



Ms Michele O'Neil
Branch Secretary
Textile, Clothing and Footwear Union of Australia, Victorian Branch

email: info@tcfvic.org.au

Dear Ms O'Neil

**Re: Financial Report for the Textile, Clothing and Footwear Union of Australia,
Victorian Branch for year ended 31 December 2007 – FR2007/612**

I acknowledge receipt of the financial reports and concise report of the Textile, Clothing and Footwear Union of Australia, Victorian Branch for the year ended 31 December 2007. The documents were lodged with the Registry on 26 June 2008.

The financial reports have 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 reports lodged.

The following comments relate to the full and concise reports:

Committee of Management Statement

Consistency with other reporting units

Paragraph 25 of the Industrial Registrar's Reporting guidelines, as made under section 255 of Schedule 1 states:

"The committee of management statement must include declarations by the committee of management as to whether in the opinion of the committee of management

...

- (e) (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation;"*

The Committee of Management's Statement has repeated the wording as provided in paragraph 25(e)(iv). Such statement should indicate whether or not the financial records have been kept in a consistent manner to each of the other reporting units of the organisation.

I suggest, if the records have been kept in a consistent manner to each of the organisation's reporting units, that the words "where the organisation consists of 2 or more reporting units" be deleted.

Operating Report

Results of principal activities

I refer to the Operating Report, in particular to the “Operating Result”. I note that subsection 254(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.

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 of the RAO Schedule. This 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.

Compilation Report

The Compilation Report included with the financial reports is not required to be lodged as a part of the reporting arrangements.

Audit Report

Auditor’s Opinion

For future reference, your Auditor may wish to use the following wording for paragraph (a) of the Auditor’s opinion:

“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.”

Could you bring these matters to your Auditor’s attention.

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

Yours sincerely

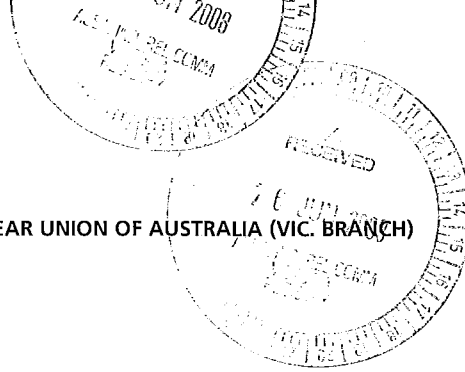
A handwritten signature in black ink, appearing to read 'K Donnellan', with a long horizontal flourish extending to the right.

Kevin Donnellan

Statutory Services Branch
22 July 2008



TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)



State Secretary
Michele O'Neil

359 Exhibition Street
Melbourne Victoria 3000

PO Box 441
Carlton South Victoria 3053

Phone (03) 9639 2955

Country Members 1800 800 135

Fax (03) 9639 2944

Email info@tcfvic.org.au

Website www.tcfvic.org.au

26 June 2008

Industrial Registrar
Australian Industry Registry
GPO Box 19945
Victoria 3001

Attention: Iain Stewart

Dear Sir

In accordance with the Workplace Relations Act 1996 please find attached a copy of the full report and the concise report provided to members of the Textile Clothing and Footwear Union of Australia, Victorian Branch, Financial Report for the year ended 31 December 2007.

I certify that these documents are copies of the concise report which was provided to the members on 16th May 2008 and of the full and concise reports which were presented to a meeting of the TCFUA Victorian Branch Committee of Management held on 19 June 2008.

Please contact me if you have any queries in relation to the above.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Michele O'Neil'.

Michele O'Neil
State Secretary

Designated Officer's Certificate
s268 of Schedule 1 Workplace Relations Act 1996

I, Michele O'Neil being the State Secretary of the Textile Clothing and Footwear Union of Australia (TCFUA) Victorian Branch certify:

- that the documents lodged herewith are copies of the full report and the concise report referred to in s268 of the RAO Schedule; and
- that the committee of management of the reporting unit on 12 March 2008 passed a resolution to provide members with a concise report; in accordance with section 265(2) of the RAO Schedule; and
- that the concise report was provided to members on 16 May 2008 and;
- that the full report was presented to a meeting of the committee of management of the reporting unit on 19 June 2008; in accordance with section 266 of the RAO Schedule.

Signature



Date:

26 June 2008



**TEXTILE CLOTHING & FOOTWEAR UNION
OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY**

ABN 45 839 589 441

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2007**

OPERATING REPORT

In accordance with Section 254 of the Workplace Relations Act 1996 the Committee of Management report on the Textile Clothing Footwear Union of Australia (Vic. Branch) and Controlled Entity, the relevant Reporting Unit for the financial year ended 31 December 2007.

Principal Activities

The principal activities of the Reporting Unit during the financial year were to represent the industrial, professional and political interests of textile, clothing and footwear workers in the State of Victoria.

Operating Result

The operating loss of the Reporting Unit and controlled entity for the financial year was \$184,097. No provision for tax was necessary as the Reporting Unit is exempt from income tax.

Significant Changes

There were no significant changes in the nature of activities of the Reporting Unit during the financial year.

No matters or circumstances have arisen since the end of the financial year which 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 future financial years.

Rights of Members

Subject to the Reporting Unit rules and Section 174 of the Workplace Relations Act 1996, members have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Reporting Unit.

Superannuation Officeholders

No officer or member of the Reporting Unit:

- (a) is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (b) is a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration and Accountability of Organisations) Regulations:

- (a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the RAO Schedule and who are taken to be members of the Reporting Unit under section 244 of the RAO Schedule was 3,099;
- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Reporting Unit, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 13;

OPERATING REPORT continued

Other Prescribed Information continued

(c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

Name	
Elizabeth Macpherson	Branch President
Warren Smith	Branch Vice President
Michele O'Neil	Branch Secretary
Jenny Kruschel	Branch Assistant Secretary
Brett Anderson	Branch Trustee (Resigned 31 May 2007)
Dorothy Peterson	Branch Trustee
Youseff Batal	Committee of Management
Timo Jarvinen	Committee of Management
Thi Ngoc Hanh Nguyen	Committee of Management
Mark O'Brien	Committee of Management
Emma Frazzetto	Committee of Management

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

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

For Committee of Management: Michele O'Neil
Title of Office held: Branch Secretary

Signature



Melbourne: 12 March 2008

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	Economic Entity		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
Revenue	3	1,547,395	1,869,850	1,450,102	1,783,666
Administration and general expense		(188,742)	(290,381)	(169,885)	(286,730)
Affiliation, capitation and commission expense	4	(179,785)	(209,033)	(179,785)	(209,033)
Communication expense		(54,236)	(50,488)	(54,236)	(50,488)
Depreciation and amortisation expenses	4	(44,598)	(51,807)	(21,157)	(27,496)
Dispute expense		-	(8,665)	-	(8,665)
Employee benefits expense	4	(1,028,713)	(1,277,598)	(1,028,713)	(1,277,598)
Grant expense		(74,349)	(63,048)	(74,349)	(63,048)
Loss on sale of fixed assets		(9,822)	-	(9,822)	-
Occupancy expense		(33,677)	(37,398)	-	-
Other expenses		(117,570)	(111,738)	(117,570)	(111,738)
Profit / (loss) before income tax expense	4	(184,097)	(230,306)	(205,415)	(251,130)
Income tax expense	1(b)	-	-	-	-
Profit / (loss) attributable to members of the parent entity		(184,097)	(230,306)	(205,415)	(251,130)

The accompanying notes form part of these financial statements.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**BALANCE SHEET
AS AT 31 DECEMBER 2007**

	Note	Economic Entity		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
CURRENT ASSETS					
Cash and cash equivalents	5	2,639,208	2,884,378	970,461	1,290,755
Trade and other receivables	6	260,754	229,768	259,537	226,366
Other current assets	7	97,317	80,865	90,178	74,361
TOTAL CURRENT ASSETS		<u>2,997,279</u>	<u>3,195,011</u>	<u>1,320,176</u>	<u>1,591,482</u>
NON-CURRENT ASSETS					
Trade and other receivables	6	-	-	2,138,062	2,138,062
Property, plant and equipment	9	1,963,616	1,931,174	133,169	83,036
Financial assets	10	2,500	2,500	503,596	503,596
TOTAL NON-CURRENT ASSETS		<u>1,966,116</u>	<u>1,933,674</u>	<u>2,774,828</u>	<u>2,724,694</u>
TOTAL ASSETS		<u>4,963,395</u>	<u>5,128,685</u>	<u>4,095,004</u>	<u>4,316,176</u>
CURRENT LIABILITIES					
Trade and other payables	11	294,461	303,708	287,414	331,226
Short-term provisions	12	541,430	513,376	541,430	513,376
TOTAL CURRENT LIABILITIES		<u>835,891</u>	<u>817,084</u>	<u>828,844</u>	<u>844,602</u>
NON CURRENT LIABILITIES					
Trade and other payables		-	-	-	-
TOTAL NON CURRENT LIABILITIES		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>835,891</u>	<u>817,084</u>	<u>828,844</u>	<u>844,602</u>
NET ASSETS		<u>4,127,504</u>	<u>4,311,601</u>	<u>3,266,160</u>	<u>3,471,574</u>
EQUITY					
Reserves		1,362,321	1,362,321	-	-
Retained earnings		2,765,183	2,949,280	3,266,160	3,471,574
TOTAL EQUITY		<u>4,127,504</u>	<u>4,311,601</u>	<u>3,266,160</u>	<u>3,471,574</u>

The accompanying notes form part of these financial statements.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Retained earnings	Asset realisation reserve	Total
	\$	\$	\$
ECONOMIC ENTITY			
Balance at 1 January 2006	3,179,586	1,362,321	4,541,907
(Loss) attributable to members of economic entity	<u>(230,306)</u>	<u>-</u>	<u>(230,306)</u>
Balance at 31 December 2006	2,949,280	1,362,321	4,311,601
(Loss) attributable to members of economic entity	<u>(184,097)</u>	<u>-</u>	<u>(184,097)</u>
Balance at 31 December 2007	<u>2,765,183</u>	<u>1,362,321</u>	<u>4,127,504</u>
PARENT ENTITY			
Balance at 1 January 2006	3,722,705	-	3,722,705
(Loss) attributable to members of parent entity	<u>(251,130)</u>	<u>-</u>	<u>(251,130)</u>
Balance at 31 December 2006	3,471,575	-	3,471,575
(Loss) attributable to members of parent entity	<u>(205,415)</u>	<u>-</u>	<u>(205,415)</u>
Balance at 31 December 2007	<u>3,266,160</u>	<u>-</u>	<u>3,266,160</u>

The accompanying notes form part of these financial statements.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	Economic Entity		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES					
Grant and other income		440,366	843,183	440,366	843,183
Membership contributions		877,809	1,002,955	877,809	1,002,955
Interest received		190,945	138,160	92,877	56,895
Payments to suppliers & employees		<u>(1,667,534)</u>	<u>(2,029,090)</u>	<u>(1,650,339)</u>	<u>(1,925,875)</u>
Net cash (used in) operating activities	18b	<u>(158,414)</u>	<u>(44,792)</u>	<u>(239,287)</u>	<u>(22,842)</u>
CASH FLOW FROM INVESTING ACTIVITIES					
Increase in Union Members' Trust account		105	55	105	55
Proceeds from sale of property, plant and equipment		13,636	-	13,636	-
Purchase of property, plant & equipment		<u>(100,498)</u>	<u>(22,498)</u>	<u>(94,748)</u>	<u>(21,428)</u>
Net cash (used in) investing activities		<u>(86,757)</u>	<u>(22,443)</u>	<u>(81,007)</u>	<u>(21,373)</u>
Net increase / (decrease) in cash held		(245,170)	(67,235)	(320,294)	(44,215)
Cash at beginning of year		<u>2,884,378</u>	<u>2,951,613</u>	<u>1,290,755</u>	<u>1,334,970</u>
Cash at end of year	18a	<u>2,639,208</u>	<u>2,884,378</u>	<u>970,461</u>	<u>1,290,755</u>

The accompanying notes form part of these financial statements.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY
CASH BASIS - FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	Economic Entity		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
Cash assets in respect of recovered money at beginning of year		-	-	-	-
Receipts					
Amounts recovered from employers in respect of wages etc		-	-	-	-
Interest received on recovered money		-	-	-	-
Total receipts		-	-	-	-
Payments					
Deductions of amounts due in respect of membership for:-					
- 12 months or less		-	-	-	-
- greater than 12 months		-	-	-	-
Deductions of donations or other contributions to accounts or funds of:-					
- the reporting unit		-	-	-	-
- other entity		-	-	-	-
Deductions of fees or reimbursements of expenses		-	-	-	-
Payments to workers in respect of recovered money		-	-	-	-
Total payments		-	-	-	-
Cash assets in respect of recovered money at end of year		-	-	-	-

The accompanying notes form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1996.

The financial report of Textile Clothing & Footwear Union of Australia (Vic. Branch) and controlled entity and Textile Clothing & Footwear Union of Australia (Vic. Branch) as an individual parent entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

a. Principles of Consolidation

A controlled entity is any entity controlled by Textile Clothing & Footwear Union of Australia (Vic. Branch). Control exists where Textile Clothing & Footwear Union of Australia (Vic. Branch) has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity so that the other entity operates with Textile Clothing & Footwear Union of Australia (Vic. Branch) to achieve the objectives of Textile Clothing & Footwear Union of Australia (Vic. Branch). Details of the controlled entity are contained in Note 8 to the financial statements.

All inter-entity balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation.

Where a controlled entity have entered or left the economic entity during the year, their operating results have been included from the date control was obtained or until the date control ceased.

b. Income Tax

No provision for income tax is necessary for the parent entity as "Trade Unions" are exempt from income tax under Section 50 – 15 of the Income Tax Assessment Act 1997.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

c. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are measured on the cost basis.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on either a straight line basis or a diminishing value over their useful lives to the economic entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Building improvements	2.5%
Furniture and fittings	7.5 – 40%
Motor Vehicles	22.5%

d. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

e. Employee Benefits

Provision is made for the economic entity's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits 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 the present value of the estimated future cash outflows to be made for those benefits.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

f. **Financial Instruments**

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below:

Financial Assets

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at nominal value.

Held-to-maturity investments

These investments have fixed maturities, and it is the Reporting Unit's intention to hold these investments to maturity. Any held-to-maturity investments held by the Reporting Unit are stated at a current value based on either amortising or revaluing the investment on a straight line basis to its face value at maturity. Any adjustment is debited or credited to interest.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Reporting Unit assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the income statement.

g. **Impairment of Assets**

At each reporting date, the Reporting Unit review the carrying value of the tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities.

h. **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

i. Revenue

Revenue from membership is recognised on an receipt basis.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

j. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

k. Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

l. Critical Accounting Estimates and Judgements

The Committee of Management members 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.

Key Estimates

The Committee of Management members assesses impairment at each reporting date by evaluating conditions specific to the Reporting Unit that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculation performed in assessing recoverable amounts incorporates a number of key estimates.

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 1 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 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).

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
NOTE 3: REVENUE				
Membership subscriptions	896,089	974,811	896,089	974,811
Interest received	171,029	161,898	72,701	75,714
Sundry Income	2,781	-	2,781	-
Grant funds received	477,496	476,972	477,496	476,972
Others	-	256,169	1,035	256,169
	<u>1,547,395</u>	<u>1,869,850</u>	<u>1,450,102</u>	<u>1,783,666</u>
Total revenue				

NOTE 4: PROFIT FOR YEAR

Profit income tax expense has been determined after:

EXPENSES

Affiliation, capitation fees, compulsory levies and commissions

Affiliation fees:

- Australian Asian Workers Link	-	182	-	182
- Australian Labour Party	19,615	22,675	19,615	22,675
- Trades and Labour Councils				
- Ballarat	(631)	-	(631)	-
- Bendigo	-	-	-	-
- Geelong	1,846	1,817	1,846	1,817
- Gippsland	200	100	200	100
- Goulburn Valley	122	122	122	122
- North East and Border	353	473	353	473
- South West	43	30	43	30
- Victorian Trades Hall	14,525	18,263	14,525	18,263

Capitation fees:

- Textile Clothing and Footwear Union of Australia National Council	101,535	121,841	101,535	121,841
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Compulsory Levies:

- ACTU Industrial campaign	20,373	20,000	20,373	20,000
- Textile Clothing and Footwear Union of Australia National Council				
- mortality fund levy	8,804	3,983	8,804	3,983

Compulsory Levies continued:

- Victorian Trades Hall Council levies	3,250	4,777	3,250	4,777
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Commissions:

- payroll deductions	3,223	10,946	3,223	10,946
- Shop Stewards	6,527	3,824	6,527	3,824
	<u>179,785</u>	<u>209,033</u>	<u>179,785</u>	<u>209,033</u>

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
NOTE 4: PROFIT FOR YEAR continued				
Depreciation expense				
Plant and equipment	44,598	51,807	21,157	27,496
Employee benefits expense				
Salaries and allowances				
- elected officials	217,365	255,642	217,365	255,642
- employees	615,646	653,958	615,646	653,958
Superannuation contributions				
- elected officials	40,164	48,249	40,164	48,249
- employees	85,776	118,898	85,776	118,898
Provision for annual leave				
- elected officials	27,109	12,417	27,109	12,417
- employees	(6,475)	3,986	(6,475)	3,986
Provision for long service leave				
- elected officials	13,569	8,084	13,569	8,084
- employees	(4,427)	(14,221)	(4,427)	(14,221)
Provision for sick leave				
- elected officials	1,059	(5,918)	1,059	(5,918)
- employees	(14,435)	(1,059)	(14,435)	(1,059)
Provision for RDO				
- elected officials	1,585	-	1,585	-
- employees	10,069	-	10,069	-
Termination payments				
- elected officials	-	18,512	-	18,512
- employees	-	128,330	-	128,330
Other				
- fringe benefit tax	1,526	5,804	1,526	5,804
- payroll tax	25,438	30,026	25,438	30,026
- Workcover levy	14,743	14,890	14,743	14,890
	<u>1,028,712</u>	<u>1,277,598</u>	<u>1,028,712</u>	<u>1,277,598</u>
Included in administration and other expenses				
Conferences and meetings:				
- Committee of Management	3,519	1,881	3,519	1,881
- National Council	3,758	1,755	3,758	1,755
- Delegates' Meetings	-	947	-	947
- Delegates' training and expense	13,940	-	13,940	-
- Other Meetings	-	384	-	384
- Annual Delegates' Conference	1,627	3,498	1,627	3,498
Donations:				
- ALP	480	-	480	-
- 3CR Community Radio	200	200	200	200
- John Cummins Memorial Fund	500	-	500	-
- Other	100	200	100	200
- National Breast Cancer Foundation	-	100	-	100
Remuneration of auditor				
- audit	15,225	13,850	15,225	11,350
- other services	-	10,525	-	10,525

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
NOTE 5: CASH AND CASH EQUIVALENTS				
Cash on hand	1,000	1,000	1,000	1,000
Cash at bank				
- Direct debit account	4,363	9,799	4,363	9,799
- Helen Robertson fund	11,235	11,227	11,235	11,227
- General account	55,616	155,261	22,862	129,284
- Union Members Trust account	22,087	21,982	22,087	21,982
Cash on deposit				
- Employee entitlements	202,235	183,887	202,235	183,887
- General account	2,342,672	2,501,222	706,679	933,576
	<u>2,639,208</u>	<u>2,884,378</u>	<u>970,461</u>	<u>1,290,755</u>

NOTE 6: TRADE AND OTHER RECEIVABLES

CURRENT

Members contributions	140,299	122,018	140,299	122,018
Trade debtors	139,131	45,685	139,131	45,685
Sundry debtors	10,353	70,049	8,729	70,049
Apparel Trades of Australia Unit Trust	-	-	8,704	4,635
Owing from TCFUA National Office	5,969	1,218	5,969	1,218
Accrued income	12,050	31,966	3,753	23,929
	<u>307,801</u>	<u>270,936</u>	<u>306,585</u>	<u>267,534</u>
Less provision for impairment of debts				
- members contributions	<u>(47,047)</u>	<u>(41,168)</u>	<u>(47,047)</u>	<u>(41,168)</u>
	<u>260,754</u>	<u>229,768</u>	<u>259,537</u>	<u>226,366</u>

NON CURRENT

Loan: Apparel Trades of Australia Unit Trust	-	-	2,138,062	2,138,062
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NOTE 7: OTHER

CURRENT

Prepayments	<u>97,317</u>	<u>80,865</u>	<u>90,178</u>	<u>74,361</u>
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NOTE 8: CONTROLLED ENTITY

	Country of Incorporation	Percentage owned 2007	2006
Apparel Trades of Australia Unit Trust	Australia	100%	100%

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
NOTE 9: PROPERTY, PLANT AND EQUIPMENT				
Freehold land at cost	1,110,000	1,110,000	-	-
Buildings at cost	152,569	152,569	-	-
Less accumulated depreciation	(12,226)	(8,412)	-	-
	<u>140,343</u>	<u>144,157</u>	-	-
Building improvements at cost	580,661	574,911	-	-
Less accumulated depreciation	(37,927)	(23,507)	-	-
	<u>542,734</u>	<u>551,404</u>	-	-
Motor vehicles at cost	153,273	160,204	153,273	160,204
Less accumulated depreciation	(70,856)	(126,476)	(70,856)	(126,476)
	<u>82,417</u>	<u>33,728</u>	<u>82,417</u>	<u>33,728</u>
Office furniture and equipment at cost	241,612	288,072	189,144	235,604
Less accumulated depreciation	(153,490)	(196,187)	(138,392)	(186,296)
	<u>88,122</u>	<u>91,885</u>	<u>50,752</u>	<u>49,308</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT	<u>1,963,616</u>	<u>1,931,174</u>	<u>133,169</u>	<u>83,036</u>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Freehold land \$	Building & Building Improvements \$	Motor Vehicles \$	Furniture and fittings \$	Total \$
Economic Entity					
Balance at the beginning of the year	1,110,000	695,561	33,728	91,885	1,931,174
Additions	-	5,750	72,317	22,431	100,498
Disposals	-	-	(16,683)	(6,775)	(23,458)
Depreciation / Amortisation expense	-	(18,234)	(6,945)	(19,419)	(44,598)
Carrying amount at the end of the year	<u>1,110,000</u>	<u>683,077</u>	<u>82,417</u>	<u>88,122</u>	<u>1,963,616</u>
Parent Entity					
Balance at the beginning of the year	-	-	33,728	49,308	83,036
Additions	-	-	72,317	22,431	94,748
Disposals / Adjustments	-	-	(16,683)	(6,775)	(23,458)
Depreciation / Amortisation expense	-	-	(6,945)	(14,212)	(21,157)
Carrying amount at the end of the year	<u>-</u>	<u>-</u>	<u>82,417</u>	<u>50,752</u>	<u>133,169</u>

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
NOTE 10: FINANCIAL ASSETS				
Shares in unlisted company at cost				
- Apparel Trades of Australia Pty Ltd	-	-	8	8
- South West Trades and Units in Unit Trust at cost	2,500	2,500	2500	2,500
- Apparel Trades of Australia Unit Trust	-	-	501,088	501,088
	<u>2,500</u>	<u>2,500</u>	<u>503,596</u>	<u>503,596</u>
NOTE 11: TRADE AND OTHER PAYABLES				
CURRENT				
Legal costs payable	-	77,341	-	77,341
Sundry creditors	272,374	156,403	263,320	181,915
Owing to Apparel Trades Unit Trust	-	-	2,006	2,006
Owing to TCFUA National Office	-	47,982	-	47,982
Union Members' Trust account	22,087	21,982	22,087	21,982
	<u>294,461</u>	<u>303,708</u>	<u>287,413</u>	<u>331,226</u>
NOTE 12: PROVISIONS				
Provision for annual leave				
- elected officials	180,789	153,680	180,789	153,680
- employees	72,824	79,300	72,824	79,300
	<u>253,613</u>	<u>232,980</u>	<u>253,613</u>	<u>232,980</u>
Provision for long service leave				
- elected officials	106,705	93,136	106,705	93,136
- employees	104,425	108,851	104,425	108,851
	<u>211,130</u>	<u>201,987</u>	<u>211,130</u>	<u>201,987</u>
Provision for RDO				
- elected officials	1,585	-	1,585	-
- employees	10,069	-	10,069	-
	<u>11,654</u>	<u>-</u>	<u>11,654</u>	<u>-</u>
Provision for sick leave				
- elected officials	21,539	20,481	21,539	20,481
- employees	43,494	57,928	43,494	57,928
	<u>65,033</u>	<u>78,409</u>	<u>65,033</u>	<u>78,409</u>
Total employee entitlements	<u>541,430</u>	<u>513,376</u>	<u>514,430</u>	<u>513,376</u>
Number of employees at year end based on full-time equivalent basis	13	13	13	13

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

NOTE 13: CONTINGENT LIABILITIES

There are no contingent liabilities at the date of this report.

NOTE 14: EVENTS SUBSEQUENT TO REPORTING DATE

There are no events subsequent to the reporting date of this report which will have a material effect on the financial report for the year ended 31 December 2007.

NOTE 15: KEY MANAGEMENT PERSONNEL

The names of Committee of Management of the Union who have held office during the financial year are:

Name	
Elizabeth Macpherson	Branch President
Warren Smith	Branch Vice President
Michele O'Neil	Branch State Secretary
Jenny Kruschel	Branch Assistant Secretary
Brett Anderson	Branch Trustee (resigned 31 May 2007)
Dorothy Peterson	Branch Trustee
Youseff Batal	Committee of Management
Timo Jarvinen	Committee of Management
Thi Ngoc Hanh Nguyen	Committee of Management
Mark O'Brien	Committee of Management
Emma Frazzetto	Committee of Management

- (a) The aggregate amount of remuneration paid to elected officials during the financial year for salaries was \$217,365 (2006:\$255,642).

The aggregate amount paid during the financial year to a superannuation plan in connection with the retirement of elected officials was \$- (2006:\$48,249).

- (b) The aggregate amount of remuneration paid to other persons on the Committee of Management was as follows: -

- salaries and allowances \$62,592 (2006: \$62,028)
- superannuation \$11,518 (2006:\$11,556)
- loss of wages \$1,001 (2006: \$994)

- (c) Apart from the above, there were no other transactions between the officers of the Union other than those relating to their membership of the Reporting Unit and reimbursement by the Reporting Unit in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

NOTE 16: ECONOMIC DEPENDENCE

The principle source of income for the Reporting Unit is from membership fees. The Reporting Unit is economically dependent upon the membership levels and fees.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

NOTE 17: SEGMENT REPORTING

The Reporting Unit operates predominantly in one industry, being the textile, clothing and footwear sector. The business operates predominantly in one geographical area being Victoria, Australia.

Economic Entity		Parent Entity	
2007	2006	2007	2006
\$	\$	\$	\$

NOTE 18: CASH FLOW INFORMATION

(a) Reconciliation of Cash

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

Cash on hand	1,000	1,000	1,000	1,000
Cash at bank	93,301	198,269	60,547	172,292
Cash in special purpose fund assets	202,235	183,887	202,235	183,887
Deposits at call	2,342,672	2,501,222	706,679	933,576
	2,639,208	2,884,378	970,461	1,290,755

(b) Reconciliation of Cash Flow from Operations with Profit after Income Tax

Loss after income tax	(184,097)	(230,306)	(205,415)	(251,130)
Non cash items				
- Depreciation	44,598	51,807	21,157	27,496
- Loss on sale of fixed assets	9,822	-	9,822	-
Changes in assets and liabilities:				
- (Increase)/decrease in receivables	(30,988)	126,357	(33,172)	144,799
- (Increase)/decrease in prepayments	(16,452)	39,104	(15,817)	43,364
- Increase/(decrease) in payables	(9,352)	(35,043)	(43,917)	9,340
- Provision for employee entitlements	28,055	3,289	28,055	3,289
Cash flows used by operations	(158,414)	(44,792)	(239,287)	(22,842)

(c) The economic entity has no Credit Stand-by Arrangement and Loan Facilities in place.

(d) There were no non-cash financing or investing activities during the period.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

NOTE 19: FINANCIAL INSTRUMENTS

The economic entity's accounting policies, including the terms and conditions of each class of financial assets, financial liability and equity, both recognised and unrecognised at the balance date, are as follows:-

(a) Interest rate risk

The economic entity's exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at balance date are as follows:-

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non Interest Bearing	
	2007	2006	2007	2006	2007	2006
	%	%	\$	\$	\$	\$
Financial Assets						
Cash	0.95	0.95	93,301	198,269	1,000	1,000
Cash on deposit	6.3	5.8	2,544,907	2,685,109	-	-
Receivables		N/A	-	-	260,754	229,768
Other financial assets		N/A		-	2,500	2,500
Total Financial Assets			<u>2,638,208</u>	<u>2,883,378</u>	<u>264,254</u>	<u>233,268</u>
Financial Liabilities						
Payables		N/A	-	-	294,461	303,708
Net Financial Assets/(Liabilities)			<u>2,638,208</u>	<u>2,883,378</u>	<u>(30,207)</u>	<u>(59,214)</u>

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts of those assets, as disclosed in the balance sheet position and notes to the financial statements.

The economic entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the economic entity.

(c) Net Fair Values

For assets and liabilities the net fair value approximates their carrying value. The net fair values of listed investments have been valued at committee of managements' valuation. Financial assets where the carrying amount exceeds net fair values have not been written down as the economic entity intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

NOTE 20: ENTITY DETAILS

The registered office and principal place of business is:
Textile Clothing and Footwear Union of Australia (Vic. Branch)
359 Exhibition Street
Melbourne Vic. 3000

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

COMMITTEE OF MANAGEMENT CERTIFICATE

On 12 March 2008 the Committee of Management of the Textile Clothing & Footwear Union of Australia (Vic. Branch) and Controlled Entity ("Union/Reporting Unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2007:

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (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 GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organization 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 RAO Schedule and the RAO Regulations; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member of Registrar; and
 - (vi) there has been compliance with any order for inspection of financial reports made by the Commission under section 273 of the RAO Schedule.

COMMITTEE OF MANAGEMENT CERTIFICATE
continued

- (f) in relation to recovery of wages activity:
- (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
 - (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.
- (g) that the members receive a copy of the concise financial report.

For the Committee of Management: Michele O'Neil
Title of Office held: Branch Secretary

Signature:



Melbourne: 12 March 2008

**INDEPENDENT AUDIT REPORT
TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY**

Report on the financial report

We have audited the accompanying financial report of the Textile Clothing & Footwear Union of Australia (Vic. Branch) and Controlled Entity ("Reporting Unit") which comprises the balance sheet as at 31 December 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the committee of management's declaration of the reporting unit during the financial year.

Committee of management's responsibility for the financial report

The reporting unit's committee of management are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee of management, as well as evaluating the overall presentation of the financial report.

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

**INDEPENDENT AUDIT REPORT
TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY continued**

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

Auditor's opinion

In our opinion the financial report of the reporting unit:

- (a) is in accordance with the provisions of the Workplace Relations Act 1996, other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the RAO Schedule, including:
 - (i) presenting fairly the reporting unit's financial position as at 31 December 2007 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations).

- (b) properly and fairly report all information in relation to recovery of wages activity required by the reporting guidelines of the Industrial Registrar, including;
 - (i) any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
 - (ii) any donations or other contributions deducted from recovered money.



MSI RAGG WEIR
Chartered Accountants



L S WONG CA
Partner
Member of the Institute of Chartered Accountants in Australia and
holder of a current public practice certificate

Melbourne: 12 March 2008

**COMPILATION REPORT
TO TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY**

Scope

On the basis of the information provided by the Committee of Management of Textile Clothing & Footwear Union of Australia (Vic. Branch) and Controlled Entity (Reporting Unit) we have complied, in accordance with APS 9: Statement of Compilation of Financial Reports the special purpose financial report of the Reporting Unit for the year ended 31 December 2007 comprising the detailed Profit and Loss Statement as set out on pages 25 to 27.

The specific purpose for which the special purpose financial report has been prepared is to provide financial information to the members. Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report.

The Committee of Management is solely responsible for the information contained in the special purpose financial report and has determined that the accounting policies used are consistent with the financial reporting requirements of the Reporting Unit's Constitution and are appropriate to meet the needs of the Committee of Management for the purpose of complying with the Reporting Unit's Constitution.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the Committee of Management provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

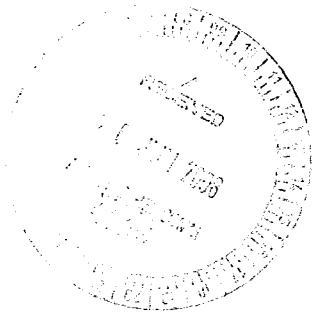
To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the Union, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared for the benefit of the Reporting Unit and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

MSI RaggWeir

MSI RAGG WEIR
Chartered Accountants

Melbourne: 12 March 2008



**TEXTILE CLOTHING & FOOTWEAR UNION
OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY**

ABN 45 839 589 441

**CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2007**

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

OPERATING REPORT

In accordance with Section 254 of the Workplace Relations Act 1996 the Committee of Management report on the Textile Clothing Footwear Union of Australia (Vic. Branch) and Controlled Entity, the relevant Reporting Unit for the financial year ended 31 December 2007.

Principal Activities

The principal activities of the Reporting Unit during the financial year were to represent the industrial, professional and political interests of textile, clothing and footwear workers in the State of Victoria.

Operating Result

The operating loss of the Reporting Unit and controlled entity for the financial year was \$184,097. No provision for tax was necessary as the Reporting Unit is exempt from income tax.

Significant Changes

There were no significant changes in the nature of activities of the Reporting Unit during the financial year.

No matters or circumstances have arisen since the end of the financial year which 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 future financial years.

Rights of Members

Subject to the Reporting Unit rules and Section 174 of the Workplace Relations Act 1996, members have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Reporting Unit.

Superannuation Officeholders

No officer or member of the Reporting Unit:

- (a) is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (b) is a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration and Accountability of Organisations) Regulations:

- (a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the RAO Schedule and who are taken to be members of the Reporting Unit under section 244 of the RAO Schedule was 3,099;
- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Reporting Unit, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 13;

TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
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OPERATING REPORT continued

Other Prescribed Information continued

(c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;

Name	
Elizabeth Macpherson	Branch President
Warren Smith	Branch Vice President
Michele O'Neil	Branch Secretary
Jenny Kruschel	Branch Assistant Secretary
Brett Anderson	Branch Trustee (resigned 31 May 2007)
Dorothy Peterson	Branch Trustee
Youseff Batal	Committee of Management
Timo Jarvinen	Committee of Management
Thi Ngoc Hanh Nguyen	Committee of Management
Mark O'Brien	Committee of Management
Emma Frazzetto	Committee of Management

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

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

For Committee of Management: Michele O'Neil
Title of Office held: Branch Secretary

Signature

Melbourne: 12 March 2008

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
ABN 45 839 589 441**

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Economic Entity		Parent Entity	
	2007 \$	2006 \$	2007 \$	2006 \$
Revenue	1,547,395	1,869,850	1,450,102	1,783,666
Administration and general expense	(188,742)	(290,381)	(169,885)	(286,730)
Affiliation, capitation and commission expense	(179,785)	(209,033)	(179,785)	(209,033)
Communication expense	(54,236)	(50,488)	(54,236)	(50,488)
Depreciation and amortisation expenses	(44,598)	(51,807)	(21,157)	(27,496)
Dispute expense	-	(8,665)	-	(8,665)
Employee benefits expense	(1,028,713)	(1,277,598)	(1,028,713)	(1,277,598)
Grant expense	(74,349)	(63,048)	(74,349)	(63,048)
Loss on sale of fixed assets	(9,822)	-	(9,822)	-
Occupancy expense	(33,677)	(37,398)	-	-
Other expenses	(117,570)	(111,738)	(117,570)	(111,738)
Profit / (loss) before income tax expense	(184,097)	(230,306)	(205,415)	(251,130)
Income tax expense	-	-	-	-
Profit / (loss) attributable to members of the parent entity	(184,097)	(230,306)	(205,415)	(251,130)

Discussion and Analysis of Income Statement

The operating result of the Union (parent entity) for the year is a net loss of \$205,415, an 18% improvement over the previous year. Management has reduced expenses by \$379,279 to offset a decrease in revenue of \$333,564.

The operating result of the economic entity which is the combined result of the Union and Apparel Trades of Australia Unit Trust shows a loss of \$184,097. The economic entity result reflects a profit made by Apparel Trades of Australia Unit Trust which was offset against the loss of the parent entity.

The accompanying notes form part of these financial statements.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
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**BALANCE SHEET
AS AT 31 DECEMBER 2007**

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
CURRENT ASSETS				
Cash and cash equivalents	2,639,208	2,884,378	970,461	1,290,755
Trade and other receivables	260,754	229,768	259,537	226,366
Other current assets	97,317	80,865	90,178	74,361
TOTAL CURRENT ASSETS	<u>2,997,279</u>	<u>3,195,011</u>	<u>1,320,176</u>	<u>1,591,482</u>
NON-CURRENT ASSETS				
Trade and other receivables	-	-	2,138,062	2,138,062
Property, plant and equipment	1,963,616	1,931,174	133,169	83,036
Financial assets	2,500	2,500	503,596	503,596
TOTAL NON-CURRENT ASSETS	<u>1,966,116</u>	<u>1,933,674</u>	<u>2,774,828</u>	<u>2,724,694</u>
TOTAL ASSETS	<u>4,963,395</u>	<u>5,128,685</u>	<u>4,095,004</u>	<u>4,316,176</u>
CURRENT LIABILITIES				
Trade and other payables	294,461	303,708	287,414	331,226
Short-term provisions	541,430	513,376	541,430	513,376
TOTAL CURRENT LIABILITIES	<u>835,891</u>	<u>817,084</u>	<u>828,844</u>	<u>844,602</u>
TOTAL LIABILITIES	<u>835,891</u>	<u>817,084</u>	<u>828,844</u>	<u>844,602</u>
NET ASSETS	<u>4,127,504</u>	<u>4,311,601</u>	<u>3,266,160</u>	<u>3,471,574</u>
EQUITY				
Reserves	1,362,321	1,362,321	-	-
Retained earnings	2,765,183	2,949,280	3,266,160	3,471,574
TOTAL EQUITY	<u>4,127,504</u>	<u>4,311,601</u>	<u>3,266,160</u>	<u>3,471,574</u>

Discussion and Analysis of Balance Sheet

Cash balances have decreased in the parent and economic entity in line with the results for the year. The rest of the balance sheet shows no major material movements

The accompanying notes form part of these financial statements.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Retained earnings \$	Asset realisation reserve \$	Total \$
ECONOMIC ENTITY			
Balance at 1 January 2006	3,179,586	1,362,321	4,541,907
(Loss) attributable to members of economic entity	<u>(230,306)</u>	<u>-</u>	<u>(230,306)</u>
Balance at 31 December 2006	2,949,280	1,362,321	4,311,601
(Loss) attributable to members of economic entity	<u>(184,097)</u>	<u>-</u>	<u>(184,097)</u>
Balance at 31 December 2007	<u>2,765,183</u>	<u>1,362,321</u>	<u>4,127,504</u>
PARENT ENTITY			
Balance at 1 January 2006	3,722,705	-	3,722,705
(Loss) attributable to members of parent entity	<u>(251,130)</u>	<u>-</u>	<u>(251,130)</u>
Balance at 31 December 2006	3,471,575	-	3,471,575
(Loss) attributable to members of parent entity	<u>(205,415)</u>	<u>-</u>	<u>(205,415)</u>
Balance at 31 December 2007	<u>3,266,160</u>	<u>-</u>	<u>3,266,160</u>

Discussion and Analysis of Changes in Equity

As explained in the Income Statement on page 3, the economic entity made a loss for the year ended 31 December 2007 of \$184,097.

The accompanying notes form part of these financial statements.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES				
Grant and other income	440,366	843,183	440,366	843,183
Membership contributions	877,809	1,002,955	877,809	1,002,955
Interest received	190,945	138,160	92,877	56,895
Payments to suppliers & employees	<u>(1,667,534)</u>	<u>(2,029,090)</u>	<u>(1,650,339)</u>	<u>(1,925,875)</u>
Net cash (used in) operating activities	<u>(158,414)</u>	<u>(44,792)</u>	<u>(239,287)</u>	<u>(22,842)</u>
CASH FLOW FROM INVESTING ACTIVITIES				
Increase in Union Members' Trust account	105	55	105	55
Proceeds from sale of property, plant and equipment	13,636	-	13,636	-
Purchase of property, plant & equipment	<u>(100,498)</u>	<u>(22,498)</u>	<u>(94,748)</u>	<u>(21,428)</u>
Net cash (used in) investing activities	<u>(86,757)</u>	<u>(22,443)</u>	<u>(81,007)</u>	<u>(21,373)</u>
Net increase / (decrease) in cash held	(245,170)	(67,235)	(320,294)	(44,215)
Cash at beginning of year	<u>2,884,378</u>	<u>2,951,613</u>	<u>1,290,755</u>	<u>1,334,970</u>
Cash at end of year	<u>2,639,208</u>	<u>2,884,378</u>	<u>970,461</u>	<u>1,290,755</u>

Discussion and Analysis of Statement of Cash Flows

There was a decrease in cash held at the end of the year by the economic entity. This is due to decreased receipts from grants and membership contributions (offset by decreased expenditure) and expenditure on plant and equipment.

The accompanying notes form part of these financial statements.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
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**STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY
CASH BASIS - FOR THE YEAR ENDED 31 DECEMBER 2007**

Note	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-	-	-
Receipts				
Amounts recovered from employers in respect of wages etc	-	-	-	-
Interest received on recovered money	-	-	-	-
Total receipts	-	-	-	-
Payments				
Deductions of amounts due in respect of membership for:-				
- 12 months or less	-	-	-	-
- greater than 12 months	-	-	-	-
Deductions of donations or other contributions to accounts or funds of:-				
- the reporting unit	-	-	-	-
- other entity	-	-	-	-
Deductions of fees or reimbursements of expenses	-	-	-	-
Payments to workers in respect of recovered money	-	-	-	-
Total payments	-	-	-	-
Cash assets in respect of recovered money at end of year	-	-	-	-

Discussion and Analysis of Recovery of Wages Activity

There was no recovery of wages on behalf of members paid via the Reporting Unit for the year ended 31 December 2007.

The accompanying notes form part of these financial statements.

**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

NOTE 1: BASIS OF PREPARATION

The concise financial report is an extract for the full financial report for the year ended 31 December 2007. The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Report and the Workplace Relations Act 1996.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full financial report of the Textile Clothing and Footwear Union of Australia (Vic. Branch) and Controlled Entity. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of the Textile Clothing and Footwear Union of Australia (Vic. Branch) and Controlled Entity as the full financial report.

The financial report of the Textile Clothing and Footwear Union of Australia (Vic. Branch) and Controlled Entity comply with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

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 1 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 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).

NOTE 3: FINANCIAL STATEMENTS

The Union will provide a copy of the full financial report for the year ended 31 December 2007, free of charge by any member who requests it.

COMMITTEE OF MANAGEMENT CERTIFICATE

On 12 March 2008 the Committee of Management of the Textile Clothing & Footwear Union of Australia (Vic. Branch) and Controlled Entity ("Union/Reporting Unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2007:

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (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 GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organization 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 organization 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 RAO Schedule and the RAO Regulations; and
 - (iv) where the organization consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organization; and
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member of Registrar; and
 - (vi) there has been compliance with any order for inspection of financial reports made by the Commission under section 273 of the RAO Schedule.

COMMITTEE OF MANAGEMENT CERTIFICATE
continued

- (f) in relation to recovery of wages activity:
- (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
 - (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers unit distributions of recovered money were made to the workers.
- (g) that the members receive a copy of the concise financial report.

For the Committee of Management: Michele O'Neil
Title of Office held: Branch Secretary

Signature:



12 March 2008

**INDEPENDENT AUDIT REPORT
TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (VIC. BRANCH)
AND CONTROLLED ENTITY**

Report on the concise financial report

The accompanying concise financial report of the Textile Clothing & Footwear Union of Australia (Vic. Branch) and Controlled Entity ("Union") comprises the balance sheet as at 31 December 2007, the income statement, statement of changes in equity, cash flow statement and statement of receipts and payments for recovery of wages activity for the year then ended and related notes, derived from the audited financial report of the Textile Clothing & Footwear Union of Australia (Vic. Branch) and Controlled Entity for the year ended 31 December 2007, and the discussion and analysis. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Committee of Management's responsibility for the concise financial report

The directors are responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039: Concise Financial Reports (including the Australian Accounting Interpretations), statutory and other requirements. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying the appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of the Union for the year ended 31 December 2007. Our audit report on the financial report for the year was signed on 12 March 2008 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039: Concise Financial Reports and whether the discussion and analysis complies with the requirements laid down in AASB 1039: Concise Financial Reports.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

Auditor's opinion

In our opinion, the concise financial report including the discussion and analysis of the Textile Clothing & Footwear Union of Australia (Vic. Branch) and Controlled Entity for the year ended 31 December 2007 complies with Accounting Standard AASB 1039: Concise Financial Reports.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

[Signature]

L S WONG CA
Partner

Melbourne: 12 March 2008