



Australian Government

Australian Industrial Registry

Level 5
11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7993
Fax: (03) 9655 0410

Mr Tony Woolgar
National Secretary
Textile, Clothing and Footwear Union of Australia
National Office
Ground Floor
28 Anglo Road
CAMPSIE NSW 2194

Dear Mr Woolgar

Re: Financial Reports for year ended 31 December 2005 – Textile, Clothing and Footwear Union of Australia – FR2005/636

Thank you for forwarding further information in relation to the financial reports of the Textile, Clothing and Footwear Union of Australia for the year ended 31 December 2005: this has been placed with the documents previously lodged.

The financial documents have now been filed.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L Powell'.

Larry Powell
Statutory Services Branch

28 December 2006

National Office

Ground Floor
28 Anglo Road
Campsie NSW 2194
Tel: (02) 9789 4188
Fax: (02) 9789 6510
Email: tcfua@tcfua.org.au
Tony Woolgar
National Secretary

20th December 2006

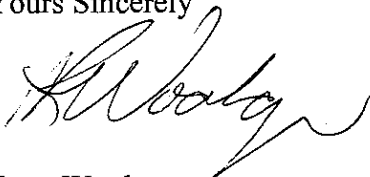
Mr Larry Powell
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001

Dear Mr Powell

Re: FR2005/636

Further to our telephone conversation of today's date I confirm that the TCFUA circulated the Audited Account following the Annual Meeting of the National Council and prior to the second meeting which was held on the 19th July 2006.

Yours Sincerely



Tony Woolgar
National Secretary

National Office

Ground Floor
28 Anglo Road
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11th December 2006

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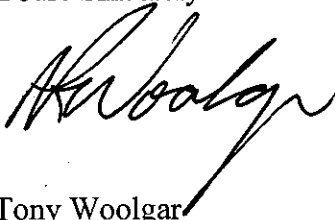
Dear Mr Powell

Re: FR2005/636

Further to my correspondence dated 20/11/2006 and subsequent phone conversation with you I advise that the various Branch's of the TCFUA circulated the Audited Accounts of the TCFUA National Council following the Annual Meeting of the National Council.

I hope this clears up the matters raised by the Registry and if you require any further clarification please do not hesitate to contact me.

Yours Sincerely



Tony Woolgar
National Secretary



TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA

National Office

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Tony Woolgar
National Secretary

Mr Larry Powell
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994
Melbourne
VIC 3001

Dear Mr Powell

Re: Financial Report for year ended 31 December 2005 – FR2005/636

The financial report was presented to each Branch 21 days prior to the Annual General Meeting held on 16th-18th May 2006
The Branch Committee of Management adopted the audited financial statements as detailed below.

| Branch | Date adopted |
|---------------------------------|----------------------------|
| New South Wales Branch | 5 th June 2006 |
| Queensland Branch | 3 rd July 2006 |
| South Australia/Tasmania Branch | 19 th May 2006 |
| Victoria Branch | 22 nd June 2006 |
| Western Australian Branch | 1 st July 2006 |

Further the Committee of Management of National Council Meeting held on 16-18 May 2006 passed a resolution to provide members with a summary of the financial statement. Copy of the resolution is enclosed.

I trust the above will clarify your queries. If you require further information please do not hesitate to contact me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tony Woolgar', written over a horizontal line.

Tony Woolgar
National Secretary



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Mr Tony Woolgar
National Secretary
Textile, Clothing and Footwear Union of Australia
National Office
Ground Floor
28 Anglo Road
CAMPSIE NSW 2194

Dear Mr Woolgar

Re: Financial Reports for year ended 31 December 2005 – Textile, Clothing and Footwear Union of Australia – FR2005/636

I acknowledge receipt of the financial reports and concise report of the Textile, Clothing and Footwear Union of Australia for the year ended 31 December 2005. The documents were lodged in the Industrial Registry on 24 July 2006.

I direct your attention to the following comments concerning the above reports and the financial reporting obligations under Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule). Please note that these matters are generally advised for assistance in the preparation of future financial reports. With the exception of the comments concerning items 1 and 8, no further action is required in respect of the subject documents.

The following comments are in relation to the full set of accounts and also the concise report (as noted).

1. Timescales

Financial documents lodged with the Registrar are required by subsection 268(c) of the RAO Schedule to be filed under cover of a certificate by a designated officer, in this case, the National Secretary, stating that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with section 266. Such reports should be prepared, audited, supplied to members, presented to a meeting and lodged in the Industrial Registry within certain timescale requirements (see enclosed Diagrammatic Summary).

I note that the financial report was received and adopted by the Branch Committees of Management of the organisation at “branch meetings” held respectively from 19 May 2006 through to 3 July 2006 and was subsequently presented to the “second meeting” which was held on 19 July 2006.

It is unclear from the information provided whether the “branch meetings” were held for the purpose of supplying a copy of the financial reports to members [s.265(5)] or for presenting the financial reports to a General Meeting after such documents were supplied to members [s.266]. Also, it is unclear as to which body the “second meeting” refers to.

As you know section 266 makes provision for the methods by which a reporting entity may satisfy its obligation to present the full report to members. The purpose of the financial reporting provisions generally is to ensure disclosure to members and, to offer those members an opportunity to raise any matter that concerns them regarding material disclosed in that information. The vehicle for members to achieve this is either at a general meeting of members or at a meeting of the committee of management. The latter option is only available if the precondition in subsection 266(3), that is the 5% rule, is satisfied.

The organisation's rules do not satisfy the abovementioned precondition in relation to the financial documents of the organisation. I note that rule 45 provides such precondition in

relation to the organisation's branches. I suggest that if the organisation wishes that future financial documents be presented to a committee of management meeting rather than a general meeting of members, an appropriate alteration to the organisation's rules should be effected.

In these circumstances, the alternatives require the presentation of the relevant documents to a general meeting of members, or at a series of meetings at different locations (this alternative is only available if the rules make provision for such meetings). It should also be noted that the financial reports should be provided to members at least 21 days before the general meeting at which the documents are to be presented [refer s.265(5)(a)].

The organisation may wish to take steps to alter its rules to incorporate the 5% rule referred to previously.

Would you please advise whether the financial reports have been supplied to the organisation's members and if so when and what body the financial reports were then presented to and the date when that occurred.

Also, unless an extension is granted, financial reports should be lodged in the Industrial Registry within 14 days of the meeting at which they were presented [refer s.268].

2. Operating Report

(a) Results of principal activities

I refer to the Operating Report, in particular to the "Operating Result". I note that subsection 254(2)(a) of the RAO Schedule requires the operating report to include a review of the principal activities of the reporting entity, the results of those activities and any significant changes in the nature of those activities.

The "Operating Result" requirement contemplates reference in the operating report to results directly related to the principal activities as opposed to the reporting entities financial result, particularly as measured in dollar 'surplus' or 'loss' terms. Although this may not be stated explicitly in the text of the subsection, I think it is reasonable to infer this is what the legislators had in mind given that the subsection is referring primarily to the principal activities and secondly, the actual financial outcome is elaborated elsewhere in the financial documents, such as the Balance Sheet and/or the Profit and Loss statement.

(b) Right of members to resign

Subsection 254(2)(c) requires the operating report to "give details" of the right of members to resign from the reporting unit under section 174. The requirement may be met by the inclusion of a statement that a member has the right to resign and a reference to the relevant rule, which makes such provision. Alternatively, the complete text of the relevant resignation rule may be reproduced in the report. It would appear in this case that rule 12 of the organisation's rules is applicable.

(c) Significant changes in financial affairs

The report must give details of any significant changes in the reporting unit's financial affairs during the year.

3. Accounting Officer's Certificate

There is no requirement under Schedule 1 to lodge an Accounting Officer's certificate. Such certificate was previously required by the former provisions of the Act and Workplace Relations Regulations.

4. Committee of Management Statement

(a) Signatory

Please note that under reporting Guideline 18(d) for the purposes of section 253 of the RAO Schedule this Statement need only be signed by a designated officer.

- (b) I note that paragraph (e)(vi) states in part that no orders for inspection of financial records have been made by the Industrial Registry. Such reference should be to the Commission.

5. References to Schedule 1B

I note the financial documents contain references to Schedule 1B of the Workplace Relations Act 1996. Such references should now be to Schedule 1.

6. Auditor's Report

- (a) The opinion expressed by the auditor in their report has not fully met the requirements of the Act. Section 257(5) of the RAO Schedule now sets out the matters on which an auditor is required to state an opinion. An acceptable wording would be as follows:

"In our opinion the general purpose financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the RAO Schedule."

- (b) It is not clear from the Report whether or not the Auditor is an approved auditor. In this regard I draw your attention to the definition of approved auditor in regulation 4 of the Workplace Relations (Registration and Accountability of Organisation) Regulations 2003 (the RAO Regulations) In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report. I recommend you draw this comment to the attention of your Auditors.

7. Recovery of Wages Activity

I note that the accounts do not provide any information in relation to any recovery of wages activity.

Where the reporting unit has not undertaken any recovery of wages activity for the financial year a statement by the auditor to the effect that there was no recovery of wages activity for the financial year would be sufficient.

The following comments are made in relation to the concise report.

8. Concise Report

The concise report attached to your financial report is noted. As you know, the reporting unit can discharge its obligation to supply a full copy of its financial documents to its members with a concise report of the financial statements for the relevant financial year.

A concise report for the financial year may only be provided to members instead of the full report if under the rules of the reporting unit the committee of management resolves to do so. The concise report consists of (s.265(3) of the RAO Schedule):

- (a) a concise financial report including:

- (i) the three financial statements as in the full report except that the notes may be omitted; and
- (ii) disclosures of information for the preceding financial year; and

- (iii) discussion and analysis of the principal factors affecting the financial performance, financial position and financial and investing activities of the reporting unit to assist the understanding of members; and
 - (iv) the committee of management statement required by the reporting guidelines; and
 - (v) a statement that the concise financial report has been derived from the full report and cannot be expected to provide as full an understanding of the financial performance, financial position and financial and investing activities of the reporting unit as the full report; and
 - (vi) the notice drawing attention to the additional information that must be made available to a member or a Registrar on behalf of a member on application; and
 - (vii) any other information consistent with the full report; and
- (b) the operating report for the year;
- (c) a statement by the auditor that the concise financial report has been audited and whether in the auditor's opinion it complies with the relevant Australian Accounting Standards;
- (d) in relation to the auditor's report on the full report, the following:
- (i) whether in the auditor's opinion the general purpose financial report is presented fairly in accordance with Australian Accounting Standards, the Reporting Guidelines, or any other requirements of Chapter 8, Part 3 of the RAO Schedule; and
 - (ii) description of the effect (quantified if practicable) of any non-compliance; and
 - (iii) description of any defect or irregularity in the general purpose financial report; and
 - (iv) description of any deficiency, failure or shortcoming in respect of:
 - (v) the auditor's entitlement to full and free access to the financial records and information and explanations sought for purposes of the audit (s.257(2)); and
 - (vi) the obligations of the reporting unit for keeping proper financial records (s.252); and
 - (vii) a statement that the report is a concise report and that a copy of the full report and auditor's report will be sent to the member free of charge if the member asks for them.

There is no indication as to whether the committee of management has passed a resolution to provide the members with such summary [s.265(2)].

Would you please advise this office in writing whether the committee of management has passed the required resolution.

The organisation should review the information it includes in such future reports in order to fully comply with s.265(3) and regulation 161 of the RAO Regulations.

9. Auditor's Certificate

It appears that the certificate has been couched in terms of the previous legislative scheme. The certificate should comply with the requirements as provided by s.265(3)(c) of the RAO Schedule.

10. Financial Statements

Regulation 161(1)(a) requires a concise report to include the profit and loss statement, balance sheet and statement of cash flows presented as in the full report.

I note that the profit and loss statement and balance sheet provided in the concise report differ from those presented in the full report.

The concise report must provide the financial statements as presented in the full report.

11. Committee of Management Statement

The concise report should have included the committee of management statement (regulation 161(1)(d)) of the RAO Regulations).

Electronic lodgment

I encourage you to take advantage of the electronic lodgment service provided by the Registry for future lodgments. You may register as a user and then lodge your documents via the Electronic Lodgment page of the AIRC website at www.airc.gov.au Alternatively, you may send an email with the documents attached to: riateam3@air.gov.au. Please note that the Rules of the Commission allow for electronic signatures to be used, other than for statutory declarations (see subrule 74A(1)). Where documents are lodged electronically, there will be no need to forward hard copies of the documents.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7993 or by email at larry.powell@air.gov.au

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L Powell'.

Larry Powell
Statutory Services Branch

25 October 2006

National Office

Ground Floor
28 Anglo Road
Campsie NSW 2194
Tel: (02) 9789 4188
Fax: (02) 9789 6510
Email: tcfua@tcfua.org.au
Tony Woolgar
National Secretary

21st July 2006

The Industrial Registrar
Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001

Dear Sir/Madam

Please find attached the financial return for the year ended 31st December 2005 for the Textile, Clothing and Footwear Union of Australia.

I have also attached the Secretary's Certificate and a summary of the Financial Statement which was circulated to members.

Yours faithfully



Tony Woolgar
National Secretary



SECRETARY'S CERTIFICATE

I certify that the copies of the Auditor's Report, accounts and statements for the year ended 31st December 2005 are copies of the financial documents that were presented to the Annual Meeting held on 16th – 18th May 2006.

Further that the Annual Meeting held on 16th – 18th May 2006 determined that a summary of the TCFUA National Council Financial Statements for the year ended 31st December 2005 be circulated to members.

The Branch Committees of Management of the following branches of the Union did receive and adopt said audited Financial Statements at branch meetings held on the following dates:

| | | |
|----------------------------------|---|----------------------------|
| New South Wales Branch | - | 5 th June 2006 |
| Queensland Branch | - | 3 rd July 2006 |
| South Australia/Tasmanian Branch | - | 19 th May 2006 |
| Victoria Branch | - | 22 nd June 2006 |
| Western Australian Branch | - | 1 st July 2006 |

The documents were subsequently presented to the second meeting which was held on 19th July 2006.

Signed 

Tony Woolgar
National Secretary

Dated 21.7.06

**TEXTILE CLOTHING & FOOTWEAR UNION
OF AUSTRALIA NATIONAL COUNCIL**

FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2005

TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA
NATIONAL COUNCIL
OPERATING REPORT
FOR YEAR ENDED 31 DECEMBER 2005

In accordance with Section 254 of the Workplace Relations Act 1996 the Committee of Management report on the Textile Clothing & Footwear Union of Australia National Council (the "National Council") as follows:

Principal activities

The principal activities of the National Council during the reporting period were to provide industrial and organising services to each of the branches of the textile clothing and footwear union of Australia and their members, -consistent with the objectives of the National Council and particularly the objective of protecting and improving the interests of the various branches and their members.

Operating result

The operating deficit for the reporting period was (\$311,001). The National Council is exempt from income tax and therefore no tax effect accounting was provided in the accounts.

Significant changes

There were no significant changes in the nature of the National Council's principal activities during the reporting period.

Manner of resignation

Subject to the rules of the National Council and the Workplace Relations Act 1996, members have the right to resign from membership of the National Council by written notice addressed to and delivered to the Secretary of the National Council.

Superannuation officeholders

The following officer held positions during the reporting period in the following entities:

Anthony Woolgar, Secretary

- Member of the Board of Australian Retirement Fund (ARF) as nominated by the Textile, Clothing & Footwear Union of Australia (TCFUA). All fees and reimbursement for the position held are income to the National Council.

Number of members

The number of persons who, at the end of the reporting period, were recorded in the register of members for each of the state branches was as follows:

| | |
|-------------------|-------------|
| New South Wales | 4035 |
| Victoria | 3878 |
| South Australia | 998 |
| Queensland | 723 |
| Western Australia | 58 |
| | <u>9692</u> |

Number of employees

At the end of the reporting period, there were three full time employees and two part time employees.

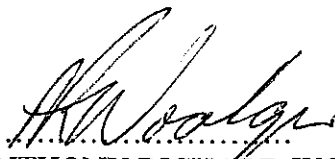
Members of Committee Management

Persons who held office as members of the Committee of Management of the National Council during the reporting period are:

| Name | Organisation Position |
|-------------------------|-------------------------------------|
| Mr Anthony Woolgar | TCFUA National Secretary |
| Mr Barry Tubner | TCFUA National President |
| Ms Michele O'Neil | TCFUA National Assistance Secretary |
| Ms Elizabeth MacPherson | TCFUA National Snr Vice President |
| Mr John Owen | TCFUA National Trustee |
| Mr Stephen Brennan | TCFUA National Trustee |
| Ms Jenny Kruschel | TCFUA National Jnr Vice President |
| Mr Brett Anderson | TCFUA National Councillor |
| Mr John Dalton | TCFUA National Councillor |
| Mr Stephen Davies | TCFUA National Councillor |
| Ms Dorothy Peterson | TCFUA National Councillor |
| Mr Steve Stewart | TCFUA National Councillor |
| Ms Kathleen Stephens | TCFUA National Councillor |
| Ms Lorraine Rudd | TCFUA National Councillor |
| Mr Warren Smith | TCFUA National Councillor |
| Mr Jack Morel | TCFUA National Trustee |

Committee members have been in office since the start of the reporting period to the date of this report unless otherwise stated.

Signed in accordance with a resolution of the Committee of Management:


.....
ANTHONY RICHARD WOOLGAR

Dated: 16 May 2006

TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL
COUNCIL
STATEMENT OF FINANCIAL PERFORMANCE
FOR YEAR ENDED DECEMBER 31, 2005

| | Note | 2005 | 2004 |
|---|------|------------------|------------------|
| | | \$ | \$ |
| INCOME | | | |
| Capitation Fees | 3 | 180,919 | 370,317 |
| Interest received | | 28,832 | 27,970 |
| Reimbursement income | | 30,699 | 21,226 |
| Sundry income | | 462 | 3,845 |
| I.R. Campaign reimbursement | | 35,000 | - |
| Gain on disposal of asset | | 2,413 | - |
| TOTAL OPERATING INCOME | | 278,325 | 423,358 |
| LESS OPERATING EXPENDITURE | | | |
| Affiliation fees | | 41,948 | 68,834 |
| Bank charges | | 503 | 448 |
| Books, journals & publications | | 2,153 | 2,096 |
| Committee & conference expenses | | 3,095 | 3,669 |
| E.D.P Expenses | | 448 | 3,346 |
| Depreciation | | 11,663 | 10,058 |
| Donations | 5 | 400 | 950 |
| Entertain.exps. lunch, dinner etc. | | 1,687 | 1,074 |
| Fringe Benefits Tax | | 2,630 | 6,479 |
| Insurances | | 7,312 | 5,712 |
| Motor vehicle expenses | | 6,207 | 5,850 |
| Office expenses | | 1,927 | 2,086 |
| Postage & Freight | | 656 | 404 |
| Printing & stationery | | 798 | 6,017 |
| I.R. Campaign Contribution | | 35,000 | - |
| Professional services | 6 | 82,296 | 138,655 |
| Repairs & maintenance | | 140 | 323 |
| Salaries: | | | |
| - officials | | 93,052 | 87,008 |
| - employees | | 137,345 | 44,666 |
| Seminars | | - | 80 |
| Staff amenities & office requisites | | 335 | 63 |
| Storage & Assoc. cost | | - | 17,762 |
| Sundry expenses | 7 | 3,698 | 3,434 |
| Superannuation | | | |
| - officials | | 15,819 | 13,980 |
| - employees | | 12,072 | 4,188 |
| Telephone | | 6,742 | 7,076 |
| Travelling exps. & allowances | | 49,738 | 53,631 |
| Leave entitlements – provision | | 5,864 | 5,830 |
| Loss on disposal of assets | 8 | - | 4,675 |
| Leave entitlement – annual leave provision | | 14,767 | - |
| Leave entitlement – sick leave provision | | 515 | - |
| TOTAL OPERATING EXPENDITURE | | 538,810 | 498,394 |
| OPERATING SURPLUS/(DEFICIT) FOR YEAR | | (260,485) | (75,036) |
| Add: Mortality Fund Surplus/(Deficit) | | 13,830 | (11,821) |
| Capitation fees write-back-2004 | | (64,346) | (91,350) |
| TOTAL DEFICIT FOR YEAR | | (311,001) | (178,207) |

The accompanying notes form part of these financial statements.

TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL
COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2005

| | | 2005 | 2004 |
|---|------|-----------|-----------|
| | | \$ | \$ |
| | Note | | |
| ACCUMULATED FUNDS | | | |
| General fund bal.. at beginning of year | | 795,534 | 973,741 |
| Add surplus/(deficit) for year | | (311,001) | (178,207) |
| | | ----- | ----- |
| TOTAL ACCUMULATED FUNDS | | 484,533 | 795,534 |
| | | ===== | ===== |
| Represented By: | | | |
| CURRENT ASSETS | | | |
| Cash on hand | | 1,500 | 1,500 |
| Cash at bank | | 268,749 | 472,325 |
| Sundry debtors - capitation fees | 9 | 49,952 | 172,364 |
| Sundry debtors - other | | 24,841 | 12,683 |
| | | ----- | ----- |
| TOTAL CURRENT ASSETS | | 345,042 | 658,872 |
| | | ----- | ----- |
| INVESTMENT | | | |
| Other investments | 10 | 13,461 | 13,461 |
| | | ----- | ----- |
| TOTAL INVESTMENTS | | 13,461 | 13,461 |
| | | ----- | ----- |
| FIXED ASSETS | | | |
| Plant & equipment at WDV | 11 | 47,968 | 57,218 |
| | | ----- | ----- |
| OTHER FUNDS | | | |
| Cash at bank and Term Deposit | | | |
| Car replacement Fund | | 944 | 944 |
| Mortality Fund | | 239,266 | 231,741 |
| Leave entitlement fund | | 179,989 | 152,046 |
| | | ----- | ----- |
| | | 420,199 | 384,731 |
| | | ----- | ----- |
| TOTAL ASSETS | | 826,670 | 1,114,282 |
| | | ----- | ----- |

The accompanying notes form part of these financial statements.

Continued

TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL
COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2005

| | 2005 | 2004 |
|----------------------------------|----------------|----------------|
| | \$ | \$ |
| Note | | |
| CURRENT LIABILITIES | | |
| Creditors and accruals | 160,821 | 158,578 |
| Provision for Annual leave | | |
| - Officials | 74,213 | 67,689 |
| - Employees | 11,902 | 3,659 |
| Provision for long service leave | | |
| - Officials | 86,380 | 80,516 |
| - Employees | - | - |
| Provision for sick leave | | |
| - Officials | 8,821 | 8,306 |
| - Employees | - | - |
| TOTAL CURRENT LIABILITIES | <u>342,137</u> | <u>318,748</u> |
| TOTAL LIABILITIES | <u>342,137</u> | <u>318,748</u> |
| NET ASSETS | <u>484,533</u> | <u>795,534</u> |

The accompanying notes form part of these accounts.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL
COUNCIL**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2005

| | INFLOW (OUTFLOW) 2005 \$ | INFLOW (OUTFLOW) 2004 \$ |
|--|-----------------------------------|-----------------------------------|
| Note | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Capitation fees received | 238,985 | 393,303 |
| Other operating revenue | 82,828 | 36,730 |
| Interest received | 36,624 | 34,791 |
| Payments to suppliers & employees | (526,545) | (510,510) |
| | ----- | ----- |
| CASH FLOWS FROM/(USED BY) OPERATING ACTIVITIES | 12(b) (168,108) | (45,686) |
| | ----- | ----- |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of plant & equipment & other assets | - | (38,872) |
| Proceeds from sale of property, plant & equipment | - | 16,889 |
| | ----- | ----- |
| CASH FLOWS USED BY INVESTING ACTIVITIES | - | (21,983) |
| | ----- | ----- |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from borrowings | - | - |
| Loan repayments | - | - |
| | ----- | ----- |
| Net cash provided by (used in) financing activities | - | - |
| | ----- | ----- |
| NET INCREASE/DECREASE IN CASH HELD | (168,108) | (67,669) |
| Cash at beginning of reporting period | 858,556 | 926,225 |
| | ----- | ----- |
| CASH AT END OF REPORTING PERIOD | 12(a) 690,448 | 858,556 |
| | ===== | ===== |

The accompanying notes form part of these financial statements.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL
COUNCIL**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR YEAR ENDED DECEMBER 31, 2005**

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES

The financial statements have been prepared and presented in accordance with applicable Accounting Standards, other mandatory professional reporting requirements and the Workplace Relations Act 1996. The financial statements have also been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non current assets. The concept of accrual accounting has been adopted in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the Union in the preparation of the financial statements.

(a) Basis of Accounting

The accounts have not been adjusted to record either changes in the general purchasing power of the dollar or in the prices of specific assets.

(b) Depreciation

Depreciation of fixed assets is calculated on the straight line/reducing balance basis, in order to write the assets off over their estimated useful life.

(c) Employee Entitlements

(i) Wages and salaries, and annual leave liabilities for wages and salaries, and annual leave are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' service up to that date.

(ii) Long Service Leave -

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and period of service.

(d) Income Tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 23 (f) of the Income Tax Assessment Act.

NOTE 2 - INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996 the attention of members is drawn to the provisions of sub sections (1), (2) and (3) of Section 272 of Schedule 1B which reads as follow:

- (1) A member of a reporting unit, or a Registrar, 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.

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR YEAR ENDED DECEMBER 31, 2005

NOTE 2 (continued)

(2) The application must be in writing and specify the period within which, and the manner in which, the information is to be made available. The period must not be less than fourteen days after the application is given to the reporting unit.

(3) A reporting unit must comply with an application under subsection (1).

| 2005 | 2004 |
|------|------|
| \$ | \$ |

NOTE 3 - CAPITATION FEES

| | | |
|--------------------------|---------|---------|
| New South Wales | 71,022 | 150,756 |
| Queensland | 14,768 | 21,443 |
| South Australia/Tasmania | 17,414 | 19,525 |
| Victoria | 76,880 | 177,850 |
| Western Australia | 835 | 743 |
| | 180,919 | 370,317 |
| | 180,919 | 370,317 |

NOTE 4 - AFFILIATION FEES

| | | |
|--------------|--------|--------|
| A.C.T.U. | 25,700 | 30,790 |
| I.T.G.L.W.F. | 15,060 | 36,443 |
| T.W.A.R.O. | 552 | 1,601 |
| A.P.H.E.D.A. | 636 | - |
| | 41,948 | 68,834 |
| | 41,948 | 68,834 |

NOTE 5 - DONATIONS

Each donation does not exceed \$1,000-00

-

NOTE 6 - PROFESSIONAL SERVICES

| | | |
|-----------------------------|--------|---------|
| Audit fees | 6,100 | 6,100 |
| Accounting & other services | 4,200 | 4,750 |
| Legal Fees | 62,000 | 47,000 |
| Consultancy Fees | 9,996 | 80,805 |
| | 82,296 | 138,655 |
| | 82,296 | 138,655 |

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL
COUNCIL**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR YEAR ENDED DECEMBER 31, 2005**

| | 2005 | 2004 |
|--|------|------|
| | \$ | \$ |

NOTE 7 - SUNDRY EXPENSES

| | | |
|------------------------|-------|-------|
| Leasing - Photo Copier | 2,866 | 3,126 |
| Others | 832 | 308 |
| | ----- | ----- |
| | 3,698 | 3,434 |
| | ----- | ----- |

NOTE 8 - ASSET WRITTEN OFF/SOLD

| | | |
|---------------------------------------|-------|---------|
| Motor Vehicle - loss on disposal | - | 6,310 |
| Laptop computer -- (gain) on disposal | - | (1,635) |
| | ----- | ----- |
| | - | 4,675 |
| | ----- | ----- |

NOTE 9 - SUNDRY DEBTORS - CAPITATION

| | | |
|-------------------|--------|---------|
| New South Wales | 17,491 | 91,442 |
| Queensland | 7,440 | 22,524 |
| South Australia | - | 8,395 |
| Victoria | 24,553 | 49,165 |
| Western Australia | 468 | 838 |
| | ----- | ----- |
| | 49,952 | 172,364 |
| | ----- | ----- |

NOTE 10 - OTHER INVESTMENTS

| | | |
|---|--------|--------|
| A.C.T.U. Member Connect Pty Ltd – Units (not realisable within one year) | 13,461 | 13,461 |
| | ----- | ----- |
| | 13,461 | 13,461 |
| | ----- | ----- |

TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL
COUNCIL
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR YEAR ENDED DECEMBER 31, 2005

| | 2005 | 2004 |
|--|---------------|---------------|
| | \$ | \$ |
| NOTE 11 - PLANT & EQUIPMENT | | |
| Library - at cost | 41,018 | 41,018 |
| Less accumulated depreciation | (33,092) | (32,449) |
| | ----- | ----- |
| | 7,926 | 8,569 |
| | ----- | ----- |
| Motor vehicles - at cost | 36,458 | 36,458 |
| Less accumulated depreciation | (10,329) | (2,743) |
| | ----- | ----- |
| | 26,129 | 33,715 |
| | ----- | ----- |
| Office equipment & furnit. - At cost | 95,924 | 115,461 |
| Less accumulated depreciation | (82,011) | (100,527) |
| | ----- | ----- |
| | 13,913 | 14,934 |
| | ----- | ----- |
| TOTAL PLANT & EQUIPMENT AT W.D.V. | 47,968 | 57,218 |
| | ===== | ===== |

NOTE 12 - STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

Cash at the end of the reporting period
As shown in the statement of cash flows
Is reconciled to the related items in the
Financial statements as follows:-

| | | |
|-------------------------------------|---------|---------|
| Cash on hand | 1,500 | 1,500 |
| Cash at bank | 268,749 | 472,325 |
| Cash in special purpose fund assets | 420,199 | 384,731 |
| | ----- | ----- |
| | 690,448 | 858,556 |
| | ----- | ----- |

(b) Reconciliation of Net cash provided by

Operating Activities to net surplus/(deficit)

| | | |
|---|-----------|-----------|
| Net surplus/(deficit) | (311,001) | (178,207) |
| Depreciation | 11,663 | 10,058 |
| Loss/(profit) on sale & write-off of fixed assets | (2,413) | 4,675 |
| Movement in assets & liabilities: | | |
| - Decrease/(increase) in debtors – capitation | 122,412 | 114,336 |
| - Decrease/(increase) in sundry debtors | (12,158) | 4,441 |
| - Increase/(decrease) in creditors | 2,244 | (48) |
| - Increase/(decrease) in employee provision | 21,145 | (941) |
| | ----- | ----- |
| | (168,108) | (45,686) |
| | ===== | ===== |

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL
COUNCIL**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR YEAR ENDED DECEMBER 31,2005**

NOTE 13 – WRITE BACK OF CAPITATION FEES

Capitation fees write back is required due to over accrual of the fees from prior year rate change for some of the branches.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL
COUNCIL**

MORTALITY FUND

STATEMENT OF INCOME & EXPENDITURE

FOR YEAR ENDED DECEMBER 31, 2005

| | 2005 | 2004 |
|---------------------------------|--------|----------|
| | \$ | \$ |
| MORTALITY FUND | | |
| Interest received | 14,763 | 6,821 |
| Contributions received | 16,667 | 11,658 |
| | ----- | ----- |
| TOTAL INCOME | 31,430 | 18,479 |
| | ----- | ----- |
| Payments to members | 17,600 | 30,300 |
| | ----- | ----- |
| TOTAL EXPENDITURE | 17,600 | 30,300 |
| | ----- | ----- |
| FUND SURPLUS/(DEFICIT) FOR YEAR | 13,830 | (11,821) |
| | ===== | ===== |


The accompanying notes form part of these financial statements.


TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL
COUNCIL
COMMITTEE OF MANAGEMENT'S STATEMENT

On *16 May 2006* Committee of Management of Textile, Clothing & Footwear Union of Australia National Council, passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 December 2005.

The Committee of Management declares in relation to the GPFR that in its opinion:

- a) The financial report and notes comply with the Australian Accounting Standards;
- b) The financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- c) The financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Union for the financial year ended December 31, 2005.
- d) There are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable; and
- e) During the year ended 31 December 2005 and since the end of the financial year:
 - (i) Meetings of the Committee of Management were held in accordance with the rules of The Textile Clothing & Footwear Union of Australia National Council including the rules of the Union; and
 - (ii) The financial affairs of the Union have been managed in accordance with the Rules of The Textile Clothing & Footwear Union of Australia National Council including the rules of the Union; and
 - (iii) The financial records of the Union have been kept and maintained in accordance with the Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration & Accountability of Organizations) Regulations 2003; and
 - (iv) The issue of consistency of financial record of different Branches within the Union is being considered with a view to keeping, as far as practicable, the Financial records in a consistent manner to each of the other reporting units to Ensure compliance with the Australian Accounting Standards in subsequent years; and
 - (v) no information has been sought in any request of a member of the Union or a Registrar made under section 272 of Schedule 1B to the Workplace Relations Act 1996; and
 - (vi) no orders for inspection of financial records have been made by the Industrial Registry under section 273 of Schedule 1B to the Workplace Relations Act 1996.


.....
ANTHONY RICHARD WOOLGAR
Secretary
Dated: *16 May 2006*


.....
BARRY TURNER


**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL
COUNCIL**

ACCOUNTING OFFICER'S CERTIFICATE

I, Anthony Richard Woolgar, being the officer responsible for keeping the accounting records of the Textile Clothing & Footwear Union of Australia National Council, certify that at the year ended December 31, 2005 the number of members of the Union was 10133.

In my opinion;

- (i) the accounts show a true and fair view of the financial affairs of the union as at 31st December 2005
- (ii) a record has been kept of all moneys paid by, or collected from, members of the union, and all moneys so paid or collected have been credited to the bank account or accounts to which those moneys are to be credited, in accordance with the rules of the union;
- (iii) before any expenditure was incurred by the union, approval of the incurring of the expenditure was obtained in accordance with the rules of the union;
- (iv) any payment made out of funds of the union raised by compulsory levies or voluntary contributions from members or funds other than the General Fund operated in accordance with the rules, for a purpose other than the purpose for which the fund was operated, was approved in accordance with the rules of the union;
- (v) all loans or other financial benefits granted to persons holding office in the union were authorised in accordance with the rules of the union; and
- (vi) the register of members of the union was maintained in accordance with the Act.


.....
ANTHONY RICHARD WOOLGAR – National Secretary

Dated: *16 May 2006*

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL
COUNCIL**

INDEPENDENT AUDIT REPORT.

To the members of the Textile Clothing & Footwear Union of Australia, National Council.

Scope

The Financial Report is the responsibility of the Committee of Management and Secretary of the Union.

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements and the Committee of Management's statement for the Textile Clothing & Footwear Union, National Council, for the year ended 31 December 2005.

The Committee of Management and the Secretary of the National Council are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Union. Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatement have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia a view which is consistent with our understanding of the Union's financial position and its performance as represented by the results of its operations and cash flows.

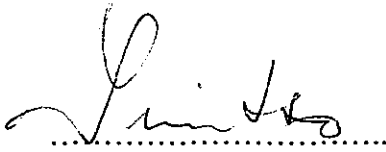
We formed our audit opinion on the basis of these procedures, which included: examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Union and the Secretary of the Union.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996.

D W SUTHERLAND & PARTNERS

A handwritten signature in black ink, appearing to read 'Tim Ho', written over a dotted line.

TIMOTHY HO

Partner.

Registered Company Auditor

Dated: 16 May 2006

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL
COUNCIL**

AUDITORS REPORT

I report that I have inspected and audited the accounting records of The Textile Clothing & Footwear Union of Australia National Council in relation to the financial year ending December 31, 2005 and report that in my opinion satisfactory accounting records were kept by the Union in relation to the period, including:

(a) (i) records of the sources and nature of the income of the Union (including income from members); and

(ii) records of the nature and purposes of the expenditure of the Union; and

in my opinion the general purpose financial report prepared in accordance with the Australian Accounting Standards and under section 253 and any other requirements imposed by section 255 reporting guidelines or Part 3 of Chapter 8 of the Schedule 1B-Registration and Accountability of Organisation under the Workplace Relations Act 1996 in relation to the period were properly drawn up so as to give a true and fair view of:

(b) (i) the financial affairs of the Union as at the end of the financial year; and
(ii) the income and expenditure, and any surplus or deficit of the Union for the year; and

(c) (i) all information, being information which was reasonably wanted for the purpose of this audit, which was required and sought by me or by any person authorised by me for the purpose of the audit, was provided.

I also understand that to the extent that there was any deficiency, failure or shortcoming in relation to the matters referred to above, I must report particulars and that those particulars, if any, which form part of this report, are attached.

D W SUTHERLAND & PARTNERS



TIMOTHY HO

Partner.

Registered Company Auditor

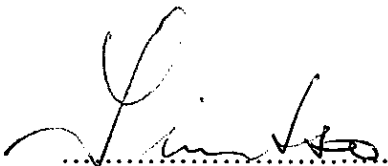
Dated: 16 May 2006

TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA
NATIONAL COUNCIL

AUDITORS CERTIFICATE

We certify that the above summary is a fair and accurate summary of the report, financial statements of the Textile, Clothing & Footwear Union of Australia, National Council for the year ended 31 December 2005. Our Auditor's Report dated on the Financial Statements did not contain particulars of any deficiency, failure or shortcomings as referred to in the Workplace Relations Act, 1996.

D W SUTHERLAND & PARTNERS

A handwritten signature in black ink, appearing to read 'Timothy Ho', written over a dotted line.

TIMOTHY HO
Partner
Registered Company Auditor

Dated 16 May 2005

TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL COUNCIL

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2005

| | 2005 \$ | 2004 \$ |
|----------------------------------|------------|------------|
| ACCUMULATED FUNDS | | |
| General Fund | 484,533 | 795,534 |
| Represented by: | | |
| CURRENT ASSETS | | |
| Cash on hand | 1,500 | 1,500 |
| Cash at Bank | 268,749 | 472,325 |
| Term Deposits & Investments | 433,660 | 398,192 |
| Other | 74,793 | 185,047 |
| TOTAL CURRENT ASSETS | 778,702 | 1,057,064 |
| FIXED ASSETS | | |
| Library | 41,018 | 41,018 |
| Less: Accumulated deprecn. | (33,092) | (32,449) |
| Motor Vehicle | 36,458 | 36,458 |
| Less: Accumulated deprecn. | (10,329) | (2,743) |
| Office equipment & furniture | 95,924 | 115,461 |
| Less: Accumulated deprecn. | (82,010) | (100,527) |
| TOTAL FIXED ASSETS | 47,969 | 57,218 |
| TOTAL ASSETS | 826,671 | 1,114,282 |
| CURRENT LIABILITIES & PROVISIONS | | |
| Creditors | 160,822 | 158,579 |
| Provisions | 181,316 | 160,170 |
| TOTAL LIABILITIES | 342,138 | 318,748 |
| NET ASSETS | 484,533 | 795,534 |

TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NATIONAL COUNCIL

STATEMENT OF FINANCIAL PERFORMANCE

AS AT DECEMBER 31, 2005.

| | 2005 \$ | 2004 \$ |
|--|------------|------------|
| INCOME | | |
| Capitation Fees | 180,919 | 370,317 |
| Mortality Fund Contribution | 16,667 | 11,658 |
| Other Income | 109,756 | 59,862 |
| | ----- | ----- |
| TOTAL INCOME | 307,342 | 441,837 |
| | ----- | ----- |
| EXPENDITURE | | |
| Administration Expenses | 183,769 | 153,606 |
| Donations and Grants | 400 | 950 |
| Mortality Fund payment | 17,600 | 30,300 |
| Professional Fees & Services | 82,296 | 138,655 |
| Salaries & Allowances | 230,397 | 131,674 |
| Sustentation & Capitation Fees | 41,948 | 68,834 |
| | ----- | ----- |
| TOTAL EXPENDITURE | 556,410 | 524,019 |
| | ----- | ----- |
| NET OPERATING SURPLUS/(DEFICIT) | (249,068) | (82,182) |
| LESS: | | |
| PROFIT/(LOSS) ON DISPOSAL OF FIXED ASSET | 2,413 | (4,675) |
| CAPITATION FEES WRITE BACK | (64,346) | (91,350) |
| | ----- | ----- |
| NET SURPLUS/(DEFICIT) | (311,001) | (178,207) |
| Accumulated Funds at beginning of year | 795,534 | 973,741 |
| | ----- | ----- |
| ACCUMULATED FUNDS AT END OF YEAR | 484,533 | 795,534 |
| | ===== | ===== |