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Australian Industrial Registry

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Mr Jim McGiveron
Branch Secretary
Western Australian Branch
Transport Workers' Union of Australia
PO Box 8497
Perth Business Centre
PERTH 6849

Email: jim.mcgiveron@wa.twu.com.au

Dear Mr McGiveron

**Re: Schedule 1 Workplace Relations Act 1996 (the RAO Schedule)
Financial reports for year ended 31 December 2006 (FR2006/631)**

I acknowledge receipt of financial documents of the Western Australian Branch of the Transport Workers' Union of Australia for the year ended 31 December 2006, lodged in the W.A. Registry on 6 June 2007.

The documents consist of the full and concise reports referred to in s268 of the RAO Schedule under cover of your certificate dated 5 June 2007, and a statement regarding Loans, Grants and Donations under RAO s237.

The documents have been examined and filed.

I apologise for the delay in responding to these documents.

If you wish to discuss this correspondence, I may be contacted on (03) 8661 7984 or by email at ken.ophel@air.gov.au.

Yours sincerely

Ken Ophel
Manager
RIA Team 1
Statutory Services Branch

1 August 2007



Jim McGiveron
Branch Secretary

**Transport Workers Union
Western Australian Branch**

ABN 37 494 080 581

3rd Floor, 82 Beaufort Street Perth Western Australia
PO Box 8497 Perth Business Centre Perth 6849
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FRZ 006/631

Certificate of Secretary or other Authorised Officer
S268 of Schedule 1B Workplace Relations Act 1996

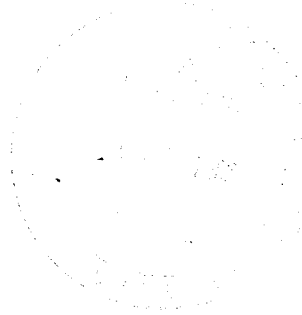
I James Lawrence McGiveron of the Transport Workers Union of Australia
Western Australian Branch certify:

- That the documents lodged herewith are copies of the full report, and the concise report, referred to in s268 of the RAO Schedule; and
- That the concise report was provided to members on the 21st May 2007; and
- That the full report was presented to a second meeting on the Branch Committee of Management on the 28th May 2007; in accordance with section 266 of the RAO Schedule.

Signed:

Date:

5th June 2007



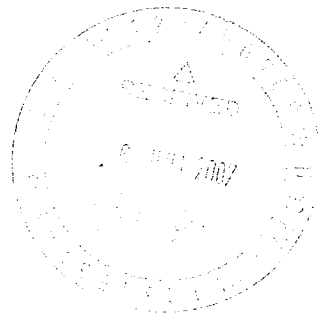
FR2006/631
(Full Report)

TRANSPORT WORKERS' UNION OF AUSTRALIA

WESTERN AUSTRALIAN BRANCH

AUDITED GENERAL PURPOSE FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2006



**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**INDEX TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2006**

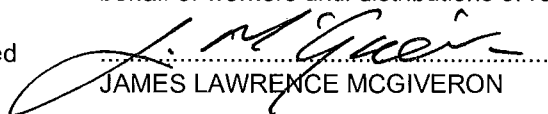
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COMMITTEE OF MANAGEMENT STATEMENT

In accordance with a resolution of the committee of management passed at their meeting of 1st May, 2007, in the opinion of the Committee of Management:

- 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 year to which they relate;
- d) information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar;
- e) 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; and
- f) during the financial period ended 31 December 2006 and since the end of the 2006 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 the branch concerned; and
 - (iii). the financial records of the reporting units have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv). there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
- g) in relation to the recovery of wages activity:
 - (i). the financial report on the recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
 - (ii). the committee of management caused the auditor to include in the scope of the audit required under section 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenue has been derived for the financial year in respect of such activity; and
 - (iii). no fees or reimbursements of expenses in relation to the recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on the recovery of wages activity and the notes to the financial statements; and
 - (iv). that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v). no fees or reimbursements of expenses in relation to recovery of wages activity or donation or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to workers.

Signed


JAMES LAWRENCE MCGIVERON

Dated this 1 day of May 2007



**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE
TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

Scope

We have audited the financial report, being a general purpose financial report, of the Transport Workers' Union of Australia, Western Australian Branch, for the year ended 31 December 2006 as set out on pages 4 to 19. The members of the Committee are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the needs of the members.

We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Transport Workers' Union of Australia, Western Australian Branch. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Branch. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1 so as to present a view which is consistent with our understanding of the Branch's financial position and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

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

Audit Opinion

In our opinion:

- (a) the general purpose financial report is presented fairly in accordance with Australian Accounting Standards; and
- (b) satisfactory accounting records were kept by the organisation in respect of the year detailing the sources and nature of the income of the organisation (including income from members) and the nature and purpose of expenditure, and
- (c) the attached accounts and statements, prepared under the historical cost convention, and in accordance with section 273 of the Workplace Relations Act 1996, are properly drawn up so as to present fairly:
 - (i) the financial affairs of the organisation as at 31 December 2006;
 - (ii) the income and expenditure, cash flows and surplus of the organisation for the year ended on that date.

**BUTLER
SETTINERI**

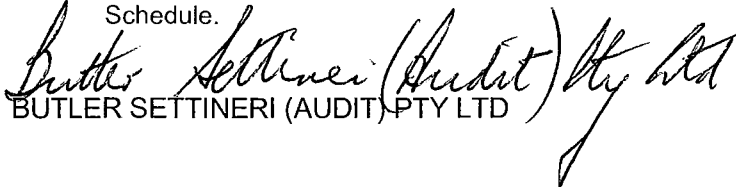
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Directors:
Colin Butler
FCA
Paul Chabrel
FCA
Lucy Gardner
CA

- (d) all the information and explanations requested from officers and employees of the organisation were adequately provided.
- (e) the assets held by the West Australian Branch of the Union form part of the Federal Union assets.
- (f) in relation to the recovery of wages activity
 - (i) that the scope of the audit encompassed recovery of wages activity;
 - (ii) that the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the Industrial Registrar, including;
 - 1) any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
 - 2) any donations or other contributions deducted from recovered money; and
 - (iii) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the RAO Schedule.


BUTLER SETTINERI (AUDIT) PTY LTD


PAUL J CHABREL
Director

Perth
Date: 7 May 2007

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006**

	NOTE	2006 \$	2005 \$
Revenue from operations	3	3,319,595	3,391,501
Depreciation and amortisation expense	4(a)	(108,118)	(77,355)
Borrowing costs expense	4(b)	-	(1,757)
Other expenses from ordinary activities	4(c)	(2,581,196)	(2,663,152)
Operating surplus	10	<u>630,281</u>	<u>649,237</u>

The accompanying notes form part of this financial report.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**BALANCE SHEET
AS AT 31 DECEMBER 2006**

	NOTE	2006 \$	2005 \$
CURRENT ASSETS			
Cash assets	13(a)	3,110,548	2,293,814
Receivables	5	55,433	78,385
Prepaid expenses		7,438	5,264
Total Current Assets		<u>3,173,419</u>	<u>2,377,463</u>
FIXED ASSETS			
Property, plant and equipment	6	882,022	914,235
Investment property	7	-	160,000
Total Fixed Assets		<u>882,022</u>	<u>1,074,235</u>
TOTAL ASSETS		<u>4,055,441</u>	<u>3,451,698</u>
CURRENT LIABILITIES			
Accounts payable	8	211,343	214,414
Provision for employee benefits	9	226,984	180,994
Borrowings		-	-
Total Current Liabilities		<u>438,327</u>	<u>395,408</u>
TOTAL LIABILITIES		<u>438,327</u>	<u>395,408</u>
TOTAL NET ASSETS		<u>3,617,114</u>	<u>3,056,290</u>
MEMBERS' FUNDS & RESERVES			
Accumulated funds	10	3,213,664	2,583,383
Asset revaluation reserve	11	403,450	472,907
		<u>3,617,114</u>	<u>3,056,290</u>

The accompanying notes form part of this financial report.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2006**

	2006	2005
	\$	\$
Total equity at the beginning of the year	3,056,290	2,026,455
Surplus reported for the year	630,281	649,237
Revaluation increment for the year	-	380,598
Revaluation decrement for the year	(69,457)	-
Total equity at the end of the year	<u>3,617,114</u>	<u>3,056,290</u>

The accompanying notes form part of this financial report.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006**

	NOTE	2006 \$	2005 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Membership receipts		2,895,650	2,915,244
Interest received		159,814	61,707
Other income		232,079	341,415
Sustentation fees paid		(342,249)	(303,219)
Payments to suppliers and employees		(2,210,201)	(2,431,515)
Interest paid		-	(1,757)
Net cash provided by operating activities	13(b)	735,093	581,875
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for plant & equipment		(149,306)	(353,191)
Proceeds on sale of plant & equipment		66,546	99,231
Proceeds on sale of investment property		164,401	219,356
Net cash used in investing activities		81,641	(34,604)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		-	(18,332)
Net cash used in financing activities		-	(18,332)
Net increase in cash held		816,734	528,939
Cash at the beginning of the financial year		2,293,814	1,764,875
Cash at the end of the financial year	13(a)	3,110,548	2,293,814

The accompanying notes form part of this financial report.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This general purpose 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 Corporations Act 2001.

The financial report has also been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities, certain classes of property, plant and equipment and investment property.

The following is a summary of the material accounting policies adopted by the branch in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

(a) Income Tax

The Union is exempt from income tax under s 50-15 ITAA 1997 Act.

(b) Revenue Recognition

Revenue is recognised at the fair value of the consideration received or receivable.

(c) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

For the purposes of the Cash Flow Statement, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 2 working days, net of outstanding overdrafts.

(d) Receivables

Trade and sundry debtors are initially recognised at fair value and subsequently measured net of provision for doubtful debts. Recovery of receivables is reviewed on a regular basis, and uncollectible balances are written off.

Interest due on term deposits is recognised as income on an accruals basis.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Plant and equipment

Items of property, plant and equipment are carried at cost less accumulated depreciation. Depreciation is charged on a basis and at rates designed to write off the cost of assets over their estimated useful life to the branch.

Plant & equipment	7.5% - 40% reducing balance
Office refurbishments	10% - 37.5% reducing balance
Motor vehicles	18.75% reducing balance

Independent assessments of the fair value of land and buildings are obtained based on existing use and such assessments are used as a guide when revaluations are made. Revaluation increments are to be credited directly to the asset revaluation reserve. A revaluation decrement is recognised as an expense in the statement of income and expenditure except to the extent that the decrement revises a revaluation increment previously credited to the revaluation reserve.

(f) Investment property

Investment property, principally comprising strata titled office buildings, is held for long term rental yields and is not occupied by the branch. Investment property is carried at fair value, representing open-market value determined periodically by external valuers. Changes in fair values are recorded in the income statement. Property is amortised at 2% reducing balance per annum.

(g) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether billed or not billed to the company.

(h) Interest bearing liabilities

Interest bearing liabilities relate to a loan and are carried at the principal amount.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Provision for employee benefits

Liabilities for annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for long service leave are recognised in current liabilities.

(j) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

NOTE 2 INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996 (RAO Schedules), the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272.

272(1) (Application for Information) 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.

272(2) (Form of Application) 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.

272(3) (Compliance) A reporting unit must comply with the application made under subsection (1).

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

	2006	2005
	\$	\$
NOTE 3 REVENUE		
Membership subscriptions	2,885,941	2,899,118
Initial entrance fees	9,709	16,126
Federal Committee expenses reimbursement	18,735	36,352
Federal Office financial assistance	-	50,000
Legal reimbursement	50	2,141
Super Fund Director reimbursement	115,706	99,358
Specific grant income – Bluecard development	1,488	15,958
Advertising and sponsorship	63,394	71,124
Interest received	131,178	92,907
Profit on the sale of plant & equipment	67,005	45,998
Promotional products revenue	-	1,364
Rental income	-	28,200
Sundry income	26,389	32,855
Total operating revenue	<u>3,319,595</u>	<u>3,391,501</u>

NOTE 4 EXPENDITURE

(a) Depreciation

The total depreciation charge is made up as follows:

Buildings	13,500	12,406
Plant and equipment	87,508	56,871
Office refurbishments	7,110	8,078
	<u>108,118</u>	<u>77,355</u>

(b) Borrowing costs

Borrowing costs relate to the following:

Loan interest	<u>-</u>	<u>1,757</u>
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**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

NOTE 4	EXPENDITURE (CONT'D)	2006	2005
		\$	\$
(c)	Other expenses is made up as follows:		
	Advertising	49,308	39,249
	Affiliation fees	62,114	60,503
	Annual leave	8,188	(56,020)
	Audit and accountancy fees	18,585	14,659
	Bank charges	20,713	21,329
	Bluecard development costs	-	11,640
	Commission paid	9,773	1,811
	Compulsory levies to Federal Office levies	4,924	4,718
	Computer operating expenses	5,095	2,230
	Computer programming maintenance	15,320	21,600
	Consultancy fees	36,168	35,587
	Debt collection expenses	7,636	9,942
	Donations	2,000	25,750
	Federal council expenses	8,043	48,122
	Freight & couriers	2,519	2,740
	Fringe benefits tax	49,064	28,576
	Funeral benefit	16,000	21,000
	General expenses	10,000	8,741
	Hire of equipment	3,133	1,926
	Insurance	30,515	34,535
	Lease expenses	2,713	2,816
	Litigation and other legal costs	20,570	32,040
	Long service leave	38,102	(40,242)
	Meeting expenses	65,459	71,947
	Motor vehicle expenses	101,842	120,325
	Motor vehicle allowance	37,600	60,885
	Organisers' expenses - country	14,148	17,285
	Office Refurbishment Costs	-	621
	Payroll tax	29,209	33,237
	Presidential honorarium fees	8,000	8,000
	Printing, stationery and stamps	197,874	178,889
	Promotional products purchases	44,076	29,135
	Rent, rates and electricity	34,432	48,430
	Repairs and maintenance	2,545	2,581
	Staff amenities	840	900
	Staff training	3,653	4,673
	Subscriptions	7,036	6,958
	Sundry expenses	-	96
	Superannuation contributions	157,334	179,867
	Sustentation fees – Federal Office	289,583	320,527
	Telephone	80,306	81,565
	Travelling and accommodation	93,080	97,524
	Uniforms	604	940
	Wages - Executive	334,111	412,363
	Wages - Other	658,980	653,152
		<u>2,581,196</u>	<u>2,663,152</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

NOTE 4	EXPENDITURE (CONT'D)	2006	2005
		\$	\$
(d)	Affiliation fees were paid as follows:		
	Australian Labour Party	28,398	28,282
	Trades and Labour Council	33,716	32,221
		<u>62,114</u>	<u>60,503</u>
(e)	Donations were made as follows:		
	Australian Labour Party	-	23,250
	Local Council Campaign	-	2,500
	Member Donation – J Burgess	1,000	-
	Member Donation – F Pask	1,000	-
		<u>2,000</u>	<u>25,750</u>
(f)	Meeting fees and expenses were paid as follows:		
	Branch Committee of Management	20,701	15,958
	Other meeting expenses	44,758	55,989
		<u>65,459</u>	<u>71,947</u>
	Fees or allowance paid to persons in respect of their attendance at conferences or other meetings as representatives of the reporting unit were as follows:		
	Federal Committee of Management	8,082	20,207
	Superannuation Fund Director Attendance	2,242	797
		<u>10,324</u>	<u>21,004</u>
NOTE 5	RECEIVABLES		
	Sundry debtors	11,071	5,387
	Accrued interest	24,362	52,998
	Office holder loan	20,000	20,000
		<u>55,433</u>	<u>78,385</u>

The loan is a long service leave advance provided to the Branch Secretary.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

	2006 \$	2005 \$
NOTE 6 PROPERTY, PLANT AND EQUIPMENT		
Land and buildings at valuation	540,000	540,000
Less: Accumulated depreciation	(13,500)	-
Plant and equipment at cost	510,429	477,086
Less: Accumulated depreciation	(220,748)	(175,802)
Office refurbishment at cost	107,472	107,472
Less: Accumulated depreciation	(47,295)	(40,185)
Library at valuation	5,664	5,664
Total property, plant and equipment	<u>882,022</u>	<u>914,235</u>

The Transport Workers' Union of Australia Federal Council are the registered proprietors and owners of the branch's offices. The office property was acquired by the expenditure of the WA branch funds and form part of the assets of the Branch.

The basis of valuation of the Union's office premises is fair market value based upon a market appraisal valuation carried out by Mr E Rogers, from an independent firm of Real Estate Agents and Valuers (Metway Real Estate) on the 17 October 2005. Included in this valuation was the Union's Investment Property which was disposed of in 2005. (Note 7). The Transport Workers Union has a policy of revaluing land and buildings every three years

	Land and Buildings (at valuation) \$	Plant & Equipment \$	Office Refurbishment \$	Library (at valuation) \$	Total \$
Balance at 1 Jan 2006	700,000	301,284	67,287	5,664	1,074,235
Additions	-	149,306	-	-	149,306
Disposals	(160,000)	(73,401)	-	-	(233,401)
Depreciation	(13,500)	(87,508)	(7,110)	-	(108,118)
Balance at 31 Dec 2006	<u>526,500</u>	<u>289,681</u>	<u>60,177</u>	<u>5,664</u>	<u>882,022</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

NOTE 7 INVESTMENT PROPERTY

	2006	2005
	\$	\$
Property held for lease at 1 January 2006	160,000	226,238
Investment property disposed	(160,000)	(153,776)
Revaluation increment (Note 11)	-	87,538
Property held for lease at 31 December 2006	-	160,000

Details of the 2005 revaluation at Note 6.

NOTE 8 ACCOUNTS PAYABLE

GST payable (net)	70,619	85,832
Legal costs owed to Slater & Gordon	-	-
Payroll liabilities	44,797	44,565
Sundry creditors	95,927	84,017
	211,343	214,414

NOTE 9 PROVISION FOR EMPLOYEE BENEFITS

The amounts expected to be paid to fund employees for their pro rata entitlements to annual leave and long service leave are accrued annually at current salary rates. Sick leave has not been accrued, as any sick leave entitlements are considered contingent and non vesting.

	Annual Leave \$	Long Service Leave \$	Total \$
Balance at 1 January 2006	71,025	109,969	180,994
Net credit for the year	7,888	38,102	45,990
Balance at 31 December 2006	78,913	148,071	226,984

Employee benefits are payable as follows:

Benefits payable to reporting unit officeholders	128,491
Benefits payable to other employees (excluding officeholders)	98,493
	226,984

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

NOTE 10 ACCUMULATED FUNDS	2006	2005
	\$	\$
Accumulated funds at the beginning of the year	2,583,383	1,934,146
Operating surplus for the year	630,281	649,237
Accumulated funds at the end of the year	<u>3,213,664</u>	<u>2,583,383</u>

NOTE 11 ASSET REVALUATION RESERVE

Balance brought forward as at 1 January 2006	472,907	92,309
Revaluation increment for the year		
Property, Plant and Equipment (Note 6)	-	293,060
Investment Property (Note 7)	-	87,538
Revaluation elimination on disposal	(69,457)	
Balance carried forward as at 31 December 2006	<u>403,450</u>	<u>472,907</u>

Details of the 2005 revaluation at Note 6.

NOTE 12 CONTINGENT LIABILITIES

No material contingent liabilities exist as at 31 December 2006.

NOTE 13 NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of cash

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

Cash on hand	139	470
Cash at bank – Bluecard Training account	24,689	13,903
Cash at bank – Political / Sponsorship account	41,266	46,525
Cash at bank – General account	1,709,169	1,004,763
Cash at bank – Term deposit	1,335,285	1,228,153
	<u>3,110,548</u>	<u>2,293,814</u>

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

NOTE 13 NOTES TO THE STATEMENT OF CASH FLOWS (CONT'D)

(b) Reconciliation of net cash provided by operating activities to operating surplus

	2006	2005
	\$	\$
Operating surplus	630,281	649,237
Non-cash flows in operating surplus:		
Depreciation	108,118	77,355
Increase / (decrease) in Interest accrual	28,636	(31,200)
Profit on sale of assets	(67,005)	(45,998)
Changes in assets and liabilities:		
(Increase) / Decrease in receivables	(5,684)	4,063
(Increase) / Decrease in prepayments	(2,174)	(251)
Increase / (Decrease) in accounts payable	(3,069)	24,931
Increase / (Decrease) in provisions	45,990	(96,262)
Net cash provided by operating activities	735,093	581,875

(c) Credit Standby Arrangements

No bank overdraft or other facilities exist as at year end.

NOTE 14 EMPLOYEE BENEFITS

(a) Employee benefits paid to office holders of the WA Branch were as follows:

	2006
	\$
Motor vehicle and telephone expenses	67,905
Other fringe benefits – salary sacrifice	23,016
Superannuation	72,841
	163,762

(b) Employee benefits paid to employees (excluding office holders) were as follows

	2006
	\$
Motor vehicle and telephone expenses	27,962
Other fringe benefits – salary sacrifice	23,016
Superannuation	84,493
	135,471

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

NOTE 15 RELATED PARTY TRANSACTIONS

Included in the reporting unit's current assets is an amount of \$5,359 (2005: Nil) receivable from the Federal Office of the Transport Workers Union in relation to expenses reimbursements.

Included in the reporting unit's current liabilities is an amount of \$51,338 (2005: \$52,666) owing to the Federal Office of the Transport Workers Union in relation to outstanding sustentation fees payable to 31 December 2006.

NOTE 16 ECONOMIC DEPENDENCY

The Branch office is dependent on the Federal Office for the following:

	2006	2005
	\$	\$
Federal Office Assistance grants	-	50,000
Federal Office Expense Reimbursements	13,863	36,352

NOTE 17 POLITICAL AND SPONSORSHIP FUND

The Transport Workers Union (WA Branch) maintains a separate account known as the "Political Fund and Sponsorship Account". Funds received from advertising and sponsorship revenue are deposited to this account. The account is then used to pay out political donations, sponsorships and affiliation fees.

The balance of the fund as at 31 December 2006 was \$41,266 (2005: \$46,525) with the funds being held in a separate Commonwealth Bank account, which is interest bearing.

NOTE 18 SEGMENT INFORMATION

The branch, which is a division of the Transport Workers' Union of Australia, operates exclusively in Western Australia.

NOTE 19 DIVIDENDS

No dividends have been paid or proposed during the year.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

NOTE 20 COMMITMENTS

There are no capital commitments, lease commitments or contractual obligations as at 31 December 2006.

NOTE 21 SUBSEQUENT EVENTS

There are no significant events arising between the reporting date and the date that this report is signed which would have a material effect on the reading or understanding of this financial report.

NOTE 22 DOMICILE

The entity is a trade union, domiciled in Australia and operating from 3rd Floor, Beaufort Street, Perth, Western Australia, 6849.

NOTE 23 AUDITOR'S REMUNERATION

	2006	2005
	\$	\$
Audit services	9,400	8,955
Non audit services	-	-
Accountancy work by related practice	2,990	2,900

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

WAGE RECOUPMENT TRUST ACCOUNT

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006**

	2006	2005
	\$	\$
INCOME		
Trust receipts	15,870	27,177
Interest received	-	19
	15,870	27,196
 EXPENSES		
Bank fees	-	15
Trust payments, wages recovered & admin charges	13,765	33,767
	13,765	33,782
 Surplus / (Deficiency) of income over expenditure	2,105	(6,586)

**BALANCE SHEET
AS AT 31 DECEMBER 2006**

ASSETS		
Cash at Bank	6,611	4,506
 LIABILITIES		
Unclaimed monies	893	345
Amount payable due to deposit error	-	548
 NET ASSETS	5,718	3,613
 ACCUMULATED FUNDS		
Accumulated funds at the beginning of the year	3,613	10,199
Surplus / (Deficiency) of income over expenditure for the year	2,105	(6,586)
Accumulated funds at the end of the year	5,718	3,613

Cash funds are held in an interest bearing account at the Commonwealth Bank of Australia.

**STATEMENT OF RECEIPTS AND PAYMENTS FOR
RECOVERY OF WAGES ACTIVITY
CASH BASIS
FOR THE YEAR ENDED 31 DECEMBER 2006
(Prepared on a Cash Basis)**

	2006 \$	2005 \$
Cash assets in respect of recovered money at the beginning of the year	4,506	11,092
Receipts		
Amounts recovered from employers	15,870	27,177
Interest received on recovered money	-	19
Total receipts	<u>15,870</u>	<u>27,196</u>
Payments		
Deductions of amounts due in respect of membership for:		
- 12 months or less	-	-
- greater than 12 months	-	-
Deductions or donations or other contributions to accounts or funds of:		
- the reporting unit	-	-
- another reporting unit of the organisation	-	-
- name of other entity	-	-
Deductions of fees charged or expense reimbursements to reporting unit	-	15
Distributed to workers as recovered wages	13,765	33,767
Total payments	<u>13,765</u>	<u>33,782</u>
Cash assets in respect of recovered money at the end of the year	<u>6,611</u>	<u>4,506</u>

Wages recouped in the year related to 4 workers (2005: 6 workers).

Aggregate recouped wages payable to workers but not yet distributed as at 31 December 2006 amount to \$2,450 (2005: \$345) and relates to 1 (2005: 1) worker.

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE
TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

TEDDY BEAR APPEAL TRUST ACCOUNT

Scope

We have audited the financial report, being a special purpose financial report, of the Transport Workers' Union of Australia, Western Australian Branch, Teddy Bear Appeal Trust Account, for the year ended 31 December 2006 as set out on pages 23 and 24. The members of the Committee are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the needs of the members. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Transport Workers' Union of Australia, Western Australian Branch. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Branch. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1 so as to present a view which is consistent with our understanding of the Trust Account's financial position and performance as represented by the results of its operations. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

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

Audit Opinion

In our opinion, the financial report presents fairly in accordance with the accounting policies as described in Note 1 to the financial statements, the financial position of the Teddy Bear Appeal Trust Account as at 31 December 2006 and the results of its operations.

Butler Settineri (Audit) Pty Ltd
BUTLER SETTINERI (AUDIT) PTY LTD

Paul J Chabrel
PAUL J CHABREL
Director

Perth
Date: 7 May 2007

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

TEDDY BEAR APPEAL TRUST ACCOUNT

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006**

	2006 \$	2005 \$
INCOME		
Other Income	4,000	4,000
Interest income	39	34
Total income	4039	4,034
EXPENSES		
Bank fees	-	5
Donations and costs	4830	1,900
Total expenses	4830	1,905
(Deficit) / Surplus for the year	(791)	2,129

**BALANCE SHEET
AS AT 31 DECEMBER 2006**

ASSETS		
Cash at bank	12,503	13,294
LIABILITIES		
	-	-
TOTAL NET ASSETS	12,503	13,294
ACCUMULATED FUNDS		
Accumulated funds as at the beginning of the year	13,294	11,165
(Deficit) / Surplus for the year	(791)	2,129
Accumulated funds at the end of the year	12,503	13,294

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

TEDDY BEAR APPEAL TRUST ACCOUNT

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2006**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

This financial report is a special purpose financial report prepared for use by the branch administering the Trust. The Trustees have determined that the Trust is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards:

AAS 5 Materiality

AAS 8 Events Occurring After Reporting Date

No other Australian Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuation of non-current assets.



Jim McGiveron
Branch Secretary

Transport Workers Union
Western Australian Branch

ABN 37 494 080 581

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PO Box 8497 Perth Business Centre Perth 6849
Phone: (08) 9328 7477 • Facsimile: (08) 9227 8320

FRZ 006/631

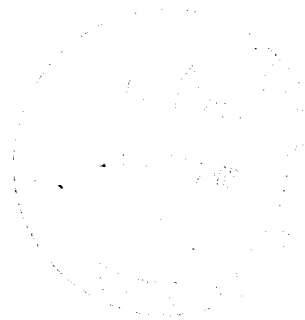
Certificate of Secretary or other Authorised Officer
S268 of Schedule 1B Workplace Relations Act 1996

I James Lawrence McGiveron of the Transport Workers Union of Australia
Western Australian Branch certify:

- That the documents lodged herewith are copies of the full report, and the concise report, referred to in s268 of the RAO Schedule; and
- That the concise report was provided to members on the 21st May 2007; and
- That the full report was presented to a second meeting on the Branch Committee of Management on the 28th May 2007; in accordance with section 266 of the RAO Schedule.

Signed:

Date: 5th June 2007



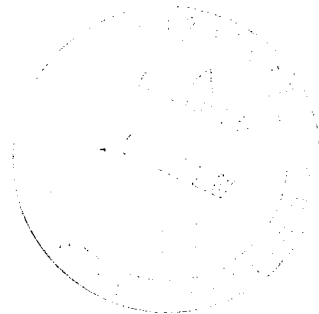
FR 2006/631
(Concise Report)

TRANSPORT WORKERS' UNION OF AUSTRALIA

WESTERN AUSTRALIAN BRANCH

AUDITED GENERAL PURPOSE CONCISE FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2006



**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**STATEMENT AS REQUIRED BY PARAGRAPH
265(3)(e) OF THE RAO SCHEDULE**

The enclosed concise financial report has been derived from the full audited financial report.

As it is only an extract, it cannot be expected to provide as full an understanding of the financial performance, financial position and financial and investing activities of the Branch as the full financial report would show.

Further financial information can be obtained from the financial report which is available on request to the branch.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**INDEX TO CONCISE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2006**

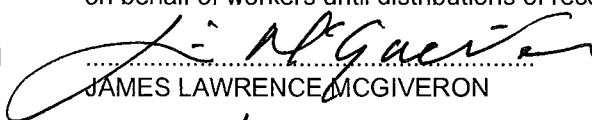
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COMMITTEE OF MANAGEMENT STATEMENT

In accordance with a resolution of the committee of management passed at their meeting of 1st May, 2007, in the opinion of the Committee of Management:

- 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 year to which they relate;
- d) information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar;
- e) 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; and
- f) during the financial period ended 31 December 2006 and since the end of the 2006 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 the branch concerned; and
 - (iii). the financial records of the reporting units have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv). there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
- g) in relation to the recovery of wages activity:
 - (i). the financial report on the recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
 - (ii). the committee of management caused the auditor to include in the scope of the audit required under section 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenue has been derived for the financial year in respect of such activity; and
 - (iii). no fees or reimbursements of expenses in relation to the recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on the recovery of wages activity and the notes to the financial statements; and
 - (iv). that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v). no fees or reimbursements of expenses in relation to recovery of wages activity or donation or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to workers.

Signed


.....
JAMES LAWRENCE MCGIVERON

Dated this *1st* day of *May* 2007

OPERATING REPORT

PRINCIPAL ACTIVITIES

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

The Unions 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 Union.

There were no significant changes in the nature of the Unions principal activities during the reporting period.

FINANCIAL AFFAIRS

There were no significant changes to the Unions financial affairs during the reporting period.

MEMBERSHIP OF THE UNION

The number of persons that were, as of the 31st December 2006, recorded in the register of members was 9400.

EMPLOYEES OF THE UNION

The number of persons who were, as of the 31st December 2006, employees of the reporting unit, including both full-time employees and part-time employees was 14.

RESIGNATION FROM UNION

Clause 11 of our rules details the right of a member to resign from the union:

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;

whichever is later; or

(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 Dues 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 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 was not effected in accordance with this rule, if the Member is informed in writing by the Union that the resignation has been accepted.

SUPERANNUATION FUND TRUSTEES OR DIRECTORS

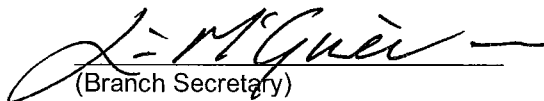
James Lawrence McGiveron is a Director of the TWU Superannuation Fund

COMMITTEE OF MANAGEMENT

The name of each person who was a member of the Committee of Management of the reporting unit during the financial year ended 31st December 2006, and the period for which he or she held such a position during that year is detailed as follows:

Committee Member	Period Position Held
Ray McMillan	01/01/06 – 31/12/06
Mark Bebich	01/01/06 – 31/12/06
James McGiveron	01/01/06 – 31/12/06
Richard Burton	01/01/06 – 31/12/06
Robert Dunn	01/01/06 – 31/12/06
Paul Aslan	01/01/06 – 31/12/06
John Cain	01/01/06 – 31/12/06
John Davis	01/01/06 – 31/12/06
Timothy Dawson	01/01/06 – 31/12/06
Neville Hodgson	01/01/06 – 31/12/06
John Johnston	01/01/06 – 31/12/06
Michael Knowles	01/01/06 – 31/12/06
Jeff Williams	01/01/06 – 31/12/06
Jenny Davies	November 06 – 31/12/06

Signed:


 (Branch Secretary)

Date: 1st May 2007



**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE
TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

Scope

We have inspected the accounting records and have audited the concise financial report, being a general purpose financial report, of the Transport Workers' Union of Australia, Western Australian Branch, for the year ended 31 December 2006 as set out on pages 4 to 12. The members of the Committee are responsible for the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the needs of the members.

We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Transport Workers' Union of Australia, Western Australian Branch. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Branch. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included the examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1 so as to present a view which is consistent with our understanding of the Branch's financial position and performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

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

Audit Opinion

In our opinion:

- (a) the general purpose concise financial report is presented fairly in accordance with Australian Accounting Standards; and
- (b) satisfactory accounting records were kept by the organisation in respect of the year detailing the sources and nature of the income of the organisation (including income from members) and the nature and purpose of expenditure, and
- (c) the attached accounts and statements, prepared under the historical cost convention, and in accordance with section 273 of the Workplace Relations Act 1996, are properly drawn up so as to present fairly:
 - (i) the financial affairs of the organisation as at 31 December 2006;

**BUTLER
SETTINERI**

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West Perth 6872
Western Australia**

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Email: mail@butlersettineri.com.au

Directors:
Colin Butler
FCA
Paul Chabrel
FCA
Lucy Gardner
CA

- (ii) the income and expenditure, cash flows and surplus of the organisation for the year ended on that date.
- (d) all the information and explanations requested from officers and employees of the organisation were adequately provided.
- (e) the assets held by the West Australian Branch of the Union form part of the Federal Union assets.

Butler Settineri (Audit) Pty Ltd
BUTLER SETTINERI (AUDIT) PTY LTD

Paul J Chabrel
PAUL J CHABREL
Director

Perth
Date: 7 May 2007

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006**

	2006 \$	2005 \$
Revenue from operations	3,319,595	3,391,501
Depreciation and amortisation expense	(108,118)	(77,355)
Borrowing costs expense	-	(1,757)
Other expenses from ordinary activities	(2,581,196)	(2,663,152)
Operating surplus	<u>630,281</u>	<u>649,237</u>

The accompanying notes form part of this financial report.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**BALANCE SHEET
AS AT 31 DECEMBER 2006**

	2006	2005
	\$	\$
CURRENT ASSETS		
Cash assets	3,110,548	2,293,814
Receivables	55,433	78,385
Prepaid expenses	7,438	5,264
Total Current Assets	3,173,419	2,377,463
FIXED ASSETS		
Property, plant and equipment	882,022	914,235
Investment property	-	160,000
Total Fixed Assets	882,022	1,074,235
TOTAL ASSETS	4,055,441	3,451,698
CURRENT LIABILITIES		
Accounts payable	211,343	214,414
Provision for employee benefits	226,984	180,994
Borrowings	-	-
Total Current Liabilities	438,327	395,408
TOTAL LIABILITIES	438,327	395,408
TOTAL NET ASSETS	3,617,114	3,056,290
MEMBERS' FUNDS & RESERVES		
Accumulated funds	3,213,664	2,583,383
Asset revaluation reserve	403,450	472,907
	3,617,114	3,056,290

The accompanying notes form part of this financial report.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2006**

	2006 \$	2005 \$
Total equity at the beginning of the year	3,056,290	2,026,455
Surplus reported for the year	630,281	649,237
Revaluation increment for the year	-	380,598
Revaluation decrement for the year	(69,457)	-
Total equity at the end of the year	<u>3,617,114</u>	<u>3,056,290</u>

The accompanying notes form part of this financial report.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006**

	2006	2005
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Membership receipts	2,895,650	2,915,244
Interest received	159,814	61,707
Other income	232,079	341,415
Sustentation fees paid	(342,249)	(303,219)
Payments to suppliers and employees	(2,210,201)	(2,431,515)
Interest paid	-	(1,757)
Net cash provided by operating activities	735,093	581,875
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for plant & equipment	(149,306)	(353,191)
Proceeds on sale of plant & equipment	66,546	99,231
Proceeds on sale of investment property	164,401	219,356
Net cash used in investing activities	81,641	(34,604)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-	(18,332)
Net cash used in financing activities	-	(18,332)
Net increase in cash held	816,734	528,939
Cash at the beginning of the financial year	2,293,814	1,764,875
Cash at the end of the financial year	3,110,548	2,293,814

The accompanying notes form part of this financial report.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This general purpose 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 Corporations Act 2001.

The financial report has also been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities, certain classes of property, plant and equipment and investment property.

The following is a summary of the material accounting policies adopted by the branch in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

(a) Income Tax

The Union is exempt from income tax under s 50-15 ITAA 1997 Act.

(b) Revenue Recognition

Revenue is recognised at the fair value of the consideration received or receivable.

(c) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

For the purposes of the Cash Flow Statement, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 2 working days, net of outstanding overdrafts.

(d) Receivables

Trade and sundry debtors are initially recognised at fair value and subsequently measured net of provision for doubtful debts. Recovery of receivables is reviewed on a regular basis, and uncollectible balances are written off.

Interest due on term deposits is recognised as income on an accrual basis.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Plant and equipment

Items of property, plant and equipment are carried at cost less accumulated depreciation. Depreciation is charged on a basis and at rates designed to write off the cost of assets over their estimated useful life to the branch.

Plant & equipment	7.5% - 40% reducing balance
Office refurbishments	10% - 37.5% reducing balance
Motor vehicles	18.75% reducing balance

Independent assessments of the fair value of land and buildings are obtained based on existing use and such assessments are used as a guide when revaluations are made. Revaluation increments are to be credited directly to the asset revaluation reserve. A revaluation decrement is recognised as an expense in the statement of income and expenditure except to the extent that the decrement revises a revaluation increment previously credited to the revaluation reserve.

(f) Investment property

Investment property, principally comprising strata titled office buildings, is held for long term rental yields and is not occupied by the branch. Investment property is carried at fair value, representing open-market value determined periodically by external valuers. Changes in fair values are recorded in the income statement. Property is amortised at 2% reducing balance per annum.

(g) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in future for goods and services received, whether billed or not billed to the company.

(h) Interest bearing liabilities

Interest bearing liabilities relate to a loan and are carried at the principal amount.

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NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Provision for employee benefits

Liabilities for annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for long service leave are recognised in current liabilities.

(j) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

NOTE 2 INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996 (RAO Schedules), the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272.

272(1) (Application for Information) 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.

272(2) (Form of Application) 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.

272(3) (Compliance) A reporting unit must comply with the application made under subsection (1).

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NOTE 3 SEGMENT INFORMATION

The branch, which is a division of the Transport Workers' Union of Australia, operates exclusively in Western Australia.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH**

**REPORT TO MEMBERS
ANALYSIS OF FINANCIAL PERFORMANCE AND FINANCIAL POSITION**

Financial Performance

The Western Australian Branch of the Transport Workers Union produced an operating surplus of \$630,281 for the year ended 31 December 2006, a decrease of \$18,956 on the 2005 result.

Revenue

Revenue from branch operating activities has decreased by \$71,906 for the year ended 31 December 2006.

The predominant contributor to the decreased revenue is the removal of the Federal Office assistance grant in 2006 which contributed \$50,000 in the 2005 year.

Expenditure

Operating expenditure for the year ended 31 December 2006 totalled \$2,661,196 which has decreased by \$1,956. This represents a 0.07% decrease from the 2005 year.

Financial Position

During the 31 December 2006 year, the Western Australian Branch of the Union improved its net asset position by in excess of half a million dollars.

The increase in net assets relates to the operating surplus generated during the 2006 year.