

Australian Rail, Tram and Bus Industry Union, Western Australia Branch

Financial Report

For the year ended 31 December 2023

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

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**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Certificate by Prescribed Designated Officer

For the year ended 31 December 2023

I, Joshua Dekuyer, being the officer responsible of the Australian Rail, Tram and Bus Industry Union, Western Australia Branch, certify:

- That the documents lodged herewith are copies of the full report for the Australian Rail, Tram and Bus Industry Union, Western Australia Branch for the period ended 31 December 2023 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 _____ and
- That the full report was presented to a meeting of the committee of management of the reporting unit on _____ in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.

Signature of prescribed designated officer

Name of prescribed designated officer Joshua Dekuyer

Title of prescribed designated officer Branch Secretary

Date

OPERATING REPORT

The Committee of Management of the Australian Rail, Tram and Bus Industry Union, Western Australia (“**the Union**”) have prepared this operating report in order to satisfy the requirements of section 254 of the *Fair Work (Registered Organisations) Act 2009* and regulation 159 of the *Fair Work (Registered Organisations) Regulations 2009*. This operating report is for the financial year ending 31 December 2023.

Review of the Union’s principal activities

The Union is an association of employees. The Union covers employees who are employed in or in connection with the railway, and tramway industries and inclusive of those employed in or in connection with the Public Transport Authority of Western Australia.

The Committee of Management has reviewed the principal activities of the Union. The principal activities of the Union in the financial year ended 31 December 2023 were:

- exercising right of entry to hold discussions with current members of the Union and to recruit new members to join the Union;
- assisting members with negotiating replacement enterprise agreements;
- providing members with advice and representation in relation to individual and collective employment issues;
- ensuring rail operators are complying with their obligations under enterprise agreements, the *Industrial Relations Act 1979* (Cth), the *Fair Work Act 2009* (Cth), and WHS laws;
- advancing the interests of the Union at meetings of the National Council and National Executive of the Australian Rail, Tram and Bus Industry Union;
- advocating for more rail jobs and better working conditions through participation in WA Labor and UnionsWA; and
- maintaining and managing the Union’s property portfolio.

Results of right of entry to hold discussions

The Union exercised right of entry a number of times throughout the financial year ended 31 December 2023. This resulted in the Union:

- holding general discussions with members;
- signing up new members;
- informing members about the status enterprise agreement negotiations;
- providing members with information on various industrial disputes between the Union and their Employers such as Pacific National and the Public Transport Authority of Western Australia;
- advising members of their rights and entitlements at work.

Australian Rail, Tram and Bus Industry Union, Western Australia Branch

Results of enterprise agreement negotiation activities

The Union assisted its members with negotiating an enterprise agreement with numerous employers including, but not limited to, Pacific National, Aurizon, WATCO, and the Public Transport Authority of Western Australia

Results of providing employees with industrial advice and representation

- The Union assisted numerous members with receiving significant back payments due to several and different identified underpayments and situations.
- The Union regularly provided advocacy to its members for matters such as disciplinaries, payment of wages, allowances and overtime payments as well as helping members clarify clauses of their agreements. In most cases, members have achieved a more satisfactory outcome by bringing the Union in to assist them with resolving their industrial issues.
- The Union made several applications to the Western Australian Industrial Relations Commission, the Fair Work Commission, and the Industrial Magistrates Court to resolve employee matters.
- The Union also provided legal assistance and industrial advice which has led to several members receiving financial settlements throughout 2023. Due to confidentiality restraints, the Union is unable to provide any specifics about these matters.
- Through arrangements that the Union negotiated with several law firms, injured members of the Union were provided with legal advice and representation in relation to workers' compensation matters.
- The Union maintained an alliance with a number of other public sector unions and overturned the Government's restrictive Wages Policy, bringing a return to genuine enterprise bargaining to negotiations.

Results of ensuring that rail operators are complying with enterprise agreements, the Industrial Relations Act 1979 (Cth), the Fair Work Act 2009 (Cth), and WHS laws

The Union worked closely with its members, external legal providers, Worksafe, and the Office of Rail Safety to ensure that rail operators in Western Australia complied with the legal obligations that they owe to their workforce.

Most rail operators in Western Australia tended to pay their employees in accordance with the law. However, the Union found that, throughout 2023, rail operators struggled to comply with Award clauses, rostering, and WHS obligations. For example:

- Consultation with safety representatives
- Consultation with affected workers
- Posting of rosters
- Work and life balance
- Disciplinary processes

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Results of participation at the National Council and National Executive

The Union actively participated in meetings of the National Council and the National Executive. The main achievement from this process was establishing national initiatives and acquiring ownership of Training Ahead Australia (TAA) as of 1 August 2023. The RTBU has long been concerned with the safety implications that arise as a result of poor practice by many training organisations, and now, we are setting out to fix that problem through this purchase.

Results of advocacy at WA Labor and UnionsWA

- The Union's affiliation with WA Labor has enabled the Union to provide important information to government, based upon experience and knowledge of its members, about the expansion of the Metronet rail system and practical implementation of the Government's Wages Policy.
- The Union's affiliation with WA Labor resulted in the State government agreeing to reconsider its position on in-cab surveillance, commence the process of a rail safety review (review of the Rail Safety National Legislation), and bring forward the first review of the National Freight and Supply Chain Strategy.
- The Union's affiliation with WA Labor has enabled it to participate in the shaping of the party's policies. The Union's aim in participating is to advocate for better employment opportunities and conditions for railway industry workers.
- The Union's affiliation and participation in UnionsWA affairs such as the 'Public Sector Alliance' wage policy campaign has enabled it to shape the direction of the state's wage policy for public sector workers in WA forcing a return to genuine enterprise bargaining.

Results of managing the Union's property portfolio

During the 2023 year, the Union experienced a decrease in rental income due to a difficult rental market but saw an increase in the value of the property portfolio. New tenants at the Union's Murray St property have already invested over \$100,000 into the property, ensuring the members of the Union inherit a 20th century building once done.

No significant changes in the activities of the Union

There were no significant changes in the nature of the Union's principal activities during the financial year.

Significant changes in the Union's financial affairs

There were no significant changes in the WA Branch's financial affairs during 2023. It continued to work towards strengthening finances and did so successfully.

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Members' rights to resign

Members may resign from the Union in accordance with section 174 of the *Fair Work Act 2009*, which reads as follows:

- (1) A member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.
- (2) A notice of resignation from membership of an organisation takes effect:
 - (a) where the member ceases to be eligible to become a member of the organisation:
 - (i) on the day on which the notice is received by the organisation; or
 - (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member; whichever is later; or
 - (b) in any other case:
 - (i) at the end of 2 weeks, or such shorter period as is specified in the rules of the organisation, after the notice is received by the organisation; or
 - (ii) on the day specified in the notice;

whichever is later.
- (3) Any dues payable but not paid by a former member of an organisation, in relation to a period before the member's resignation from the organisation took effect, may be sued for and recovered in the name of the organisation, in a court of competent jurisdiction, as a debt due to the organisation.
- (4) A notice delivered to the person mentioned in subsection (1) is taken to have been received by the organisation when it was delivered.
- (5) A notice of resignation that has been received by the organisation is not invalid because it was not addressed and delivered in accordance with subsection (1).
- (6) A resignation from membership of an organisation is valid even if it is not affected in accordance with this section if the member is informed in writing by or on behalf of the organisation that the resignation has been accepted.

Officers as trustees of superannuation schemes

No officer of the Union was a trustee, or the director of a trustee, of a superannuation scheme because of their membership or position within the Union.

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Information prescribed by regulation 159

As at 31 December 2023:

- (a) There were 1813 people recorded in the register of members.
- (b) The Union had up to 4 FTEs. That was made up of four full-time employees. The Union also had up to two casual employees working when required, one of which was later engaged as one of the 4 full-time employees.
- (c) The following people were members of the Committee of Management during the financial year ended 31 December 2023:

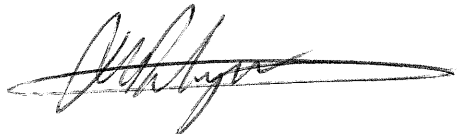
NAME	PERIOD
Joshua Dekuyer	1 January 2023 – 31 December 2023
Craig Svendsen	1 January 2023 – 31 December 2023
Terence Joy	1 January 2023 – 31 December 2023
Peter Visentin	1 January 2023 – 23 November 2023
Kelley Jenkins	1 January 2023 – 31 December 2023

Other information


The members and officers of the Union are the same as the members and officers of The Australian Rail, Tram and Bus Industry Union of Employees, Western Australia Branch (“**the State Union**”). The State Union’s eligibility rule is largely the same but is slightly broader than the Union’s eligibility rule. The State Union is an association registered under the *Industrial Relations Act 1979* (WA). The Union collected the membership fees and levies from dual members of the Union and State Union on behalf of both of those organisations. So that members were not paying double fees due to their joint membership, the State Union did not collect any fees or levies from those dual members. The operating expenses of the State Union were covered by the Union. The State Union technically owns the Unions property portfolio.

For and on behalf of the Committee of Management:

Dated at Perth, Western Australia this 18th day of APRIL 2024



JOSHUA DEKUYER
Branch Secretary



CRAIG SVENDSEN
Branch President

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION, WESTERN AUSTRALIA BRANCH

Report on the Audit of the Financial Report

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Opinion

We have audited the financial report of Australian Rail, Tram and Bus Industry Union, Western Australia Branch (the Reporting unit), which comprises the statement of financial position as at 31 December 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the committee of management statement and the s255(2A) report.

In our opinion:

- (1) The accompanying financial report presents fairly, in all material respects, the financial position of Australian Rail, Tram and Bus Industry Union, Western Australia Branch as at 31 December 2023 and its financial performance and its cash flows for the year ended on that date in accordance with the Fair Work (Registered Organisations) Act 2009, including:
 - (i) Australian Accounting Standards (including Australian Accounting Interpretations); and
 - (ii) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.
- (2) The management's use of the going concern basis of accounting in the preparation of the Reporting unit's financial statements 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 unit in accordance with the auditor independence requirements of 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.

PARTNERS

Timothy Turner
BBus (Acc), FCPA, CTA
Registered Company Auditor

Vick Gelevitis
BBus (Acc), FCPA, CTA

Darryl Rodrigues
BSc, BBus (Acc), CPA

HTG Partners is a CPA Practice



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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN RAIL TRAM AND
BUS INDUSTRY UNION, WESTERN AUSTRALIA BRANCH
(CONTINUED)**

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. 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, 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.

Auditor's Declaration

- (1) In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.
- (2) I, Timothy Turner declare I am an approved auditor registered under the RO Act, a member of CPA Australia and I hold a current Public Practice Certificate.

Responsibilities of the Branch Committee for the Financial Report

The committee of management of the Reporting unit are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the committee 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 are 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 either intend to liquidate the Reporting unit or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN RAIL TRAM AND
BUS INDUSTRY UNION, WESTERN AUSTRALIA BRANCH
(CONTINUED)**

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 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN RAIL TRAM AND
BUS INDUSTRY UNION, WESTERN AUSTRALIA BRANCH
(CONTINUED)**

Auditor's Responsibilities for the Audit of the Financial Report (continued)

- 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 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 business activities within the reporting unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the reporting unit audit. I remain solely responsible for my 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.

HTG PARTNERS



TIMOTHY TURNER
AUDITOR REGISTRATION NUMBER AA2017/123

Signed at Perth on this 19th day of April 2024

**Committee of Management Statement
For the year ended 31 December 2023**

On the 18th April 2024 at a Committee of Management meeting of the Australian Rail, Tram and Bus Industry Union, Western Australia Branch the following resolution was passed in relation to the general-purpose financial report of the Australian Rail, Tram and Bus Industry Union, Western Australia Branch (WA Branch) for the year ended 31 December 2023:

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 the reporting guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisation) Act 2009.
- (c) The financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the WA Branch for the financial year ending 31 December 2023.
- (d) There are reasonable grounds to believe that the WA Branch will be able to pay its debts as and when they become due and payable.
- (e) During the financial year ending 31 December 2023 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 the WA Branch;
 - (ii) the financial affairs of the WA Branch have been managed in accordance with the rules of the organisation including the rules of the WA Branch;
 - (iii) the financial records of the WA Branch have been kept and maintained in accordance with the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
 - (iv) the WA Branch does not know whether its financial records have been kept, as far as practicable, in a manner consistent with each of the other reporting units of the organisation;
 - (v) where the information has been sought in any request by a member of the WA Branch or the General Manager duly made under section 272 of the RO Act, that information has been provided to the member or the General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Committee of Management Statement (continued)

For the year ended 31 December 2023

This declaration is made in accordance with a resolution of the Committee of Management of Australian Rail, Tram and Bus Industry Union, Western Australia Branch on 18th April 2024.

Signature of designated officer:



Name and title of designated officer: Joshua Dekuyer Branch Secretary

Dated:

18 APRIL 2024

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Subsection 255 (2A) Report

For the year ended 31 December 2023

The Committee of Management presents its expenditure report as required under subsection 255 (2A) of the Fair Work (Registered Organisation) Act 2009 on the Reporting Unit for the year ended 31 December 2023.

Categories of Expenditure	2023 \$
Remuneration of employees and other employment – related costs and expenses	483,480
Advertising	-
Operating costs	507,208
Donations to political parties	-
Legal costs	58,353

Signature of prescribed designated officer



Name of prescribed designated officer

Joshua Dekuyer

Title of prescribed designated officer

Branch Secretary

Date

18th April 2024

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Statement of Comprehensive Income

For the year ended 31 December 2023

	Notes	2023 \$
Revenue from contracts with customers		
Membership subscriptions		994,510
Revenue from recovery of wages activity	2F	-
Capitation fees		-
Levies	2B	162,882
Other revenue	2D	41,810
Total revenue from contracts with customers	2	1,199,202
Income for furthering objectives		
Income recognised from volunteer services	2G	-
Grants and donations	2E	(4,675)
Other		15,587
Total income for furthering objectives	2	10,912
Other income		
Debt forgiven	2A,17	377,730
Settlement funds		-
Dividend income		180
Finance income	2C	1,475
Total other income		379,385
Total revenue and other income		1,589,499
Expenses		
Employee expenses	3	483,480
Capitation fees	3	147,159
Affiliation fees	3	39,134
Administration expenses	3	95,337
Grants or donations	3	3,500
Depreciation and amortisation	3	4,953
Finance costs	3	1,861
Legal costs	3	58,353
Audit fees	19	21,623
Write-down and impairment of assets		6,994
Other expenses	3	186,647
Total expenses		1,049,041
Surplus for the year		540,458
Other comprehensive income		
Items that will be subsequently reclassified to profit or loss		-
Items that will not be subsequently reclassified to profit or loss		-
Total comprehensive income for the year		540,458

The above statement should be read in conjunction with the notes.

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Statement of Financial Position

As at 31 December 2023

	Notes	2023 \$
ASSETS		
Current Assets		
Cash and cash equivalents	4	715,100
Trade and other receivables	5	28,321
Other current assets	6	16,978
Contract assets		501
Other financial assets	7	4,556
Total current assets		<u>765,456</u>
Non-Current Assets		
Plant and equipment	8A	12,651
Right-of-use assets	8B	10,624
Total non-Current assets		<u>23,275</u>
Total assets		<u>788,731</u>
LIABILITIES		
Current Liabilities		
Trade payables and accruals	9	41,027
Other payables	10A	122,365
Lease liabilities	8B	2,491
Borrowings	11	-
Employee entitlements	12	100,336
Provisions	13	20,000
Contract liabilities	10B	52,101
Total current liabilities		<u>338,320</u>
Non-Current Liabilities		
Employee entitlements	12	7,416
Lease liabilities	8B	8,358
Other non-current liabilities		-
Total non-current liabilities		<u>15,774</u>
Total liabilities		<u>354,094</u>
Net assets		<u>434,637</u>
EQUITY		
Reserve	14 24	(105,821)
Retained earnings		540,458
Total equity		<u>434,637</u>

The above statement should be read in conjunction with the notes.

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Statement of Changes in Equity

For the year ended 31 December 2023

	Note	Retained earnings \$	Amalgamation Reserve \$	Total Equity \$
Balance as at 1 January 2023		-	-	-
Surplus for the year		541,320	-	541,320
Transfer arising on amalgamation	14, 24	-	(106,683)	(106,683)
Other comprehensive income for the year		-	-	-
Closing balance as at 31 December 2023		541,320	(106,683)	434,637

The above statement should be read in conjunction with the notes.

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Statement of Cash Flows

For the year ended 31 December 2023

	Notes	2023 \$
OPERATING ACTIVITIES		
Cash received		
Members (customers)		1,202,579
Interest		1,475
Dividend received		180
Donations and grants		(4,675)
Receipts from other controlled entities/reporting units	15	7,771
Other receipts		15,587
Cash used		
Employees		(447,151)
Suppliers		(364,704)
Payments to other controlled entities/ reporting units	15	(212,520)
Net cash (used by)/from operating activities	15	198,542
INVESTING ACTIVITIES		
Cash received		
Proceeds from sale of plant and equipment		-
Proceeds from sale of land and buildings		-
Proceeds from investments properties		-
Cash used		
Purchase of plant and equipment		(8,578)
Purchase of land and buildings		-
Repayment of rental bond		-
Net cash (used by) investing activities		(8,578)
FINANCING ACTIVITIES		
Cash received		
Contributed equity		-
Advance of borrowings		-
Cash used		
Repayment of borrowings		-
Repayment of leasing liabilities		(483)
Net cash from financing activities		(483)
CASH AND CASH EQUIVALENTS ARISING FROM AMALGAMATION		
	24	525,619
Net increase (decrease) in cash held		715,100
Cash & cash equivalents at the beginning of the financial year		-
Cash & cash equivalents at the end of the financial year	4	715,100

The above statement should be read in conjunction with the notes.

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Notes to the Financial Statements

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Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies

Basis of preparation of the financial statements

The financial statements cover the Australian Rail, Tram and Bus Industry Union, Western Australia Branch as an individual entity (the “Reporting Unit”, “Union” or “RTBU-WA”).

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general-purpose financial statements, the Reporting unit is a not-for-profit entity.

The financial statements except for cash flow information, have been prepared using the accrual basis of accounting. The financial statements have been prepared on a historical cost, except for certain classes of property, plant and equipment and investment properties, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. The financial statements are presented in Australian dollars and have been rounded to the nearest dollar.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied, unless stated otherwise.

The financial statements were authorised for issue by members of the Committee of Management of Australian Rail, Tram and Bus Industry Union, Western Australia Branch on 18 April 2024.

a) Comparative amounts

The reporting unit was established 1 January 2023 following an amalgamation. There are no comparative figures..

b) Significant accounting judgements and estimates

The Committee of Management evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Union.

The following 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.

Employee entitlements

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

b) Significant accounting judgements and estimates (continued)

present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Estimation of useful lives of assets

The Reporting unit determines the estimated useful lives and related depreciation for its property, plant and equipment. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Death benefit provision

The death benefit provision is calculated using a five year average of known claims present valued over a number of years with a discount rate of 6%.

c) New Australian Accounting Standards

Adoption of New Australian Accounting Standard and amendments

The accounting policies adopted are consistent with those of the previous financial year except for the following accounting standards and amendments, which have been adopted for the first time this financial year:

- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates.

The adoption of this standard has not had a material impact on the reporting unit's financial statements.

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

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

c) New Australian Accounting Standards (continued)

Future Australian Accounting Standards

New standards, amendments to standards or interpretations that were issued prior to the sign off date and are applicable to future reporting periods include:

- AASB 2022-5 Amendments to AASB 16 – Lease liabilities for sale and leaseback transactions to include variable lease payments that do not depend on an index or rate.
- AASB 2023-1 Amendments to AASB 107 and AASB 7 to account for reverse factoring /supply chain financing arrangements.
- AASB 2023-5 Amendments to AASB 121 on how to determine the exchange rate when a currency is not exchangeable into another currency.

The reporting unit does not expect the adoption of these amendments to have a material impact on its financial statements.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

d) Revenue

The reporting unit 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 reporting unit has a contract with a customer, the reporting unit recognises revenue when or as it transfers control of goods or services to the customer. The reporting unit 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 subscriptions

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 reporting unit.

If there is only one distinct membership service promised in the arrangement, the reporting unit recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect the reporting unit'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 reporting unit allocates the transaction price to each performance obligation based on the relative standalone selling price of each promised good or service. In performing this allocation, standalone selling prices are estimated if there is no observable evidence of the price of that the reporting unit 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 reporting unit recognises revenue at the amount of the transaction price that was allocated to that performance obligation.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

d) Revenue (continued)

Membership subscriptions (continued)

For member subscriptions paid annually in advance, the reporting unit 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 reporting unit at their standalone selling price, the reporting unit accounts for those sales as a separate contract with a customer.

Capitation fees

The reporting unit recognises capitation fees as income upon receipt.

Rental income

Leases in which the reporting unit as a lessor, does not transfer substantially all the risks and reward's 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 income in the period in which they are earned.

Levies

Levies paid by a member (or other party) in an arrangement that meets the criteria to be a contract with a customer is recognised as revenue when the service has been provided by the reporting unit.

Income of the reporting unit as a Not-for-Profit Entity

Consideration is received by the reporting unit to enable the entity to further its objectives. The reporting unit recognises each of these amounts of consideration as income when the consideration is received (which is when the reporting unit obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- the reporting unit's recognition of the cash contribution does not give to any related liabilities.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

d) Revenue (continued)

Income of the reporting unit as a Not-for-Profit Entity (continued)

Volunteer services

During the year, the reporting unit did not recognise any volunteer services as revenue because it could not reliably measure the fair value of those services.

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 comprehensive income when the asset is derecognised.

Interest income

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

e) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits in the circumstances set out below.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Provision is made for separation and redundancy benefit payments. The Reporting unit recognises a provision for termination as part of a broader restructuring when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations. A provision for voluntary termination is recognised when the employee has accepted the offer of termination.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

f) Leases

The reporting unit 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.

Reporting unit as a lessee

The reporting unit applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The reporting unit 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 reporting unit 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, as follows:

	2023
Plant & Equipment:	5 years

If ownership of the leased asset transfers to the reporting unit at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the reporting unit recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the reporting unit and payments of penalties for terminating the lease, if the lease term reflects the reporting unit exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

f) Leases (continued)

In calculating the present value of lease payments, the reporting unit uses the implicit interest rate or incremental borrowing rate if the implicit lease rate is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The reporting unit's short-term leases are those that have a lease term of 12 months or less from the commencement. It also applies the lease of low-value assets recognition exemption to low value leases. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

g) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

h) Cash and cash equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

i) Financial assets - Initial recognition and measurement

Contract assets and receivables

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

A receivable is recognised if an amount of consideration that is unconditional is due from the customer (ie 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 in impairment of financial assets below.

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income, or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the entity's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the entity initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The entity's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the reporting unit commits to purchase or sell the asset.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

i) Financial assets - Initial recognition and measurement

Financial assets – Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into five categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- Financial assets at fair value through profit or loss
- Financial assets designated at fair value through profit or loss

Financial assets at amortised cost

The entity measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows 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.

Financial assets at amortised cost are subsequently measured using the effective interest (**EIR**) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The entity's financial assets at amortised cost includes trade receivables and loans to related parties.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

i) Financial assets - Initial recognition and measurement (continued)

Financial assets at fair value through other comprehensive income

The reporting unit measures debt instruments at fair value through other comprehensive income 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 other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

The reporting unit does not hold debt instruments at fair value through other comprehensive income.

Investments in equity instruments designated at fair value through other comprehensive income

Upon initial recognition, the reporting unit can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under AASB132 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the entity benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

The entity elected to classify irrevocably its listed and non-listed equity investments under this category.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

i) Financial assets - Initial recognition and measurement (continued)

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 reporting unit 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 reporting unit has transferred substantially all the risks and rewards of the asset, or
 - b) the reporting unit has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the entity 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.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the reporting unit continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

i) Financial assets - Initial recognition and measurement (continued)

Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

Expected credit losses (ECLs)

(i) Debt instruments other than trade receivables

The reporting unit recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the reporting unit expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages:

- For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).
- For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The reporting unit considers a financial asset in default when contractual payments are 190 days past due. However, in certain cases, the reporting entity may also consider a financial asset to be in default when internal or external information indicates that the reporting entity is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(ii) Trade receivables

For trade receivables that do not have a significant financing component, the reporting entity applies a simplified approach in calculating ECLs. Therefore, the reporting unit does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The reporting unit has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

j) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, at amortised cost or at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The entity's financial liabilities include trade and other payables.

Subsequent measurement

Financial liabilities at fair value through profit and 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 Investments 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.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

j) Financial liabilities (continued)

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.

Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the reporting unit transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the reporting unit performs under the contract (i.e., transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from a customer. The reporting unit's refund liabilities arise from customers' right of return. The liability is measured at the amount the reporting unit's ultimately expects it will have to return to the customer. The reporting unit updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

k) Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position, but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable, but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

l) Land, buildings, plant and equipment

Asset recognition threshold

Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Measurement after recognition

Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets does not differ materially from those that would be determined using fair values at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the profit/loss. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the diminishing value method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following rates:

	2023
Motor Vehicles	22.5%
Plant and equipment	2.5%-100%

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

l) Land, buildings, plant and equipment (continued)

Derecognition

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

Gains on Sale of Assets

The gains and losses from disposal of all fixed assets, is determined on the difference between the carrying amount of the asset when control of the asset has passed to the buyer, and the proceeds of disposal and is included in operating profit of the Reporting Unit in the year of disposal.

m) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its costs, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

n) Impairment for non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Reporting unit were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

In other cases, for the purposes of determining recoverable amount, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

n) Impairment for non-financial assets (continued)

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

o) Taxation

The Reporting unit is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

p) Fair value measurement

The Reporting unit measures financial instruments, such as, financial asset as at fair value through the profit and loss, available for sale financial assets, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 21.

Fair value is 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Reporting unit. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

p) Fair value measurement (continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Reporting unit uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Reporting unit determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Reporting unit has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

q) Going concern

The financial report has been prepared on a going concern basis which assumes the branch will be able to continue its operations, realise its assets and extinguish its liabilities in the ordinary course of business.

The executive is of the view the reporting unit, is a going concern and therefore will be able to continue its operations, realise its assets and extinguish its liabilities in the ordinary course of its business.

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

r) Restructuring – Amalgamation

The members of the Australian Rail, Tram and Bus Industry Union West Australian PTA Branch (PTA Branch) and the Australian Rail, Tram and Bus Industry Union West Australian Branch (WA Branch) voted to amalgamate and form the Australian Rail, Tram and Bus Industry Union Western Australia Branch. The PTA Branch and the WA Branch ceased operations and trading on 1 January 2023. All the assets and liabilities and employee of the PTA Branch and the WA Branch have been transferred into this reporting unit on 1 January 2023 for no consideration. The net liabilities acquired are recognised as a direct addition to equity in the amalgamation reserve.

Refer to Note 24 for details of a restructure which occurred.

s) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

t) Financial Support

The Union does not provide financial support to another Union.

u) Business Combinations

There have been no assets and liabilities acquired during the financial year as part of a business combination.

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1 Summary of significant accounting policies (continued)

v) Current versus Non-Current Classification

The Reporting Unit presents assets and liabilities in the statement of financial position based on current/ non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within 12 months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within 12 months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

The Reporting Unit classifies all other liabilities as non-current.

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Notes to the Financial Statements

For the year ended 31 December 2023

Note 2 Income – Revenue from contracts with customers – AASB 15

Disaggregation of revenue from contracts with customers

A disaggregation of the reporting unit's revenue by type of arrangements is provided on the face of the Statement of comprehensive income. The table below also sets out a disaggregation of revenue by type of customer.

	2023
	\$
Type of customer	
Members	1,199,202
Other reporting units	-
Government	-
Other parties	-
Total revenue from contracts with customers	1,199,202

Disaggregation of income for furthering activities

A disaggregation of the reporting unit's 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	7,771
Government	(4,675)
Other parties	7,816
Total income for furthering activities	10,912

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

Note 2 Income – Revenue from contracts with customers – AASB 15	2023
	\$
Note 2A Capitation fee revenue and other revenue from another reporting unit	
Capitation fees	-
Other revenue from another reporting unit – Debt forgiven by RTBU National Office	377,730
Total revenue from other reporting units	<u>377,730</u>
Note 2B: Levies	
Organiser’s levy	41,406
Operational levy	121,476
Total levies	<u>162,882</u>
Note 2C: Finance income	
Interest on Deposits	1,475
Total interest earned	<u>1,475</u>
Note 2D: Other income	
Journey cover	38,239
Merchandise sales	3,571
Total other income	<u>41,810</u>
Note 2E: Grants and donations	
Grants (returned)	(4,675)
Donations	-
Sponsorship	-
Total grants and donations	<u>(4,675)</u>
Note 2F: Revenue from recovery of wages activity	<u>-</u>
Note 2G: Income recognised from volunteer services	
Amounts recognised from volunteer services	-
Total income recognised from volunteer services	<u><u>-</u></u>

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Notes to the Financial Statements

For the year ended 31 December 2023

Note 3 Expenses

Employee expenses

	2023
	\$
Holders of office:	
Wages and salaries	148,777
Superannuation	17,575
Leave and other entitlements	13,036
Separation and redundancies	-
Other employee expenses	-
Subtotal employee expenses holders of office	179,388
Employees other than office holders:	
Wages and salaries	233,626
Superannuation	46,775
Leave and other entitlements	23,293
Separation and redundancies	-
Other employee expenses	398
Subtotal employee expenses employees other than office holders	304,092
Total employee expenses	483,480
Capitation fees	
Australian, Rail, Tram and Bus Industry Union, National Office	147,159
Total capitation fees	147,159
Affiliation fees	
Australian Labour Party	14,586
Australian Council of Trade Unions	9,953
Unions WA	14,595
Total affiliation fees	39,134

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

2023
\$

Note 3 Expenses (continued)

Administration expenses

Consideration to employers for payroll deductions	-
Compulsory levies	-
Fees/allowances - meeting and conferences	-
Conference and meeting expenses	6,356
Contractors/consultants	-
Property operating expenses	37,963
Office expenses	42,027
Information communications technology	8,991
Other	-
Short term low value and variable lease payments on operating lease rentals	-
Total administration expense	95,337

Grants or donations

Grants:	
Total paid that were \$1,000 or less	-
Total paid that exceeded \$1,000	-
Donations:	
Total paid that were \$1,000 or less	3,500
Total paid that exceeded \$1,000	-
Total grants or donations	3,500

Depreciation

Depreciation	
Plant and equipment	3,759
Motor Vehicle	486
Right-of-use office equipment	708
Total depreciation	4,953

Finance costs

Interest on leases & borrowings	1,861
Debt collector fees	-
Unwinding of discount	-
Total finance costs	1,861

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

2023
\$

Note 3 Expenses (continued)

Legal costs

Litigation	-
Other legal matters	58,353
Total legal costs	58,353

Other expenses

Accounting fees	87,539
Bank fees	13,443
Penalties - via RO Act of the Fair Work Act 2009	-
Insurance	36,098
Vehicle expenses	10,229
Fringe benefits tax	1,693
Death benefit expense	6,500
Other expenses	31,145
Total other expenses	186,647

2023
\$

Note 4 Cash and cash equivalents

Cash at bank – Operating Account	659,326
Cash at bank – Merchandise Account	3,753
Cash at bank – Transit officer legal fund account (refer to Note 14B)	51,021
Cash at bank - other	1,000
Total cash and cash equivalents	715,100

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

Note 5 Trade and other receivables

	2023
	\$
Trade receivables	
Receivables from other reporting units	27,913
Australian Rail, Tram and Bus Industry Union of Employees Western Australia Branch	4,555
Total receivables from other reporting units	32,468
Less allowance for expected credit losses	
Provision for doubtful debts	(4,147)
Total allowance for expected credit losses	(4,147)
Net trade receivables	28,321
Other receivables	
Other receivables	-
Total other receivables	-
Total net trade and other receivables	28,321
As 1 January	-
Provision for expected credit losses	(4,147)
Write-off	-
At 31 December	(4,147)

Note 6 Other current assets

Prepaid expenses	16,978
Total other current assets	16,978

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

	2023
	\$
Note 7 Other financial assets	
Financial assets at fair value through profit or loss	
Shares in listed corporations – held	4,556
Deposits	-
Other	-
Total other investments	4,556

Note 8(a) Plant and equipment

Motor vehicles:

At cost	2,144
Accumulated depreciation	(486)
	<u>1,658</u>

Plant and equipment:

At cost	14,752
Accumulated depreciation	(3,759)
	<u>10,993</u>

Total plant and equipment	12,651
----------------------------------	---------------

Reconciliation of the opening and closing balances of plant and equipment

2023	Motor vehicles \$	Plant and equipment \$	Total \$
As at 1 January 2023			
Gross carrying amount	-	-	-
Accumulated depreciation and impairment	-	-	-
Net book value 1 January 2023	<u>-</u>	<u>-</u>	<u>-</u>
Additions:			
By purchase	129	8,449	8,578
From acquisition of entities (including restructuring) (Note 24)	2,015	6,303	8,318
Impairment	-	-	-
Depreciation expense	(486)	(3,759)	(4,245)
Disposals	-	-	-
Other	-	-	-
Net book value 31 December 2023	<u>1,658</u>	<u>10,993</u>	<u>12,651</u>
Net book value as of 31 December 2023 represented by:			
Gross book value	2,144	14,752	16,896
Accumulated depreciation and impairment	(486)	(3,759)	(4,245)
Net book value 31 December 2023	<u>1,658</u>	<u>10,993</u>	<u>12,651</u>

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

Note 8(b) Leases

This note provides information for leases where the reporting unit is a lessee.

(i) Amounts recognised in the balance sheet.

	2023
	\$
Right-of-Use Assets	
Equipment	
- at cost	11,332
- less accumulated depreciation	(708)
	<u>10,624</u>
Lease liabilities	
Current	2,491
Non-current	8,358
	<u>10,849</u>

(ii) Amounts recognised in the statement of profit or loss.

The statement of profit or loss shows the following amounts relating to leases:

	2023
	\$
Depreciation charge of right-of-use assets	708
Equipment	387
Interest expense (included in finance cost)	
Expense relating to short-term Leases	-
Expense relating to Leases of low value assets that are not shown above as short-term leases	-
Expenses relating to variable lease payments not included in Lease liabilities	-

Total cash out flow for Leases in 2023 was \$870.

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

	2023
	\$
Note 9 Trade payables and accruals	
Trade creditors and accruals (a)	27,670
Subtotal trade creditors	<u>27,670</u>
Payables to other reporting units	
Australian Rail, Tram and Bus Industry Union of Employees, Western Australia Branch	-
Australian Rail, Tram and Bus Industry Union, National Office (b)	13,357
Subtotal payables to other reporting units	<u>13,357</u>
Total trade payables	<u><u>41,027</u></u>

(a) Settlement of payables to unrelated third parties is usually made within 30 days.

(b) Settlement of payables to related reporting units is made upon mutual agreement. 78.5% of this payable was waived on 1 January 2023. Refer to Note 2.

Note 10A Other payables

Wages and salaries	6,909
Superannuation	18,821
Legal costs - litigation	-
Legal costs - other	-
GST payable/ (receivables)	18,844
Payables to employers for payroll deductions of membership subscriptions	-
PAYG	25,796
Transit officers' legal fund (refer to Note 14B)	51,995
Other payables	-
Total other payables	<u><u>122,365</u></u>

Settlement generally is within 30 days.

Total other payables are expected to be settled in:

No more than 12 months	122,365
More than 12 months	-
Total other payables	<u><u>122,365</u></u>

Australian Rail, Tram and Bus Industry Union,

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Notes to the Financial Statements

For the year ended 31 December 2023

	2023
	\$
Note 10B Contract liabilities	
Membership fees paid in advance	52,101
Total Contract Liabilities	52,101

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was \$Nil.

Revenue recognised in the reporting period from performance obligations satisfied for partially satisfied in previous periods (e.g. changes in transaction price) was \$Nil.

Unsatisfied Performance Obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2023 is \$51,101. The reporting unit expects that 100% of the transaction price allocated to remaining performance obligations is expected to be recognised as revenue within one year. The performance obligations relate to provision of membership subscription services.

Note 11 Borrowings

	2023
	\$
Current	-
Non-Current	-
	<u>-</u>
	<u>-</u>

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

	2023
	\$
Note 12 Employee entitlements	
Office holders:	
Annual leave	33,956
Long service leave	14,022
Separations and redundancies	-
Other	-
Subtotal employee entitlements—office holders	<u>47,978</u>
Employees other than office holders:	
Annual leave	39,190
Long service leave	20,584
Separation and redundancies	-
Other	-
Subtotal employee entitlements—employees other than office holders	<u>59,774</u>
Total employee entitlements	<u>107,752</u>
Current	100,336
Non-current	7,416
Total employee entitlements	<u>107,752</u>

Note 13 Provisions

Provision for Death Benefit	(i)	20,000
		<u>20,000</u>

(i) Death benefit provision

The entity agrees to pay \$1,500 to the spouse of a deceased member on the production of a death certificate. The provision is calculated as the net present value of the estimated payouts based upon past payouts. The discount rate is 6%.

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

Note 14 Equity

Note 14A Amalgamation Reserve

	2023
	\$
Balance as at start of year	-
Transferred to reserve (refer to Notes 1(r) and 24)	(105,821)
Transferred out of reserve	-
Balance as at end of year	<u><u>(105,821)</u></u>

Note 14B Other Specific disclosures – Funds

Other funds	-
-------------	---

Compulsory levy/voluntary contribution fund – if invested in assets

Other funds	-
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Other fund(s) required by rules

Balance as at start of year	-
------------------------------------	---

Transferred to reserve	-
------------------------	---

Transferred out of reserve	-
----------------------------	---

Balance as at end of year	<u><u>-</u></u>
----------------------------------	-----------------

Transit officers' Legal fund (Liability – refer to Note 10A)

Opening balance	-
-----------------	---

Transfer arising on amalgamation (refer to Note 24)	51,995
---	--------

Levies collected	-
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Amounts paid from fund	-
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Closing balance	<u><u>51,995</u></u>
------------------------	----------------------

In prior years a special levy was raised to support the transit officer members of the former Australian Rail, Tram and Bus Industry Union, Western Australia Branch. Upon amalgamation the \$51,995 balance upon amalgamation was transferred into this reporting unit. The \$51,995 balance of these unspent funds appear in other payables as the reporting unit considers it has a constructive obligation to provide this service in future years.

The service will be provided until all funds collected from this levy have been outlaid for this purpose.

The Reporting unit is no longer collecting this special levy.

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

	2023
	\$
Note 15 Cash flow reconciliation	
Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement:	
(i) Cash and cash equivalents as per:	
Cash flow statement	715,100
Statement of Financial Position	715,100
Difference	<u>-</u>
(ii) Reconciliation of surplus/(deficit) to net cash from operating activities:	
Surplus for the year	540,458
Adjustments for non-cash items	
Depreciation/amortisation	4,953
Fair value movement in investments	(84)
Gain/loss on disposal of assets	-
Changes in assets/liabilities	
(Increase)/decrease in receivables	(19,366)
(Increase)/decrease in net receivables from other reporting units	(4,555)
(Increase)/decrease in prepayments	(2,962)
(Increase)/decrease in contract assets	(501)
Increase/(decrease) in payables	86,379
Increase/(decrease) in provision for employee entitlements	36,329
Increase/(decrease) in provisions	5,000
Increase/(decrease) in payables to other reporting units	(477,430)
Increase/(decrease) in fees in advance	30,322
Net cash from (used by) operating activities	<u>198,542</u>
(iii) Cash flow information	
Cash inflows from reporting unit:	
- Australian Rail, Tram and Bus Industry Union – National Office	7,771
Total cash inflows	<u>7,771</u>
Cash outflows to reporting unit:	
- Australian Rail, Tram and Bus Industry Union of Employees, Western Australia Branch	-
- Australian Rail, Tram and Bus Industry Union– National Office	(212,520)
Total cash outflows	<u>(212,520)</u>

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Notes to the Financial Statements

For the year ended 31 December 2023

Note 16 Contingent liabilities, assets and commitments

Lease commitments – as lessee

The reporting unit has recognised right-of-use assets for Leases, except for short-term and low value leases. Refer to Note 8(b).

Future minimum rentals payable under non-cancellable leases as at 31 December which have not been brought to account as a liability are as follows:

	2023
	\$
Within one year	-
After one year but no more than five years	-
More than five years	-
	<u> -</u>
	<u> -</u>

Contingent assets

The Reporting unit has a contingent asset in relation to properties held in title by Australian Rail, Tram and Bus Industry Union of Employees, Western Australia Branch (ARTBIU). Two of the three properties are investment properties, 630 Murray Street, West Perth and 224 Stirling Street, Perth and the other is owner occupied, 10 Nash Street, Perth.

The RTBU and ARTBIU agree that preservation of assets must be safeguarded in the interest of the entire RTBU and ARTBIU membership and that no assets (including real property) shall be disposed of or otherwise dealt without the consent of the RTBU National Executive and the ARTBIU Executive.

Based on the above information the members of the Reporting unit may have a claim on the value of the properties.

The combined value of the properties in the records of Australian Rail, Tram and Bus Industry Union of Employees, Western Australia Branch as at 31 December 2023 is \$3,550,000.

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Notes to the Financial Statements

For the year ended 31 December 2023

Note 17 Related party transactions for the reporting period

Related parties and nature of their relationship

Australian Rail, Tram and Bus Industry Union – National Office (National Office)

- This is the National Office which this reporting unit is the Western Australia Branch.

Australian Rail, Tram and Bus Industry Union of Employees, Western Australia Branch (State Branch) (ARTBIU)

- This is a Western Australian regulated Reporting unit and is a related party that holds the title of all 3 properties jointly held with the Reporting unit.

On 7 July 2023 a deed of agreement (approved pursuant to section 71 (7) of the Industrial Relations Act) was made between the reporting unit (RTBU – WA Branch) and ARTBIU whereby, amongst other matters, it was agreed between the parties that:

- (a) There is dual membership of RTBU – WA Branch and ARTBIU. ARTBIU will not collect entrance fees or subscriptions from a dual member; and
- (b) RTBU – WA will provide facilities, services and administration to ARTBIU.

No payments were made to former related parties.

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

	2023
	\$
<u>National Office</u>	
Revenue from National Office	
Expense reimbursements	7,771
Debt forgiven – waiver of outstanding capitation fees payable	377,730
Expenses to National Office	
Capitation fees	147,159
Amounts owed to National Office	
Capitation fees owed to National Office	13,357
<u>ARTBIU</u>	
Expenses to ARTBIU	
Rental income (i)	32,367
Waiver of amount receivable from ARTBIU (ii)	56,430
Amounts receivable from ARTBIU	
Trade and other receivables	4,555

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

Note 17 Related party transactions for the reporting period

Related parties and nature of their relationship (continued)

- (i) Pursuant to the terms of the Deed of Agreement dated 7 July 2023 between Australian Rail, Tram and Bus Industry Union of Employees – Western Australian Branch and Australian Rail, Tram and Bus Industry Union, the parties released the other from all claims for repayment of any monies paid and / or received the one from the other including all claims in respect of any related interest, costs or expenses.
- (ii) As consideration for occupying the Nash Street premises the WA Branch of RTBU pays rental income to the value of the Nash Street property outgoings.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to these that prevail in arms' length transactions. Outstanding balances 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 2023, the reporting unit has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the contingent assets which are likely to be available to settle the receivables.

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

Note 18 Key management personnel

(a) Remuneration for the reporting period

Key management person is the Officer of the Reporting unit, Mr Joshua Dekuyer.

	2023
Short-term employee benefits	\$
Salary (including annual leave taken)	
Annual leave accrued / (reversed upon leave taken)	148,777
Performance bonus	9,077
Other	-
Total short-term employee benefits	157,854
Post-employment benefits:	
Superannuation	17,575
Total post-employment benefits	17,575
Other long-term benefits:	
Long-service leave accrued	3,959
Total other long-term benefits	3,959
Termination benefits	-
Total	179,388

(b) Transactions with key management personnel and their close family members

Loans to/from key management personnel -

Other transactions with key management personnel -

(c) Transactions with former Key Management Personnel

Payment to former key management personnel for outstanding wages -

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Notes to the Financial Statements

For the year ended 31 December 2023

Note 19 Remuneration of auditors

	2023
	\$
Value of the services provided	
Audit services	15,643
Other services	5,980
Total remuneration of auditors	21,623

Other services refer to preparation of financial statements and audit of membership register.

Note 20 Financial instruments

Financial risk management objectives

The Reporting unit's activities do not expose it to many financial risks and therefore are not actively managing these risks.

Categories of financial instruments

	2023
	\$
<i>Financial Assets</i>	
Cash and cash equivalents	715,100
Fair Value through profit and loss:	
Shares in listed companies – held for trading	4,556
Loans and receivables at amortised cost:	
Trade and other receivables	28,321
Carrying amount of financial assets	747,977
<i>Financial Liabilities at amortised cost</i>	
Other financial liabilities:	
Trade payables and accruals	41,027
Lease liabilities	10,849
Borrowings	-
Other payables	122,365
Carrying amount of financial liabilities	174,241

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

Note 20 Financial instruments

Financial risk management objectives (continued)

	2023
	\$
Net income and expenses from financial assets	
Dividend revenue	180
Interest revenue	1,475
Change in fair value	(84)
Net gain / (loss) from financial assets through profit or loss	<u>1,571</u>

Credit risk

The Reporting unit is not exposed to any significant credit risk and is therefore not actively managing its credit risk.

Set out below is the information about the credit risk exposure on financial assets using a provision matrix:

31 December 2023	Trade and other receivables					
	Days past due					
	Current	<30 days	30-60	61-90	>91 days	Total
	\$	\$	\$	\$	\$	\$
Expected credit loss rate	0%	15.7%	0%	0%	0%	
Estimate total gross carrying amount at default	1,218	26,395	-	300	4,555	32,468
Expected credit loss	-	(4,147)	-	-	-	-

The reporting unit's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2023 is the carrying amounts as illustrated in Note 20.

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

Note 20 Financial instruments (continued)

Liquidity risk

The Reporting unit is not exposed to any significant liquidity risk and is therefore not actively managing it liquidity risk.

Contractual maturities for financial liabilities 2023

	On demand \$	< 1 year \$	1 – 2 years \$	2 – 5 years \$	> 5 years \$	Total \$
Trade creditors and accruals	41,027	-	-	-	-	41,027
Lease liabilities	-	2,491	2,765	5,593	-	10,849
Borrowings	-	-	-	-	-	-
Other payables	122,365	-	-	-	-	122,365
Total	163,392	2,491	2,765	5,593	-	174,241

Market risk

The Reporting unit is not exposed to any significant market risks, including interest rate risk, price risk and currency risk, and is therefore not actively managing these risks. Given the insignificance of the risk no further information is provided as per the Fair Work (Registered Organisations) Act 2009 reporting requirements.

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

Note 20 Financial instruments (continued)

Changes in liabilities arising from financing activities

	1 January 2023	Cash flows	Reclassified	Foreign exchange movement	Changes in fair values	New Borrowings / Leases	Other	31 December 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-	-	-	-	-
Current obligations under leases and hire purchase contracts	-	(483)	-	-	-	2,974	-	2,491
Non-current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-	-	-	-	-
Non-current obligations under leases and hire purchase contracts	-	-	-	-	-	8,358	-	8,358
Total liabilities from financing activities	-	(483)	-	-	-	11,332	-	10,849

Australian Rail, Tram and Bus Industry Union,

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Notes to the Financial Statements

For the year ended 31 December 2023

Note 21 Fair value measurement

Management of the Reporting unit assessed that cash and cash equivalents, trade receivables, trade payables, accruals and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the Reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 31 December 2023 was assessed to be insignificant.
- Fair value of equity securities are derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Reporting unit based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 31 December 2023 the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The following table contains the carrying amount and related fair values for the Reporting unit's financial assets and liabilities:

	Carrying amount 2023 \$	Fair value 2023 \$
Financial assets		
Cash and cash equivalents	715,100	715,100
Other investments	4,556	4,556
Trade and other receivables	28,321	28,321
Total	747,977	747,977
Financial liabilities		
Trade and other payables	41,027	41,027
Lease liabilities	10,849	10,849
Borrowings	-	-
Other payables	122,365	122,365
Total	174,241	174,241

**Australian Rail, Tram and Bus Industry Union,
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Notes to the Financial Statements

For the year ended 31 December 2023

Note 21 Fair value measurement (continued)

Fair value hierarchy

The following tables provides an analysis of financial and non-financial assets and liabilities that are measured at fair value, by fair value hierarchy.

	Date of valuation	Level 1	Level 2	Level 3
	\$	\$	\$	\$
31 December 2023				
Assets measured at fair value				
Shares in listed companies	31/12/23	4,556	-	-
Total		<u>4,556</u>	<u>-</u>	<u>-</u>

Note 22 Events after the reporting period

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the reporting unit, the results of those operations, or the state of affairs of the reporting unit in subsequent financial periods.

Note 23 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 the General Manager:

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

**Australian Rail, Tram and Bus Industry Union,
Western Australia Branch**

Notes to the Financial Statements

For the year ended 31 December 2023

Note 24 Assets and Liabilities acquired through restructure

On 1 January 2023 this Branch was created through the merger of the following 2 branches:

- (i) Australian Rail, Tram and Bus Industry Union West Australian PTA Branch (PTA Branch); and
- (ii) Australian Rail, Tram and Bus Industry Union West Australian Branch (WA Branch)

The following assets and liabilities were acquired from these branches on 1 January 2023:

	WA Branch \$	PTA Branch \$	TOTAL \$
ASSETS			
Current Assets			
Cash and cash equivalents	67,714	457,905	525,619
Trade and other receivables	196,793	-	196,793
Other current assets	7,186	6,830	14,016
Other financial assets	4,472	-	4,472
Total current assets	276,165	464,735	740,900
Non-Current Assets			
Plant and equipment	4,999	3,319	8,318
Total non-Current assets	4,999	3,319	8,318
Total assets	281,164	468,054	749,218
LIABILITIES			
Current Liabilities			
Trade payables and accruals	267,478	415,404	682,882
Other payables	5,786	58,170	63,956
Employee entitlements	8,618	62,804	71,422
Provisions	5,000	10,000	15,000
Contract liabilities	5,804	15,975	21,779
Total current liabilities	292,686	562,353	855,039
Non-Current Liabilities			
Contract liabilities	-	-	-
Total liabilities	292,686	562,353	855,039
Net (liabilities)	(11,522)	(94,299)	(105,821)

Note 25 Principal Place of Business

The principal place of business of the Reporting Unit:
Unit 2, 10 Nash Street
PERTH WA 6000