



FAIR WORK
AUSTRALIA

27 August 2010

Mr Anthony Sheldon
Federal Secretary
Transport Workers' Union of Australia
Federal Council

By email: twu@twu.com.au

Dear Mr Sheldon,

**Re: Federal Council of the Transport Workers' Union of Australia
Financial Report for the year Ended 31 December 2009 – FR2009/10267
*Fair Work (Registered Organisations) Act 2009 (the Act)***

I acknowledge receipt of the financial report for the Transport Workers' Union of Australia Federal Council for the year ended 31 December 2009. The documents were lodged with Fair Work Australia (FWA) on 30 June 2010.

The financial report has been filed and no further action is required. There are a few points to assist you in preparing financial reports in the future.

Concise report

As you know, Rule 29 delineates the powers of the Federal Committee of Management (FCOM) and includes the power to resolve that, where appropriate, concise financial reports be provided to Members in accordance with Schedule 1B of the *Workplace Relations Act 1996* (now the Act) (Rule 29(2)(g)). Thank you for supplying the FCOM meeting minutes with the necessary resolution allowing the precise report to be provided to members through the branches. In future please provide this resolution when you file the financial report.

A concise report for a financial year is to contain information provided in Regulation 163 of the *Fair Work (Registered Organisations) Regulations 2009* and s265(3) of the Act. There are two points to note in relation to this year's concise report. Firstly, it is recommended that the statement satisfying Reg 161(1)(e) (statement that it is a concise report derived from the full report and cannot provide as detailed an understanding) appear on the first page of the concise financial report (AASB 1039 para 7.1.1). In the submitted concise report, this paragraph appears as part of the notes (page 10) to the financial statements. Please relocate this section to the front page. Secondly, pursuant to s265(3)(d) of the Act the concise report is also required to contain a copy of anything included under subsection 257(5), (6) or (7) in the auditor's report on the full report. This would require the a *copy* of the auditor's opinion on the full report satisfying s257(5), specifically, stating that the full report was presented fairly in accordance with the Australian Accounting Standards and any other requirements imposed by Part 3 of Chapter 8 of the Act.

General purpose financial report

Travel, accommodation and conference

The statement of comprehensive income (balance sheet) includes an expense for 'travel, accomm & conference'. Should any part of that figure be made up of fees or allowances paid to persons in respect of their attendance as a reporting unit representative at conferences of other meetings (item 11(i)) then you are required to separately disclose that figure in the future.

Officers holders and other employees

The reporting guidelines require the employee benefits to be separated in the notes into benefits pertaining to office holders and benefits pertaining to other employees (item 14 – Liabilities (c) and (d)). Notes 12 and 13 of the 'Notes to the Financial Statements' at page 16 of TWU's 2009 financial report provide employee benefits as a single figure. Please ensure this is separated in future in to the required components - 'officers' and 'other employees'.

I note in previous financial reports you have included a note for salaries and provided a split for officers and employees, as required.

If you have any queries regarding this letter I may be contacted on (03) 8661 7988 or by email at ben.waugh@fwa.gov.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'B. Waugh', with a stylized flourish extending from the bottom.

Ben Waugh
Tribunal Services and Organisations
Law Graduate
Fair Work Australia

Tony Sheldon National Secretary

30th June, 2010

Fair Work Australia

GPO Box 1994S

Melbourne VIC 3001

RE: Annual Return for Year Ended 31st December, 2009

Please find attached Financial Statements & Certificate of Authorised Officer for year ended 31st December, 2009.

If you require any further information please do not hesitate to contact me.

Yours Faithfully,



Anthony Eid

Finance Manager.



NSW State Secretary
Tony Sheldon

Vic/Tas State Secretary
Bill Noonan

Qld State Secretary
Hughie Williams

WA State Secretary
Jim McGiveron

SA/NT State Secretary
Alex Gallacher

Tony Sheldon National Secretary

Certificate of the Authorised Officer

I, Anthony Sheldon, being the Federal Secretary of the Transport Workers Union of Australia Federal Council certify:

- The documents lodged herewith are copies of the full report and concise report referred to in s268 of the RAO Schedule; and
- That the concise report was provided to members on the 12th May, 2010; and
- That the full report was presented to a meeting of the Federal Committee of Management of the reporting unit on the 30th June 2010; in accordance with section 266 of the RAO Schedule.



Anthony Sheldon
Federal Secretary

30TH JUNE 2010

Date



NSW State Secretary
Tony Sheldon

Vic/Tas State Secretary
Bill Noonan

Qld State Secretary
Hughie Williams

WA State Secretary
Jim McGiveron

SA/NT State Secretary
Alex Gallacher

TRANSPORT WORKERS' UNION OF AUSTRALIA

FEDERAL COUNCIL

CONCISE FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2009

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

Information on the Transport Workers' Union of Australia Federal Council Concise Financial Report:

The financial statements and disclosures in the concise financial report have been derived from the 2009 financial report of the Transport Workers' Union of Australia Federal Council.

A copy of the full financial report and auditors report can be sent to any member, free of charge, upon request.

This discussion and analysis is provided to assist members in understanding the concise report. The discussion and analysis is based on Transport Workers' Union of Australia Federal Council 2009 financial report.

Statement of Comprehensive Income and Statement of Financial Position:

The surplus for the year 2009 year was \$24,469 and when compared with a surplus of \$2,367 for the previous year represents an increase of \$22,102. The increase is explained by:

A decrease in Total Income by \$254,780 from \$2,961,717 (2008) to \$2,706,937 (2009). In this regard ACTU Advertising Campaign decreased by \$360,723, Interest Received decreased by \$230,728 while Sustentation Fees increased by \$205,399, Grant Income increased by \$98,000 and Trustee Fees Received increased by \$27,026.

Expenditure decreased by \$276,882 from \$2,959,350 (2008) to \$2,682,468 (2009). In this regard, Affiliation fees decreased by \$72,258, ACTU Advertising Campaign decreased by \$400,000 and Reimbursement to Branches decreased by \$311,022, while Employee Benefits expenses increased by \$478,635.

The net assets of the Federal Council have increased by \$143,248 due to the surplus for the year of \$24,469 and an increase in the value of available-for-sale financial assets of \$118,779 for the year that has been credited to the available-for-sale Investment Reserve.

Statement of Cash Flows:

The cash flow of Federal Council has been managed to ensure liabilities are met when they fall due. The decrease of \$701,540 in net cash held reflects the excess of cash payments over cash receipts for the year. Cash at the end of year amounted to \$8,885,348.



ANTHONY SHELDON
SECRETARY

13 April 2010

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL
OPERATING REPORT**

The Federal Committee of Management presents its operating report of the Transport Workers Union of Australia, Federal Council for the financial year ended 31 December 2009.

1. The principal activity of Federal Council during the financial year was that of governing body of the Transport Workers' Union of Australia. No significant changes in the nature of that activity occurred during the year.
2. There were no significant changes to Federal Council's financial affairs during the year.
3. Federal Council's principal activity resulted in a surplus for the year of \$24,469.
4. In accordance with Section 174(1) of the Fair Work (Registered Organisations) Act 2009 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. The following officers of the Transport Workers Union of Australia, Federal Council are trustees of the TWU Superannuation fund: Mr Bill Noonan, Mr Alex Gallacher, Mr Jim McGiveron, Mr Wayne Forno, Mr Anthony Sheldon and Mr Michael Kaine.
6. The number of members of the Transport Workers Union of Australia at 31 December 2009 was 85,964.
7. The number of persons who were employees of Federal Council on 31 December 2009 was 12, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

OPERATING REPORT (Cont'd)

8. The names of each person who were members of the Federal Committee of Management at any time during the financial year are as follows:

Name	Period Position Held
Anthony Sheldon	1 January 2009 to 31 December 2009
Michael Kaine	1 January 2009 to 31 December 2009
Hughie Williams	1 January 2009 to 31 December 2009
Jim McGiveron	1 January 2009 to 31 December 2009
Wayne Forno	27 March 2009 to 31 December 2009
Bill Noonan	1 January 2009 to 18 November 2009
Wayne Mader	18 November 2009 to 31 December 2009
Alex Gallacher	1 January 2009 to 31 December 2009

Signed in accordance with a resolution of the Federal Committee of Management.


.....
ANTHONY SHELDON


.....
ALEX GALLACHER

13 April 2010

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

FEDERAL COMMITTEE OF MANAGEMENT'S STATEMENT

On 13 April 2010 the Federal Committee of Management of Transport Workers Union of Australia, Federal Council passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2009.

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

- (a) the financial report and notes comply with Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- (c) the financial report 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 ended 31 December 2009;
- (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;
- (e) during the financial year ended 31 December 2009 and since the end of the financial year:
 - (i) meetings of the federal committee of management were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulation 2009; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the branches of the organisation; and
 - (v) no information has been sought in any request of a member of the reporting unit or the General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - (vi) no orders have been made for inspection of the financial records by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009;
- (f) during the financial year ended 31 December 2009 the Federal Council did not participate in any recovery of wages activity.

For the Federal Committee of Management


.....
ANTHONY SHELDON

13 April 2010

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009	2008
	\$	\$
INCOME		
Sustentation Fees	2,122,792	1,917,393
ACTU Advertising Campaign	-	360,723
Distribution from Available-for-sale Financial Assets	6,731	-
Federal Training Fund	30,922	32,793
FWEIP Grant Income	34,000	-
Interest Received	346,835	577,563
Sundry Income	50,325	48,939
Trustee Fees Received	51,332	24,306
TUF FWEIP Grant	64,000	-
TOTAL INCOME	2,706,937	2,961,717
EXPENDITURE		
Depreciation	27,929	19,429
Employee benefits expense		
Accrued Annual Leave	37,022	13,503
Fringe Benefits Tax	5,935	9,496
Salaries	766,990	347,015
Superannuation	91,309	52,607
	901,256	422,621
Other expenses		
Advertising	11,346	545
Affiliation Fees	249,759	322,017
Accommodation and Meals – Travel	43,002	47,390
ACTU Advertising Campaign	-	400,000
Auditors' Remuneration	23,000	20,000
Auditors' Remuneration – prior year	8,599	10,700
Bank Charges	3,112	1,677
Building Expenses	2,434	1,683
Campaign Media Expenses	42,023	20,537
Country Organising	20,070	19,374
Diminution in Value of Investments	-	38,215
Donations	-	3,186
Functions	11,100	4,229
Federal Committee of Management Expenses	94,091	55,426
General Expenses	12,060	6,855
Insurance	19,867	26,387
Carried Forward	540,463	978,221

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2009 (Cont'd)**

	2009 \$	2008 \$
Brought Forward	540,463	978,221
Lease Rental Expenses – Operating Leases	14,620	15,440
Legal Fees	31,199	63,329
Loss on Disposal of Assets	3,106	-
Meeting Expenses	4,216	5,051
Motor Vehicle Expenses	30,898	17,861
Officials Expenses	14,256	10,498
Officials Expenses Overseas	11,747	9,620
Organising Assistance	70,000	15,909
Reimbursement to Branches	560,197	871,219
Payroll Tax	46,101	24,299
Postage	9,663	7,475
Printing and Stationery	25,114	19,491
Publications	14,802	24,350
Rubbish Removal	87	12,409
Reimbursement to S.A./N.T. Branch	38,409	38,711
Records Storage	9,387	9,728
Repairs and Maintenance	30,094	10,890
Rent	57,814	62,039
Seminar and Course Fees	13,443	8,042
Staff Amenities	2,421	1,140
Telephone and Faxes	46,791	51,734
Training & Research Projects	16,262	72,058
Travelling Expenses	159,952	187,786
TUF FWEIP Project Expense	2,241	-
	<u>1,753,283</u>	<u>2,517,300</u>
TOTAL EXPENDITURE	<u>2,682,468</u>	<u>2,959,350</u>
SURPLUS FOR THE YEAR	<u>24,469</u>	<u>2,367</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009**

	2009	2008
	\$	\$
CURRENT ASSETS		
Cash and Cash Equivalents	8,885,348	9,586,888
Receivables	685,518	667,361
Available-for-sale Financial Assets	543,779	-
TOTAL CURRENT ASSETS	<u>10,114,645</u>	<u>10,254,249</u>
NON-CURRENT ASSETS		
Property, Plant and Equipment	198,622	62,353
Investment in Associate	100	100
TOTAL NON-CURRENT ASSETS	<u>198,722</u>	<u>62,453</u>
TOTAL ASSETS	<u>10,313,367</u>	<u>10,316,702</u>
CURRENT LIABILITIES		
Payables	168,247	352,728
Provision for Accrued Annual Leave	66,784	28,886
TOTAL CURRENT LIABILITIES	<u>235,031</u>	<u>381,614</u>
NET ASSETS	<u>10,078,336</u>	<u>9,935,088</u>
Accumulated Funds	9,959,557	9,935,088
Available for Sale Reserve	118,779	-
TOTAL EQUITY	<u>10,078,336</u>	<u>9,935,088</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS AND RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Accumulated Funds \$	Available-for- sale Investment Reserve \$	Total Equity \$
Balance at 1 January 2008	9,932,721	-	9,932,721
Surplus for the year	<u>2,367</u>	<u>-</u>	<u>2,367</u>
Balance at 31 December 2008	9,935,088	-	9,935,088
Surplus for the year	24,469	-	24,469
Increase in fair value of Available-for- -sale financial assets	<u>-</u>	<u>118,779</u>	<u>118,779</u>
Balance at 31 December 2009	<u>9,959,557</u>	<u>118,779</u>	<u>10,078,336</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009	2008
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Sustentation Fees	2,329,313	2,156,727
ACTU Levy	-	395,634
Training Levy	44,160	25,929
Interest Received	320,689	778,419
Grants Received	98,000	-
Other Income	101,657	73,246
Payments to Suppliers and Employees	<u>(3,003,055)</u>	<u>(2,937,773)</u>
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	<u>(109,236)</u>	<u>492,182</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for Available-for-sale Investment	(425,000)	-
Proceeds from Sale of Investment	-	8,500,000
Payment for Property, Plant and Equipment	(176,104)	(22,780)
Proceeds from Sale of Property, Plant & Equipment	<u>8,800</u>	<u>-</u>
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	<u>(592,304)</u>	<u>8,477,220</u>
NET (DECREASE) INCREASE IN CASH HELD	(701,540)	8,969,402
Cash at Beginning of Year	<u>9,586,888</u>	<u>617,486</u>
CASH AT END OF YEAR	<u>8,885,348</u>	<u>9,586,888</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

NOTE 1: BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The concise financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Fair Work (Registered Organisations) Act 2009.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full report of the Transport Workers' Union of Australia Federal Council. 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 Transport Workers' Union of Australia Federal Council as the full financial report.

**NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL
MANAGER OF FAIR WORK AUSTRALIA**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272 of the Fair Work (Registered Organisations) Act 2009 which read as follows:

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

INDEPENDENT AUDITOR'S REPORT

To the members of the Transport Workers' Union of Australia

Scope

We have audited the concise financial report of Transport Workers' Union of Australia Federal Council for the financial year ended 31 December 2009 comprising the Federal Committee of Management's statement, statement of comprehensive income, statement of financial position, statement of changes in accumulated funds and reserves, statement of cash flows and notes to the financial statements. The Federal Committee of Management and the Federal Secretary are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial report of Transport Workers' Union of Australia Federal Council for the year ended 31 December 2009. Our audit report on the full financial report was signed on 13 April 2010, and was not subject to any qualification.

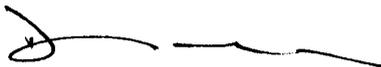
Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report, and examination, on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the full financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report is presented fairly in accordance with Accounting Standards and the Fair Work (Registered Organisations) Act 2009.

Auditor's Opinion

In our opinion, the concise financial report of Transport Workers' Union of Australia Federal Council complies with Accounting Standards and the Fair Work (Registered Organisations) Act 2009.



A J Williams & Co



David McLean

Member of Institute of Chartered Accountants
And Holder of Current Public Practice Certificate
Registered Company Auditor
SYDNEY NSW 2000

13 April 2010

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL
FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009**

TRANSPORT WORKERS' UNION OF AUSTRALIA FEDERAL COUNCIL

OPERATING REPORT

The Federal Committee of Management presents its operating report of the Transport Workers Union of Australia, Federal Council for the financial year ended 31 December 2009.

1. The principal activity of Federal Council during the financial year was that of governing body of the Transport Workers' Union of Australia. No significant changes in the nature of that activity occurred during the year.
2. There were no significant changes to Federal Council's financial affairs during the year.
3. Federal Council's principal activity resulted in a surplus for the year of \$24,469.
4. In accordance with Section 174(1) of the Fair Work (Registered Organisations) Act 2009 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. The following officers of the Transport Workers Union of Australia, Federal Council are trustees of the TWU Superannuation fund: Mr Bill Noonan, Mr Alex Gallacher, Mr Jim McGiveron, Mr Wayne Forno, Mr Anthony Sheldon and Mr Michael Kaine.
6. The number of members of the Transport Workers Union of Australia at 31 December 2009 was 85,964.
7. The number of persons who were employees of Federal Council on 31 December 2009 was 12, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis.

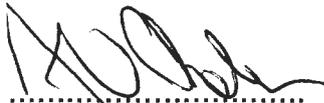
**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

OPERATING REPORT (Cont'd)

8. The names of each person who were members of the Federal Committee of Management at any time during the financial year are as follows:

Name	Period Position Held
Anthony Sheldon	1 January 2009 to 31 December 2009
Michael Kaine	1 January 2009 to 31 December 2009
Hughie Williams	1 January 2009 to 31 December 2009
Jim McGiveron	1 January 2009 to 31 December 2009
Wayne Forno	27 March 2009 to 31 December 2009
Bill Noonan	1 January 2009 to 18 November 2009
Wayne Mader	18 November 2009 to 31 December 2009
Alex Gallacher	1 January 2009 to 31 December 2009

Signed in accordance with a resolution of the Federal Committee of Management.



.....
ANTHONY SHELDON



.....
ALEX GALLACHER

13 April 2010

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

FEDERAL COMMITTEE OF MANAGEMENT'S STATEMENT

On 13 April 2010 the Federal Committee of Management of Transport Workers Union of Australia, Federal Council passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2009.

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

- (a) the financial report and notes comply with Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
- (c) the financial report 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 ended 31 December 2009;
- (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;
- (e) during the financial year ended 31 December 2009 and since the end of the financial year:
 - (i) meetings of the federal committee of management were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulation 2009; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the branches of the organisation; and
 - (v) no information has been sought in any request of a member of the reporting unit or the General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and
 - (vi) no orders have been made for inspection of the financial records by Fair Work Australia under section 273 of the Fair Work (Registered Organisations) Act 2009;
- (f) during the financial year ended 31 December 2009 the Federal Council did not participate in any recovery of wages activity.

For the Federal Committee of Management



ANTHONY SHELDON

13 April 2010

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	2009 \$	2008 \$
INCOME			
Sustentation Fees		2,122,792	1,917,393
ACTU Advertising Campaign		-	360,723
Distribution from Available-for-sale Financial Assets		6,731	-
Federal Training Fund		30,922	32,793
FWEIP Grant Income		34,000	-
Interest Received		346,835	577,563
Sundry Income		50,325	48,939
Trustee Fees Received		51,332	24,306
TUF FWEIP Grant		64,000	-
TOTAL INCOME		<u>2,706,937</u>	<u>2,961,717</u>
EXPENDITURE			
Depreciation		<u>27,929</u>	<u>19,429</u>
Employee benefits expense			
Accrued Annual Leave		37,022	13,503
Fringe Benefits Tax		5,935	9,496
Salaries	12	766,990	347,015
Superannuation	13	<u>91,309</u>	<u>52,607</u>
		<u>901,256</u>	<u>422,621</u>
Other expenses			
Advertising		11,346	545
Affiliation Fees	14	249,759	322,017
Accommodation and Meals – Travel		43,002	47,390
ACTU Advertising Campaign		-	400,000
Auditors' Remuneration		23,000	20,000
Auditors' Remuneration – prior year		8,599	10,700
Bank Charges		3,112	1,677
Building Expenses		2,434	1,683
Campaign Media Expenses		42,023	20,537
Country Organising		20,070	19,374
Diminution in Value of Investments		-	38,215
Donations		-	3,186
Functions		11,100	4,229
Federal Committee of Management Expenses		94,091	55,426
General Expenses		12,060	6,855
Insurance		<u>19,867</u>	<u>26,387</u>
Carried Forward		<u>540,463</u>	<u>978,221</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2009 (Cont'd)**

	2009	2008
	\$	\$
Brought Forward	540,463	978,221
Lease Rental Expenses – Operating Leases	14,620	15,440
Legal Fees	31,199	63,329
Loss on Disposal of Assets	3,106	-
Meeting Expenses	4,216	5,051
Motor Vehicle Expenses	30,898	17,861
Officials Expenses	14,256	10,498
Officials Expenses Overseas	11,747	9,620
Organising Assistance	70,000	15,909
Reimbursement to Branches	560,197	871,219
Payroll Tax	46,101	24,299
Postage	9,663	7,475
Printing and Stationery	25,114	19,491
Publications	14,802	24,350
Rubbish Removal	87	12,409
Reimbursement to S.A./N.T. Branch	38,409	38,711
Records Storage	9,387	9,728
Repairs and Maintenance	30,094	10,890
Rent	57,814	62,039
Seminar and Course Fees	13,443	8,042
Staff Amenities	2,421	1,140
Telephone and Faxes	46,791	51,734
Training & Research Projects	16,262	72,058
Travelling Expenses	159,952	187,786
TUF FWEIP Project Expense	2,241	-
	<u>1,753,283</u>	<u>2,517,300</u>
TOTAL EXPENDITURE	<u>2,682,468</u>	<u>2,959,350</u>
SURPLUS FOR THE YEAR	<u>24,469</u>	<u>2,367</u>

(The accompanying notes form part of this financial report)

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009**

	Note	2009 \$	2008 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	8,885,348	9,586,888
Receivables	5	685,518	667,361
Available-for-sale Financial Assets	6	543,779	-
TOTAL CURRENT ASSETS		<u>10,114,645</u>	<u>10,254,249</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	198,622	62,353
Investment in Associate	8	100	100
TOTAL NON-CURRENT ASSETS		<u>198,722</u>	<u>62,453</u>
TOTAL ASSETS		<u>10,313,367</u>	<u>10,316,702</u>
CURRENT LIABILITIES			
Payables	9	168,247	352,728
Provision for Accrued Annual Leave		66,784	28,886
TOTAL CURRENT LIABILITIES		<u>235,031</u>	<u>381,614</u>
NET ASSETS		<u>10,078,336</u>	<u>9,935,088</u>
Accumulated Funds		9,959,557	9,935,088
Available for Sale Reserve		118,779	-
TOTAL EQUITY		<u>10,078,336</u>	<u>9,935,088</u>

(The accompanying notes form part of this financial report)

**TRANSPORT WORKERS' UNION OF AUSTRALIA
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**STATEMENT OF CHANGES IN ACCUMULATED FUNDS AND RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Accumulated Funds \$	Available-for- sale Investment Reserve \$	Total Equity \$
Balance at 1 January 2008	9,932,721	-	9,932,721
Surplus for the year	<u>2,367</u>	<u>-</u>	<u>2,367</u>
Balance at 31 December 2008	9,935,088	-	9,935,088
Surplus for the year	24,469	-	24,469
Increase in fair value of Available-for- -sale financial assets	<u>-</u>	<u>118,779</u>	<u>118,779</u>
Balance at 31 December 2009	<u>9,959,557</u>	<u>118,779</u>	<u>10,078,336</u>

(The accompanying notes form part of this financial report)

**TRANSPORT WORKERS' UNION OF AUSTRALIA
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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Sustentation Fees		2,329,313	2,156,727
ACTU Levy		-	395,634
Training Levy		44,160	25,929
Interest Received		320,689	778,419
Grants Received		98,000	-
Other Income		101,657	73,246
Payments to Suppliers and Employees		<u>(3,003,055)</u>	<u>(2,937,773)</u>
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	10(b)	<u>(109,236)</u>	<u>492,182</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for Available-for-sale Investment		(425,000)	-
Proceeds from Sale of Investment		-	8,500,000
Payment for Property, Plant and Equipment		(176,104)	(22,780)
Proceeds from Sale of Property, Plant & Equipment		<u>8,800</u>	<u>-</u>
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES		<u>(592,304)</u>	<u>8,477,220</u>
NET (DECREASE) INCREASE IN CASH HELD		(701,540)	8,969,402
Cash at Beginning of Year		<u>9,586,888</u>	<u>617,486</u>
CASH AT END OF YEAR	10(a)	<u>8,885,348</u>	<u>9,586,888</u>

(The accompanying notes form part of this financial report)

**TRANSPORT WORKERS' UNION OF AUSTRALIA
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

1. STATEMENT OF ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Fair Work (Registered Organisations) Act 2009.

Compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS) except for:

- Segment reporting because AASB 114 "Segment Reporting" does not apply to not-for-profit organisations.
- Impairment of assets under AASB 136 "Impairment of assets".

BASIS OF PREPARATION

The financial report is for the Federal Council of the Transport Workers' Union of Australia and in accordance with the Fair Work (Registered Organisations) Act 2009 the Federal Council is a reporting unit. The Transport Workers' Union of Australia is an organisation registered under the Fair Work (Registered Organisations) Act 2009. The Federal Council is a reporting unit of the registered organisation. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the Federal Council are not subject to the Corporations Act 2001.

The financial report has been prepared on the basis of historical costs. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the Federal Council in the preparation of the financial report.

(a) Revenue

Income and Expenditure is accounted for on an accruals basis

(b) Income Tax

No provision for Income Tax is necessary as the Union is exempt from Income Tax under Section 50 - 15 of the Income Tax Assessment Act 1997.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

1. STATEMENT OF ACCOUNTING POLICIES (cont'd)

(c) Property, Plant and Equipment

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

Depreciation

The depreciable amounts of all fixed assets are depreciated on a straight line basis over their estimated useful lives to the Union commencing from the time the asset is held ready for use.

The depreciation rates used for each class of assets are:

Class of Fixed Asset	Depreciation Rate
Property, Plant and Equipment	2.00 – 20.00%

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal, and is included in the income statement in the year of disposal.

(d) Impairment

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and value in use. For the purpose of assessing value in use, this represents depreciated current replacement cost, as the Union is a not-for-profit organisation.

(e) Employee Benefits

Provision is made for the Union'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.

Other employee benefits payable later than one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. In the case of Long Service Leave this results in an amount not materially different to that achieved by discounting future cash flows.

Contributions are made by the Union to employee superannuation funds and are charged as expenses when incurred.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

1. STATEMENT OF ACCOUNTING POLICIES (cont'd)

(f) Investments

All investments and other financial assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognised on trade date, which is the date on which the entity commits to purchase, or sell the asset. Accounting policies for each category of investments and other financial assets subsequent to initial recognition are set out below.

Available-for-sale financial assets

Investments which are classified as available for sale are measured at fair value. Unrealised gains or losses on these investments are recognised directly to equity in the Available-for-Sale Investments Reserve until the investment is sold or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported for that asset is included in the statement of comprehensive income.

Held-to-maturity investments

These investments have fixed maturities, and it is the Union's intention to hold these investments to maturity. Any held-to-maturity investments held by the Union are stated at a current value based on revaluing the investment on an amortised cost basis to its face value at maturity. Any adjustment is debited to the diminution in value of investments expense.

Loans and receivables

Loans and receivables are non-derivative financial assets with a fixed or determinable payment that are not quoted on an active market. They are recognised at amortised cost.

(g) Goods and Services Tax

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 on the balance sheet are shown inclusive of GST.

(h) Accounting Standards Issued But Not Yet Effective

There have been no accounting standards issued which will impact the financial report in future periods and which are not yet effective.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Union makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

(b) Critical judgments in applying the Union's accounting principles

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

**3. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL
MANAGER OF FAIR WORK AUSTRALIA**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Sub-Sections (1), (2) and (3) of Section 272 of the Fair Work (Registered Organisations) Act 2009 which read as follows:

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

4. CASH AND CASH EQUIVALENTS

	2009	2008
	\$	\$
Cash at Bank	8,881,873	9,583,315
Cash in Hand	2,700	2,700
Deposits at Call	775	873
	<u>8,885,348</u>	<u>9,586,888</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009 \$	2008 \$
8. INVESTMENT IN ASSOCIATE		
Shares in unlisted company – at cost Blue Card Training Pty. Ltd.	<u>100</u>	<u>100</u>
9. PAYABLES		
Creditors	168,247	162,728
ACTU Levy Payable	-	190,000
	<u>168,247</u>	<u>352,728</u>
10. CASH FLOW INFORMATION		
(a) For the purpose of the Cash Flow Statement, Cash includes: Cash on hand and in at call deposits with banks or financial institutions, net of bank overdrafts.		
Cash at Bank	8,881,873	9,583,315
Cash on Hand	2,700	2,700
Deposits at call	775	873
	<u>8,885,348</u>	<u>9,586,888</u>
(b) Reconciliation of cash flow from operations with operating result		
Operating Surplus	24,469	2,367
Non Cash Flows in Operating Result		
Depreciation	27,929	19,429
Diminution in Value of Investments	-	38,215
Loss on Disposal of Assets	3,106	-
Changes in assets and liabilities		
(Decrease)/Increase in Payables	(184,481)	195,863
(Increase)/Decrease in Receivables	(18,157)	222,805
Increase in Employees Entitlements	37,898	13,503
CASH FLOWS FROM OPERATIONS	<u>(109,236)</u>	<u>492,182</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

11. AMOUNTS DUE FROM BRANCHES

	NSW	VIC/TAS	SA & NT	QLD.	WA	Canberra	TOTAL
AMOUNTS DUE FROM BRANCHES AT 1 JANUARY 2009							
Sustentation Fees	82,209	213,598	17,116	107,276	87,487	4,261	511,947
A.C.T.U. Affiliation Fees	-	111,574	-	-	-	-	111,574
Training Levy	-	10,145	-	-	-	-	10,145
	<u>82,209</u>	<u>335,317</u>	<u>17,116</u>	<u>107,276</u>	<u>87,487</u>	<u>4,261</u>	<u>633,666</u>
AMOUNTS CHARGED TO BRANCHES							
Sustentation Fees	696,797	670,746	178,703	356,592	383,879	48,351	2,335,068
A.C.T.U. Affiliation Fees	-	-	-	-	-	-	-
Training Levy	12,608	10,041	-	5,139	5,424	803	34,015
	<u>709,405</u>	<u>680,787</u>	<u>178,703</u>	<u>361,731</u>	<u>389,303</u>	<u>49,154</u>	<u>2,369,083</u>
AMOUNTS RECEIVED FROM BRANCHES							
Sustentation Fees	569,081	704,500	175,280	423,929	408,868	47,655	2,329,313
A.C.T.U. Affiliation Fees	-	-	-	-	-	-	-
Training Levy	12,608	20,186	-	5,139	5,424	803	44,160
	<u>581,689</u>	<u>724,686</u>	<u>175,280</u>	<u>429,068</u>	<u>414,292</u>	<u>48,458</u>	<u>2,373,473</u>
AMOUNTS DUE FROM BRANCHES AT 31 DECEMBER 2009							
Sustentation Fees	209,925	179,844	20,539	39,939	62,498	4,957	517,702
A.C.T.U. Affiliation Fees	-	111,574	-	-	-	-	111,574
Training Levy	-	-	-	-	-	-	-
	<u>209,925</u>	<u>291,418</u>	<u>20,539</u>	<u>39,939</u>	<u>62,498</u>	<u>4,957</u>	<u>629,276</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009 \$	2008 \$
12. SALARIES		
Officers	<u>766,990</u>	<u>347,015</u>
	<u>766,990</u>	<u>347,015</u>
13. SUPERANNUATION		
Officers	<u>91,309</u>	<u>52,607</u>
	<u>91,309</u>	<u>52,607</u>
14. AFFILIATION FEES		
ACTU	214,918	211,636
ITF	-	98,222
ATA	26,500	-
ARF	4,591	909
Bus Industry Association	<u>3,750</u>	<u>11,250</u>
	<u>249,759</u>	<u>322,017</u>
15. RELATED PARTY TRANSACTIONS		
<p>Transactions with related parties are on normal terms and conditions no more favourable than those available to other parties, unless otherwise stated.</p>		
<p>(a) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Financial Report.</p>		
<p>(b) There have been no other transactions between the officers and the Federal Council other than those relating to their membership of Federal Council and the reimbursement by Federal Council 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.</p>		
16. SUPERANNUATION		
<p>Employees of Federal Council are entitled to benefits from a superannuation plan on retirement, disability or death. Federal Council participated in a defined contribution plan. The benefits provided under this plan are based on accumulated contributions and earnings for each employee. Federal Council's liability is limited to paying the contributions to the plan</p>		

**TRANSPORT WORKERS' UNION OF AUSTRALIA
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

17. CAPITAL AND LEASING COMMITMENTS

Operating Lease Commitments – Office Equipment

Non cancellable operating leases contracted for, but not capitalised in the financial statements:

	2009	2008
	\$	\$
Not longer than 1 year	16,851	19,945
Longer than 1 year but not longer than 5 years	<u>38,920</u>	<u>56,407</u>
	<u>55,771</u>	<u>76,352</u>

18. FINANCIAL RISK MANAGEMENT

(a) General objectives, policies and processes

The Federal Council is exposed to risks that arise from its use of financial instruments. This note describes the Federal Council's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the Federal Council's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Federal Council's financial instruments consist mainly of deposits with banks, investment in a managed fund, trade receivables and payables. The main risks the Federal Council is exposed to through its financial instruments are interest rate risk (see section (e) below), liquidity risk, credit risk and equity price risk.

The Federal Committee of Management and the Federal Secretary have overall responsibility for the determination of the Federal Council's risk management objectives and policies and whilst retaining ultimate responsibility for them, the Federal Committee of Management and the Federal Secretary make investment decisions after considering appropriate advice.

(b) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Federal Council incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Federal Council.

There is no concentration of credit risk with respect to current and non-current receivables.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

18. FINANCIAL RISK MANAGEMENT

(b) Credit Risk (Cont'd)

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 of those assets, net of any provision for doubtful debts, as disclosed below:

	2009	2008
	\$	\$
Cash and Cash Equivalents	8,882,648	9,584,188

The cash and cash equivalents are held in high quality Australian financial institutions.

	Note	2009	2008
		\$	\$
Debtors Branches	5	629,276	633,666
Accrued Interest & Distributions	5	32,877	-
Sundry Debtors	5	6,084	13,510
Total loans and receivables		<u>668,237</u>	<u>647,176</u>

There has been no history of default and all receivables are likely to be repaid within the expected terms.

(c) Liquidity Risk

Liquidity risk is the risk that the Federal Council may encounter difficulties raising funds to meet commitments associated with financial instruments. The Federal Council is not significantly exposed to this risk, as it has \$8,885,348 (\$9,586,888 -2008) of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 31st December 2009 totalled \$168,247 (\$352,728- 2008). The Union manages liquidity risk by monitoring cash flows.

(d) Market Risk

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

(e) Interest Rate Risk

The Union's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarised below:

**TRANSPORT WORKERS' UNION OF AUSTRALIA
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

18. FINANCIAL RISK MANAGEMENT

(e) Interest Rate Risk (Cont'd)

	Fixed interest rate	Floating interest rate	Non- interest bearing	Total
31 December 2009				
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	-	8,882,648	2,700	8,885,348
Receivables	-	-	668,237	668,237
Available-for-sale financial assets	-	-	<u>543,779</u>	<u>543,779</u>
Total financial assets	-	8,882,648	1,214,716	10,097,364
Weighted average Interest rate	-	4.24%		
Financial Liabilities				
Payables	-	-	<u>168,247</u>	<u>168,247</u>
Net financial assets	-	<u>8,882,648</u>	<u>1,046,469</u>	<u>9,929,117</u>
31 December 2008				
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	-	9,584,188	2,700	9,586,888
Receivables	-	-	647,176	647,176
Total financial assets	-	9,584,188	649,876	10,234,064
Weighted average Interest rate	-	4.03%		
Financial Liabilities				
Payables	-	-	<u>352,728</u>	<u>352,728</u>
Net financial assets	-	<u>9,584,188</u>	<u>297,148</u>	<u>9,881,336</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

18. FINANCIAL RISK MANAGEMENT

(e) Interest Rate Risk (Cont'd)

Sensitivity Analysis

2009	Carrying Amount	+1% (100 basis points) Profit	-1% (100 basis points) Loss
	\$	\$	\$
Cash at Bank	8,882,648	88,826	(88,826)
2008	Carrying Amount	+1% (100 basis points) Profit	-2% (200 basis points) Loss
	\$	\$	\$
Cash at Bank	9,584,188	95,842	(191,684)

(f) Other Price Risks

The Federal Council invests surplus cash in a managed fund, and in doing so it exposes itself to the fluctuations in price that are inherent in such a market. The Federal Council manages other price risks by monitoring the allocations made by the fund. The Federal Council's exposure to equity price risk is as follows:

	2009	2008		2009	2008
Fund Allocation (%):			Fund Allocation (\$):		
Cash	1.5%	-	Cash	8,157	-
Australian Shares	98.5%	-	Australian Shares	535,622	-
Total	<u>100%</u>	<u>-</u>	Total	<u>543,779</u>	<u>-</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

18. FINANCIAL RISK MANAGEMENT (Cont'd)

Sensitivity Analysis - Managed Funds (external)

2009	Carrying Amount	+1.00% (100 basis points) Other Equity Profit	-1.00% (100 basis points) Other Equity Loss
	\$	\$	\$
Cash	8,157	82	(82)
	Carrying Amount	+ 15 % Other Equity Profit	- 15 % Other Equity Loss
	\$	\$	\$
Australian Shares	535,622	80,343	(80,343)
Total	543,779	80,425	(80,425)

(g) Foreign Exchange Risk

The Federal Council is not directly exposed to foreign exchange rate risk.

19. UNION DETAILS

The registered office and the principal place of business of the Union is 31 Cowper Street, Parramatta, NSW 2150

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

INDEPENDENT AUDITOR'S REPORT

To the members of the Transport Workers' Union of Australia.

We have audited the accompanying financial report of Transport Workers' Union of Australia, Federal Council, which comprises the statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in accumulated funds and reserves and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the Federal Committee of Management's statement.

Federal Committee of Management and Federal Secretary's Responsibility for the Financial Report

The Federal Committee of Management and the Federal Secretary 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 Fair Work (Registered Organisations) Act 2009. This responsibility also includes establishing and maintaining internal controls 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 judgement, 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 directors, 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.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional accounting bodies and the Fair Work (Registered Organisations) Act 2009.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
FEDERAL COUNCIL**

INDEPENDENT AUDITOR'S REPORT (Cont'd)

Auditor's Opinion

In our opinion the general purpose financial report of Transport Workers' Union of Australia, Federal Council is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.



A J Williams & Co



David McLean

Member of Institute of Chartered Accountants
And Holder of Current Public Practice Certificate
Registered Company Auditor
SYDNEY NSW 2000

13 April 2010

FCOM resolved as follows:

- (i) *that the Operating Report for the Financial year ended 31 December 2009 be signed by both the Secretary and the President;*
- (ii) *the FCOM declares in relation to the general purpose financial report (GPFR) that in its opinion:*
 - (a) *The financial report and notes comply with Australian accounting standards;*
 - (b) *The financial report and notes comply with the reporting requirements of the General Manager of Fair Work Australia;*
 - (c) *The financial report 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 ended 31 December 2009;*
 - (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;*
 - (e) *During the financial year ended 31 December 2009 and since the end of the financial year:*
 - (i) *Meetings of the federal committee of management were held in accordance with the rules of the organisation; and*
 - (ii) *The financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and*
 - (iii) *The financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 Fair Work (Registered Organisations) Regulation 2009; and*
 - (iv) *The financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the branches of the organisation; and*
 - (v) *No information has been sought in any request of a member of the reporting unit or the General Manager of Fair Work Australia under section 272 of the Fair Work (Registered Organisations) Act 2009; and*
 - (vi) *No orders have been made by the commission under section 273 of the RAO schedule during the period;*
 - (f) *during the financial year ended 31 December 2009 the Federal Council did not participate in any recovery of wages activity;*
- (iii) *that the Federal Secretary sign the Federal Committee of Management Statement which includes the required declaration.*
- (iv) *that the Secretary sign the concise report and the financial analysis it contains; and*
- (v) *that the concise report be provided to members through the branches*

Chairman: ALEX GALLACHER Date: 13 & 14 April 2010

Moved
Hughie Williams

Seconded
Wayne Forno

CARRIED