



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7764
Fax: (03) 9655 0410
Email: kevin.donnellan@air.gov.au

Mr Barry Tubner
Branch Secretary
Textile, Clothing and Footwear Union of Australia, New South Wales/South
Australia/Tasmania Branch

email: tcfuansw@tcfua.org.au

Dear Mr Tubner

Re: Financial Report for the Textile, Clothing and Footwear Union of Australia, New South Wales/South Australia/Tasmania Branch for year ended 31 December 2007 – FR2007/650

I acknowledge receipt of the revised Audit Report for the financial report of the Textile, Clothing and Footwear Union of Australia, New South Wales/South Australia/Tasmania Branch for the year ended 31 December 2007. The document was lodged with the Registry on 12 June 2008.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

Operating Report

Results of principal activities

I refer to the Operating Report, in particular to the “Operating Result”. I note that s254(2)(a) of Schedule 1 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.

Trustee of superannuation entity

Subsection 254(2)(d) of Schedule 1 requires details of any *officer or member* of the reporting unit who is a trustee, or a director of a company that is a trustee, of a superannuation entity or an exempt public sector superannuation scheme to be provided in the operating report “*where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation*”.

If no officer or member of the reporting unit is a trustee of a superannuation entity, the preferred wording to satisfy s254(2)(d) is:

“No officer or member of the reporting unit holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.”

Schedule 1

Reference to Schedule 1B of the Act, should properly refer to Schedule 1.

Audit Report

Auditor's Qualification

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 Organisations) Regulations 2003. 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.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

A handwritten signature in black ink, appearing to be 'K Donnellan', with a long horizontal stroke extending to the right.

Kevin Donnellan

Statutory Services Branch
24 June 2008

D W Sutherland & Partners

Registered Company Auditors
Certified Practising Accountants

1/11 CONDER STREET
BURWOOD, 2134
NEW SOUTH WALES

Phone: (02) 9747 2055
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ALL CORRESPONDENCE TO
P.O. BOX 423
BURWOOD, 1805
NEW SOUTH WALES

June 5, 2008

Mr Kevin Donnellan
Statutory Services Branch
Australian Industrial Registry
G P O Box 1994
MELBOURNE VIC 3001

Dear Mr Donnellan

**Re: Financial Report for the Textile Clothing & Footwear Union of Australia,
New South Wales/South Australia/Tasmania Branch
For year ended 31 December 2007**

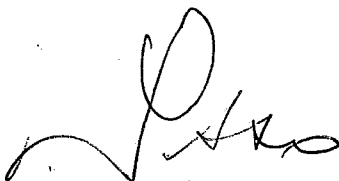
Attached is our amended auditor's report to comply with statutory requirement as per your letter to Mr Tubner (FR2007/650 dated 5 June 2008).

Please contact me if further communication needed,

A copy of this amendment will be sent to Mr Tubner.

Yours sincerely

D W SUTHERLAND & PARTNERS



T HO
Partner
Encls.



**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH
WALES/SOUTH AUSTRALIA/TASMANIA BRANCH**

INDEPENDENT AUDIT REPORT.

To the members of the Textile Clothing & Footwear Union of Australia, New South Wales/South Australia/Tasmania Branch.

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 of Australia, New South Wales/South Australia/Tasmania/Branch for the year ended 31 December 2007.

The Committee of Management and the Secretary of the Branch 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 Branch. 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 Branch'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 Committee of Management and the Secretary of the Branch.

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.

Audit Opinion

We state that the financial report has been audited and in our opinion the financial report complies with the relevant Australian Accounting Standards.

We report that we have inspected and audited the accounting records of the Textile Clothing & Footwear Union of Australia New South Wales/South Australia/Tasmania Branch in relation to the financial year ending 31 December 2007 and report that in our opinion satisfactory accounting records were kept by the Branch in relation to the period, including:

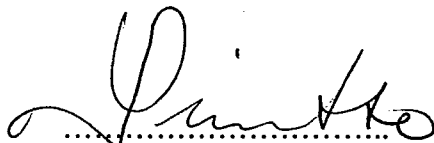
- (i) records of the sources and nature of the income of the Branch (including income from members);
- (ii) records of the nature and purposes of the expenditure of the Branch;
- (iii) all information, being information which was reasonably wanted for the purpose of this audit, which was required and sought by us or by any person authorised by us for the purpose of the audit, was provided;
- (iv) in relation to recovery of wages activity;
no activity of recovery occurred in the financial year.

In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the RAO Schedule of the Workplace Relations Act 1996:

- (i) the financial affairs of the Branch as at the end of the financial year, and
- (ii) the income and expenditure, and any surplus or deficit of the Branch for the year.

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

D. W. Sutherland & Partners
D W SUTHERLAND & PARTNERS



TIMOTHY HO, CPA

Partner.

Registered Company Auditor No. 629

Dated: 25 March 2008



Australian Government
Australian Industrial Registry

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Mr Barry Tubner
Branch Secretary
Textile, Clothing and Footwear Union of Australia, New South Wales/South
Australia/Tasmania Branch

email: tcfuansw@tcfua.org.au

Dear Mr Tubner

**Re: Financial Report for the Textile, Clothing and Footwear Union of Australia, New
South Wales/South Australia/Tasmania Branch for year ended 31 December 2007
– FR2007/650**

I acknowledge receipt of the financial report of the Textile, Clothing and Footwear Union of Australia, New South Wales/South Australia/Tasmania Branch for the year ended 31 December 2007. The documents were lodged with the Registry on 15 May 2008.

The financial report is not filed. The following matters require your attention before any action can be taken to file the above report.

Audit Report

Auditor's Opinion

The term “true and fair view” was used in the superseded legislation. Subsection 257(5) of the RAO Schedule sets out the matters upon which an auditor is required to make an opinion on whether the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and other requirements of the RAO Schedule. The following wording in the auditor’s opinion would satisfy the requirements:

“In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the RAO Schedule of the Workplace Relations Act 1996.”

Auditor's Qualification

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 Organisations) Regulations 2003. In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report.

Could the Branch provide a revised Audit Report reflecting the above matters.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

A handwritten signature in black ink, consisting of a stylized 'K' followed by a large loop and a long horizontal stroke.

Kevin Donnellan

Statutory Services Branch
5 June 2008

**TEXTILE, CLOTHING & FOOTWEAR UNION
OF AUSTRALIA NEW SOUTH WALES/
SOUTH AUSTRALIA/TASMANIA BRANCH**

FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2007

THE TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH WALES/SOUTH AUSTRALIA/TASMANIA BRANCH

OPERATING REPORT

The Committee of Management presents its operating report of the TEXTILE, CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH WALES/SOUTH AUSTRALIA/TASMANIA BRANCH for the financial year ended 31 December, 2007.

Principal Activities

The principal activities of the organisation during the financial year were:

- (i) The provision of services to members.
- (ii) The representation of members before the Australian Industrial Relations Commission on award matters and disputes.
- (iii) The provision of education in relation to workplace safety and industry training.

There were no significant changes in the nature of the organisation is principal activities during the year.

Operating Result

The performance and result of operation for the year was as follows

	31 December, 2007	31 December, 2006
	\$	\$
<u>Revenue</u>		
Principal Activities		
Membership Contribution	1,105,584	975,675
Investing Activities	146,529	151,891
Other income & Grants	138,084	125,906
Asset surplus from amalgamation	-	319,624
Surplus (Deficit) for year	(286,713)	26,455

Review of Operation

The year's operation was resulted in a deficit of \$286,713 and it is likely that the operating deficit will continue in the ensuing year.

Right of Members To Resign

Members retain the right to resign from the TEXTILE, CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH WALES/SOUTH AUSTRALIA/TASMANIA BRANCH in accordance to Rule 12 of the Branch Rules.

Number of Members

The number of members of the Branch at the end of the financial year was 3,807.

Number of Employees

The number of employees of the Branch at the end of the financial year were:

Officials – 8

Administration Clerks - 2

THE TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH WALES/SOUTH AUSTRALIA/TASMANIA BRANCH

Committee Members

The names of each person who are members of the Branch, at any time, during the financial year are as following:

NAME	POSITION	PERIOD
Stephen Robinson	President	1/1/07 – 31/12/07
Clive Wolff	Vice President	"
Barry James Tubner	Secretary	"
Stephen Davies	Assist. Secretary	"
Mark Edwards	(Trustee (Branch Organiser	"
Eric Lam	Trustee	"
Susana Martinez	Member	"
Peter Basto	Member	"
John Owen	Member	"
Peter Lane	(Member (National Councillor	"
Peter Martin	Member	"
Jimmy Wong	Member	"
Kathy Price	Member	"
Dylan Mausolf - S A	Member	"
Leon Kouflidis - S A	Member	"
Bruce Williamson – S A	Member	"
Diane Ford - S A	Member	1/1/07 – 5/11/07
James Coventry - S A	Member	5/11/07 – 31/12/07

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



Barry Tubner



Stephen Davies

Dated: 3 MARCH 2008

**TEXTILE, CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH/
SOUTH AUSTRALIA/TASMANIA BRANCH**
DETAILED BALANCE SHEET
AS AT 31 DECEMBER 2007

	NOTE	2007 \$	2006 \$
CURRENT ASSETS			
Cash			
St George Bank General A/C		76,274	121,555
St George Visa card A/C		7,148	7,815
Cash on hand		1,500	1,500
Investments			
Shares & Deposits		12,349	13,849
Term deposits and investments		2,175,461	2,457,761
Hasting Deering Ltd - 5 Prefer		6	6
Trade Union Medical Co-op share		2,000	2,000
Sundry debtors – Interest Receivable		42,949	22,531
TOTAL CURRENT ASSETS		2,317,687	2,627,017
NON CURRENT ASSETS			
Property plant and equipment	3		
Freehold property – NSW carrying value		1,450,000	845,000
- SA/TAS valuation		480,000	480,000
Plant, furniture and equipment at WDV – NSW		119,470	122,044
- SA/TAS		-	6,023
Motor vehicles at WDV - NSW		150,417	187,099
- SA/TAS		-	6,761
TOTAL NON CURRENT ASSETS		2,199,887	1,646,927
TOTAL ASSETS		4,517,574	4,273,944
CURRENT LIABILITIES			
Unsecured liabilities			
Sundry creditors- National Council		25,199	26,782
Sundry creditors – others NSW		43,933	33,212
- SA/TAS	4	35,549	35,549
Tax Payables		18,372	30,878
Staff Deduction Account		1,800	1,155
Provisions -	5		
Annual Leave		213,186	272,185
Long Service Leave		221,725	234,660
TOTAL CURRENT LIABILITIES		559,764	634,421

The accompanying notes form part of these financial statements.

**TEXTILE, CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH/
SOUTH AUSTRALIA/TASMANIA BRANCH**
DETAILED BALANCE SHEET
AS AT 31 DECEMBER 2007

		2007 \$	2006 \$
	Note		
NET ASSETS		<u>3,957,810</u>	<u>3,639,523</u>
EQUITY			
Retained Surplus		2,688,352	2,975,065
Asset Revaluation reserve	12	<u>1,269,458</u>	<u>664,458</u>
TOTAL EQUITY		<u>3,957,810</u>	<u>3,639,523</u>

The accompanying notes form part of these financial statements.

TEXTILE, CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH
WALES/ SOUTH AUSTRALIA/TASMANIA BRANCH
DETAILED PROFIT & LOSS ACCOUNT

FOR YEAR ENDED 31 DECEMBER 2007

	Note	2007 \$	2006 \$
Income			
Membership contribution		1,105,584	975,675
Interest earned		146,529	151,891
Other income		11,481	35,753
Grants		84,710	75,132
Rent - SA		41,893	15,021
		-----	-----
Total income		1,390,197	1,253,472
		-----	-----
Expenses			
Affiliation fees - ALP		18,921	10,728
Audit fees & other services	6	22,560	23,570
Bank fees and charges		3,127	3,054
Capitation fee - TCFU Nat Council		128,559	112,667
Computer software & supplies		40,757	23,025
Commissions		26,330	26,182
Depreciation		19,046	19,232
Donations	7	21,950	3,400
Fringe benefits tax		14,578	13,732
Honorarium		1,099	2,640
Industrial Disputation & Support		25,542	21,350
Insurances		18,400	16,995
Legal fees & professional fees		85,267	68,347
Motor Vehicle Depreciation		35,989	40,495
Motor Vehicle Expenses		43,828	56,393
Mortality Fund - Contribution		8,342	3,010
Office Requisites & Staff amenities		14,884	19,270
Official Meeting Luncheons & Dinners		20,250	11,670
Payroll Tax		21,146	14,705
Printing, postage, staty. & courier		29,189	34,351
Rental property expenses – SA		7,452	4,299
Repairs, maintenance & rates		18,629	16,301
Salaries & Allowances – Officers		585,956	576,202
- Admin.Clerks		85,113	125,419
Subscriptions & References		1,449	1,887
Superannuation & assoc. costs –Officers		124,121	118,779
-Admin.clerks		11,538	9,753
Membership benefit card		26,393	1,988

The accompanying notes form part of these financial statements.

TEXTILE, CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH
WALES/SOUTH AUSTRALIA/TASMANIA BRANCH
DETAILED PROFIT & LOSS ACCOUNT

FOR YEAR ENDED 31 DECEMBER 2007

	Note	2007 \$	2006 \$
Expenses (continued)			
Sustentation Fee - Lab. Council		12,927	10,618
Sundry Expenses	8	22,331	11,152
Telephone & electricity		48,442	45,606
Travelling & Allowances		107,878	68,203
		-----	-----
Total Expenses		1,651,993	1,515,023
		-----	-----
Operating Surplus (Deficit)		(261,796)	(261,551)
Loss on disposal of motor vehicle		(24,917)	(31,618)
Surplus on amalgamation		-	319,624
		-----	-----
Surplus (Deficit) for year		(286,713)	26,455
General Fund Balance at Beginning of year		2,975,065	2,948,610
		-----	-----
General Fund Balance at end of year		2,688,352	2,975,065
		=====	=====

The accompanying notes form part of these financial statements.

**THE TEXTILE, CLOTHING & FOOTWEAR UNION OF AUSTRALIA
NEW SOUTH WALES/SOUTH AUSTRALIA/TASMANIA BRANCH**

**Statement of Cash Flows
For the year ended 31 December, 2007**

	NOTE	2007 \$	2006 \$
Cash Flows From Operating Activities			
Members contribution and other income		1,436,715	1,101,582
Payment to suppliers and employees		(1,870,052)	(1,516,542)
Interest received		130,006	174,422
		-----	-----
Net cash provided by (used in) operating activities	10	(303,331)	(240,538)
		-----	-----
Cash Flows From Investing Activities			
Redemption of investments		282,300	445,218
Payments for Property, Plant and Equipment		(24,917)	(172,191)
		-----	-----
Net cash provided by (used in) investing activities:		257,383	273,027
		-----	-----
Cash Flows From Financing Activities			
Proceeds from Borrowing		0	0
Repayment of borrowing		0	0
		-----	-----
Net cash provided by (used in) financing activities		0	0
		-----	-----
Net increase (decrease) in cash held		(45,948)	32,489
Cash at the beginning of the year		130,870	98,381
		-----	-----
Cash at the end of the year	9	84,922	130,870
		-----	-----

The accompanying notes form part of these financial statements.

**THE TEXTILE, CLOTHING & FOOTWEAR UNION OF AUSTRALIA
NEW SOUTH WALES/SOUTH AUSTRALIA/TASMANIA BRANCH**

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

1. STATEMENT OF ACCOUNTING POLICIES

The Accounts have been prepared in accordance with Applicable Accounting Standards, other mandatory professional reporting requirements and the Australian Workplace Relations Act, 1996. The accounts 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 accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the Branch in the preparation of the accounts.

- (a) Membership contributions are accounted for on cash basic, otherwise the concept of accruals accounting has been adopted in the preparation of the Accounts.
- (b) No provision for Income Tax is necessary as the Branch is exempt from Income Tax under Section 23 f of the Income Tax Assessment Act.
- (c) Property, Plant & Equipment
Each class of property, plant and equipment is at cost carried less, where applicable, any accumulated depreciation and any impairment in value. The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.
- (d) Employee Benefits
Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at amounts expected to be paid when the liability is settled, plus related cost. This results in an amount not materially different to that achieved by discounting future cash flows.

2. INFORMATING 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 read as follows:

- [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.
- [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).

	2007	2006
	\$	\$
3. Freehold land and building is shown at their carrying value.		
Freehold Property		
New South Wales		
Book carrying value	1,450,000	845,000
After balance date by independent valuation		
is valued at -	-	1,450,000
South Australia		
Carrying value from pre-amalgamation		
(Independent Professional Appraisal)	480,000	480,000
Plant & Equipment		
Plant & Equipment (@ cost)	465,559	487,483
Accumulated depreciation	(195,672)	(165,556)
	-----	-----
	269,887	321,927
	=====	=====

(a) Movement in Carrying Amount

	Property	Plant & <u>Equipment</u>	Motor <u>Vehicles</u>
	\$	\$	\$
Balance at beginning of year	1,325,000	128,067	193,860
Additions	-	10,449	35,826
Asset Revaluation	605,000	-	-
Depreciation	-	(19,046)	(35,989)
Disposals	-	-	(43,280)
	-----	-----	-----
Carrying amount at the end of year	1,930,000	119,470	150,417
	-----	-----	-----

(b) Impairment Losses

The Union has determined there is no need for recognition of any impairment losses at balance date.

4. OTHER CREDITORS

Various pre-amalgamation creditors transferred from SA/TAS Branch –

Amount under confirmation	\$ 35,549

5. PROVISIONS

Employee Benefits

	<u>2007</u>	<u>2006</u>
Officers	430,922	504,407
Employees	3,989	2,438

Note: A claim of redundancy of \$100,812 by the former secretary of SA/TAS Branch was not provided for in the accounts. This amount is currently under dispute by the organisation executives.

	2007	2006
	\$	\$
6. AUDIT FEES		
Audit Fees	18,900	17,900
Accounting & other service	3,660	5,850
7. DONATION		
Australian Labour Party – NSW Branch	17,000	-
Australian Labour Party – SA Branch	2,000	-
Australian Labour Party – TAS Branch	1,000	-
Other donations are under \$1,000 each		
8. SUNDRY EXPENSES		
Miscellaneous	150	-
Training	18,693	7,764
Floral Tribute	807	1,499
Caps & T Shirts	130	1,872
Advertising	2,551	17
	-----	-----
	22,331	11,152
	=====	=====

THE TEXTILE, CLOTHING & FOOTWEAR UNION OF AUSTRALIA
NEW SOUTH WALES/SOUTH AUSTRALIA/TASMANIA BRANCH
For the year ended 31 December, 2007

	2007	2006
	\$	\$

Note 9. Reconciliation of Cash

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash on Hand	1,500	1,500
Cash at Bank - St George Bank General Account	76,274	121,555
Cash at Bank - St George Bank Visa Card Account	7,148	7,815
	-----	-----
	84,922	130,870
	-----	-----

Note 10. Reconciliation of Cash Flow from Operations with Operating Profit

Operating profit/(deficit)	(261,796)	(293,169)
Non-cash flows in profit from ordinary activities		
Depreciation	55,035	59,727
Net (gain)/loss on disposal of property, plant and equipment	24,917	31,618
Net (gain)/loss on disposal of investment	0	0
Changes in assets and liabilities		
(Increase)/decrease in trade debtors	(18,918)	(9,083)
(Increase)/decrease in other assets	(27,912)	(120,786)
Increase/(decrease) in payables	(2,723)	23,659
Increase/(decrease) in provisions	(71,934)	67,496
	-----	-----
Net cash provided by (used in) operating activities	(303,331)	(240,538)
	-----	-----

11. FINANCIAL INSTRUMENTS

Interest Rate Risk Exposure

Exposure to interest rate risk is limited to assets and liabilities bearing variable interest rates.

The majority of financial assets are term deposits with fixed interest rate and fund investments. The term deposits are held to maturity.

2007	Weighted average interest rate	Floating interest rate \$	1 yr or less \$	non-interest bearing \$	Total \$
Financial Assets					
Cash & Cash Equivalent	5.04%	57,046			57,046
Fixed Term Deposit	5.81%		1,300,000		1,300,000
Investment Fund	5.59%	818,415			818,415
Receivables	-	-	-	42,929	42,929
<hr/>					
Financial Liabilities					
Payables	-	-	-	124,853	124,853
<hr/>					

2006

Financial Assets

Cash & Cash Equivalents	4.05%	136,559			136,559
Fixed Term Deposit	5.47%		1,300,000		1,300,000
Investment Fund	5.43%	1,021,202			1,021,202
Receivables				22,531	22,531
<hr/>					
Financial Liabilities					
Payables	-	-	-	127,576	127,576
<hr/>					

12. ASSET REVALUATION RESERVE

	2007 \$	2006 \$
Opening Balance	664,458	664,458
Revaluation of freehold land & buildings by Independent valuer	605,000	-
	<hr/>	<hr/>
	1,269,458	664,458
	<hr/>	<hr/>

TEXTILE, CLOTHING & FOOTWEAR UNION OF AUSTRALIA
NEW SOUTH WALES/SOUTH AUSTRALIA/TASMANIA BRANCH

Committee Of Management's Statement

On the 3 MARCH 2008 Committee of Management of Textile, Clothing & Footwear Union of Australia, New South Wales/South Australia/ Tasmania Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 December, 2007.

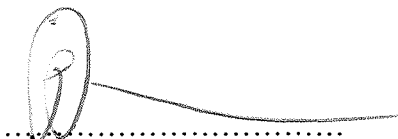
The Committee of Management declares in relation to the GPFR that in its opinion:

- a) The financial statement and notes comply with the Australian Accounting Standards;
- b) The financial statement and notes comply with the reporting guidelines of the Industrial Registrar;
- c) The financial statement and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year ended 31 December, 2007.
- d) There are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- e) During the year ended 31 December 2007 and since the end of the year:
 - (i) Meetings of the Committee of Management were held in accordance with the rules of the Branch; and
 - (ii) The financial affairs of the Branch have been managed in accordance with the rules of the Union and the rules of the Branch; and
 - (iii) The financial records of the Branch have been kept and maintained in accordance with Schedule 1 to the Workplace Relations Act 1996 and the Workplace Relations)Registration and Accountability of Organisations) 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 Branch or a Registrar under section 272 of Schedule 1 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 1 to the Workplace Relations Act 1996.
- f) There was no recovery of wages activity for the year ended 31 December 2007.



Stephen Davies

Date: 3 MARCH 2008



Barry Tubner

Date: 3 MARCH 2008

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA NEW SOUTH
WALES/SOUTH AUSTRALIA/TASMANIA BRANCH**

INDEPENDENT AUDIT REPORT.

To the members of the Textile Clothing & Footwear Union of Australia, New South Wales/South Australia/Tasmania Branch.

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 of Australia, New South Wales/South Australia/Tasmania/Branch for the year ended 31 December 2007.

The Committee of Management and the Secretary of the Branch 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 Branch. 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 Branch'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 Committee of Management and the Secretary of the Branch.

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.

Audit Opinion

We state that the financial report has been audited and in our opinion the financial report complies with the relevant Australian Accounting Standards.

We report that we have inspected and audited the accounting records of the Textile Clothing & Footwear Union of Australia New South Wales/South Australia/Tasmania Branch in relation to the financial year ending 31 December 2007 and report that in our opinion satisfactory accounting records were kept by the Branch in relation to the period, including:

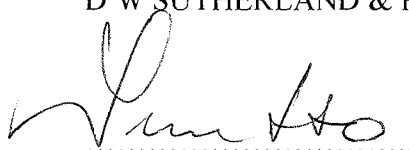
- (i) records of the sources and nature of the income of the Branch (including income from members);
- (ii) records of the nature and purposes of the expenditure of the Branch;
- (iii) all information, being information which was reasonably wanted for the purpose of this audit, which was required and sought by us or by any person authorised by us for the purpose of the audit, was provided;
- (iv) in relation to recovery of wages activity;
no activity of recovery occurred in the financial year.

And in our opinion the general purpose financial report prepared in accordance with the Australian Standards and under Section 253 and any other requirements imposed by Section 255 reporting guidelines or Part 3 of Chapter 8 of Schedule 1B – Registration and Accountability of Organisations 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:

- (i) the financial affairs of the Branch as at the end of the financial year, and
- (ii) the income and expenditure, and any surplus or deficit of the Branch for the year.

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

D W Sutherland & Partners
D W SUTHERLAND & PARTNERS



TIMOTHY HO

Partner.

Registered Company Auditor

Dated: 25 MARCH 2008