



FR 2005/660
Putting TWU Members First

State Secretary - Tony Sheldon

Transport Workers' Union of Australia, NSW Branch

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17th May, 2006

**Australian Industrial Registry
GPO Box 1994S
MELBOURNE VIC 3001**

ATTENTION: Lynette Markovski




Dear Madam

RE: Annual Return for year Ending 31st December, 2005

Please find attached Secretary's Certificate and Financial Statements for year ending 31st December, 2005.

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

Yours faithfully,


Anthony Sheldon
State Secretary

PARRAMATTA
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Parramatta, NSW 2150
PO Box 649,
Parramatta, NSW 2124

CAMPSIE
Level 1, 28 Anglo Road
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96 Tudor Street,
Hamilton, NSW 2303
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CANBERRA
Unit 3/289 Canberra
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WOLLONGONG
1 Rawson Street,
Wollongong NSW 2500
Phone: (02) 4229 1753
Fax: (02) 4228 5129

ABN: 777 105 88 395

Workplace Relations Act 1996


SECRETARY'S CERTIFICATE

I, ANTHONY SHELDON, Secretary of the New South Wales Branch of the Transport Workers' Union of Australia, hereby certify that the documents lodged with the Registrar for the year ended 31st DECEMBER, 2005, are copies of the auditors report, accounts and statements provided to members on 4th MAY, 2006, and presented to Branch Committee of Management meeting on 12th MAY, 2006, in accordance with paragraph 279 (6) (a) of the Workplace Relations Act 1996.

.....

.....

Secretary


.....

**TRANSPORT WORKERS' UNION OF AUSTRALIA
NEW SOUTH WALES BRANCH**

**FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2005**

TRANSPORT WORKERS' UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

OPERATING REPORT

The Branch Committee of Management presents its operating report of the Transport Workers' Union of Australia, New South Wales Branch for the financial year ended 31 December 2005.

1. The principal activities of the branch are aimed at the improvement of wages and working conditions for members. There were no changes to those activities during the financial year.
2. There were no significant changes to the branch's financial affairs during the year.
3. The Branch's principal activities resulted in a surplus for the year of \$264,249.
4. All members have a right to resign in accordance with rule 16.1 of the branch and Section 174 of Schedule 1B of the Workplace Relations Act, 1996.
5. Mr Anthony Sheldon is a director of the TWU Superfund.
6. At the end of the financial year the number of registered members of the branch was 41,509.
7. The number of persons who were employees of the reporting unit on 31 December 2005 was 2.5, where the number of employees includes both full-time employees and part-time employees measured on a full-time equivalent basis;
8. The names of each person who were members of the Branch Committee of Management, at any time, during the financial year are as follows; -

Name	Period Position Held
Anthony Sheldon	1 January 2005 to 31 December 2005
Mark Crosdale	1 January 2005 to 31 December 2005
Richard Olsen	1 January 2005 to 31 December 2005
Wayne Forno	1 January 2005 to 31 December 2005
Bruce Penton	1 January 2005 to 31 December 2005
George Clarke	1 January 2005 to 31 December 2005
Allan McLean	1/1/05 - 16/6/05 resigned
Scott Connolly	16/6/05 - 31/12/05 appointed
Mike McColl	1 January 2005 to 31 December 2005
Charles McKay	1 January 2005 to 31 December 2005
Paul Eid	1 January 2005 to 31 December 2005
Ray Threadgate	1/1/05 - 29/11/05 Deceased
Brian Beckwith	1 January 2005 to 31 December 2005
Colin Neal	1 January 2005 to 31 December 2005
Colin Berwick	1 January 2005 to 31 December 2005
Wayne Kook	1 January 2005 to 31 December 2005
Dennis Wilcox	1 January 2005 to 31 December 2005
Kenneth Hurst	1 January 2005 to 31 December 2005

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


.....
GEORGE CLARKE


.....
ANTHONY SHELDON

31 March 2006.

TRANSPORT WORKERS' UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

BRANCH COMMITTEE OF MANAGEMENT'S STATEMENT

On the 31st March 2006, the Branch Committee of Management of the Transport Workers' Union of Australia, New South Wales Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 31 December 2005.

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

- (a) the financial report and notes comply with the Australian Accounting Standards to the extent detailed in note 1 to the financial statements;
- (b) the financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the branch for the financial year ended 31 December 2005;
- (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 financial year ended 31 December 2005 and since the end of the financial year:
 - (i) meetings of the Branch Committee of Management were held in accordance with the rules of the organisation and the rules of the branch; and
 - (ii) the financial affairs of the branch have been managed in accordance with the rules of the organisation and the rules of the branch; and
 - (iii) the financial records of the branch have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
 - (iv) the financial records of the branch have been kept, as far as practicable, in a consistent manner to each of the other branches and national office of the organisation; and
 - (v) no information has been sought in any request of a member of the branch or a Registrar under section 272 of Schedule 1B to the Workplace Relations Act 1996; and
 - (vi) no order for inspection of the financial records was made by the Commission under section 273 of Schedule 1B to the Workplace Relations Act 1996

For the Branch Committee of Management;


.....
ANTHONY SHELDON

31March 2006

TRANSPORT WORKERS' UNION OF AUSTRALIA**NEW SOUTH WALES BRANCH****INCOME STATEMENT FOR THE
YEAR ENDED 31 DECEMBER 2005**

	2005	2004
	\$	\$
INCOME		
Contributions and Entrance Fees	408,243	345,750
Interest	3,005	1,523
Property Rentals	9,359	4,097
Service Fees – Transport Workers’ Union of New South Wales	472,466	437,365
- prior years	181,818	-
Sundry Income	0	(319)
TOTAL INCOME	<u>1,074,891</u>	<u>788,416</u>
LESS EXPENDITURE		
Employee benefits expense		
Accrued Annual Leave	(1,911)	(9,808)
Fringe Benefits Tax	(326)	(181)
Long Service Leave	875	(3,596)
Salaries - Officers	67,996	91,563
Salaries - Employees	92,836	106,736
Superannuation	14,580	21,210
	<u>174,050</u>	<u>205,924</u>
Other expenses		
Affiliation Fees	13,152	6,655
Audit and Accountancy Fees	7,860	6,400
Audit and Accountancy Fees – Prior Year	2,500	-
Badges	2,740	1,964
Commission	1,810	4,624
Computer Costs	695	741
Electricity	2,932	4,209
General Expenses	16,960	18,604
Insurance	2,690	2,219
Legal and Professional Fees	84	23,087
Meeting and Conference Expenses	13,115	558
Motor Car Expenses	14,921	5,543
Officials expenses	5,423	5,141
Postage	451	565
Printing and Stationery	3,686	2,970
Property Expenses	37,600	36,481
Staff Training	641	311
Telephones	13,612	18,649
Transport Workers’ Union of Australia		
- Sustentation Fees	495,720	425,106
- Training Levy	-	9,747
	<u>636,592</u>	<u>573,574</u>
TOTAL EXPENDITURE	<u>810,642</u>	<u>779,498</u>
SURPLUS FOR THE YEAR	264,249	8,918
Accumulated Deficit at Beginning of Year	<u>(288,672)</u>	<u>(297,590)</u>
ACCUMULATED DEFICIT AT END OF YEAR	<u>(24,423)</u>	<u>(288,672)</u>

[The attached notes form part of these financial statements]

TRANSPORT WORKERS' UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

BALANCE SHEET AS AT 31 DECEMBER 2005

	NOTE	2005	2004
		\$	\$
ACCUMULATED DEFICIT		<u>(24,423)</u>	<u>(288,672)</u>
Represented by:			
ASSETS			
Current Assets			
Cash and cash equivalents	4	144,115	14,790
Investments	5	-	15,385
Receivables	6	<u>190,156</u>	<u>103,173</u>
Total Current Assets		<u>334,271</u>	<u>133,348</u>
Non-Current Assets			
Investments	5	<u>2,460</u>	<u>2,460</u>
TOTAL ASSETS		<u>336,731</u>	<u>135,808</u>
LIABILITIES			
Current Liabilities			
Payables	7	334,962	411,434
Provision for Accrued Annual Leave		<u>14,285</u>	<u>13,046</u>
Total Current Liabilities		<u>349,247</u>	<u>424,480</u>
Non-Current Liabilities			
Provision for Long Service Leave		<u>11,907</u>	<u>-</u>
TOTAL LIABILITIES		<u>361,154</u>	<u>424,480</u>
NET LIABILITIES		<u>(24,423)</u>	<u>(288,672)</u>

[The attached notes form part of these financial statements]

TRANSPORT WORKERS' UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**STATEMENT OF CHANGES IN ACCUMULATED DEFICIT
FOR THE YEAR ENDED 31 DECEMBER 2005**

	Accumulated Deficit
	\$
Balance at 1 January 2004	(297,590)
Net Surplus for the Year	<u>8,918</u>
Balance at 31 December 2004	(288,672)
Net Surplus for the Year	<u>264,249</u>
Balance at 31 December 2005	<u>(24,423)</u>

{The attached notes form part of these financial statements}

TRANSPORT WORKERS' UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2005

	Note	<u>2005</u>	<u>2004</u>
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from Members			
- Contributions and Entrance Fees		408,244	345,750
Service Fees from Transport Workers' Union of New South Wales		654,283	487,365
Payments to Suppliers and Employees		(385,448)	(447,556)
Payments to Transport Workers' Union of Australia			
- Sustentation Fees		(357,382)	(447,116)
- Training Levy		(10,500)	(10,247)
Interest Received		3,005	1,704
Other Receipts		9,359	8,242
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		321,561	(61,858)
9(b)		<u> </u>	<u> </u>
CASH FLOW FROM INVESTING ACTIVITIES			
Receipt from Investment		15,385	-
Payment for Investment		-	(601)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		15,385	(601)
CASH FLOW FROM FINANCING ACTIVITIES			
Payments to Transport Workers' Union of New South Wales		(207,621)	-
Receipts from Transport Workers' Union of New South Wales		-	59,771
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		(207,621)	59,771
NET INCREASE (DECREASE) IN CASH HELD		129,325	(2,688)
Cash at beginning of Year		14,790	17,478
CASH AT END OF YEAR	9(a)	144,115	14,790

[The attached notes form part of these financial statements]

TRANSPORT WORKERS' UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

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 Australian Workplace Relations Act 1996.

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 New South Wales Branch of the Transport Workers' Union of Australia, and in accordance with the Australian Workplace Relations Act, 1996 the Branch is a reporting unit. The Transport Workers' Union of Australia is an organisation registered under the Australian Workplace Relations Act, 1996. The New South Wales Branch is a branch 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 New South Wales Branch 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.

This is the first financial report prepared under AIFRS and AASB 1 First-Time Adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing these statements. Comparatives for the year ended 31 December 2004, have been presented applying AIFRS.

There have been no adjustments required to assets, liabilities or accumulated deficit as a result of the introduction of AIFRS.

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

(a) Revenue

Contributions and entrance fees are accounted for on a cash receipts basis. Otherwise, the concept of accruals accounting has been adopted in the preparation of the Accounts.

Services Fees from the Transport Workers' Union of New South Wales are accounted for on an accrual basis.

Interest is accounted for on an accrual basis.

Property rentals are accounted for on an accrual basis.

(b) Income tax

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

TRANSPORT WORKERS' UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005 [Cont'd]

1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Employee Entitlements

Provision is made for the branch'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 branch to employee superannuation funds and are charged as expenses when incurred.

(d) 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.

(e) 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.

(f) 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.

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 Branch 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 amount of asset and liabilities.

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

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

TRANSPORT WORKERS' UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005 [Cont'd]

3. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of Sub-Sections [1], [2] and [3] of Section 272 of Schedule 1B which read as follows:-

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

	2005 \$	2004 \$
4. CASH AND CASH EQUIVALENTS		
Cash on Hand	850	850
Cash at Bank	<u>143,265</u>	<u>13,940</u>
	<u>144,115</u>	<u>14,790</u>
5. INVESTMENTS		
Cash and cash equivalents		
Term Deposit	<u>-</u>	<u>15,385</u>
Available-for-Sale Financial Assets		
Shares at fair value	<u>2,460</u>	<u>2,460</u>
	<u>2,460</u>	<u>17,845</u>
6. RECEIVABLES		
Debtor - Transport Workers' Union of New South Wales	183,507	98,707
Sundry Debtors	<u>6,649</u>	<u>4,466</u>
	<u>190,156</u>	<u>103,173</u>
7. PAYABLES		
Creditor -Transport Workers' Union of Australia		
- Sustentation Fees	218,538	80,200
- Training Levy	-	10,500
Creditors and Accruals	12,520	12,107
GST Payable	7,004	4,106
Loan from Transport Workers' Union of New South Wales	<u>96,900</u>	<u>304,521</u>
	<u>334,962</u>	<u>411,434</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005 [Cont'd]**

8. FINANCIAL DEPENDENCE

The New South Wales Branch of the Transport Workers' Union of Australia is dependent upon the ongoing financial support of the Transport Workers' Union of New South Wales in order to pay its debts as and when they fall due.

	2005	2004
	\$	\$
9. CASH FLOW INFORMATION		
(a) For the purpose of the Statement of Cash Flows, Cash includes: Cash on Hand and in at call deposits with banks or financial institutions, net of bank overdrafts.		
Cash at Bank	143,265	13,940
Cash on Hand	<u>850</u>	<u>850</u>
	<u>144,115</u>	<u>14,790</u>
(b) Reconciliation of cash flow from operations with operating result		
Operating Surplus	264,249	8,918
Changes in Assets and Liabilities		
Decrease in Accrued Interest	0	181
(Increase)/Decrease in Debtor - Transport Workers' Union of New South Wales	(84,800)	50,000
(Increase) in Other Debtors	(2,183)	(2)
Increase/(Decrease) in Employee Entitlement Provisions	13,146	(39,724)
Increase in GST Payable	2,898	1,583
Increase/(Decrease) in Creditors and Accruals	413	(13,517)
Increase/(Decrease) in Creditor Transport Workers' Union of Australia	<u>127,838</u>	<u>(69,297)</u>
CASH FLOWS FROM OPERATIONS	<u>321,561</u>	<u>(61,858)</u>

TRANSPORT WORKERS' UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005 [Cont'd]**

10. FINANCIAL INSTRUMENTS

Interest Rate Risk

The Branch's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below:

30 June 2005	Floating interest rate	Fixed interest rate	Non- interest bearing	Total
	\$	\$	\$	\$
Financial Assets				
Cash and cash equivalents	143,265		850	144,115
Receivables			190,156	190,156
	<u>143,265</u>	<u>-</u>	<u>191,006</u>	<u>334,271</u>
Weighted average Interest rate	3.64%			
Financial Liabilities				
Payables			(334,962)	(334,962)
Net financial assets/(liabilities)	<u>143,265</u>	<u>-</u>	<u>(143,956)</u>	<u>(691)</u>
30 June 2004				
Financial Assets				
Cash and cash equivalents	13,940		850	14,790
Receivables			103,173	103,173
Investments (less than 1 year)		15,385		15,385
	<u>13,940</u>	<u>15,385</u>	<u>104,023</u>	<u>133,348</u>
Weighted average Interest rate	2.34%	4.07%		
Financial Liabilities				
Payables			(411,434)	(411,434)
Net financial assets/(liabilities)	<u>13,940</u>	<u>15,385</u>	<u>(307,411)</u>	<u>(278,086)</u>

Credit Risk Exposure

Credit risk is the risk that counter parties to a financial asset will fail to discharge their obligations, causing the Branch to incur a financial loss.

The credit risk exposure of the Branch to financial assets which have been recognised in the Balance Sheet is generally the carrying amounts, net of any provisions for doubtful debts.

The carrying amounts of cash and non-interest bearing monetary financial assets and liabilities (eg receivables and payables) approximate net fair values.

TRANSPORT WORKERS' UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005 [Cont'd]**

11. RELATED PARTY TRANSACTIONS

Transactions with related parties are on normal terms and conditions no more favorable than those available to other parties, unless otherwise stated.

- (a) The aggregate amount of remuneration paid to officers during the financial year is disclosed in the Financial Report
- (b) The aggregate amount paid during the financial year to a superannuation plan in respect of elected full time officers is \$6,848 (2004 \$8,311).
- (c) There have been no other transactions between the officers and the Branch other than those relating to their membership of the Branch and the reimbursement by the Branch 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.

The ultimate controlling entity of the Branch is the Transport Workers' Union of Australia.

Transactions with Ultimate Controlling Entity:

- (a) Sustainment Fees are disclosed as an expense in the Income Statement and as a payment in the Cash Flow Statement.
- (b) Sustainment Fees payable are disclosed in the Balance Sheet.

12. SUPERANNUATION

All employees of the Branch are entitled to benefits from a superannuation plan on retirement, disability or death. The Branch participated in a defined contribution plan. The benefits provided under this plan are based on accumulated contributions and earnings for each employee. The Branch's liability is limited to paying the contributions to the plan.

13. BRANCH DETAILS

The Registered Office of the Branch is:

31 Cowper Street
PARRAMATTA NSW 2150

TRANSPORT WORKERS' UNION OF AUSTRALIA

NEW SOUTH WALES BRANCH INDEPENDENT AUDIT REPORT

To the members of the Transport Workers' Union of Australia, New South Wales Branch.

Scope

The Financial Report and the Responsibility of the Branch Committee of Management and Secretary of the Branch

The financial report comprises the income statement, balance sheet, statement of changes in accumulated deficit, cash flow statement, accompanying notes to the financial statements and the Branch Committee of Management's statement for the Transport Workers' Union of Australia, New South Wales Branch, for the year ended 31 December 2005.

The Branch Committee of Management and the Secretary of the Branch are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Branch. Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material 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 to the extent detailed in note 1 to the financial statements and other mandatory professional reporting requirements in Australia a view which is consistent with our understanding of the Branch's financial position and its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Branch Committee of Management and the Secretary of the Branch.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996.

TRANSPORT WORKERS' UNION OF AUSTRALIA

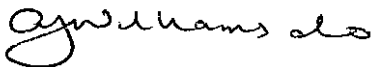
NEW SOUTH WALES BRANCH

INDEPENDENT AUDIT REPORT [Cont'd]

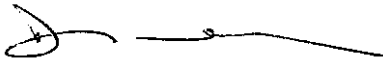
Audit Opinion

In our opinion the general purpose financial report of Transport Workers' Union of Australia, New South Wales Branch is in accordance with the Workplace Relations Act 1996, including:

- (i) giving a true and fair view of the Branch's financial position as at 31 December 2005 and its performance for the year ended on that date; and
- (ii) complying with applicable Australian Accounting Standards to the extent detailed in note 1 to the financial statements and other mandatory professional reporting requirements in Australia; and
- (iii) complying with the requirements of the ROA Schedule.



A J WILLIAMS & CO
Chartered Accountants



D S MCLEAN
Registered Company Auditor
SYDNEY NSW 2000

31 March 2006



Mr Anthony Sheldon
Branch Secretary
Transport Workers' Union of Australia
New South Wales Branch
31 Cowper Street
Parramatta NSW 2150

Dear Mr Jones

**Re: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)
Financial Reports for year ended 31 December 2005 – FR2005/660**

I have received the financial reports of the Transport Workers' Union of Australia – New South Wales Branch for the year ended 31 December 2005. The documents were lodged in the Industrial Registry on 24 May 2006.

The Documents have been filed.

Whilst the documents have been filed, there are 2 minor matters that I wish to comment upon and ask that take them into account when preparing your next financial reports.

1 Secretary's Certificate

The Secretary's Certificate dated 28 June 2005 for the financial reports for the year ended 31 December 2004 was in the format recommended for use by the Registry. The Certificate lodged this year whilst attempting to convey similar information in a different manner falls short of the mark in certain respects. Firstly, it does not confirm that the documents and statements lodged comprise a copy of "the full report". Secondly, it refers to "paragraph 279(6)(a) of the Act whereas it should have been section 266 of the RAO Schedule. Thirdly, it was undated.

I suggest that you revert to using the Certificate of Secretary format used in the preceding year so to ensure full compliance with reporting requirements.

2 Operating Report

Whilst it is acknowledged that the reference in the Operating Report to the resignation rights of members was a genuine attempt to comply with paragraph 254(c) of the RAO Schedule, the requirement is for "details" to be included in the Operating Report of the right to members to resign from the Union under section 174 of the RAO Schedule. To strictly comply, the full provisions of subsection 174(1) need to be incorporated into the Operating Report rather than the shorter reference to resignation from membership in your report. You may wish to also include the provisions of subsection 174(2) so that members are aware of the timeframe involved. Could you please at least include the full provisions of subsection 174(2) in your next Operating Report.

A copy of this letter has been forwarded to the Union's accountants for their information.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Michael Ellis', written in a cursive style.

Michael Ellis
Deputy Industrial Registrar

11 August 2006

c.c. Mr D. Mclean
A J Williams & Co
Chartered Accountants