



Australian Government

Australian Industrial Registry

Level 36, 80 Collins Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9655 0401
Email: melbourne@air.gov.au

Mr Alex Gallacher
Branch Secretary/Treasurer
South Australian/Northern Territory Branch
Transport Workers' Union of Australia
PO Box 137
WELLAND SA 5007

Dear Mr Gallacher,

**South Australian/Northern Territory Branch of the Transport Workers' Union of Australia
Financial Report for the Year Ended 31 December 2007 - FR2007/635
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)**

Thank you for the financial report of the South Australian/Northern Territory Branch of the Transport Workers' Union of Australia (TWU) for the year ended 31 December 2007. The documents were lodged in the Industrial Registry on 19 March 2008.

Receipt is also acknowledged on 7 April 2007 of a Statement of Loans, Grants and Donations for the financial year ended 31 December 2007. The Statement has been placed on a file that is not available to the general public in accordance with section 237(4) of the RAO Schedule.

The financial report has been filed.

I make the following comments to assist you in preparing financial documents in the future. You do not need to take any further action in respect of the documents which have been lodged.

General Purpose Financial Report (GPFR)

When preparing a GPFR, section 253(2) of the RAO Schedule requires a reporting unit to provide information that is specified in the Industrial Registrar's Reporting Guidelines. In particular, Guideline 11 sets out in detail those items of expense that must be disclosed by a reporting unit either in the notes to, or on the face of, a financial statement. Included are such items as:

- employment benefits paid to office holders (11(g));
- employment benefits paid to employees (other than office holders) (11(h));
- fees and/or allowances paid for attendance at conferences (11(i));
- conference and meeting expenses (11(k)).

Each of these items must be separately disclosed.

Two of the items of expenditure shown in the Statement of Financial Performance are 'Employee Expenses' and 'Federal Council Expenses'. I presume that these are actually employment benefits paid to employees and officers respectively. If that is the case, you are requested to clearly identify the category of expense in the terms used in the Guidelines, such as 'Employment Benefits – office holders' and 'Employment Benefits – employees'.

There are also two items of expenditure that may fall within the categories of fees/allowances for conferences and conference and meeting expenses; namely 'Away from Home Expenses' and 'Travelling and Accommodation'. If any of the expenditure that has been included in these figures does relate to either fees and/or allowance paid for attendance at conferences or to conference and meeting expenses then you are requested to separately disclose them in those categories in future.

Committee of Management Statement – Number of Reporting Units

As you know, guideline 17(e)(iv) of the Reporting Guidelines which have been issued by the Industrial Registrar requires a declaration by the Committee of Management that:

where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation.

In addressing this requirement, paragraph (e)(iv) of the Committee of Management Statement states 'the organisation consists of only one reporting unit'. This statement is incorrect.

Section 242 of the RAO Schedule determines what constitutes a 'reporting unit' for the purposes of the Act:

Organisations divided into branches

(3) Where an organisation is divided into branches, **each branch** will be a *reporting unit* unless a certificate issued by the Industrial Registrar stating that the organisation is, for the purpose of compliance with this Part, divided into reporting units on an alternative basis (see section 245) is in force. (emphasis added)

As a result, each branch of the TWU constitutes a separate reporting unit. As there are five branches and one federal body, the TWU is therefore made up of six separate reporting units.

In order to comply with this requirement in the future, you are requested to declare in the Committee of Management Statement whether the South Australian/Northern Territory Branch has kept records, as far as practicable, in a consistent manner to each of the other branches and the federal body.

Operating Report – Periods for which Positions Held

One other minor comment relates to the requirement in regulation 159(c) of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003 that the Operating Report state the 'period for which' each Committee of Management member has held office.

The Operating Report states that Committee of Management members held office '...during the reporting period...' While this wording suggests that these individuals held office for the entire financial year, you are requested in future to state this more clearly. For instance, a simple change of wording could be to '...during the whole of the reporting period...' Alternatively, you may choose to state that all councillors held office for the entire financial year 'except where otherwise stated' and then include in brackets after their names the dates upon which officers either assumed or left office.

Auditor's Report – Re-Numbering of Schedule 1B

The Auditor's Report refers to Schedule 1B of the Workplace Relations Act 1996. Would you please advise your auditor that the Schedule has been re-numbered and is now Schedule 1.

If you have any questions, please contact me on 03 8661 7767 (except on Wednesdays) or at ailsa.carruthers@air.gov.au.

Yours sincerely,



Ailsa Carruthers
Statutory Services Branch

17 April 2008



Transport Workers Union of Australia SA NT Branch

18 March 2007

Industrial Registrar
Australian Industrial Registry
Attn: Robert Pfeiffer
Level 5, 11 Exhibition Street
MELBOURNE VIC 3000

Via email: orgs@air.gov.au

Dear Mr Pfeiffer,

Re: WORKPLACE RELATIONS ACT 1996.

In accordance with our obligations of the Act, please find the attached documentation in respect to the various sections of the Act.

- Signed copy of the Authorised Officer Certificate.
- Committee of Management Statement [reg.109] dealt with at a meeting on 12 February 2008 [*the first meeting*].
- Copy of the signed Auditors Report [s.276 and reg.113]
- Copy of a full report of the Income and Expenditure Statement which will be included in the next edition of the Transport Worker (Journal)[s.279].
- The General Purpose Financial Report of the branch for the year ended 31 December 2007. The statements were dealt with at scheduled meetings of the Branch on Tuesday 4 March 2008 [s.279(6)(a)] [*the second meeting*].
- The Secretary's Operating Report.

Yours sincerely

A.M. GALLACHER
Branch Secretary



Transport Workers Union of Australia **SA NT Branch**

Certificate of Secretary or the Authorised Officer s268 of Schedule 1 *Workplace Relations Act 1996*

I Alexander McEachian Gallacher being the Branch Secretary/Treasurer of the Transport Workers' Union of Australia SA/NT 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 will be provided to members in the next edition of the Branch journal; and
- that the full report was presented to a meeting of the Branch Committee of Management of the reporting unit on the 4 March 2008; in accordance with s266 of the RAO schedule.

Signature:

Date: 18 March 2008

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Partner

Peter Hall

Chartered Accountant FCA

Partner

Matthew Rosenberg

Affiliate ICAA PNA FTIA

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
THE TRANSPORT WORKERS' UNION OF AUSTRALIA
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH**

SCOPE

We have audited the Accounts being the Statement of Financial Position for the Year Ended 31st December 2007 and the Statement of Financial Performance as at 31st December 2007 and notes to and forming part of the Accounts of The Transport Workers Union of Australia, South Australian/Northern Territory Branch, for the year ended 31st December 2007.

The Committee of Management are responsible for the preparation and presentation of the accounts and the information they contain.

We have conducted an independent audit of these accounts in order to express an opinion on them to the Members of the Branch.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free from material misstatements. Our procedures included examination on a test basis, of evidence supporting the amounts and other disclosures in the Accounts, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects the accounts are presented fairly in accordance with Australian Accounting Concepts and Standards and statutory requirements so as to present a view of the Branch which is consistent with our understanding of its financial position and the results of its operations.

In common with organisations of this type, it is not practical to establish adequate records or controls over cash receipts prior to their receipt and entry in the accounting records. Accordingly, our audit of cash receipts was limited to the amount recorded in the accounting records of the Union.

In our opinion, as far as it appears from our testing and examination, monies recorded as receipts have been properly brought to account by the Union.

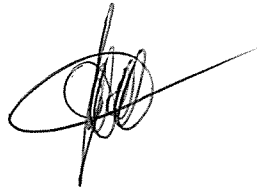
The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In our opinion:-

- 1) There were kept by the Branch in respect of the year, satisfactory accounting records detailing the sources and nature of the income of the Branch (including Income from Members) and the nature and purposes of Expenditure.
- 2) The attached General Purpose Financial Report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996.
- 3) We received from the Officers and Employees of the Branch, all the information and explanations which were required for the purposes of our audit.

PETER HALL - CHARTERED ACCOUNTANTS

A handwritten signature in black ink, appearing to be 'Peter J Hall', written over a circular stamp or seal.

**PETER J HALL
REGISTERED COMPANY AUDITOR**

ADELAIDE: 25/2/08

**TRANSPORT WORKERS' UNION OF AUSTRALIA
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH
INCLUDING GAS SUB-BRANCH**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2007**

	2006	2007
	\$	\$
INCOME		
Membership Fees	1,456,738.04	1,404,660.50
Distribution - G.S. JB Were Trust	0.00	159,696.38
Interest Received	264,714.82	105,711.34
Other Income	46,832.21	87,564.21
Rent Received	5,400.00	5,400.00
	<u>1,773,685.07</u>	<u>1,763,032.43</u>
LESS EXPENDITURE		
ACTU - Your Rights	27,593.50	26,097.50
Advertising & Marketing	83,127.40	48,811.14
Affiliated Associations	19,350.79	20,286.14
Audit & Accounting Fees	9,255.00	10,415.19
Away from Home Expenses	11,272.65	11,005.62
Bank Charges	8,641.91	9,112.15
Benefits Paid to Dec. Members	12,000.00	11,000.00
Computer Expenses	4,753.01	13,424.74
Consulting Fees	18,427.27	9,100.00
Contributions to Fed Council	151,765.31	140,508.88
Debt collecting Services & Costs	4,566.76	6,279.31
Delegates Telephone & Other Expenses	21,873.51	27,384.38
Depreciation	45,855.50	37,468.91
Donations	45,601.84	50,686.98
Employee Expenses	577,795.95	684,448.69
Federal Trainer Fund	2,451.00	2,372.50
Federal Council Expenses	13,126.92	16,117.55
Insurance	15,091.72	12,668.49
Internet Costs	4,983.33	3,339.45
Legal Fees	13,543.68	(15,554.60)
Light & Power	5,723.03	6,275.90
Loss on Sale of Investments	0.00	18,481.85
Maintenance of Buildings, Equipment & Gardens	3,395.18	2,612.55
Meeting Expenses	34,137.32	25,552.39
Motor Vehicle Expenses	36,274.20	31,599.31

**TRANSPORT WORKERS' UNION OF AUSTRALIA
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH
INCLUDING GAS SUB-BRANCH**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2007**

	2006		2007
	\$	\$	\$
Payroll Tax	58,439.63		48,642.24
Postages	27,473.78		26,706.97
Printing & Stationery	14,413.09		24,293.08
Provision for Annual Leave	17,536.42		9,800.06
Provision for Long Service Leave	(22,099.66)		4,089.07
Rates & Taxes	6,683.95		6,997.45
Security Patrols	2,162.33		2,221.93
Subscriptions & Registrations	2,360.71		2,999.91
Sundry Expenses	11,790.37		14,608.41
Telephone	25,731.89		26,361.25
Training Courses & Seminars	10,024.69		7,890.91
Travelling & Accommodation	53,110.27		77,220.80
Uniforms	3,419.36		423.00
		<u>1,381,653.61</u>	<u>1,461,750.10</u>
OPERATING SURPLUS FOR THE YEAR		\$ 392,031.46	\$ 301,282.33
LESS OTHER EXPENSES			
Provision to increase (reduce) costs of			
Investments to Market Value		<u>17,456.95</u>	<u>(235,001.63)</u>
SURPLUS FOR THE YEAR		<u><u>\$ 409,488.41</u></u>	<u><u>\$ 66,280.70</u></u>

TRANSPORT WORKERS' UNION OF AUSTRALIA
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH
STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2007

			2006		2007
	Note	\$	\$	\$	\$
ACCUMULATED FUNDS					
Balance 1st January 2007			4752279.33		5161767.74
Surplus for the Year			409,488.41		66,280.70
BALANCE 31st DECEMBER 2007			<u>5,161,767.74</u>		<u>5,228,048.44</u>
Represented by:					
CURRENT ASSETS					
Sundry Debtors and Prepayments			33,906.94		38,333.60
Cash on Hand			900.00		2,161.40
Cash at Bank	3		484,191.48		468,566.74
			<u>518,998.42</u>		<u>509,061.74</u>
INVESTMENTS					
Investments in Public Entities	4		86,448.20		3,698,516.26
Bank Interest Bearing Deposits			4,523,422.79		1,087,123.34
			<u>4,609,870.99</u>		<u>4,785,639.60</u>
FIXED ASSETS					
Office Furniture (at cost)		20,055.49		20,055.49	
Less Accumulated Depcn.		13,021.49	7,034.00	14,332.49	5,723.00
Office Machines (at cost)		90,264.42		97,539.97	
Less Accumulated Depcn.		66,515.42	23,749.00	70,362.97	27,177.00
Motor Vehicles (at cost)		83,960.60		94,278.87	
Less Accumulated Depcn.		22,095.60	61,865.00	32,284.87	61,994.00
Buildings (at cost)	5	201,546.53		201,546.53	
Less Accumulated Depcn.		58,409.53	143,137.00	63,980.53	137,566.00
Land (at Valuation)	5		95,915.00		95,915.00
			<u>331,700.00</u>		<u>328,375.00</u>
			<u>5,460,569.41</u>		<u>5,623,076.34</u>
TOTAL ASSETS					
LESS CURRENT LIABILITIES					
Grants Onspent Carried Forward			-		80,134.76
Accrued Expenses			196,489.07		198,691.41
Provision for Long Service Leave			45,040.58		49,129.65
Provision for Annual Leave			57,272.02		67,072.08
			<u>298,801.67</u>		<u>395,027.90</u>
NET ASSETS			<u>5,161,767.74</u>		<u>5,228,048.44</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH**

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

	2006	2007
	\$	\$
Cash flows from Operating Activities		
Receipts from members and customers	1,503,570.35	1,492,224.71
Payments to suppliers	(1,288,593.59)	(1,292,304.29)
Interest and Distributions Received	264,714.82	265,407.72
Rent received	5,400.00	5,400.00
<i>Net cash provided/(used) by Operating Activities</i>	<u>485,091.58</u>	<u>470,728.14</u>
Net Increase/(Decrease) in Cash Held	92,373.51	(14,363.34)
Cash at the beginning of the reporting period	392,717.97	485,091.48
Cash at the end of the reporting period	<u>485,091.48</u>	<u>470,728.14</u>
Reconciliation of Net Cash Provided by Operating Activities to Operating Profit - not subject to Income Tax		
Operating Surplus	409,488.41	66,280.70
Change in Net Market Value of Investments	17,456.95	175,768.61
Depreciation	45,855.50	37,468.91
Increase/(Decrease) in Creditors & Accruals	(99,455.43)	96,226.23
Increase/(Decrease) in Investments	254,728.26	72,963.21
Increase/(Decrease) in Fixed Assets	(125,013.47)	17,593.82
Increase/(Decrease) in Debtors	(17,968.74)	4,426.66
	<u>485,091.48</u>	<u>470,728.14</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2007**

NOTE 1: ACCOUNTING METHODS

In accordance with generally accepted accounting principals for organisations, membership contributions are accounted for on a cash receipts basis. Otherwise, the accounts are prepared under the historical cost convention and in accordance with the Accounting Standards jointly issued by the Australian Professional Accounting Bodies. In particular -

- (a) The accounts have not been adjusted to record either changes in the general purchasing power of the dollar or in the prices of specific assets.
- (b) Depreciation of fixed assets is calculated on the reducing balance basis in order to write the assets off over their useful lives. Additions are depreciated from the date of purchase at the rates applicable to the asset.
- (c) Provisions for employee benefits in the form of Long Service Leave and Accrued Annual Leave have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment.
- (d) No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 23(f) of the Income Tax Assessment Act. Fringe Benefits Tax has been paid by the Union in accordance with the provisions of the Fringe Benefits Tax Assessment Act.

NOTE 2a: INFORMATION TO BE PROVIDED TO MEMBERS

In accordance with Section 272 of the RAO schedule the attention of members is required to be drawn to subsections 272(1), (2) and (3) 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).

**TRANSPORT WORKERS' UNION OF AUSTRALIA
SOUTH AUSTRALIAN/NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2007**

NOTE 2b: In accordance with Section 265 (1) of the RAO Schedule the Branch Committee of Management resolved to provide a report to Members of the Auditor's Report, General Purpose Financial Report and Operating Report by publishing a full report in the Union Journal.

NOTE 3:	CASH AT BANK	2006	2007
		\$	\$
	S.A. Workplace Partnerships	0.00	88,234.76
	Contingencies Fund - Gas Sub Branch	58,796.62	76,626.76
	General Fund Working Account	408,657.43	241,117.84
	Salary Sacrifice Clearing Account	16,737.43	17,755.91
	GSJB Were Cash Account	0.00	44,831.47
		<u>484,191.48</u>	<u>468,566.74</u>

NOTE 4:	INVESTMENTS IN PUBLIC ENTITIES		
	Investment at Cost	305,384.00	3,933,517.89
	Less Provision to reduce costs of		
	Investments to Market Value	<u>218,935.80</u>	<u>235,001.63</u>
		<u>86,448.20</u>	<u>3,698,516.26</u>

As at 31st January 2008 the Investments in Public Entities had a Market Value of \$3,435,574.55

NOTE 5: LAND & BUILDINGS
The properties were acquired by the expenditure of Branch Funds and form part of the Branch Funds.
The properties are subject to the custodial control and management of the Branch.

The properties are registered in the name of the Transport Workers Union of Australia Federal Council.

Committee of Management Statement.

On 12 February 2008 the Branch Committee of Management of the Transport Workers Union of Australia SA/NT Branch passed the following resolution in relation to the General Purpose Financial Report of the reporting unit for the financial year ended 31 December 2007.

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year;
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the organisation consists of only one reporting unit;
 - (v) no information has been sought in any request of a member of the reporting unit or registrar under section 272 of the RAO Schedule;
 - (vi) no orders have been made by the Commission under section 273 of the RAO Schedule during the period.

For Committee of Management: Alexander McEachian Gallacher

Title of Office held: Branch Secretary/Treasurer

Signature:



Date:

12 February 2008

Operating Report

Transport Workers' Union of Australia SA/NT Branch

Operating Report for the year 2007 ended 31 December 2007

Principle Activities

The principal activities of the Association during the reporting period were to provide industrial and organising services to the members consistent with the objects of the Association and particularly the object of protecting and improving the interest of the members.

The Associations' principal activities resulted in maintaining and improving the wages and conditions of employment of the membership, particularly for those members in collective enterprise agreements negotiated by the Association.

There were no significant changes in the nature of the Association's principal activities during the reporting period.

Manner of resignation

Members may resign from the Association in accordance with rule 11, which reads as follows;

11. Resignation from membership

- (1) A Member may resign from Membership by notice in writing addressed and delivered to the Branch Secretary of the Branch in which the Member is enrolled.
- (2) A notice of resignation from Membership takes effect;
 - (a) if the Member has ceased to be Eligible:
 - (i) on the day on which the notice is received by the Union;
 - (ii) on the day specified in the notice;
 - (b) in any other case:
 - (i) at the end of 2 weeks after the notice is received by the Branch Secretary; or
 - (ii) on the day specified in the notice;whichever is later.
- (3) Any Duties payable but not paid by a former Member, in relation to a period before the Member's resignation from the Union took effect, may be sued for and recovered in accordance with rule 81 as a debt due to the Union.
- (4) A notice delivered in accordance with sub-rule (1) is deemed to have been received by the Union when it was delivered.

- (5) A notice of resignation that has been received by the Union is not invalid only because it was not addressed and delivered in accordance with sub-rule (1).
- (6) A resignation from Membership is valid, even if it is not effected in accordance with this rule, if the Member is informed in writing by the Union that the resignation has been accepted.

Transport Workers' Union of Australia SA/NT Branch

Trustee or director of trustee company of superannuation entity or exempt public sector superannuation scheme

The following officers of the Association held preserved positions in the following entities.

Alexander McEachian Gallacher is a director of TWUSUPER.

Number of Members

The number of persons who, at the end of the reporting period, were recorded on the Registrar of Members of the Association was 5605.

Number of employees

The number of persons who were, at the end of the reporting period, employees of the Association was 11.

Members of the Committee of Management

The persons who held office as members of the committee of Management of the Association during the reporting period are;

- Douglas Frusher (President),
- Robert Simon (Vice-President)
- Alexander Gallacher (Secretary/Treasurer)
- Ray Wyatt (Branch Trustee)
- Andrew Whinnen (Branch Trustee)
- Ian Gallacher (Committee Member)
- Michael Vogt (Committee Member)
- John Loader (Committee Member)
- Ian Carr (Committee Member)
- Dave Wattam (Committee Member)
- Neville Steed (Committee Member)
- Ian Gonsalves (Committee Member)
- Peter Brammy (Committee Member)
- Romana Wereszczak (Committee Member)

Signed:



(Branch Secretary)

Date: 12 February 2008