

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION**

**NATIONAL OFFICE**

**ABN 28 921 128 419**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE  
FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

## Operating Report

This Operating Report covers:

- The activities of the Australian Rail, Tram & Bus Industry Union, National Office, for the financial year ended 31<sup>st</sup> December 2022,
- The results of those activities and;
- Any significant changes in the nature of those activities as required under *section 254 Fair Work (Registered Organisations) Act 2009*.

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

Activities
Making agreements with employers
Implementation of the Decisions of the National Executive and National Council
Implementation of the Union's organising agenda, including direct assistance and strategic advice on particular industry or site organising projects, the training and development of officials and assistance to branches on planning and resourcing campaigns
Industrial support including representation of individual members grievances advice on legal and legislative matters, holding of union elections as provided for in the rules of the union, and responding to the needs of branches and members as provided for within the rules of the union, within the scope of any statutory or legal obligations
The administration of federal awards, the certification of federal industrial agreements, the variations of awards following major test cases, and making application to vary federal awards on behalf of branches
National media and communications to members, branches and the broader community via media release in support of campaigns, web based technology, including the national bulletin Transport for NOW
Coordination of and negotiation of key national industries and assistance to branches on bargaining by request
The National Office has consulted with the ACTU on the development of claims to be pursued in the FWC and union policy in general. Where appropriate, the National Office has assisted branches in the implementation of relevant decision via the variation of the awards
The national Office has been involved in campaigns and negotiations with government, political parties and industry organisations including with financial donations and/or other support around issues of importance for members, eg EBA negotiations, training, skills, shortages, fatigue laws

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE  
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- (7) *If a financial member retires from employment permanently or changes employment to a position not covered under these rules by the union, the member shall be entitled to transfer to the status of Health Fund Member.*

5. **Officers or members who are superannuation fund trustees(s) (include position details) or director of a company that is a superannuation fund trustee where being a member or officer of a registered organisation is a criterion for them holding such position**

The member(s) listed below hold the following position(s) as trustees or company directors:

Official	Organisations
Mark Diamond	<ul style="list-style-type: none"> <li>TrackSafe Foundations – Director</li> <li>Australian Industry Skills - Committee</li> </ul>

6. **Number of members**

There were 31,841 members of the union as of 31<sup>st</sup> December 2022.

7. **Number of employees**

As at 31 December 2022, the National Office employed 8 full time employees and 2 part time employee.

8. **Names of committee of management members and period positions held during the financial year**

The following persons were members of the National Executive, during the year ending 31st December 2022

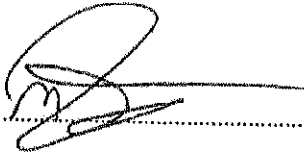
Mark Diamond	National Secretary	01/01/2022 – 31/12/2022
Shayne Kummerfeld	Assistant National Secretary	01/01/2022 – 31/12/2022
Luba Grigorovitch	National President	01/01/2022 – 21/12/2022
Victor Moore	National President	22/12/2022 – 31/12/2022
James Style	National Vice – President (Rail)	01/01/2022 – 31/12/2022
William Lekkas	National Vice – President (Road)	01/01/2022 – 31/12/2022
Leanne Holmes	National Vice – President (Affirmative Action)	01/01/2022 – 31/12/2022
Alex Claassens	Branch Secretary – New South Wales	01/01/2022 – 31/12/2022
Luba Grigorovitch	Branch Secretary - Victorian	01/01/2022 – 23/04/2022
Vikrant Sharma	Branch Secretary - Victorian	24/04/2022 – 31/12/2022
Ric Bean	Branch Secretary - Tasmanian	01/01/2022 – 31/12/2022
Peter Allen	Branch Secretary - Queensland	01/01/2022 – 31/12/2022
Darren Phillips	Branch Secretary – South Australia and Northern Territory	01/01/2022 – 31/12/2022
Craig McKinley	Branch Secretary – Western Australia	01/01/2022 – 31/12/2022

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE  
REPORT REQUIRED UNDER SUBSECTION 225 (2A)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Reporting Unit for the year ended 31 December, 2022.

Categories of expenditures	2022	2021
	\$	\$
Remuneration and other employment-related costs and expenses - employees	675,943	1,158,591
Operating costs	1,478,577	1,151,970
Donations to political parties	67,918	272,500
Legal costs	199,082	283,814

Signature of designated officer: .....



MARK DIAMOND  
National Secretary

Dated: .....

26 September 2023

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE**  
**ABN 28 921 128 419**

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>REVENUE</b>	<b>Note</b>	<b>2022 \$</b>	<b>2021 \$</b>
<b>Revenue from contracts with customers</b>			
Membership subscriptions		-	-
Capitation fees and other revenue from another reporting unit	2A & 2B	2,432,438	2,504,003
Levies	2C	-	-
Other sales of goods or services to members		-	-
Revenue from recovery of wages activity		-	-
<b>Total revenue from contracts with customers</b>		<b>2,432,438</b>	<b>2,504,003</b>
<b>Income for furthering objectives</b>			
Grants and/or donations		-	-
Income recognised from volunteer services		-	-
Income recognised from transfers		-	-
<b>Total income for furthering objectives</b>		<b>-</b>	<b>-</b>
<b>OTHER INCOME</b>			
Investment Gains/(Losses)	2D	-	264,817
Rent Received	2E	221,424	211,970
Sponsorship Income		-	2,000
Gain on revaluation of investment property	9	-	250,000
Other Income	2G	52,815	178,201
Gain on Asset Disposal	2F	-	471
<b>TOTAL REVENUE</b>		<b>2,706,677</b>	<b>3,411,463</b>
<b>EXPENSES</b>			
Employee Expenses	3A	675,943	1,158,591
Affiliation Fees	3B	248,341	232,673
Administration Expenses	3C	923,710	725,005
Grants or Donations	3D	86,750	278,450
Depreciation and Amortisation	10 & 11	22,009	19,616
Legal Costs	3E	199,082	283,814
Audit Fees	19	23,095	22,099
Other Expenses	3F	242,591	146,627
Investment Losses	2D	254,115	-
Loss on revaluation of investment property	9	450,000	-
<b>TOTAL EXPENSES</b>		<b>3,125,636</b>	<b>2,866,875</b>
<b>(DEFICIT)/SURPLUS FOR THE YEAR</b>		<b>(418,958)</b>	<b>544,588</b>

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE**  
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**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	3,015,349	3,035,679
Trade and Other Receivables	5	308,522	441,617
Financial Assets	6	2,512,349	2,782,830
Other	7	81,368	144,510
<b>TOTAL CURRENT ASSETS</b>		<u>5,917,588</u>	<u>6,404,636</u>
<b>NON CURRENT ASSETS</b>			
Financial Assets	8	20	20
Investment Property	9	6,800,000	7,250,000
Property, Plant & Equipment	10	929,737	121,130
Intangible Assets	11	595	1,120
<b>TOTAL NON CURRENT ASSETS</b>		<u>7,730,352</u>	<u>7,372,270</u>
<b>TOTAL ASSETS</b>		<u>13,647,940</u>	<u>13,776,906</u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	12	240,101	229,353
Provisions	13	442,097	930,306
Income in Advance	14	-	12,547
<b>TOTAL CURRENT LIABILITIES</b>		<u>682,198</u>	<u>1,172,206</u>
<b>TOTAL LIABILITIES</b>		<u>682,198</u>	<u>1,172,206</u>
<b>NET ASSETS</b>		<u>12,965,742</u>	<u>12,604,701</u>
<b>ACCUMULATED SURPLUS</b>			
Accumulated Surplus		12,965,742	12,604,701
<b>ACCUMULATED SURPLUS</b>		<u>12,965,742</u>	<u>12,604,701</u>

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE**  
**ABN 28 921 128 419**

**STATEMENT OF CASH FLOWS**  
**AS AT 31 DECEMBER 2022**

	Note	2022 \$	2021 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Receipts from other reporting units	5	2,632,621	3,218,681
Other Income		53,734	-
Payments to other reporting units		-	-
Payments to Suppliers and Employees		(2,920,142)	(2,949,557)
Rent Received		210,068	133,555
Interest Received		4,739	978
<b>Net cash provided/(used) by operating activities</b>	16	<u>(18,980)</u>	<u>403,656</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for plant and equipment		<u>(1,349)</u>	<u>(4,597)</u>
<b>Net cash used in investing activities</b>		<u>(1,349)</u>	<u>(4,597)</u>
<b>Net increase/(decrease) in cash and cash equivalents held</b>		(20,329)	399,059
<b>Cash and cash equivalents at the beginning of the year</b>		3,035,678	2,636,620
<b>Cash and cash equivalents at the end of the year</b>	4	<u>3,015,349</u>	<u>3,035,678</u>

## **AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE OFFICER DECLARATION STATEMENT**

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

### **(c) Property Plant & Equipment**

Property Plant and equipment is carried at cost less any accumulated depreciation.

The carrying amount of plant and equipment is reviewed for impairment annually by the Committee of Management to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

### **(d) Depreciation**

The depreciable amount of all fixed assets including buildings and leasehold improvements, is depreciated on either a straight line or diminishing balance basis over their useful lives to the Union commencing from the time the asset is held ready for use.

The depreciation rates used for each asset are between 3% and 66%. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

### **(e) Leases**

The Union assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **The Union as a lessee**

The Union applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Union recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### **Right-of-use assets**

The Union recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.



## **AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE OFFICER DECLARATION STATEMENT**

### **(h) Intangibles**

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The useful life of the union's intangible assets are:

	<b>2022</b>	<b>2021</b>
Website Development	2 to 3 years	2 to 3 years

### **(i) 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.

Contributions are made by the National Council to employee superannuation funds and are charged as expenses when incurred.

### **(j) 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.

### **(k) Financial Instruments**

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

#### **Financial assets**

##### **Contract assets and receivables**

A contract asset is recognised when the Union's right to consideration in exchange goods or services that has transferred to the customer when that right is conditioned on the Union's future performance or some other condition.

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Contract assets and receivables are subject to impairment assessment. Refer to accounting policies on impairment of financial assets below.

##### **Initial recognition and measurement**

## **AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE OFFICER DECLARATION STATEMENT**

The Union measures debt instruments at fair value through other comprehensive income (OCI) if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost.

The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Union's debt instruments at fair value through other comprehensive income includes investments in quoted debt instruments included under other non-current financial assets.

### **Financial assets at fair value through profit or loss (including designated)**

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

### **Derecognition**

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Union has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a. The Union has transferred substantially all the risks and rewards of the asset; or
  - b. The Union has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Union has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

## **AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE OFFICER DECLARATION STATEMENT**

### **Financial liabilities at fair value through profit or loss (including designated)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 Financial Instruments are satisfied.

### **Financial liabilities at amortised cost**

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### **(I) Impairment of Assets**

At the end of each reporting period, the Union assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: Property, Plant and Equipment). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Union estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

## **AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE OFFICER DECLARATION STATEMENT**

### **Income recognised from transfers**

Where, as part of an enforceable agreement, the Union receives consideration to acquire or construct a non-financial asset such as property, plant and equipment to an identified specification and for the Union's own use, a liability is recognised for the obligation to acquire or construct the asset. Income is recognised as the obligation to acquire or construct the asset is satisfied, which is typically over time. The asset that is being acquired or constructed is recognised in accordance with the policy on property, plant and equipment.

### **Gains from sale of assets**

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

### **Interest income**

Interest revenue is recognised on an accrual basis using the effective interest method.

### **Rental income**

Leases in which the Union as a lessor, does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE  
OFFICER DECLARATION STATEMENT**

A disaggregation of the Union income by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of income by funding source:

**Income funding sources**

Members	-	-
Other reporting units	-	-
Government	-	-
Other parties	-	-
<b>Total income for furthering activities</b>	<b>-</b>	<b>-</b>

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>2A: Capitation Fees</b>		
NSW Branch	903,589	953,197
QLD Branch	419,042	421,262
SA & NT Branch	70,305	72,158
VIC Branch	708,793	725,522
TAS Branch	20,055	22,983
WA Branch	132,043	133,985
	<u>2,253,827</u>	<u>2,329,108</u>
<b>2B: Affiliation Fees</b>		
NSW Branch	80,400	78,599
QLD Branch	38,427	36,970
SA & NT Branch	5,204	4,993
VIC Branch	43,006	43,255
TAS Branch	2,140	2,241
WA Branch	9,433	8,837
	<u>178,611</u>	<u>174,895</u>
<b>2C: Levies</b>		
NSW Branch	-	-
QLD Branch	-	-
SA & NT Branch	-	-
VIC Branch	-	-
TAS Branch	-	-
WA Branch	-	-
	<u>-</u>	<u>-</u>
<b>2D: Investment Income</b>		
Interest Received	4,559	1,007
(Losses)/Income & Gains on IFP	(258,674)	263,810
	<u>(254,115)</u>	<u>264,817</u>
<b>2E: Rent Received</b>		
Property at Redfern	221,424	211,970
	<u>221,424</u>	<u>211,970</u>
<b>2F: Net Gain on Asset Disposal</b>		
Plant & Equipment	-	471
Motor Vehicles	-	-
	<u>-</u>	<u>471</u>

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>2G: Other Income</b>		
Employer Mutual Limited – RT	-	177,141
Health campaign	-	-
Miscellaneous income	52,815	1,060

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE  
OFFICER DECLARATION STATEMENT**

Property Expenses		
Building	197,575	103,600
Expenses		
Rates & Land	-	4,000
Taxes		
Rent Paid	83,227	87,921
Office Expenses		
General	52,743	121,756
Expenses		
Postage	419	19,273
Printing and Stationery	60,017	6,339
Staff Training	34,069	64,852
Subscription and Membership	39,099	45,100
Telephone	19,030	29,130
	<u>923,710</u>	<u>725,006</u>

**3D: Grants or Donations**

Grants	-	-
Donations		
Total paid that were \$1,000 or less	1,850	950
Total paid that exceeded \$1,000	84,900	277,500
	<u>86,750</u>	<u>278,450</u>

**3E: Legal Costs**

Litigation	-	141,418
Other Legal Matters	199,082	142,396
	<u>199,082</u>	<u>283,814</u>

**3F: Other Expenses**

Campaigns	52,036	58,661
Fringe Benefit Tax	20,675	17,421
Fines	-	-
General Expense	114,554	22,454
Insurances – General	36,933	28,222
Interest	2,540	-
Motor Vehicle Expenses	17,916	4,152
Penalties - via RO Act or RO Regulations	-	-
Repairs and Maintenance	-	-
Badges & Other Items	-	14,879
Doubtful Debt Expenses	(2,062)	839
Bad debts write off	-	-
	<u>242,591</u>	<u>146,627</u>

**4 CASH AND CASH EQUIVALENTS**

Cash at Bank and on Deposit	3,015,349	3,035,679
	<u>3,015,349</u>	<u>3,035,679</u>

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE  
OFFICER DECLARATION STATEMENT**

<i>Total amounts received from branches</i>	(779,78 1)	(1,082,92 0)	(82,422 )	(503,21 7)	(26,596)	(157,686 )	(2,632,62 1)
<i>Closing Balance 31/12/2022</i>	57,967	11,452	6,939	0	0	489,094	565,451

	2022	2021
	\$	\$
<b>6 FINANCIAL ASSETS - CURRENT</b>		
Opening Investment with Industry Fund Services	2,782,830	2,535,177
(Losses)/Income & Gains on IFP (Note 2D)	(258,674)	263,810
Management Fees	(11,807)	(16,157)
Investment with Industry Fund Services	<u>2,512,349</u>	<u>2,782,830</u>
<b>7 OTHER CURRENT ASSETS</b>		
Prepayments	<u>81,368</u>	<u>144,510</u>
<b>8 FINANCIAL ASSETS - NON-CURRENT</b>		
Shares Encompass Credit Union	<u>20</u>	<u>20</u>
<b>9 INVESTMENT PROPERTY</b>		
Redfern Property -- at Valuation	6,800,000	7,250,000

The investment property is measured at fair value, being the amount for which the property 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 and subject to similar leases.

An independent valuation on the investment property at 83-89 Renwick Street, Redfern, NSW was carried out by Cushman & Wakefield, and a report issued on 13 February 2023. The valuation determined a market value of \$6,800,000. The net revaluation loss on the property of \$450,000 was recorded in the Statement of Comprehensive Income.

The highest and best use of the investment properties is not considered to be different from its current use.

Rental income earned and received from the investment property during the year was \$221,424 (2021: \$211,970).

Direct expenses incurred in relation to the investment property that generated rental income during the year were \$173,767 (2021: \$101,078). During the year and as at the year-end, no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal were present. The Union does not have any contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

The fair value of investment property is determined by the independent valuer using recognised valuation techniques. These techniques comprise both the Discounted Cash Flow (DCF) method and Income Capitalisation method.

Under the DCF method, a property's fair value is estimated using explicit assumptions regarding the benefits and liabilities of ownership over the asset's life including estimated rental income and an exit or terminal value.

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31 December 2022

	Land & buildings	Leasehold Improvements	Plant & Equipment	Motor Vehicles	Total
Balance at Beginning of Year	-	62,415	13,086	45,629	121,130
Additions	780,000	-	1,226	48,864	830,090
Disposals	-	-	-	-	-
Depreciation	-	(3,121)	(3,036)	(15,327)	(21,484)
Carrying Amount at End of Year	780,000	59,294	11,277	79,166	929,737

	2022 \$	2021 \$
<b>11 INTANGIBLE ASSETS</b>		
Website Development	78,547	78,547
Less: Accumulated Amortisation	(77,952)	(77,426)
	595	1,120
Balance at Beginning of Year	1,120	2,132
Additions	-	-
Disposals	-	-
Amortisation	(525)	(1,012)
Carrying Amount at End of Year	595	1,120
<b>12 TRADE AND OTHER PAYABLES</b>		
Consideration to Employers for Payroll Deductions	-	-
Payable to the Branches	-	-
NSW Branch	-	-
TAS Branch	-	-
QLD Branch	-	-
WA Branch	-	-
SA Branch	-	-
VIC Branch	-	-
Trade Creditors	296	19,219
Legal Costs - Litigation	-	-
Other Payables and Accruals	239,805	210,133
	240,101	229,353
<b>13 PROVISIONS</b>		
Officeholders:		
Provision for Annual Leave	49,757	34,775
Provision for Long Service Leave	18,510	12,864
Provision for ADO	9,602	22,063
Provision for Retirement Benefits	157,367	679,734
Provision for Separations and Redundancies	-	-
	235,237	749,436
Employees Other than Officeholders:		
Provision for Annual Leave	134,702	117,854
Provision for Long Service Leave	30,640	19,099
Provision for ADO	41,518	43,917
Provision for Separations and Redundancies	-	-
	206,861	180,870
	442,097	930,306

Movement during the Year:



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contribute up to 4.5 times the employees final average salary at retirement depending on the length of membership and the employees own contributions.

### Reconciliation of the present value of the defined benefit obligation -

	2022	2021
	\$	\$
Fair Value at the Beginning of the Year	2,142,021	1,620,404
Opening PV adjustment	(116,126)	312,032
Current Service Cost	1,283	2,595
Interest Cost	33,364	18,268
Contributions by Funds Participants	409	815
Actuarial Gains	(522,762)	382,821
Benefits Paid	(43,828)	(209,187)
Taxes, Premiums & Expenses Paid	(12,685)	14,273
<i>Present Value at the End of the Year</i>	<u>1,481,676</u>	<u>2,142,021</u>

### 17 RETIREMENT BENEFITS OBLIGATIONS (Con't)

	2022	2021
	\$	\$
Fair Value at the Beginning of the Year	1,462,287	1,245,310
Opening FV adjustment	(51,113)	236,181
Interest Income	23,025	13,895
Actual Return	(52,830)	160,369
Employer Contributions	-	-
Contributions by Funds Participant	416	812
Benefits (Paid) Transferred In	(44,575)	(208,607)
Taxes, Premiums & Expenses Paid	(12,901)	14,227
<i>Fair Value at the End of the Year</i>	<u>1,324,309</u>	<u>1,462,287</u>

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

Australian Equities	19.2	18.5
Overseas Equities	38.0	35.5
Australian Fixed Interest	0.3	1.6
Overseas Fixed Interest	3.9	3.9
Property	2.3	6.3
Cash	13.7	14.2
Other	22.7	19.8

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

### Description of risks

There are a number of risks to which the fund exposes the Employer. The more significant risks relating to the defined benefits are:

- Investment risk - The risk that investment returns will be lower than assumed and the Employer will need to increase contributions to offset this shortfall.
- Longevity risk - The risk that pensioners live longer than assumed, increasing future pensions.
- Pension indexation risk - The risk that pensions will increase at a rate greater than assumed, increasing future pensions.

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	2022 \$	2021 \$
<b>18B: KEY MANAGEMENT PERSONNEL REMUNERATION</b>		
Short-Term Employee Benefits		
Salary (including annual leave taken)	339,919	435,963
Annual Leave Accrued	49,757	34,775
ADO Accrued	9,602	22,063
Performance Bonus	-	-
	<u>399,278</u>	<u>492,801</u>
Post-Employment Benefits		
Superannuation	34,266	19,797
Retirement Benefit Accrued	157,367	679,734
	<u>191,633</u>	<u>699,531</u>
Other Long-Term Benefits:		
Long-Service Leave Accrued	18,510	12,864
	<u>18,510</u>	<u>12,864</u>
<b>Total</b>	<u>609,422</u>	<u>1,205,196</u>
 <b>19 AUDITORS' REMUNERATION</b>		
Remuneration of the auditor for:		
- auditing or reviewing the financial report	23,095	22,099
- other services	-	-
	<u>23,095</u>	<u>22,099</u>

**20 FINANCIAL INSTRUMENTS**

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

**20A: Categories of Financial Instruments**

	2022 \$	2021 \$
<b>Financial Assets</b>		
Cash and cash equivalents	3,015,349	3,035,679
Trade and other receivables	797,616	932,773
Financial assets	2,512,349	2,782,830
<b>Carrying amount of financial assets</b>	<u>6,325,314</u>	<u>6,751,281</u>
 <b>Financial Liabilities</b>		
Financial liabilities at amortised cost		
Trade and other payables	240,101	229,353
<b>Carrying amount of financial liabilities</b>	<u>240,101</u>	<u>229,353</u>

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affected by changes in the relevant risk variable that the Committee of Management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

Sensitivity analysis of the risk that the Union is exposed to for 2021	Change in risk variable %	Effect on	
		Equity	Profit or Loss
Interest Rate risk	+/- 0.5%	29,093	29,093

Sensitivity analysis of the risk that the Union is exposed to for 2022	Change in risk variable %	Effect on	
		Equity	Profit or Loss
Interest Rate risk	+/- 0.5%	27,638	27,638

### (b) Liquidity Risk

Liquidity risk arises from the possibility that the Union might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Union manages this risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturing profiles of financial assets and financial liabilities.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. The Union does not hold directly any derivative financial liabilities.

Cash flows realised from financial assets reflect the Committee of Management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates.

### Contractual maturities for financial liabilities 2021

	On Demand	< 1 year \$	1- 2 years \$	2- 5 years \$	>5 years \$	Total \$
<b>Financial liabilities due for payment</b>						
Trade & Other Payables (excluding leave provisions)	229,353	-	-	-	-	229,353
<b>Total expected outflows</b>	<b>229,353</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>229,353</b>

## AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE OFFICER DECLARATION STATEMENT

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The Union has no significant concentration of credit risk with any single counterparty or group of counterparties.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 6. There is no collateral held by the Union securing trade and other receivables.

The Union does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Union. The trade receivables balance at 31 December 2019 and 31 December 2018 do not include any counterparties with external credit ratings.

Credit risk related to balances with banks and other financial institutions is managed by the Committee of Management in accordance with approved Union policy. Such policy requires that surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA-.

### Ageing of financial assets that were past due but not impaired for 2021

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade and other receivables	25,881	-	10,769	485,740	522,390

### Ageing of financial assets that were past due but not impaired for 2022

	0 to 30 days \$	31 to 60 days \$	61 to 90 days \$	90+ days \$	Total \$
Trade and other receivables	67,511	-	1,431	496,509	565,451

### 20D: Fair Value Estimation

The net carrying amounts of all financial assets and financial liabilities approximate net fair values.

The Union measures and recognises Investment Property at fair value on a recurring basis after initial recognition.

The Union does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE  
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31 December, 2021	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Recurring fair value measurements</b>				
<i>Non-financial assets</i>	-	-	-	-
Investment property	-	7,250,000	-	7,250,000
<b>Total non-financial assets recognised at FV</b>	-	7,250,000	-	7,250,000

31 December, 2022	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Recurring fair value measurements</b>				
<i>Non-financial assets</i>	-	-	-	-
Investment property	-	6,800,000	-	6,800,000
<b>Total non-financial assets recognised at FV</b>	-	6,800,000	-	6,800,000

Description	Fair Value at 31-Dec-2022	Valuation technique	Inputs used
Investment property	6,800,000	Market approach using recent observable market data for similar properties;	Price per square metre

(i) The fair value of the investment property and buildings is determined at least every three years based on valuations by an independent valuer. At the end of each intervening period, the Committee reviews the independent valuation and, when appropriate, update the fair value measurement to reflect current market conditions using a range of valuation techniques, including recent observable market data and discounted cash flow methodologies.

There were no changes during the period in the valuation techniques used by the Union to determine Level 2 fair values.

**21 SECTION 272 Fair Work (Registered Organisations) Act 2009**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commissioner:

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

**22 REGISTERED OFFICE**

The registered office and principle place of business of National Office:

Suite 210, Trades Hall  
4 - 10 Goulburn Street  
Sydney NSW 2000

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION - NATIONAL OFFICE  
OFFICER DECLARATION STATEMENT**

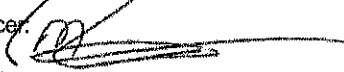
I, Mark Diamond, being the National Secretary of the Australian Rail, Tram and Bus Union National Office, declare that the following activities did not occur during the reporting period ending 31 December, 2022.

The reporting unit did not:

- receive periodic or membership subscriptions
- receive grants
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees to another reporting unit
- pay separation and redundancy to holders of office
- pay separation and redundancy to employees (other than holders of office)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a separation and redundancy provision in respect of holders of office
- have a separation and redundancy provision in respect of employees (other than holders of office)
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit
- pay any compulsory levies
- pay other employee expenses to employees (other than the holders of office) as set out in the financial report
- have any payable in respect of legal costs relating to litigation or other matters

Signed by the officer:

Dated:

  
26 September 2023

**INDEPENDENT AUDITOR'S REPORT TO  
THE MEMBERS OF AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION  
NATIONAL OFFICE**

**Opinion**

We have audited the financial report of Australian Rail, Tram and Bus Industry Union National Office, which comprises the statement of financial position as at 31 December 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 December 2022, notes to the financial statements, including a summary of significant accounting policies; the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Australian Rail, Tram and Bus Industry Union National Office as at 31 December 2022, 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) 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).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Union 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 Reporting Union in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

**Information Other than the Financial Report and Auditor's Report Thereon**

The Committee of Management 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.

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.

**SYDNEY**

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**Responsibilities of Committee of Management for the Financial Report**

The Committee of Management of the reporting unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the reporting unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the reporting unit or to cease operations, or have no realistic alternative but to do so.

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

Our objective is 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 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 the 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 reporting unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management'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 reporting unit'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 reporting unit 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 reporting unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the reporting unit audit. We remain solely responsible for our audit opinion.

We communicate with the Committee of Management 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 Mr. Sandeep Kumar is an auditor registered under the RO Act.

### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of section 257(7) of the RO Act, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in section 252 and 257(2) of the RO Act.

Our opinion on the financial report is not modified in respect of the following matters because, in our opinion, it has been appropriately addressed by Reporting Unit and is not considered material in the context of the audit of the financial report as a whole.

*Hall Chadwick (NSW)*

Hall Chadwick (NSW)  
Level 40, 2 Park Street  
Sydney NSW 2000

*S. Kumar*

**Sandeep Kumar**

Partner

Dated: *26 September 2023.*

Registration Number: *AA 2021/39.*