



**Australian Government**  
**Australian Industrial Registry**

Level 35, 80 Collins Street  
Melbourne, VIC 3000  
GPO Box 1994, Melbourne, VIC 3001  
Telephone: (03) 8661 7993  
Fax: (03) 9654 6672

Mr G Buckingham  
Ernst & Young  
The Ernst & Young Building  
11 Mounts Bay Road  
PERTH WA 6000

Dear Sir

**Re: Textile, Clothing and Footwear Union of Australia -  
Workplace Relations Act 1996 –  
Financial Documents for year ended 30 June 2005 - FR2005/641**

I have enclosed for your information and response a copy of my correspondence to Ms Rudd, Branch Secretary, of the Western Australian Branch of the abovenamed organisation.

If you wish to discuss the matters raised in my correspondence to Ms Rudd you may contact Mr Larry Powell on (03) 8661 7993.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Terry Nassios', consisting of a horizontal line with a vertical stroke and a horizontal tail.

Terry Nassios  
Deputy Industrial Registrar

10 March 2006



**Australian Government**  
**Australian Industrial Registry**

Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
GPO Box 1994, Melbourne, VIC 3001  
Telephone: (03) 8661 7993  
Fax: (03) 9654 6672

Ms L Rudd  
Branch Secretary  
Textile, Clothing and Footwear Union of Australia  
Western Australian Branch  
PO Box Y3436 St Georges Terrace  
EAST PERTH WA 6832

Dear Ms Rudd

**Re: Schedule 1B of the Workplace Relations Act 1996 (Schedule 1B)**  
**Financial reports for year ended 31 December 2004 - FR 2005/641**

Reference is made to the financial reports of the Western Australian Branch of the Textile, Clothing and Footwear Union for the year ended 30 June 2005. The documents were lodged in the Industrial Registry on 22 December 2005.

I direct your attention to the following comments concerning the above reports and the financial reporting obligations under Schedule 1B. Please note that these matters are generally advised for assistance in the future preparation of financial reports. However, I do require your prompt response to the matters raised in items 1 and 4(a).

**1. Designated Officer's Certificate**

Section 268 requires a certificate by a prescribed designated officer that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266.

I note the certificate lodged did not indicate whether the financial documents lodged were copies of the documents provided to members. Would you please advise this office in writing if the documents are copies of the documents provided to members and also would you please advise the date the documents were supplied to members.

**2. Operating Report**

**(a) Right of members to resign:**

Subsection 254(2)(c) of Schedule 1B requires the operating report to "give details" of the right of members to resign from the reporting unit under section 174 of Schedule 1B. The requirement may be met by the inclusion of a statement that a member has the right to resign and a reference to the relevant rule, which makes such provision. Alternatively, the complete text of the relevant resignation rule may be reproduced in the report. An examination of the rules of the organisation indicates that rule 12 of the organisation's rules would be applicable.

**(b) Trustees of superannuation entities:**

The report must give details (including details of the position held) of any officer or member of the reporting unit who is:

- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme; and

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 the reporting unit had no officers or members falling within such a positive statement to that effect should be provided.

### **3. Committee of Management Statement**

#### **Consistency with other reporting units**

Paragraph 17 of the Industrial Registrar's Reporting guidelines, as made under section 255 of Schedule 1B 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;*

Your Branch's Committee's statement at paragraph (e)(iv) provides, that: "The financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other reporting units of The Textile Clothing & Footwear Union of Western Australia". Such statement should have been in relation to The Textile, Clothing and Footwear Union of Australia rather than what I suspect is a state registered counterpart.

### **4. Auditor's Report**

#### **(a) Qualification**

I note the auditor's report provides the following qualification:

"Membership contributions are a significant source of revenue for the Branch. The Branch has determined that it is impracticable to establish control over the collection of membership contributions prior to entry in the financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to membership contributions have been restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether revenue from membership contributions the Branch received is complete."

Under subsection 332(1) of Schedule 1B of the Act a Registrar is obliged to investigate any deficiency, failure or shortcoming disclosed in an auditor's report. However, the Registrar is not required to investigate the deficiency, failure or shortcoming if after consultation with the reporting unit (branch) concerned, and the auditor, the Registrar is satisfied that the deficiency, failure or shortcoming is trivial or will be remedied in the following year refer s332(2). [Section 332 and related sections 252 and 257 are reproduced at Attachment 1]

Accordingly, I seek further information from the Branch and its auditor as to the nature and detail of the qualification. I request that the information include the auditor's opinion as to

whether the qualification is a "deficiency, failure or shortcoming" in the context of the sections reproduced at *Attachment 1*, and, if the auditor considers it to be such, the auditor's opinion as to the materiality of the deficiency, failure or shortcoming.

**(b) Auditor's Qualifications**

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 RAO Regulations. In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report. I recommend you draw this comment to the attention of your Auditors.

**5. Statement of financial performance (profit and loss statement)**

**Salaries**

Items 11(g) and (h) of the guidelines read:

- "(g) employee benefits to holders of office of the reporting unit;*
- (h) employee benefits to employees (other than holders of offices) of the reporting unit;"*

I have noted that the statement of financial performance includes an item shown as "Wages – Members of Committee of Management" as an expense from ordinary activities.

Future financial reports should show such salaries amounts as having been paid to either holders of office or employees as required by the reporting guidelines.

**6. Timescales**

Financial reports should be prepared, audited, supplied to members, presented to a meeting and lodged in the Industrial Registry within certain timescale requirements.

From the information available, the reports were presented to a committee of management meeting on 19 November 2005. No information has been provided as to when the reports were supplied to members. Where the reports have been presented to a committee of management meeting such reports should be supplied to members of the reporting unit within 5 months after the end of the financial year – refer s265(5) of Schedule 1B and presented to the committee of management meeting within 6 months of the end of the financial year – refer s266(3).

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

**7. Notice to members**

I note that the notice to members reproduces the provisions of section 274 of the Workplace Relations Act 1996. The accounts should set out the provisions of subsections 272(1), (2) and (3) of Schedule 1B. Would you please ensure those subsections are copied into the General Purpose Financial Report in the next financial report of the Branch.

It should be noted that the Industrial Registrar attaches importance to reporting units both fully satisfying the obligations under Schedule 1B and to those obligations being discharged within the requisite timeframes. Your reporting unit should therefore ensure that future financial returns fully satisfy the above obligations.

**Electronic Lodgement**

I encourage you to take advantage of the electronic lodgment service provided by the Registry for future lodgments. You may register as a user and then lodge your documents via the Electronic Lodgment page of the AIRC website at [www.airc.gov.au](http://www.airc.gov.au). Alternatively, you may send an email with the documents attached to [riateam3@air.gov.au](mailto:riateam3@air.gov.au)

If you wish to discuss the matters raised in this letter you may contact Mr Larry Powell on (03) 8661 7993 or by e-mail at [larry.powell@air.gov.au](mailto:larry.powell@air.gov.au).

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Terry Nassios', consisting of a horizontal line at the top, a vertical line extending downwards, and a horizontal line extending to the right from the vertical line.

Terry Nassios  
Deputy Industrial Registrar

14 March 2006

cc: Ernst & Young

### **332 Investigations arising from auditor's report**

(1) Subject to subsection (2), a Registrar must:

(a) where the documents lodged in the Industrial Registry under section 268 include a report of an auditor setting out any:

(i) defect or irregularity; or

(ii) deficiency, failure or shortcoming; and

(b) where for any other reason the Registrar considers that a matter revealed in the documents should be investigated— investigate the matter.

(2) The Registrar is not required to investigate the matters raised in the report of the auditor if:

(a) the defect, irregularity, deficiency, failure or shortcoming consists solely of the fact that the organisation concerned has kept financial records for its membership subscriptions separately on a cash basis as provided in subsection 252(4); or

(b) after consultation with the reporting unit and the auditor, the Registrar is satisfied that the matters are trivial or will be remedied in the following financial year.

(3) Where, having regard to matters that have been brought to notice in the course of, or because of, an investigation under subsection (1), a Registrar forms the opinion that there are grounds for investigating the finances or the financial administration of the reporting

### **252 Reporting unit to keep proper financial records**

(1) A reporting unit must:

(a) keep such financial records as correctly record and explain the transactions and financial position of the reporting unit, including such records as are prescribed; and

(b) keep its financial records in such a manner as will enable a general purpose financial report to be prepared from them under section 253; and

(c) keep its financial records in such a manner as will enable the accounts of the reporting unit to be conveniently and properly audited under this Part.

(2) Where an organisation consists of 2 or more reporting units, the financial records for each of the reporting units must, as far as practicable, be kept in a consistent manner.

Note 1: This would involve, for example, the adoption of consistent accounting policies and a common chart of accounts for all reporting units in the organisation.

Note 2: This requirement is subject to subsection (4) which allows reporting units to keep some records on a cash basis.

(3) Financial records of an organisation may, so far as they relate to the income and expenditure of the organisation, be kept on a cash basis or accrual basis, at the option of the organisation.

(4) If an organisation keeps the financial records referred to in subsection (1) on an accrual basis, it

may keep the financial records for its membership subscriptions separately on a cash basis.

(5) An organisation must retain the financial records kept under subsection (1) for a period of 7 years after the completion of the transactions to which they relate.

## **257 Powers and duties of auditors**

(1) An auditor of a reporting unit must audit the financial report of the reporting unit for each financial year and must make a report in relation to the year to the reporting unit.

(2) An auditor, or a person authorised by an auditor for the purposes of this subsection, is:

(a) entitled at all reasonable times to full and free access to all records and other documents of the reporting unit relating directly or indirectly to the receipt or payment of money, or to the acquisition, receipt, custody or disposal of assets, by the reporting unit; and

(b) entitled to seek from any designated officer, or employee of the reporting unit, such information and explanations as the auditor or authorised person wants for the purposes of the audit.

(3) If an auditor requests an officer, employee or member of an organisation to produce records or other documents under paragraph (2) (a), the request must:

(a) be in writing; and

(b) specify the nature of the records or other documents to be produced; and

(c) specify how and where the records or other documents are to be produced; and

(d) specify a period (of not less than 14 days after the notice is given) within which the records or other documents are to be produced.

(4) If an auditor authorises a person for the purposes of subsection (2), the auditor must serve on the reporting unit a notification that sets out the name and address of the person.

(5) An auditor must, in his or her report, state whether in the auditor's opinion the general purpose financial report is presented fairly in accordance with any of the following that apply in relation to the reporting unit:

(a) the Australian Accounting Standards;

(b) any other requirements imposed by this Part.

If not of that opinion, the auditor's report must say why.

(6) If the auditor is of the opinion that the general purpose financial report does not so comply, the auditor's report must, to the extent it is practicable to do so, quantify the effect that non-compliance has on the general purpose financial report. If it is not practicable to quantify the effect fully, the report must say why.

(7) The auditor's report must describe:

(a) any defect or irregularity in the general purpose financial report; and

(b) any deficiency, failure or shortcoming in respect of the matters referred to in subsection (2) or section 252.

(8) The form and content of the auditor's report must be in accordance with the Australian Auditing Standards.

(9) The auditor's report must be dated as at the date that the auditor signs the report and must be given to the reporting unit within a reasonable time of the auditor having received the general purpose financial report.

(10) An auditor must not, in a report under this section, make a statement if the auditor knows, or is reckless as to whether, the statement is false or misleading.

Note: This subsection is a civil penalty provision (see section 305).

(11) If:

(a) the auditor suspects on reasonable grounds that there has been a breach of this Schedule or reporting guidelines; and

(b) the auditor is of the opinion that the matter cannot be adequately dealt with by comment in a report or by reporting the matter to the committee of management of the reporting unit;

the auditor must immediately report the matter, in writing, to the Industrial Registrar.

Note: This subsection is a civil penalty provision (see section 305).





TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA  
WESTERN AUSTRALIAN BRANCH

Registered Office 6th Floor, 25 Barrack Street, Perth WA 6000  
Postal Address: PO. Box Y3436 St Georges Terrace East Perth WA 6832  
Telephone: (08) 3221 4321  
Fax: (08) 9221 2774  
ABN 40 773 308 986

MV  
Ref:G:Text:Financial:Corr:2004  
Financial reports to Commission year ended Dec 2004

15<sup>th</sup> December 2005

Deputy Industrial Registrar  
Australian Industrial Registry  
GPO BOX 1994S  
MELBOURNE VIC 3001

Dear Sir

**Re: Financial Statements Year Ended 31/12/2004**  
**Textile Clothing and Footwear Union of Australia (Western Australia Branch)**

Please find attached for filing in the registry the above accounts.

The necessary certificates are set out hereunder:

**Secretary's Certificate**

I, the undersigned, Gerrie Kent, Branch Secretary of the Textile Clothing and Footwear Union of Australia (Western Australian Branch) certify that the above accounts were presented to the Committee of Management of the Textile Clothing and Footwear Union of Australia (Western Australian Branch) on the 2<sup>nd</sup> April 2005 and again on the 19<sup>th</sup> November 2005. I further certify that the attached documents are copies of the Auditors report, accounts and statements presented to the meeting in accordance with S.279.

GERRIE KENT  
BRANCH SECRETARY

*Gerrie Kent*


**Committee of Management Certificate**

We, the undersigned, Gerrie Kent and Lorraine Rudd, being two members of the Committee of Management of the above organisation hereby certify that the Textile Clothing and Footwear Union of Australia (Western Australian Branch) complied with the requirement of S.279 of the Act in respect of the financial year ended 2004.

To the knowledge and belief of the Committee there have been, during the financial year to which the accounts relate, no instances where records of the organization or other documents (not being documents containing information made available to a member under subsection 274(2) of the Act) or copies of those records or other documents, or copies of the rules of the organization that have not been made available to members in accordance with the Act, Regulations or the rules as the case may be.




GERRIE KENT  
BRANCH SECRETARY



LORRAINE RUDD  
COMMITTEE OF MANAGEMENT MEMBER

Yours faithfully



GERRIE KENT  
BRANCH SECRETARY.

Operating Report of THE TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA (WESTERN  
AUSTRALIAN BRANCH)  
(2004 Financial Year – 12months ended December)

1. Review of units principal:

- Activities during the financial year
- Results of those activities
- Significant changes in the nature of the activities

- a) During 2004 the branch has watched over and protected the interests of members, maintained reasonable hours of labour and fair wage rates and settled industrial disputes by negotiation, conciliation and arbitration.

In addition, the safety nets of awards underpinning employment was updated in accordance with national wage decisions and for the process of modernization.

- b) Where industrial matters cannot be resolved through negotiation it may be necessary for them to be referred to the AIRC for conciliation and/or arbitration. In this respect no matters were referred to the AIRC. The bulk of the matters were dealt with by on site negotiations.
- c) The result of these activities have been general increases in wages, allowances and conditions of about 3.5% per annum depending on the industry and employer. There have also been considerable improvements in the flexibility of working arrangements that has benefited many members, particularly female members who may have to combine work with family responsibilities.
- d) The TCFU also handles matters involving work related injuries and has ongoing files being processed during the 2004 financial year.
- e) There have been no significant changes in the activities of the TCFU during the 2004 financial year.

2. Details of significant changes in units financial affairs

There have been no significant changes in the Branch's financial affairs.

3. Detail of the right of members to resign under S174

Members of the TCFU are entitled to resign pursuant to schedule 1B clause 174 Registration and Accountability of Organizations. The TCFU strictly adheres to the resignation from membership provisions, contained therein. Those rights include:

- Resignation by notice in writing.
- Resignation takes effect on the day it is received or the day specified in the notice or at the end of a two week period, whichever is applicable.

4. Details of any officer or member of the reporting unit who is:

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

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 organization.

## 5. Details of membership of the Committee of Management

Lautaro Munoz	Branch President
Gerrie Kent	Branch Secretary
Rhonda Freeman	Branch Trustee
Rosalie Levy	Branch Trustee
Lorraine Rudd	Branch Member

## 6. Other

- The report is signed and dated
- The number of members of the TCFU WA Branch at 31/12/2004 is 54
- The Branch employs 0 employees
- At point (1) the report contains a review of principal activities
- At point (2) are details of significant change of activities that being nil
- At point (4) are details of superannuation trustees
- At point (5) are details of membership of the Committee of Management

SIGNED



DATED

15.12.05.

GERRIE KENT  
BRANCH SECRETARY

# **The Textile Clothing and Footwear Union of Western Australia**

## **Financial Report**

For the financial year ended 31 December 2004

# **The Textile Clothing & Footwear Union of Western Australia**

## **Financial Report For the Financial Year Ended 31 December 2004**

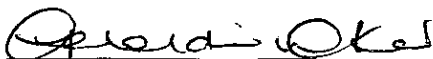
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# The Textile Clothing & Footwear Union of Western Australia

## Committee of Management's Certificate

I, Gerrie Kent, being a member of the Committee of Management of The Textile Clothing & Footwear Union of Western Australia, do declare on behalf of the Committee and in accordance with a resolution passed by the Committee on 23<sup>rd</sup> July 2005, that in the opinion of the Committee:

- 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 to which they relate;
- 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 2004 and since the end of that year;
  - (i) Meetings of the Committee of Management were held in accordance with the rules of The Textile Clothing & Footwear Union of Western Australia including the rules of the Branch; and
  - (ii) The financial affairs of the Branch have been managed in accordance with the rules of The Textile Clothing & Footwear Union of Western Australia including the rules of the Branch; and
  - (iii) The financial records of the Branch have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - (iv) The financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other reporting units of The Textile Clothing & Footwear Union of Western Australia; and
  - (v) The information sought in any request of a member of the Branch or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
  - (vi) There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.



GERRIE KENT  
Secretary

Date: 16.08.05  
Perth, WA

## **Independent audit report to members of The Textile Clothing & Footwear Union of Western Australia (Western Australian Branch)**

### **Scope**

#### *The financial report and committee of managements' responsibility*

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 certificate for The Textile Clothing & Footwear Union of Western Australia ("the Branch"), for the year ended 31 December 2004.

The Branch's committee of management is responsible for preparing a financial report that presents fairly the financial position and performance of the Branch, and that complies with Accounting Standards in Australia, in accordance with the Workplace Relations Act 1996 and the Branch's constitution. 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 conducted an independent audit of the financial report in order to express an opinion on it to the members of the Branch. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements 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 financial reporting requirements in Australia and the Branch's constitution, a view which is consistent with our understanding of the Branch's financial position at 31 December 2004, and of its performance as represented by the results of its operations and cash flows for the year then ended.

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.

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.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the committee of management of the Branch.

### **Independence**

We are independent of the Branch, and have met the independence requirements of Australian professional ethical pronouncements.



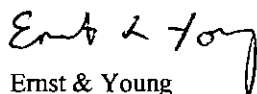
**Qualification**

Membership contributions are a significant source of revenue for the Branch. The Branch has determined that it is impracticable to establish control over the collection of membership contributions prior to entry in the financial records. Accordingly, as the evidence available to us regarding revenue from this source was limited, our audit procedures with respect to membership contributions have been restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether revenue from membership contributions the Branch received is complete.

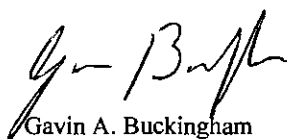
**Qualified audit opinion**

In our opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitation referred to in the qualification paragraph above not existed the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Workplace Relations Act, 1996 the financial position of The Textile Clothing & Footwear Union of Western Australia as at 31 December 2004, and its financial performance and its cash flows for the year then ended.

We have obtained all of the information and explanation required from The Textile Clothing & Footwear Union of Western Australia.

A handwritten signature in black ink, appearing to read 'Ernst & Young', written over the printed name.

Ernst & Young

A handwritten signature in black ink, appearing to read 'Gavin A. Buckingham', written over the printed name.

Gavin A. Buckingham

Partner

Perth

31 August 2005

# Textile Clothing and Footwear Union of Australia

## Statement of Financial Performance For the year ended 31 December 2004

	<u>Note</u>	<u>2004</u> \$	<u>2003</u> \$
<b>INCOME</b>			
Membership Contributions	1(b)	15,696	16,188
Interest		809	848
Other		-	-
<b>TOTAL INCOME</b>		<b>16,505</b>	<b>17,036</b>
<b>EXPENDITURE</b>			
Affiliation – Australian Labour Party		957	191
Affiliation – Unions WA (Trades and Labour Council)		1,564	1,938
Audit fees		1,310	2,300
Bank Fees & Government Charges		194	165
Commission on contribution collected		845	1,158
Committee and meeting fees		140	-
Depreciation		-	-
Fee refund & forwarding		941	-
Insurance		(532)	1,645
Loss on Disposal of Fixed Assets		-	575
Mortality fund		-	-
Printing and stationery		-	825
Sundry expenses		-	180
Superannuation – Members of Committee of Management		1,485	1,485
Sustentation fees		909	922
Travelling expenses		-	2,085
Wages – Members of Committee of Management		16,500	19,100
<b>TOTAL EXPENDITURE</b>		<b>24,313</b>	<b>32,569</b>
<b>OPERATING SURPLUS / (DEFICIT) FOR YEAR</b>		<b>(7,808)</b>	<b>(15,533)</b>

The accompanying notes form an integral part of these accounts

# Textile Clothing and Footwear Union of Australia

## Statement of Financial Position As at 31 December 2004

	<u>Note</u>	<u>2004</u> \$	<u>2003</u> \$
<b>CURRENT ASSETS</b>			
Cash assets		82,697	95,215
Prepayments		1,412	-
Receivables		2,686	190
<b>TOTAL CURRENT ASSETS</b>		<b>86,795</b>	<b>95,405</b>
<b>TOTAL ASSETS</b>		<b>86,795</b>	<b>95,405</b>
<b>CURRENT LIABILITIES</b>			
Payables		1,433	4,572
Accrued Liabilities		2,337	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,770</b>	<b>4,572</b>
<b>NET ASSETS</b>		<b>83,025</b>	<b>90,833</b>
<b>TOTAL MEMBERS FUNDS</b>	<b>7</b>	<b>83,025</b>	<b>90,833</b>

The accompanying notes form an integral part of these accounts

# Textile Clothing and Footwear Union of Australia

## Statement of Cash Flows For the year ended 30 December 2004

	<u>Note</u>	<u>2004</u> \$ Inflows (Outflows)	<u>2003</u> \$ Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Membership Contributions		11,788	15,998
Payments to Suppliers		(25,115)	(16,691)
Interest Received		809	848
NET CASH PROVIDED BY OPERATING ACTIVITIES	6(b)	(12,518)	(11,558)
NET INCREASE (DECREASE) IN CASH HELD		(12,518)	(11,558)
CASH AT THE BEGINNING OF THE FINANCIAL YEAR		95,215	106,773
CASH AT THE END OF THE FINANCIAL YEAR	6(a)	82,697	95,215

The accompanying notes form an integral part of these accounts

# **Textile Clothing and Footwear Union of Australia**

## **Notes to and forming part of the accounts For the year ended 31 December 2004**

### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **(a) Basis of Accounting**

These general purpose accounts have been prepared in accordance with the Branch's constitution and the basis of accounting and disclosure requirements specified by all applicable Accounting Standards and UIG Consensus Views.

#### **(b) Goods and Services Tax**

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

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the expense item; and
- receivables and payables are stated with the amount of GST included.

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

### **2. INCOME TAX**

Under Section 50-15 of the Income Tax Assessment Act 1997, the Branch is exempt from income tax.

### **3. INFORMATION TO BE PROVIDED TO MEMBERS OR A 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, which reads as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

### **4. RELATED PARTY TRANSACTIONS**

Affiliation dues were paid to the ALP to enable members to have voting rights in the ALP. The ALP affiliation dues are based on membership and determined by the ALP.

### **5. SEGMENT INFORMATION**

The Branch operated in the trade union business in Western Australia.

## Textile Clothing and Footwear Union of Australia

### 6. NOTES TO THE STATEMENTS OF CASH FLOWS

#### (a) Reconciliation of Cash

For the purposes of the statement of cash flows cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	<u>2004</u> \$	<u>2003</u> \$
Cash	82,697	95,215

#### (b) Reconciliation of operating result to net cash flows from operating activities

	<u>2004</u> \$	<u>2003</u> \$
Operating result	(7,808)	(15,533)
Loss on disposal of non-current assets	0	575
Changes in net assets and liabilities		
Decrease/(Increase) in accounts receivable and prepayments	(3,908)	(190)
(Decrease)/Increase in payables	(802)	3,590
Net cash from operating activities	(12,518)	(11,558)

### 7. RETAINED FUNDS

	<u>2004</u> \$	<u>2003</u> \$
Opening Retained Funds	90,833	106,366
Surplus / (Deficit) for the Year	(7,808)	(15,533)
Closing Retained Funds	83,025	90,833

### 8. FINANCIAL INSTRUMENTS

Receivables and payables are stated at fair value.

Other than cash all financial instruments are non-interest bearing. Cash is held in floating interest rate bank accounts. The average interest rate during the year on the cash balances was 0.1% (2003: 0.1%).

## **Textile Clothing and Footwear Union of Australia**

### **9. REMUNERATION OF COMMITTEE OF MANAGEMENT**

The following persons held office through the entire period 1<sup>st</sup> January 2004 to 31<sup>st</sup> December, 2004 unless otherwise indicated.

Lautaro Munoz  
Roz Levy  
Geraldine Kent  
Ronda Freeman  
Lorrain Rudd

The total remuneration paid or payable, directly or indirectly, from the Branch or any related party to all the members of the Committee of Management was \$17,985. (2003 : \$20,585)

### **10. IMPACT OF ADOPTING AASB EQUIVALENT TO IASB STANDARDS**

The Textile Clothing and Footwear Union of Australia WA Branch has commenced transitioning its accounting policies and financial reporting from current Australian Standards to Australian equivalents of International Financial Reporting Standards (IFRS). The Branch has allocated internal resources and engaged expert consultants to perform diagnostics and conduct impact assessments to isolate key areas that will be impacted by the transition of IFRS. At this stage the Branch does not believe the adoption of IFRS will significantly impact on the financial report.