019: 1.6%)

Credit Risk Exposure

Credit risk is the risk that counter parties to a financial asset will fail to discharge their obligations, causing the Branch to incur a financial loss.

The credit risk exposure of the Branch to financial assets which have been recognised in the Statement of Financial Position is generally the carrying amounts.

The carrying amounts of cash and investments approximate net fair values.

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH
NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 31st December 2020****NOTE 25 – FAIR VALUE MEASUREMENT****Fair Value Hierarchy**

Management of the reporting unit assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The following tables detail the reporting unit's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Unobservable inputs for the asset or liability.

31 December 2020	Level 1	Level 2	Level 3
Listed Securities	1,216	-	-
Unlisted Securities	-	-	20
Investment Properties	-	-	7,660,038
Properties for Own Use	-	-	998,400
	<u>1,216</u>	<u>-</u>	<u>8,658,458</u>
31 December 2019			
Listed Securities	1,216	-	-
Unlisted Securities	-	-	20
Investment Properties	-	-	7,666,432
Properties for Own Use	-	-	1,024,000
	<u>1,216</u>	<u>-</u>	<u>8,690,452</u>

Assets and liabilities held for sale are measured at fair value on a non-recurring basis.

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short term nature.

- location and market conditions.

AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION, NEW SOUTH WALES BRANCH**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31st December 2020****NOTE 26 – PROVIDING INFORMATION**

In accordance with the requirements of the Fair Work (Registered Organisation) Act 2009, the attention of members is drawn to the provisions of Subsection (1) to (3) of Section 272 which reads as follows-

- (1) A member of a reporting unit, or the general manager of Fair Work Commission, 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, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

NOTE 27: GOING CONCERN

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

NOTE 28: FINANCIAL SUPPORT

The reporting unit has not agreed to provide any financial support to any reporting units other than referred to in Note 1.

NOTE 29: 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 of the Fair Work Commission.

NOTE 30: EVENTS OCCURRING AFTER THE REPORTING DATE

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided. This pandemic has not affected the amounts included within these financial statements, nor the ability of the Union to continue as a going concern.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Union, the results of those operations or the state of affairs of the Union in future financial years.

END OF REPORT