



Australian Government
Australian Industrial Registry

11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7989
Fax: (03) 9655 0410
Email: cynthia.lobooth@air.gov.au

Ms Lorraine Rudd
State 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: Financial Reports for year ended 31 December 2005 – Textile, Clothing and Footwear Union of Australia – Western Australian Branch – FR2006/525

I have received the financial reports of the Textile, Clothing and Footwear Union of Australia – Western Australian Branch for the year ended 31 December 2005, the letter from Mr Jim Mustica dated 17 January 2007 attached with a new Committee of Management Statement dated 3 January 2007. The documents were lodged in the Industrial Registry on 1 August 2006 and 22 January 2007 respectively.

The documents have been filed.

Should you wish to discuss any matter related to the organisation's financial reporting obligations I can be contacted on (03) 8661 7989 (Wed and Thurs) or by e-mail at cynthia.lobooth@air.gov.au.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Cynthia Lo-Booth'.

Cynthia Lo-Booth
Statutory Services Branch

24 January 2007

Cc: Mr Jim Mustica
jmustica@iinet.net.au



TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

Registered Office 6th Floor, 25 Barrack Street, Perth WA 6000 Secretary – Lorraine Rudd
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

17th Jan 2007

Mr. Terry Nassios
Deputy Industrial Registrar
Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001

cc. Cynthia Lo-Booth
Statutory Services Branch

Mark Gover
Ernst & Young

Re: Your Letter Dated 14th March 2006 and Cynthia's Letter Dated 12th October 2006

Further to my correspondence with Cynthia and, recently, correspondence between Cynthia and our Audit Manager (Mr. Mark Gover of Ernst & Young) the following is the position with regard to the audit qualification on the 2005 Audit Report:-

The nature of Union Membership income necessarily means that the receipts are received after the relative period to which they relate. The majority of Contribution Income is received by way of Payroll Deductions. They are usually withheld from the employees' payroll by the employer company and remitted periodically to us (depending on the number of employees on payroll deductions, they may be remitted after the month end, after the quarter end, even after the year end! – although regular follow up on our part ensures that they are received as regularly as is practicable).

Additionally, because of the "turnover" of members, we cannot rely on members employed by any particular employer, necessarily being the same from period to period.

As a result, the normal business practice of Debtor Invoicing and Collection cannot be applied (we have investigated the possibility of using this practice using a cost/benefit approach and it is just not cost effective).

The practice referred to in the auditors qualification is that Income is recognised (recorded in the accounts) as soon as the related funds are received i.e., an Invoice is raised and a Receipt against that invoice processed at the time the funds are received. The audit process (after the relative year end) is finalised, usually, at least two (2) months after the year end which, usually, allows enough time for the "lagged" Contribution Income to be received and recorded in the accounts

I hope this addresses your questions.

Yours sincerely,

JIM MUSTICA CPA

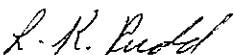


The Textile Clothing & Footwear Union of Australia (Western Australia Branch)

Committee of Management's Statement

I, Lorraine Rudd, being a member of the Committee of Management of The Textile Clothing & Footwear Union of Australia (Western Australia Branch), do declare on behalf of the Committee and in accordance with a resolution passed by the Committee on 17th June 2006, 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 2005 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 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 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.



LORRAINE RUDD
Secretary

3 - 1 - 2007
Date:
Perth, WA



TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH

Registered Office 6th Floor, 25 Barrack Street, Perth WA 6000 Secretary - Lorraine Rudd
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

FACSIMILE TRANSMISSION LEAD SHEET

THERE ARE 3 PAGES IN THIS TRANSMISSION (INCLUDING THIS PAGE)

DATE: 17TH JAN '07

TO FAX NO: (03) 9654 6672

ATTENTION: CYNTHIA LO BOOTH (STATUTORY SERVICES BRANCH)

FROM: JIM MUSTICA

COMMENTS: PLEASE FIND ATTACHED:-

1) COMMITTEE OF MANAGEMENT STATEMENT

2) LETTER IN RELATION TO THE QUALIFICATION ON THE AUDIT
REPORT

CHEERS

JIM

P.S. I'LL POST THE ORIGINALS IN TONIGHT'S MAIL.

IF YOU DO NOT RECEIVE THE CORRECT NUMBER OF PAGES PLEASE TELEPHONE THE
ABOVE NUMBER

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FILE NO.=782

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**TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

Registered Office 6th Floor, 25 Barrack Street, Perth WA 6000 Secretary - Lorraine Rudd
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ABN 40 773 308 986

FACSIMILE TRANSMISSION LEAD SHEET

THERE ARE 2 PAGES IN THIS TRANSMISSION (INCLUDING THIS PAGE)

DATE: 17th JAN '07

TO FAX NO: 9429 2260

ATTENTION: MARK GOVER / SUE CHENG MAN

FROM: JEN NUSTICA

COMMENTS: AS DISCUSSED - ATTACHED COPY OF LETTER
TO TERRY NASSIOS OF THE AUSTRALIAN INDUSTRIAL
REGISTRY.

CHEERS

JEN.

IF YOU DO NOT RECEIVE THE CORRECT NUMBER OF PAGES PLEASE TELEPHONE THE
ABOVE NUMBER



Australian Government

Australian Industrial Registry

Level 35, 80 Collins Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9654 6672
Email: cynthia.lobooth@air.gov.au

Mr Jim Mustica
Accountant
Textile, Clothing and Footwear Union of Australia
Western Australian Branch
PO Box Y3436
St Georges Terrace East
PERTH WA 6832

By e-mail: jmustica@iinet.net.au

Dear Mr Mustica

Re: Financial Reports for year ended 31 December 2005 – Textile, Clothing and Footwear Union of Australia – Western Australian Branch – FR2006/525

I refer to my earlier correspondences to your office dated 12 October and 23 November 2006, and my telephone conversations with Martin Pritchard on 29 November and with you on 6 December 2006.

I note that I have not received any further documents from you to date.

Should you wish to discuss the outstanding documents required to complete the filing of the financial reports or any other matter related to the organisation's financial reporting obligations I can be contacted on (03) 8661 7989 (Wed and Thurs) or by e-mail at cynthia.lobooth@air.gov.au.

Yours faithfully,

A handwritten signature in cursive script, appearing to read 'Cynthia Lo-Booth'.

Cynthia Lo-Booth
Statutory Services Branch

4 January 2007

From: LO-BOOOTH, Cynthia
Sent: Thursday, 23 November 2006 4:01 PM
To: 'martin.pritchard@sdawa.asn.au'
Subject: Financial Report for year ended 31 December 2005 - FR2006/525

Dear Martin,

Further to my earlier correspondence to Ms Lorraine Rudd, State Secretary of TCFUA-WA Branch dated 12 October 2006 and my telephone conversation with you on 8 November 2006. I note that I have not received any further documents from the TCFUA Western Australian Branch nor from your auditors, Ernst & Young.

Should you wish to discuss any matter regarding the contents of the letter of 12 October or if you require further information on the financial reporting requirements of the RAO Schedule, I can be contacted on Wednesdays or Thursdays. My contact details appear below in my signature.

Yours sincerely,

Cynthia Lo-Booth
Statutory Services Officer, Team 3
Statutory Services Branch
Australian Industrial Registry

Tel: (03) 8661 7989
Email: cynthia.lobooth@air.gov.au



Australian Government
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Ms Lorraine Rudd
State 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: Financial Reports for year ended 31 December 2005 – Textile, Clothing and Footwear Union of Australia – Western Australian Branch – FR2006/525

I acknowledge receipt of the financial reports of the Textile, Clothing and Footwear Union of Australia – Western Australian Branch for the year ended 31 December 2005. The documents were lodged in the Industrial Registry on 1 August 2006.

I direct your attention to the following comments concerning the above reports and the financial reporting obligations under Schedule 1 of the *Workplace Relations Act 1996* (RAO Schedule). Please note these matters are comments to assist you when you next prepare the financial reports. However, I do require your prompt response to the matters raised in items 1 and 2 to assist in the filing of the financial reports for the year ended 31 December 2005.

1. Committee of Management Statement

Resolution passed by committee of management

Item 26 of the Reporting Guidelines states:

“The committee of management statement must:

- (a) be made in accordance with such resolution as is passed by the committee of management of the reporting unit in relation to the matters requiring declaration;*
- (b) specify the date of passage of the resolution;*
- (c) be signed by a designated officer within the meaning of section 243 of the RAO Schedule; and*
- (d) be dated as at the date the designated officer signs the statement.”*

Your Branch Committee of Management Statement did not make explicit that a resolution was passed by the committee of management to the matters requiring declaration. Instead the Committee of Management Statement used the term ‘in the opinion of the Committee. . .’ Please advise if a resolution pertaining to such declarations was passed by the Committee and if so, please provide an amended Committee of Management Statement in compliance with item 26 of the Reporting Guidelines.

2. Auditor's Report

Qualification

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 to be 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 the RAO Schedule a Registrar is obliged to investigate any deficiency, failure or shortcoming disclosed in an auditor's report. However, such investigation is not required if after consultation with the Branch and the auditor, the Registrar is satisfied that the deficiency, failure or shortcoming is trivial or will be remedied the following year. [Section 332 and related sections 252 and 257 of the RAO Schedule are reproduced in Attachment A].

Accordingly, I seek further information from the Branch and its auditor as to the nature and detail of the qualification. I request 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 in Attachment A. If the auditor considers it to be such, I also request the auditor's opinion as to the materiality of the deficiency, failure or shortcoming.

I also note that this request for further information on the auditor's qualification remains outstanding for the financial report year ended 31 December 2004. Can you please ensure that the qualification in the auditor's report for the financial reports for years ended 31 December 2004 and 2005 are addressed in separate documents as they relate to different financial reports.

3. Operating Report

(a) Committee of Management – period positions held

Regulation 159(c) of the RAO Regulations states:

"For paragraph 254(2)(f) of the RAO Schedule, the following information is prescribed:

...

(c) the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position."

Future Operating Reports should include the period for which each committee member held their positions.

(b) Right of members to resign

Subsection 254(2)(c) of the RAO Schedule requires the Operating Report to give details of the right to members to resign from the reporting unit under section 174 of the RAO Schedule. 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.

4. Notes to Financial Statements

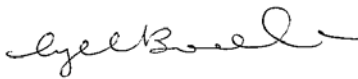
Subsection 272(5) of the RAO Schedule requires that the general purpose financial report must include a notice drawing attention to subsections 272(1), 272(2) and 272(3) and setting out those subsections. I note the subsections reproduced in your Branch's general purpose financial report was a reproduction of the superseded subsections. Please ensure the current subsections are reproduced in future financial reports.

5. Electronic Lodgement

I encourage you to take advantage of the electronic lodgement service provided by the Registry for future lodgements. You may register as a user and then lodge your documents via the Electronic Lodgement page of the AIRC website at www.airc.gov.au . Alternatively, you may send an email with the documents attached to RIATeam3@air.gov.au . Please note that the Rules of the Commission allow for electronic signatures to be used, other than for statutory declarations (see sub rule 74A(1)). Where documents are lodged electronically, there will be no need to forward hard copies of the documents.

If you wish to discuss the matters raised in this letter please do not hesitate to contact me on (03) 8661 7989 (Wednesday and Thursday).

Yours faithfully,



Cynthia Lo-Booth
Statutory Services Branch

12 October 2006

Cc Ernst & Young
GPO Box M939
PERTH WA 6843

Attachment A

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 unit, the Registrar may make the further investigation.

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 FR 2006/525
WESTERN AUSTRALIAN BRANCH

Registered Office 6th Floor, 25 Barrack Street, Perth WA 6000 Secretary – Lorraine Rudd
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

23rd July 2006

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

Dear Sir

Re: Financial Statements Year Ended 31/12/2005
Textile Clothing and Footwear Union of Australia (Western Australia Branch)

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

The necessary certificate is set out hereunder:

Secretary's Certificate

I, the undersigned, Lorraine Rudd, Secretary of the Textile Clothing and Footwear Union of Australia (Western Australian Branch) certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- that the full report, was provided to members on 17th June 2006; and
- that the full report was presented to the Committee of Management of the Textile Clothing and Footwear Union of Australia (Western Australian Branch) on the 17th June 2006 and again on the 8th July 2006; in accordance with section 266 of the RAO Schedule.

.....*L. K. Rudd*.....

LORRAINE RUDD

SECRETARY

Operating Report of THE TEXTILE CLOTHING & FOOTWEAR UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH
(2005 Financial Year – 12 Months ended December 2005)

1. Review of units principal:

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

- a) During 2005 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 each week of the 2005 financial year.
- e) There have been no significant changes in the activities of the TCFU during the 2005 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

Mary Miovski	Branch President
Lorraine Rudd	Branch Secretary
Roslyn Ball	Branch Vice President
Leone Dudek	Branch Trustee
Lilia Taylor	Branch Trustee
Ani Pantene Walker	Branch Member

6. Other

- The report is signed and dated
- The number of members of the TCFU WA Branch at 31 December 2005 is 29
- The Branch employs 1 employee - on a part time (1 day per week) basis
- 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 *L.R. Rudd*

DATED 7-7-06

LORRAINE RUDD

BRANCH SECRETARY

**The Textile Clothing and Footwear Union of Australia (Western
Australia Branch)**

Financial Report

For the financial year ended 31 December 2005

The Textile Clothing & Footwear Union of Australia (Western Australia Branch)

Financial Report For the Financial Year Ended 31 December 2005


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The Textile Clothing & Footwear Union of Australia (Western Australia Branch)

Committee of Management's Statement

I, Lorraine Rudd, being a member of the Committee of Management of The Textile Clothing & Footwear Union of Australia (Western Australia Branch), do declare on behalf of the Committee, 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 2005 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 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 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.


LORRAINE RUDD
Secretary

Date: 17th June 2006
Perth, WA

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

Scope

The financial report and committee of managements' responsibility

The financial report comprises the income statement, balance sheet, statement of cash flows, statement of changes in equity, accompanying notes to the financial statements and the committee of management's certificate for The Textile Clothing & Footwear Union of Australia (Western Australia Branch), ("the Branch"), for the year ended 31 December 2005.

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 rules. 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 rules, a view which is consistent with our understanding of the Branch's financial position at 31 December 2005, 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.

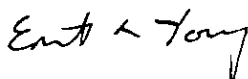
Qualification

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 to be 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.

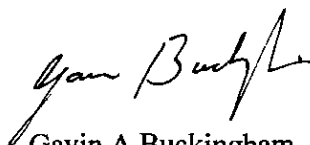
Qualified Audit Opinion

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 of The Textile Clothing & Footwear Union of Australia (Western Australia Branch) presents fairly, in accordance with the Workplace Relation Act 1996, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia and the Branch's rules, a view that is consistent with our understanding of the Branch's financial position at 31 December 2005, and of its financial performance and its cash flows for the year then ended.

We have obtained all of the information and explanations required from The Textile Clothing & Footwear Union of Australia (Western Australia Branch).



Ernst & Young



Gavin A Buckingham

Partner

Perth

7 July 2006

A member of The Institute of Chartered Accountants in Australia and current Public Practice Certificate holder

Textile Clothing and Footwear Union of Australia (Western Australia Branch)

Income Statement

For the year ended 31 December 2005

	<u>Note</u>	<u>2005</u> \$	<u>2004</u> \$
INCOME			
Membership Contributions	1(b)	10,971	15,696
Interest		816	809
TOTAL INCOME		<u>11,787</u>	<u>16,505</u>
EXPENDITURE			
Affiliation – Australian Labour Party		-	957
Affiliation – Unions WA (Trades and Labour Council)		1,828	1,564
Audit fees		1,910	1,310
Bank Fees & Government Charges		38	194
Commission on contributions collected		800	845
Committee and meeting fees		220	140
Fee refund & forwarding		625	941
Insurance		1,717	(532)
Mortality fund		57	-
Organiser Refunds		495	-
Printing and stationery		235	-
Sundry expenses		520	-
Superannuation – Holders of Office		-	1,485
Sustentation fees		835	909
Wages – Holders of Office		-	16,500
TOTAL EXPENDITURE		<u>9,280</u>	<u>24,313</u>
OPERATING SURPLUS / (DEFICIT) FOR YEAR		<u>2,507</u>	<u>(7,808)</u>

The accompanying notes form an integral part of these accounts

Textile Clothing and Footwear Union of Australia (Western Australia Branch)

Balance Sheet As at 31 December 2005

	<u>Note</u>	<u>2005</u> \$	<u>2004</u> \$
CURRENT ASSETS			
Cash and cash equivalents		88,342	82,697
Prepayments		1,412	1,412
Receivables		399	2,686
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		90,153	86,795
		<hr/>	<hr/>
TOTAL ASSETS		90,153	86,795
		<hr/>	<hr/>
CURRENT LIABILITIES			
Payables		1,603	1,433
Accrued Liabilities		3,018	2,337
		<hr/>	<hr/>
TOTAL CURRENT LIABILITIES		4,621	3,770
		<hr/>	<hr/>
TOTAL LIABILITES		4,621	3,770
		<hr/>	<hr/>
NET ASSETS		85,532	83,025
		<hr/>	<hr/>
TOTAL MEMBERS FUNDS		85,532	83,025
		<hr/>	<hr/>

The accompanying notes form an integral part of these accounts

Textile Clothing and Footwear Union of Australia (Western Australia Branch)

Statement of Cash Flows For the year ended 31 December 2005

	<u>Note</u>	<u>2005</u> \$ Inflows (Outflows)	<u>2004</u> \$ Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Membership Contributions		9,547	11,788
Payments to Suppliers		(4,718)	(25,115)
Interest Received		816	809
NET CASH PROVIDED BY OPERATING ACTIVITIES	7(b)	5,645	(12,518)
NET INCREASE (DECREASE) IN CASH HELD		5,645	(12,518)
CASH AT THE BEGINNING OF THE FINANCIAL YEAR		82,697	95,215
CASH AT THE END OF THE FINANCIAL YEAR	7(a)	88,342	82,697

The accompanying notes form an integral part of these accounts

Textile Clothing and Footwear Union of Australia (Western Australia Branch)

Statement of Changes in Equity For the year ended 31 December 2005

	\$
Members' Funds at 1 January 2004	90,833
Deficit for the year	(7,808)
Members' Funds as at 31 December 2004	<u>83,025</u>
Surplus for the year	2,507
Members' Funds as at 31 December 2005	<u><u>85,532</u></u>

The accompanying notes form an integral part of these accounts

Textile Clothing and Footwear Union of Australia (Western Australia Branch)

Notes to and forming part of the accounts For the year ended 31 December 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial report is a general-purpose financial report and has 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.

(c) Statement of compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

This is the first financial report based on AIFRS, however, no restatement of comparatives for the year ended 31 December 2004 was needed.

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.

Textile Clothing and Footwear Union of Australia (Western Australia Branch)

4. RIGHT OF MEMBERS TO RESIGN

Under Section 174, Schedule 1B of the Workplace Relations Act 1996,

- (1) A member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

5. TRUSTEES OF SUPERANNUATION ENTITIES

During the year ended 31 December 2005, the Union did not have any officers or members who held the following posts;

- (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

6. SEGMENT INFORMATION

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

7. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

	<u>2005</u>	<u>2004</u>
	\$	\$
For the purposes of the statement of cash flows cash includes cash on hand and in banks and short term deposits with an original maturity at these months or less, 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:		
Cash	<u>88,342</u>	<u>82,697</u>

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

	<u>2005</u>	<u>2004</u>
	\$	\$
Operating result	2,507	(7,808)
Changes in net assets and liabilities		
Decrease/(Increase) in accounts receivable and prepayments	2,287	(3,908)
(Decrease)/Increase in payables	851	(802)
Net cash from operating activities	<u>5,645</u>	<u>(12,518)</u>

Textile Clothing and Footwear Union of Australia (Western Australia Branch)

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% (2004: 0.1%).

9. REMUNERATION OF COMMITTEE OF MANAGEMENT

The following persons held office through the financial year 1st January 2005 to 31st December 2005.

Position	Name	Surname
Branch Secretary	Lorraine	Rudd

The following persons were appointed on the 16th November 2005, and held office as at 31st December 2005

Position	Name	Surname
Branch President	Mary	Miovski
Branch Vice President	Roslyn	Ball
Branch Trustee	Leonie	Dudek
Branch Trustee	Lilia	Taylor
Branch Member	Ani Patene	Walker

The following persons resigned during the financial year from 1st January 2005 to 31st December 2005, on 16th November 2005

Position	Name	Surname
Branch President	Lautaro	Munoz
Branch Trustee	Roz	Levey
Branch Secretary	Geraldine	Kent
Branch Trustee	Ronda	Freeman

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 \$Nil. (2004 : \$17,985)