

Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch

Financial Report

For the year ended 31 December 2021

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

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Certificate by Prescribed Designated Officer

For the year ended 31 December 2021

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

- That the documents lodged herewith are copies of the full report for the Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch for the period ended 31 December 2021 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 11 April 2022; and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 20 May 2022 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

23 May 2022

**AUSTRALIAN RAIL, TRAM AND BUS INDUSTRY UNION,
WEST AUSTRALIAN PTA BRANCH**

OPERATING REPORT

The committee of management of the Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch (“**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 2021.

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 who are employed in 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 2021 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;
- 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 2021. This has 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 Employer such as the Public Transport Authority of Western Australia;
- advising members of their rights and entitlements at work.

Results of enterprise agreement negotiation activities

The Union engaged in enterprise bargaining with the Public Transport Authority and Downer/Bombardier to renegotiate five enterprise agreements. Those enterprise agreements, and the status of the bargaining as at the end of the 2021 financial year are as follows:

- Downer Bombardier Joint Venture Enterprise Agreement 2020 was ratified.
- Public Transport Authority/ARTBIU (Transwa) Industrial Agreement 2021 was ratified.
- Public Transport Authority/ARTBIU (Transperth Train Operations Rail Car Drivers) Industrial Agreement 2021 was ratified.
- Public Transport Authority/ARTBIU (Transit Officers) Industrial Agreement 2021 negotiations are currently underway and ongoing.
- Public Transport Authority Railway Employees (Transperth Train Operations) Industrial Agreement 2021 negotiations are currently underway and ongoing.

Results of providing employees with industrial advice and representation

- The Union has assisted numerous members with receiving significant back payments/leave crediting due to several and different identified underpayments and situations.
- The Union has assisted numerous members with COVID related enquiries, including ensuring issue of new compliant masks, recrediting of leave, leave arrangements and paid time to obtain a vaccination.
- The Union has 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 has also provided legal assistance and industrial advice which has led to several members receiving financial settlements throughout 2021. 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 negotiated a Work Value Review for urban Railcar Drivers to be undertaken by an independent reviewer. This Review is nearing completion and looking positive.

Results of participation at the National Council and National Executive

The Union has actively participated in meetings of the National Council and the National Executive. The main achievement from this process was establishing national initiatives and the progression of amalgamating the PTA Branch with the WA Branch of the Australian Rail, Tram and Bus Industry Union. This is expected to be achieved in 2022.

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 development and implementation of the new Metronet rail system and with COVID.
- The Union's affiliation with WA Labor resulted in the State government agreeing to make late night services paid services.
- 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.

Results of managing the Union's property portfolio

During the 2021 year, the Union has experienced a decrease in rental income due to a difficult rental market. Further, one tenant stopped paying rent due to financial difficulties and owed a significant amount of rent. Luckily, a writ placed upon the personal sale of his personal property saw the owed monies being collected.

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 have been some significant changes in the Union's financial affairs in the financial year ended 31 December 2021. The Union put in place initiatives to increase the short and long profitability and viability of the Union. Those initiatives included:

- maintaining a focused organising and recruitment method to increase membership numbers;
- engaging services of a full time Administrative Assistant (shared service with the WA Branch) to help with managing the Union's growth.
- maintaining employment of a full time Industrial Organiser to assist in targeted recruitment and servicing the growing membership;
- maintaining a more focused communication method via bimonthly newsletters, website updates, regular 'email blasts', and the creation of a RTBU PTA Facebook page to increase and retain membership numbers;
- pursuing defaulted membership fees each and every fortnight; and
- expenditure cuts via negotiating on fees and costs with services such as lawyers and other providers;

Some of the above initiatives produced instant financial benefits to the Union (for example: the increase of members and pursuing of owed dues). Others are anticipated to provide the Union with financial benefits in future financial years (negotiating on fees and costs with services).

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.

Information prescribed by regulation 159

As at 31 December 2021:

- (a) There were 934 people recorded in the register of members.
- (b) The Union directly employed two people (the Secretary of the Union and an Industrial Organiser).
- (c) The following people were members of the committee of management during the financial year ended 31 December 2021:

NAME	PERIOD
Joshua Dekuyer	1 January 2021 – 31 December 2021
Peter Olynyk	1 January 2021 – 31 December 2021
Kelley Jenkins	1 January 2021 – 31 December 2021
Barry Irvine	1 January 2021 – 31 December 2021
James Reed	1 January 2021 – 31 December 2021
Dean Harris	1 January 2021 – 31 December 2021
Joshua Ayanami	1 January 2021 – 16 November 2021
Helen Martin	16 November 2021 – 31 December 2021
Piers McCarney	1 January 2021 – 12 March 2021
Terence Joy	7 April 2021 – 31 December 2021

Other information

The Union, through a shared services agreement with the WA Branch of the Australian Rail Tram and Bus Industry Union (“**the WA Branch**”), utilises the labour of the WA Branch’s employees. Those persons are not directly employed by the Union. Instead, the Union pays a fee to the WA Branch for use of that labour.

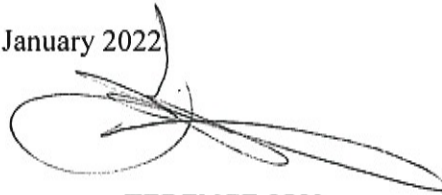
The members and officers of the Union are largely the same as the members and officers of the Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch (“**the State Union**”). Although the State Union’s eligibility rule is slightly broader than the Union’s eligibility rule. The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

For and on behalf of the Committee of Management:

Dated at Perth, Western Australia this 19th day of January 2022



JOSHUA DEKUYER
Branch Secretary



TERENCE JOY
Branch President

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION, WEST AUSTRALIAN PTA BRANCH

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch (the Reporting unit), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other 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, West Australian PTA Branch as at 31 December 2021 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
 - (iii) 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.

Emphasis of Matter

We draw attention to note 1(r) in the financial report which highlights that the Reporting unit had net liabilities of \$46,100 as at 31 December 2021 (31 December 2020 Net liabilities of \$105,206). This condition, along with mitigating factors indicate the existence of significant uncertainty in relation to the ability of the entity to continue as a going concern and realise its assets and discharge its liabilities in the normal course of business.

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION, WEST AUSTRALIAN PTA BRANCH (CONTINUED)

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.

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, Tania Conlin declare I am an approved auditor registered under the RO Act, member of Chartered Accountants ANZ and I hold a current Public Practice Certificate.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION, WEST AUSTRALIAN PTA BRANCH (CONTINUED)

Responsibilities of the Branch Committee for the Financial Report

The branch committee of management of the Reporting unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the 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 branch committee of management is responsible for assessing the Reporting unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee either intend to liquidate the Reporting unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AUSTRALIAN RAIL TRAM AND BUS INDUSTRY UNION, WEST AUSTRALIAN PTA BRANCH (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



TANIA CONLIN

AUDITOR REGISTRATION NUMBER: AA2017/122

Signed at Perth on the 6th day of April 2022

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Committee of Management Statement


For the year ended 31 December 2021

On the 6 April 2022 the Branch Committee of Management of the Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch passed the following resolution in relation to the general-purpose financial report for the year ended 31 December 2021:

The Reporting unit declares that in its opinion:

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

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer: 

Name and title of designated officer: *JOSHUA DEKUYSER, SECRETARY*

Dated: *6 APRIL 2022*

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

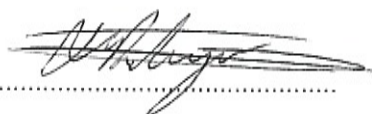
Subsection 255 (2A) Report

For the year ended 31 December 2021

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 2021.

Categories of Expenditure	2021 \$	2020 \$
Remuneration of employees and other employment – related costs and expenses	241,517	194,477
Advertising	7	-
Operating costs	251,355	276,908
Donations to political parties	-	-
Legal costs	8,847	3,585

Signature of prescribed designated officer



Name of prescribed designated officer

Joshua Dekuyer

Title of prescribed designated officer

Branch Secretary

Date

6 APRIL 2022

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2021

	Notes	2021 \$	2020 \$
Revenue from contracts with customers:	2		
Membership subscription		517,518	491,011
Capitation fees		-	-
Levies	2B	21,465	20,352
Rental revenue		-	-
Other revenue	2D	21,843	19,862
Total revenue from contracts with customers		560,826	531,225
Income for furthering objectives			
Grants and donations	2E	-	59,761
Total income for furthering objectives		-	59,761
Other income			
Finance income	2C	6	286
Net gains from sale of assets		-	-
Total other income		6	286
Total revenue and other income		560,832	591,272
Expenses			
Employee expenses	3	(241,517)	(194,477)
Capitation fees	3	(75,040)	(71,197)
Affiliation fees	3	(15,993)	(13,518)
Administration expenses	3	(41,779)	(46,669)
Grants or donations	3	-	-
Depreciation and amortisation	3	(2,762)	(2,959)
Finance costs	3	(6)	(368)
Legal costs	3	(8,847)	(3,585)
Audit fees	18	(10,425)	(10,575)
Share of net loss from associate		-	-
Write-down and impairment of assets		(154)	-
Net losses from sale of assets		-	-
Other expenses	3	(105,203)	(131,622)
Total expenses		(501,726)	(474,970)
Surplus/(Deficit) for the year		59,106	116,302
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 /(loss) for the year		59,106	116,302

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

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Statement of Financial Position

As at 31 December 2021

	Notes	2021 \$	2020 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	437,729	391,273
Trade and other receivables	5	52,067	111,748
Other current assets	6	7,020	8,565
Contract assets		-	-
Total current assets		496,816	511,586
Non-Current Assets			
Plant and equipment	7	2,142	2,571
Total non-current assets		2,142	2,571
Total assets		498,958	514,157
LIABILITIES			
Current Liabilities			
Trade payables and accruals	8	410,270	483,167
Other payables	9	54,156	53,565
Borrowings	10	-	-
Employee entitlements	11	35,799	29,762
Provisions	12	10,000	10,000
Contract liabilities	9	33,971	33,018
Total current liabilities		544,196	609,512
Non-Current Liabilities			
Employee entitlements	11	-	9,851
Other non-current liabilities		862	-
Total non-current liabilities		862	9,851
Total liabilities		545,058	619,363
Net liability		(46,100)	(105,206)
EQUITY			
General funds	13	-	-
Retained earnings		(46,100)	(105,206)
Total equity		(46,100)	(105,206)

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

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Statement of Changes in Equity

For the year ended 31 December 2021

	General funds \$	Retained earnings \$	Total Equity \$
Balance as at 1 January 2020	-	(221,508)	(221,508)
Adjustments for changes in accounting policies	-	-	-
Profit for the year	-	116,302	116,302
Other comprehensive income for the year	-	-	-
Closing balance as at 31 December 2020	-	(105,206)	(105,206)
Balance as at 1 January 2021	-	(105,206)	(105,206)
Adjustments for changes in accounting policies	-	-	-
Profit for the year	-	59,106	59,106
Other comprehensive income for the year	-	-	-
Closing balance as at 31 December 2021	-	(46,100)	(46,100)

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

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Statement of Cash Flows

For the year ended 31 December 2021

	Notes	2021 \$	2020 \$
OPERATING ACTIVITIES			
Cash received			
Members (Customers)		559,863	553,047
Interest		6	286
Other		2,000	60,443
Donations and grants		-	-
Receipts from other controlled entities/reporting units	14	66,166	53,424
Cash used			
Interest		-	-
Employees		(245,331)	(195,291)
Suppliers		(85,706)	(91,587)
Payments to other controlled entities/ reporting units	14	(248,209)	(184,929)
Net cash used by operating activities	14	<u>48,789</u>	<u>195,393</u>
INVESTING ACTIVITIES			
Cash received			
Proceeds from sale of motor vehicle		-	-
Proceeds from sale of land and buildings		-	-
Proceeds from investments properties		-	-
Cash used			
Purchase of plant and equipment		(2,333)	(2,104)
Purchase of land and buildings		-	-
Repayment of rental bond		-	-
Net cash used by investing activities		<u>(2,333)</u>	<u>(2,104)</u>
FINANCING ACTIVITIES			
Cash received			
Contributed equity		-	-
Borrowings		-	-
Cash used			
Repayment of borrowings		-	(2,857)
Other		-	-
Net cash from financing activities		<u>-</u>	<u>(2,857)</u>
Net increase (decrease) in cash held		46,456	190,432
Cash & cash equivalents at the beginning of the financial year		391,273	200,841
Cash & cash equivalents at the end of the financial year	4	<u>437,729</u>	<u>391,273</u>

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

Notes to the Financial Statements

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Notes to the Financial Statements

For the year ended 31 December 2021

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 Australian PTA Branch as an individual entity (the Reporting Unit).

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 basis, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. No allowance is made for the effect of changing prices on the results or the financial position. 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 on the date of signing the Committee of Management Statement.

a) Comparative amounts

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

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

Notes to the Financial Statements

For the year ended 31 December 2021

Note 1 Summary of significant accounting policies (continued)

b) Significant accounting judgements and estimates (continued)

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 three year average of known claims present valued over a number of years and discounted at 10%.

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 2018-6 Amendments to Australian Accounting Standards – Definition of a Business
- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material
- AASB 2019-1 Amendments to Australian Accounting Standards – Reference to the Conceptual Framework
- AASB 2020-4 Amendments to Australian Accounting Standards – Covid 19 Related Rent Concession.

The adoption of these standards 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 2021

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 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

The Reporting unit does not expect the adoption of this amendment to have a material on its financial statements.

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.

Notes to the Financial Statements

For the year ended 31 December 2021

Note 1 Summary of significant accounting policies (continued)

d) Revenue (continued)

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.

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.

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 when the service has been provided by the reporting unit.

Notes to the Financial Statements

For the year ended 31 December 2021

Note 1 Summary of significant accounting policies (continued)

d) Revenue (continued)

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.

During the prior year, the reporting unit received cash consideration from the following arrangements whereby that consideration will be recognised as income upon receipt:

- government grants.

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 when the asset is derecognised.

Interest income

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

Notes to the Financial Statements

For the year ended 31 December 2021

Note 1 Summary of significant accounting policies (continued)

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 when it is probable that settlement will be required and they are capable of being measured reliably.

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.

The obligations are presented as current liabilities in the statement of financial position the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when actual settlement is expected to occur.

Notes to the Financial Statements

For the year ended 31 December 2021

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:

	2021	2020
Plant & Equipment:	5 years	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 2021

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 2021

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 2021

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.

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.

Notes to the Financial Statements

For the year ended 31 December 2021

Note 1 Summary of significant accounting policies (continued)

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

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.

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.

Notes to the Financial Statements

For the year ended 31 December 2021

Note 1 Summary of significant accounting policies (continued)

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

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.

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

Receivables for goods and services, which have 30 days terms, are recognised at the nominal amounts due less any allowance due to expected credit losses at each reporting date. A provision matrix that is based on historic credit losses experience, adjusted for forward-looking factors specific to the debtors and the economic environment has been established.

(i) Trade receivables

For trade receivables that do not have a significant financing component, the entity applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the entity 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 2021

Note 1 Summary of significant accounting policies (continued)

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

(ii) Debt instruments other than trade receivables

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the entity recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the entity expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where 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 debt, irrespective of the timing of the default (a lifetime ECL).

The entity considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the entity may also consider a financial asset to be in default when internal or external information indicates that the 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.

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.

Notes to the Financial Statements

For the year ended 31 December 2021

Note 1 Summary of significant accounting policies (continued)

j) Financial liabilities (continued)

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 AASB9 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.

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.

Notes to the Financial Statements

For the year ended 31 December 2021

Note 1 Summary of significant accounting policies (continued)

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.

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:

	2021	2020
Motor Vehicles	22.5%	22.5%
Plant and equipment	10-33%	10-33%

Notes to the Financial Statements

For the year ended 31 December 2021

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.

Notes to the Financial Statements

For the year ended 31 December 2021

Note 1 Summary of significant accounting policies (continued)

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 20.

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.

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.

Notes to the Financial Statements

For the year ended 31 December 2021

Note 1 Summary of significant accounting policies (continued)

p) Fair value measurement (continued)

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) Allocation of revenue and expenses between 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)

On 21 May 2015, a deed of agreement was signed between the WA Branch and the PTA Branch of the Australian Rail, Tram and Bus Industry Union (Federal Body) (RTBU) and The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch (State Organisation) (ARTBIU) whereby, amongst other matters, it was agreed between the parties that:

- (a) RTBU will provide services to the ARTBIU; and
- (b) The RTBU PTA and WA Branch undertake that they are jointly responsible for the payment of general resources, employee costs and other associated administration expenses. All general and joint costs expended by the RTBU shall be distributed between the WA Branch and the PTA Branch in proportion to the number of members declared in the annual returns submitted in accordance with the obligations under the Fair Work (Registered Organisations) Act 2009.

The parties subsequently agreed the apportionment to be used is 50% WA Branch and 50% PTA Branch.

Notes to the Financial Statements

For the year ended 31 December 2021

Note 1 Summary of significant accounting policies (continued)

q) Allocation of revenue and expenses between 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) (continued)

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

This agreement was approved by the Full Bench of the Western Australian Industrial Relations Commission on 27 March 2017 under s71(7) of the Industrial Relations Act 1979 (Western Australia).

r) 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. As outlined in Note 21 to the Financial Report, this branch shall cease existence effective 1 January 2023 as it shall merge with the other Western Australian Branch of the Australian Rail Tram and Bus Industry Union. All assets, liabilities and members of this Branch shall become the assets, liabilities and members of the newly formed branch.

The effect of the merger shall have no impact on the carrying value of the assets. No additional liabilities, including restructure costs shall arise as a result of the merger and the debts shall be extinguished in the normal course of business.

The executive are of the view the reporting unit, up to date of the merger, 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.

The Reporting unit has net liabilities of \$46,100 as at 31 December 2021 (2020 \$105,206) and incurred a trading surplus of \$59,106 for the year ended on that date (2020 surplus of \$116,302).

Notes to the Financial Statements

For the year ended 31 December 2021

Note 1 Summary of significant accounting policies (continued)

r) Going concern (continued)

The Reporting unit's ability to continue as a going concern and meet its debts and future commitments as and when they fall due is dependent on:

1. Continuing a positive trading position and cash flow by increasing revenues through increased membership numbers and subscriptions and reducing overhead expenditure.
2. The sale of investment properties with a carrying value of \$3,331,933 owned by The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch on behalf of the members of the Australian Rail, Tram and Bus Industry Union, West Australian PTA Branch and the Australian Rail, Tram and Bus Industry Union, West Australian Branch, subject to necessary consents.

The financial report has been prepared on a going concern basis as the committee of management believe the matters set out above are achievable. Refer further to Note 1(q) which outlines the assets (including the properties outlined in point 2 above) must be safeguarded in the interests of the entire RTBU membership.

Should the Reporting unit be unable to achieve the matters set out above, there is significant uncertainty as to whether it will be able to continue as a going concern and pay its debts as and when they fall due and extinguish its liabilities in the normal course of business.

The financial statements do not include any adjustments to the recoverability or classification of recorded assets or to the amounts or classification of liabilities that might be necessary if the Reporting unit does not continue as a going concern.

The Reporting unit has received an agreed financial support from The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch to continue on a going concern basis. The Reporting unit has not agreed to provide financial support to another reporting unit.

s) Restructuring

The Reporting unit did not acquire assets or liabilities from another reporting unit as a result of an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation of alternative reporting structure under subsections 245(i) or 249(i) of the RO Act.

Notes to the Financial Statements

For the year ended 31 December 2021

Note 1 Summary of significant accounting policies (continued)

t) 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.

u) Financial Support

The Union does not provide financial support to another Union.

v) Business Combinations

There have been no assets and liabilities acquired during the financial year as part of a business combination (2020: Nil)

w) 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,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

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.

	2021	2020
	\$	\$
Type of customer		
Members	558,826	531,225
Other reporting units	-	-
Government	-	-
Other parties	2,000	-
Total revenue from contracts with customers	560,826	531,225

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	-	-
Government	-	59,761
Other parties	-	-
Total income for furthering activities	-	59,761

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

Note 2 Income – Revenue from contracts with customers – AASB 15	2021	2020
	\$	\$
Note 2A Capitation fee revenue and other revenue from another reporting unit		
Capitation fees	-	-
Other revenue from another reporting unit	-	-
Total revenue from other reporting units	-	-
Note 2B: Levies		
Organiser's levy	21,465	20,352
Total levies	21,465	20,352
Note 2C: Finance income		
Interest on Deposits	6	286
Total interest earned	6	286
Note 2D: Other revenue		
Journey cover	19,775	19,180
Other	2,068	627
Merchandise sales	-	55
Total other revenue	21,843	19,862
Note 2E: Grants and donations		
Grants – COVID-19 Cashflow Boost	-	59,701
Donations	-	-
Sponsorship	-	-
Total grants and donations	-	59,761
Note 2F: Revenue from recovery of wages activity	-	-
Note 2G: Income recognized from volunteer services		
Amounts recognised from volunteer services	-	-
Note 2H: Timing of revenue recognition		
At a point in time	2,068	60,443
Overtime	558,758	530,829
Total Revenue	560,826	591,272

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

Note 3 Expenses

Employee expenses

	2021	2020
	\$	\$
Holders of office:		
Wages and salaries	132,875	145,826
Superannuation	15,105	16,061
Leave and other entitlements	2,850	(853)
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	150,830	161,034
Employees other than office holders:		
Wages and salaries	85,661	30,586
Superannuation	8,288	2,857
Leave and other entitlements	(3,262)	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses employees other than office holders	90,687	33,443
Total employee expenses	241,517	194,477
Capitation fees		
Australian Rail, Tram and Bus Industry Union, National Office	75,040	71,197
Total capitation fees	75,040	71,197
Affiliation fees		
Australian Labour Party	6,309	4,877
Australian Council of Trade Unions	6,144	3,222
Unions WA	3,540	5,419
Total affiliation fees	15,993	13,518
Administration expenses		
Campaign costs	-	-
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Contractors/consultants	-	-
Property operating expenses	1,777	1,560
Office expenses	14,758	19,159
Information communications technology	1,431	1,714
Accounting fees	23,813	24,236
Short term, low value and variable lease payments on operating lease rentals	-	-
Total administration expense	41,779	46,669

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

Note 3 Expenses (continued)

	2021 \$	2020 \$
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	-	-
Total paid that exceeded \$1,000	-	-
Total grants or donations	-	-
Depreciation		
Depreciation		
Plant and equipment	2,762	2,959
Total depreciation	2,762	2,959
Finance costs		
Bank charges	6	368
Debt collector fees	-	-
Unwinding of discount	-	-
Total finance costs	6	368
Legal costs		
Litigation	-	-
Other legal matters	8,847	3,585
Total legal costs	8,847	3,585
Other expenses		
Bank fees	688	639
Penalties - via RO Act or the Fair Work Act 2009	-	-
Insurance	18,712	20,438
Vehicle expenses	-	33
Fringe benefits tax	-	1,437
Shared resources (refer Note 1(q)(b)) – expenses to another reporting unit	69,220	94,770
Other expenses	16,550	13,028
Travel	33	1,277
Total other expenses	105,203	131,622

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

Note 4 Cash and cash equivalents

	2021	2020
	\$	\$
Cash at bank	437,729	391,273
Cash on hand	-	-
Short term deposits	-	-
Other	-	-
Total cash and cash equivalents	437,729	391,273

Note 5 Trade and other receivables

Receivables from other reporting units

The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch	51,429	111,026
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Total receivables from other reporting units	51,429	111,026
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Less allowance for expected credit losses

The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch	-	-
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Total allowance for expected credit losses	-	-
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Net receivable from other reporting units	51,429	111,026
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Other receivables

Other receivables	638	722
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Total other receivables	638	722
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Total net trade and other receivables	52,067	111,748
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The movement in the allowance for expected credit losses of trade and other receivables is as follows:

As 1 January	-	-
Provision for expected credit losses	-	-
Write-off	-	-
At 31 December	-	-

Repayment from other reporting unit is made upon mutual agreement.

The reporting unit has no contract assets relating to contracts with customers (2020: \$Nil)

Note 6 Other current assets

Prepaid expenses	7,020	8,565
Total other current assets	7,020	8,565

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

	2021	2020
	\$	\$
Note 7 Plant and equipment		
Motor vehicles:		
At cost	-	-
Accumulated depreciation	-	-
	-	-
Plant and equipment:		
At cost	11,750	9,417
Accumulated depreciation	(9,608)	(6,846)
	2,142	2,571
Total plant and equipment	2,142	2,571

Reconciliation of the opening and closing balances of plant and equipment

2020	Motor vehicles \$	Plant and equipment \$	Total \$
As at 1 January 2020			
Gross carrying amount	-	7,313	7,313
Accumulated depreciation and impairment	-	(3,887)	(3,887)
Net book value 1 January 2020	-	3,426	3,426
Additions:			
By purchase	-	2,104	2,104
From acquisition of entities (including restructuring)	-	-	-
Impairment	-	-	-
Depreciation expense	-	(2,959)	(2,959)
Other movement	-	-	-
Disposals	-	-	-
Other	-	-	-
Net book value 31 December 2020	-	2,571	2,571
Net book value as of 31 December 2020 represented by:			
Gross book value	-	9,417	9,417
Accumulated depreciation and impairment	-	(6,846)	(6,846)
Net book value 31 December 2020	-	2,571	2,571

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

Note 7 Plant and equipment (continued)

2021	Motor vehicles \$	Plant and equipment \$	Total \$
As at 1 January 2021			
Gross carrying amount	-	9,417	9,417
Accumulated depreciation and impairment	-	(6,846)	(6,846)
Net book value 1 January 2021	-	2,571	2,571
Additions:			
By purchase	-	2,333	2,333
From acquisition of entities (including restructuring)	-	-	-
Impairment	-	-	-
Depreciation expense	-	(2,762)	(2,762)
Other movement	-	-	-
Disposals	-	-	-
Other	-	-	-
Net book value 31 December 2021	-	2,142	2,142
Net book value as of 31 December 2021 represented by:	-		
Gross book value	-	11,750	11,750
Accumulated depreciation and impairment	-	(9,608)	(9,608)
Net book value 31 December 2021	-	2,142	2,142

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

	2021 \$	2020 \$
Note 8 Trade payables and accruals		
Trade creditors and accruals	464	10,961
Subtotal trade creditors	464	10,961
Payables to other reporting units		
Australian Rail, Tram and Bus Industry Union, West Australian Branch	185,806	249,543
Australian Rail, Tram and Bus Industry Union, National Office	224,000	222,663
Subtotal payables to other reporting units	409,806	472,206
Total trade payables	410,270	483,167

Settlement of payables to unrelated entities is usually made within 30 days.

Payment to other reporting units are made upon mutual agreement.

Note 9 Other payables

Note 9A Other payables

Wages and salaries	-	160
Superannuation	6,115	5,724
Legal costs	-	-
GST payable / (receivable)	(10,984)	(12,362)
Payables to employers for payroll deductions of membership subscriptions	-	-
PAYG	4,088	5,106
Transit officers' legal fund (refer Note 13b)	54,937	54,937
Total other payables	54,156	53,565

Settlement generally is within 30 days.

Total other payables are expected to be settled in:

No more than 12 months	54,156	53,565
More than 12 months	-	-
Total other payables	54,156	53,565

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

Note 9 Other payables (continued)

	2021	2020
	\$	\$
Note 9B Contract liabilities		
Membership fees paid in advance	33,971	33,018
Total Contract Liabilities	33,971	33,018

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was \$33,018.

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 2021 is \$33,971 (2020: \$33,018). 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 10 Borrowings

Current	-	-
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**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

Note 11 Employee entitlements

	2021 \$	2020 \$
Office holders:		
Annual leave	16,653	13,803
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee entitlements—office holders	<u>16,653</u>	<u>13,803</u>
Employees other than office holders:		
Annual leave	11,904	12,558
Long service leave	7,242	9,851
Separation and redundancies	-	-
Other	-	3,401
Subtotal employee entitlements—employees other than office holders	<u>19,146</u>	<u>25,810</u>
Total employee entitlements	<u>35,799</u>	<u>39,613</u>
 Current	 35,799	 29,762
Non-current	-	9,851
Total employee entitlements	<u>35,799</u>	<u>39,613</u>

Note 12 Provisions

Provision for Death Benefits (i)	10,000	10,000
	<u>10,000</u>	<u>10,000</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 4%.

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

Note 13 Equity Reserves

Note 13A General funds

	2021 \$	2020 \$
Balance as at start of year	-	-
Transferred to reserve	-	-
Transferred out of reserve	-	-
Balance as at end of year	<u>-</u>	<u>-</u>

The general reserve is established to meet future unknown obligations.

Note 13B Other Specific disclosures – Funds

	2021 \$	2020 \$
Other funds	-	-
Compulsory levy/voluntary contribution fund – if invested in assets		
Other funds	-	-
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 Officer's Legal Fund (Liability – Refer to Note 9)

Opening balance	54,937	54,992
Levies collected	-	-
Amounts paid from fund	-	(55)
Closing balance	<u>54,937</u>	<u>54,937</u>

In prior years a special levy was raised to support transit officers. The \$54,937 (2020: \$54,937) 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 been outlaid for this purpose.

The Reporting unit is no longer collecting this special levy.

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

Note 14 Reconciliation of cash and cash equivalents as per Statement of Financial Position to Cash Flow Statement:

(i) Cash and cash equivalents as per:		2021	2020
		\$	\$
Cash flow statement		437,729	391,273
Statement of Financial Position		437,729	391,273
Difference		-	-
(ii) Reconciliation of profit/(loss) to net cash from operating activities:			
Profit/(loss) for the year		59,106	116,302
Adjustments for non-cash items			
Depreciation/amortisation		2,762	2,959
Net write-down of non-financial assets		-	-
Fair value movement in investments		-	-
Gain/loss on disposal of assets		-	-
Changes in assets/liabilities			
(Increase)/decrease in amounts receivable from other reporting units		59,597	23,000
Increase/(decrease) in amounts payables to other reporting units		(62,400)	(832)
(Increase)/decrease in net receivables		84	1,657
(Increase)/decrease in prepayments		1,545	(1,156)
Increase/(decrease) in payables		(8,091)	23,853
Increase/(decrease) in employee entitlements		(3,814)	29,610
Net cash from (used by) operating activities		48,789	195,393
(iii) Cash flow information			
Cash inflows from other reporting unit			
The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch		66,166	23,000
Australian Rail, Tram and Bus Industry Union, West Australian Branch		-	30,424
Total cash inflows		66,166	53,424
Cash outflows to other reporting unit			
Australian Rail, Tram and Bus Industry Union, West Australian Branch		(152,573)	(124,438)
The Australian Rail, Tram and Bus Industry Union of Employees, Western Australian Branch		(6,569)	-
Australian Rail, Tram Bus Industry Union – National Office		(89,067)	(60,491)
Total cash outflows		(248,209)	(184,929)

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

Note 15 Contingent liabilities, assets and commitments

Lease commitments

The Reporting unit has no lease commitments at year end.

Contingent assets

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

The RTBU and ARTBIU agree that preservation of assets must be safeguarded in the interest of the entire RTBU membership and that no assets (including real property) shall be disposed of or otherwise dealt without the consent of the RTBU National 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 The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch as at 31 December 2021 is \$3,331,933 (2020: \$3,345,641).

Note 16 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 of which this reporting unit is a West Australian Branch.

Australian Rail, Tram and Bus Industry Union, West Australian Branch (WA Branch)

- This is another West Australian regulated Reporting unit and is a related party due to the history between the two Reporting units and the continued shared services between them.

The Australian Rail, Tram and Bus Industry Union of Employees, West Australian Branch (State Branch)

- This is a West Australian regulated Reporting unit and is a related party that holds the title of all 3 properties jointly held by WA branch and the Reporting unit.

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

Note 16 Related party transactions for the reporting period (continued)

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

	2021	2020
	\$	\$
<u>National Office</u>		
Expenses to National Office		
Capitation fees	(75,040)	(71,197)
Amounts owed to National Office		
Capitation fees owed to National Office	(224,000)	(222,663)
<u>State Branch</u>		
Loan receivable from State Branch		
Trade receivable from State Branch	51,429	111,026
<u>WA Branch</u>		
Expenses to WA Branch		
Shared resources	(69,220)	(94,770)
Allocation of a portion of COVID-19 Cash Flow Boost Government Grant which related to shared services	-	19,431
Receipt from WA Branch for assumption of leave liabilities upon transfer of employee from WA Branch	-	30,424
Amounts payables to WA Branch		
Trade payable to WA Branch – Shared resources	179,444	203,706
Trade payable to WA Branch - Other	6,362	45,837
	<u>185,806</u>	<u>249,543</u>

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 payables to/from other reporting units are made upon mutual agreement. There have been no guarantees provided or received for any related party receivables or payables for the year ended 31 December 2021, the reporting unit has not recorded any impairment of receivables relating to amounts owed by related parties (2020: \$Nil) 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.

The shared resources expenses are described on policy note 1(q).

No payments were made to former related parties (2020: \$Nil).

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

Note 17 Key management personnel

(a) Remuneration for the reporting period

Key management personnel is the Officer of the Reporting unit, Mr Joshua Dekuyer and other elected members of the management committee.

	2021	2020
	\$	\$
Short-term employee benefits		
Salary (including annual leave taken)	132,875	145,826
Annual leave accrued	2,850	(853)
Performance bonus	-	-
Other	-	-
Total short-term employee benefits	<u>135,725</u>	<u>144,973</u>
Post-employment benefits:		
Superannuation	15,105	16,061
Total post-employment benefits	<u>15,105</u>	<u>16,061</u>
Other long-term benefits:		
Long-service leave accrued	-	-
Total other long-term benefits	<u>-</u>	<u>-</u>
Termination benefits	-	-
Total	<u>150,830</u>	<u>161,034</u>

(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 and their close family members

Payments to former key management personnel	-	-
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Note 18 Remuneration of auditors

Value of the services provided

Financial statement audit services	7,500	7,650
Other services	2,925	2,925
Total remuneration of auditors	<u>10,425</u>	<u>10,575</u>

Other services refer to preparation of financial statements.

**Australian Rail, Tram and Bus Industry Union,
West Australian PTA Branch**

Notes to the Financial Statements

For the year ended 31 December 2021

Note 19 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

	2021	2020
	\$	\$
<i>Financial Assets at amortised cost</i>		
Cash and cash equivalents	437,729	391,273
Trade and other receivables	52,067	111,748
Total	<u>489,796</u>	<u>503,021</u>
Carrying amount of financial assets	<u>489,796</u>	<u>503,021</u>
<i>Financial Liabilities at amortised cost</i>		
Other financial liabilities:		
Trade payables and accruals	410,270	483,167
Other payables	54,156	53,565
Borrowings	-	-
Total	<u>464,426</u>	<u>536,732</u>
Carrying amount of financial liabilities	<u>464,426</u>	<u>536,732</u>

	2021	2020
	\$	\$
Net income and expenses from financial assets		
Interest revenue	6	286

Credit risk

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

The following table illustrates the entity's gross exposure to credit risk, excluding any collateral or credit enhancements

<i>Financial Assets</i>		
Cash and cash equivalents	437,729	391,273
Trade and other receivables	52,067	111,748
Total	<u>489,796</u>	<u>503,021</u>
<i>Financial Liabilities</i>		
Trade payables and accruals	410,270	483,167
Borrowings	-	-
Other payables	54,156	53,565
Total	<u>464,426</u>	<u>536,732</u>

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Notes to the Financial Statements

For the year ended 31 December 2021

Note 19 Financial instruments

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

31 December 2021	Trade and other receivables					
	Days past due					Total
	Current	<30 days	30-60 days	61-90 days	>91 days	
	\$	\$	\$	\$	\$	\$
Expected credit loss rate	0%	0%	0%	0%	0%	
Estimate total gross carrying amount at default	637	-	-	-	51,430	52,067
Expected credit loss	-	-	-	-	-	-

31 December 2020	Trade and other receivables					
	Days past due					Total
	Current	<30 days	30-60 days	61-90 days	>91 days	
	\$	\$	\$	\$	\$	\$
Expected credit loss rate	0%	0%	0%	0%	0%	
Estimate total gross carrying amount at default	722	-	-	-	111,026	111,748
Expected credit loss	-	-	-	-	-	-

The reporting unit's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2021 and 2020 is the carrying amounts as illustrated in Note 19.

Liquidity risk

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

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Note 19 Financial instruments

Contractual maturities for financial liabilities 2021

	On demand \$	< 1 year \$	1 – 2 years \$	2 – 5 years \$	> 5 years \$	Total \$
Trade creditors and accruals	410,270	-	-	-	-	410,270
Borrowings	-	-	-	-	-	-
Other payables	54,156	-	-	-	-	54,156
Total	464,426	-	-	-	-	464,426

Contractual maturities for financial liabilities 2020

	On demand \$	< 1 year \$	1 – 2 years \$	2 – 5 years \$	> 5 years \$	Total \$
Trade creditors and accruals	483,167	-	-	-	-	483,167
Borrowings	-	-	-	-	-	-
Other payables	53,565	-	-	-	-	53,565
Total	536,732	-	-	-	-	536,732

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 disclosed.

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Notes to the Financial Statements

For the year ended 31 December 2021

Note 18 Financial instruments

Changes in liabilities arising from financing activities

	1 January 2021	Cash flows	Reclassified as part of disposal group	Foreign exchange movement	Changes in fair values	New Loans	Other	31 December 2021
	\$	\$	\$	\$	\$	\$	\$	\$
Current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-	-	-	-	-
Current obligations under finance leases and hire purchase contracts	-	-	-	-	-	-	-	-
Non-current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-	-	-	-	-
Non-current obligations under finance leases and hire purchase contracts	-	-	-	-	-	-	-	-
Dividends Payable	-	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-	-
Total liabilities from financing activities	-	-	-	-	-	-	-	-

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Notes to the Financial Statements

For the year ended 31 December 2021

Note 19 Financial instruments

Changes in liabilities arising from financing activities (continued)

	1 January 2020	Cash flows	Reclassified as part of disposal group	Foreign exchange movement	Changes in fair values	New Loans	Other	31 December 2020
	\$	\$	\$	\$	\$	\$	\$	\$
Current interest-bearing loans and borrowings (excluding items listed below)	2,857	(2,857)	-	-	-	-	-	-
Current obligations under finance leases and hire purchase contracts	-	-	-	-	-	-	-	-
Non-current interest-bearing loans and borrowings (excluding items listed below)	-	-	-	-	-	-	-	-
Non-current obligations under finance leases and hire purchase contracts	-	-	-	-	-	-	-	-
Dividends Payable	-	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-	-
Total liabilities from financing activities	2,857	(2,857)	-	-	-	-	-	-

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

For the year ended 31 December 2021

Note 20 Fair value measurement

Management of the Reporting unit assessed the fair value of 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 2021 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 2021 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 2021 \$	Fair value 2021 \$	Carrying amount 2020 \$	Fair value 2020 \$
Financial assets				
Cash and cash equivalents	437,729	437,729	391,273	391,273
Trade and other receivables	52,067	52,067	111,748	111,748
Total	489,796	489,796	503,021	503,021
Financial liabilities				
Trade and other payables	410,270	410,270	483,167	483,167
Other payables	54,156	54,156	53,565	53,565
Borrowings	-	-	-	-
Total	464,426	464,426	536,732	536,732

At 31 December 2021, the Reporting Unit does not hold any assets or liabilities which are subsequently remeasured at Fair Value on a recurring basis after initial recognition (31 December 2020: Nil).

Notes to the Financial Statements

For the year ended 31 December 2021

Note 21 Events after the reporting period

The Australian Rail, Tram and Bus Industry Union has changed its Rules to make provision for the West Australian Branch and the West Australian PTA Branch to merge. The merger will occur on 1st January 2023. On the merger date, the assets, funds and property of, and the debts and liabilities incurred by the WA Branch and the WA PTA Branch shall be the assets, funds and property of, and the debts of the merged Branch. As a result, this branch shall not exist from 1st January 2023.

The Rule change was approved by Fair Work Commission of 3rd March 2022.

There has not been any other 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 22 Principal Place of Business

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

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 Commissioner:

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