



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition St, Melbourne Vic 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7990 - Fax: (03) 9655 0410
andrew.schultz@air.gov.au

Mr Jim McGiveron
WA Branch Secretary
Transport Workers' Union of Australia
82 Beaufort St
PERTH WA 6000

By email - info@wa.twu.com.au

Dear Mr McGiveron,

Re: Financial Report - Year ending 31 December 2007 - FR2007/637
Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)

I have received a revised Designated Officer's Certificate relating to the financial accounts of the TWU – WA Branch for year ending 31 December 2007. The certificate was lodged on 28 July 2008.

The revised certificate states that the Concise Financial Report (including the Operating Report) was provided to members on 7 July 2008 and the Full Financial Report was presented to a meeting of the Committee of Management on 23 July 2008.

Thank you for your assistance.

In future years please ensure that financial documents are only provided to members and presented to a final meeting *after* all of the financial documents have been completed.

If you have any queries regarding the above please contact me on (03) 8661 7990.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Andrew Schultz', written over a horizontal line.

Andrew Schultz
Statutory Services Branch

28 July 2008



Jim McGiveron
Branch Secretary

**Transport Workers Union
Western Australian Branch**

ABN 37 494 080 681

3rd Floor, 82 Beaufort Street Perth Western Australia
PO Box 8497 Perth Business Centre Perth 6849
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FR 2007/637

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 27th May 2008; and
- That the full report was presented to a second meeting on the Branch Committee of Management on the 27th May 2008; in accordance with section 266 of the RAO Schedule.

Signed:

Date:

6/6/07



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WA Branch Secretary
Transport Workers' Union of Australia
82 Beaufort St
PERTH WA 6000

By email – info@wa.twu.com.au

Dear Mr McGiveron,

Re: Financial Report - Year ending 31 December 2007 - FR2007/637
Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)

I have received the Financial Report and Concise Report for the WA Branch of the TWU for the year ending 31 December 2007. The documents were lodged on 12 June 2008.

Further action is required as set out below.

Documents to be provided to members and meeting

The Designated Officer's Certificate stated that:

- the Financial Report was presented to the Committee of Management on 27 May 2008,
- the Concise Report was provided to members on 27 May 2008

However the Audit Report for the Full Report and the Audit Report for the Concise Report were both dated 29 May 2008 – the inconsistency between these dates suggest that:

- the Audit Report for the Financial Report has not yet been presented to a meeting, and
- the Audit Report for the Concise Report has not yet been provided to members.

Concise Report to include Operating Report

It is also noted that the Concise Report did not include a copy of the Operating Report as required by s265(3)(b) of the RAO Schedule.

Action required:

Would you arrange for the following steps to be taken at your earliest convenience:

1. Provide the complete Concise Report to the members (including the Operating Report and the Audit Report to the Concise Report).
2. Present the complete Financial Report to a Committee of Management Meeting (including the Audit Report to the Financial Report).
3. After steps 1 and 2 have been taken, relodge a full copy of the Financial Report and a full copy of the Concise Report in the Registry under cover of a new Designated Officer's Certificate that confirms that the documents have been provided to the members and presented to a meeting as required by s265, 266 and 268 of the RAO Schedule.

If you have any queries regarding the above please contact me on (03) 8661 7990.

Yours faithfully,

Andrew Schultz
Statutory Services Branch

27 June 2008

TRANSPORT WORKERS' UNION OF AUSTRALIA

WESTERN AUSTRALIAN BRANCH

AUDITED GENERAL PURPOSE FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2007

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

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2007**

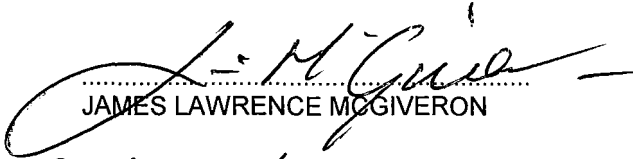
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COMMITTEE OF MANAGEMENT STATEMENT

In accordance with a resolution of the committee of management passed at their meeting of 29 April 2008, 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) 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
- e) during the financial period ended 31 December 2007 and since the end of the 2007 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.
- f) 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 *27th* day of *May* 2008



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

Scope

We have audited the attached financial report, being a general purpose financial report of The Transport Workers' Union of Australia, Western Australian Branch for the financial year ended 31 December 2007 as set out on pages 4 to 25.

Committee of Management's Responsibility for the Financial Report

The members of the Committee are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations).

This responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Butler Settinieri (Audit) Pty Ltd

A.C.N. 112 942 373

Registered Company Auditor Number 289109

Liability limited by a scheme approved under Professional Standards Legislation

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Directors:

Colin Butler

FCA

Paul Chabrel

FCA

Lucy Gardner

CA

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Auditor's Opinion

In our opinion, the financial report of The Transport Workers' Union of Australia, Western Australian branch is in accordance with section 273 of the Workplace Relations Act 1996, including:

- a) giving a true and fair view of the entity's financial position as at 31 December 2007 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards (including Australian Accounting Interpretations).

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

BUTLER SETTINERI (AUDIT) PTY LTD

Lucy Gardner

LUCY P GARDNER
Director

Perth
Date: 29 May 2008

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

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	NOTE	2007 \$	2006 \$
Revenue from operations	3	3,493,499	3,319,595
Depreciation and amortisation expense	4(a)	(93,144)	(108,118)
Borrowing costs expense	4(b)	-	-
Loss on disposal of fixed assets	4(c)	(4,525)	-
Other expenses from ordinary activities	4(d)	(2,743,034)	(2,581,196)
Operating surplus	11	<u>652,796</u>	<u>630,281</u>

The accompanying notes form part of this financial report.

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

**BALANCE SHEET
AS AT 31 DECEMBER 2007**

	NOTE	2007 \$	2006 \$
CURRENT ASSETS			
Cash and cash equivalents	14(a)	3,434,902	3,110,548
Trade and other receivables	5	67,162	55,433
Prepaid expenses		5,642	7,438
Total Current Assets		<u>3,507,706</u>	<u>3,173,419</u>
NON CURRENT ASSETS			
Property, plant and equipment	7	852,026	882,022
Investment property	8	342,258	-
Total Non Current Assets		<u>1,194,284</u>	<u>882,022</u>
TOTAL ASSETS		<u>4,701,990</u>	<u>4,055,441</u>
CURRENT LIABILITIES			
Trade and other payables	9	162,290	211,343
Provisions	10	45,691	40,848
Total Current Liabilities		<u>207,981</u>	<u>252,191</u>
NON CURRENT LIABILITIES			
Provisions	10	224,099	186,136
Total Non Current Liabilities		<u>224,099</u>	<u>186,136</u>
TOTAL LIABILITIES		<u>432,080</u>	<u>438,327</u>
TOTAL NET ASSETS		<u>4,269,910</u>	<u>3,617,114</u>
MEMBERS' FUNDS & RESERVES			
Accumulated funds	11	3,866,460	3,213,664
Asset revaluation reserve	12	403,450	403,450
		<u>4,269,910</u>	<u>3,617,114</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 2007**

	2007	2006
	\$	\$
Total equity at the beginning of the year	3,617,114	3,056,290
Surplus reported for the year	652,796	630,281
Revaluation decrement for the year	-	(69,457)
Total equity at the end of the year	<u>4,269,910</u>	<u>3,617,114</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 2007**

	NOTE	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Membership receipts		3,147,136	2,895,650
Interest received		171,631	159,814
Other income		180,388	232,079
Sustentation fees paid		(315,708)	(342,249)
Payments to suppliers and employees		(2,449,162)	(2,210,201)
Net cash provided by operating activities	14(b)	734,285	735,093
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for plant & equipment		(81,309)	(149,306)
Payment for investment property		(342,258)	-
Proceeds on sale of plant & equipment		13,636	66,546
Proceeds on sale of investment property		-	164,401
Net cash (used in) / from investing activities		(409,931)	81,641
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		-	-
Net cash used in financing activities		-	-
Net increase in cash held		324,354	816,734
Cash at the beginning of the financial year		3,110,548	2,293,814
Cash at the end of the financial year	14(a)	3,434,902	3,110,548

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 2007**

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 and Urgent Issues Group Interpretations.

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 board evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and internally. There were no such key estimates or judgements made in these financial statements.

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.

(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.

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

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

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

(d) Trade and other 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.

(e) Property, plant and equipment

Items of plant and equipment are carried at cost less accumulated depreciation. Property is carried at valuation. Depreciation is charged on a basis and at rates designed to write off the carrying value of assets over their estimated useful life to the Branch.

Property	2.5% straight line
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 an industrial unit, is held for short term rental yields and is not occupied by the branch yet. Investment property is carried at cost. Future changes in fair values will be recorded in the income statement. Property is amortised at 2.5% straight line 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.

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

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

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

(h) Provision for employee benefits

Liabilities for annual leave are recognised in either current liabilities or non 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 either current liabilities or non current liabilities.

(i) 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 2007**

	2007	2006
	\$	\$
NOTE 3 REVENUE		
Membership subscriptions	3,118,262	2,885,941
Initial entrance fees	14,600	9,709
Federal Committee expenses reimbursement	5,089	18,735
Legal reimbursement	-	50
Super Fund Director reimbursement	112,382	115,706
Specific grant income – Bluecard development	5,057	1,488
Advertising and sponsorship	46,562	63,394
Interest received	175,726	131,178
Profit on the sale of plant & equipment	-	67,005
Promotional products revenue	1,750	-
Sundry income	14,071	26,389
Total operating revenue	<u>3,493,499</u>	<u>3,319,595</u>

NOTE 4 EXPENDITURE

(a) Depreciation

The total depreciation charge is made up as follows:

Buildings	13,500	13,500
Plant and equipment	73,360	87,508
Office refurbishments	6,284	7,110
	<u>93,144</u>	<u>108,118</u>

(b) Borrowing costs

Borrowing costs relate to the following:

Loan interest	<u>-</u>	<u>-</u>
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(c) Loss on sale of fixed assets

Loss on sale of fixed assets	<u>4,525</u>	<u>-</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 2007**

NOTE 4	EXPENDITURE (CONT'D)	2007	2006
		\$	\$
(d)	Other expenses is made up as follows:		
	Advertising	111,000	49,308
	Affiliation fees	73,152	62,114
	Annual leave	2,441	8,188
	Audit and accountancy fees	12,349	18,585
	Bank charges	22,127	20,713
	Commission paid	9,773	9,773
	Compulsory levies to Federal Office levies	4,716	4,924
	Computer operating expenses	1,977	5,095
	Computer programming maintenance	21,259	15,320
	Consultancy fees	28,600	36,168
	Debt collection expenses	5,774	7,636
	Donations	4,787	2,000
	Federal council expenses	9,429	8,043
	Freight & couriers	3,945	2,519
	Fringe benefits tax	38,560	49,064
	Funeral benefit	24,000	16,000
	General expenses	10,020	10,000
	Hire of equipment	2,738	3,133
	Insurance	36,839	30,515
	Lease expenses	2,985	2,713
	Litigation and other legal costs	14,540	20,570
	Long service leave	40,365	38,102
	Meeting expenses	52,247	65,459
	Motor vehicle expenses	106,324	101,842
	Motor vehicle allowance	34,225	37,600
	Organisers' expenses - country	13,527	14,148
	Payroll tax	28,033	29,209
	Presidential honorarium fees	8,000	8,000
	Printing, stationery and stamps	243,072	197,874
	Promotional products purchases	48,343	44,076
	Rent, rates and electricity	37,778	34,432
	Repairs and maintenance	2,232	2,545
	Staff amenities	1,035	840
	Staff training	6,065	3,653
	Subscriptions	6,602	7,036
	Superannuation contributions	158,516	157,334
	Sustentation fees – Federal Office	313,289	289,583
	Telephone	74,103	80,306
	Travelling and accommodation	86,503	93,080
	Uniforms	2,176	604
	Wages - Executive	350,908	334,111
	Wages - Other	688,680	658,980
		<u>2,743,034</u>	<u>2,581,196</u>

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

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

NOTE 4	EXPENDITURE (CONT'D)	2007	2006
		\$	\$
(e)	Affiliation fees were paid as follows:		
	Australian Labour Party	37,816	28,398
	Trades and Labour Council	35,336	33,716
		<u>73,152</u>	<u>62,114</u>
(f)	Donations were made as follows:		
	86 Transport Vietnam Reunion	500	-
	Bus Preservation Society	500	-
	Member Donation	3,787	2,000
		<u>4,787</u>	<u>2,000</u>
(g)	Meeting fees and expenses were paid as follows:		
	Branch Committee of Management	19,723	20,701
	Other meeting expenses	32,524	44,758
		<u>52,247</u>	<u>65,459</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	9,917	8,082
	Superannuation Fund Director Attendance	2,415	2,242
		<u>12,332</u>	<u>10,324</u>
NOTE 5	TRADE AND OTHER RECEIVABLES		
	Trade receivables	1,320	11,071
	Sundry debtors	17,386	-
	Accrued interest	28,456	24,362
	Office holder loan	20,000	20,000
		<u>67,162</u>	<u>55,433</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 2007**

NOTE 6 FINANCIAL INSTRUMENTS

a) Interest Rate Risk

All assets recognised in the balance sheet are carried at cost and are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

Financial instruments	Weighted average effective interest rate %	Floating interest rate \$	Non-interest bearing \$	Total \$
31 December 2007				
<i>Financial assets:</i>				
Cash and cash equivalents	5.33	3,434,282	620	3,434,902
Trade and other receivables	0.00	-	67,162	67,162
		3,434,282	67,782	3,502,064
<i>Financial liabilities:</i>				
Trade and other payables	0.00	-	162,290	162,290
		-	162,290	162,290

Financial instruments	Weighted average effective interest rate %	Floating interest rate \$	Non-interest bearing \$	Total \$
31 December 2006				
<i>Financial assets:</i>				
Cash and cash equivalents	5.08	3,110,409	139	3,110,548
Trade and other receivables	0.00	-	55,433	55,433
		3,110,409	55,572	3,165,981
<i>Financial liabilities:</i>				
Trade and other payables	0.00	-	211,343	211,343
		-	211,343	211,343

b) Net Fair Values of Financial Assets and Liabilities

The net fair value of financial assets and financial liabilities approximates the carrying amount of the financial assets and financial liabilities as indicated in the Balance Sheet. There are no unrecognised financial assets or financial liabilities as at 31 December 2007.

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

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

NOTE 6 FINANCIAL INSTRUMENTS (CONT'D)

c) Credit Risk Exposure

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The credit risk of financial assets of the entity which have been recognised on the Balance Sheet is the carrying amount, net of any provision for doubtful debts.

	2007 \$	2006 \$
NOTE 7 PROPERTY, PLANT AND EQUIPMENT		
Land and buildings at valuation	540,000	540,000
Less: Accumulated depreciation	(27,000)	(13,500)
Plant and equipment at cost	555,517	510,429
Less: Accumulated depreciation	(276,048)	(220,748)
Office refurbishment at cost	107,472	107,472
Less: Accumulated depreciation	(53,579)	(47,295)
Library at valuation	5,664	5,664
Total property, plant and equipment	852,026	882,022

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 forms 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 remaining Investment Property (Note 7). The Transport Workers Union has a policy of revaluing land and buildings every three years

	Land and Buildings \$	Plant & Equipment \$	Office Refurbishment \$	Library \$	Total \$
Balance at 1 Jan 2007	526,500	289,681	60,177	5,664	882,022
Additions	-	81,309	-	-	81,309
Revaluation (Note 11)	-	-	-	-	-
Disposals	-	(18,161)	-	-	(18,161)
Depreciation	(13,500)	(73,360)	(6,284)	-	(93,144)
Balance at 31 Dec 2007	513,000	279,469	53,893	5,664	852,026

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

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

NOTE 8 INVESTMENT PROPERTY

	2007	2006
	\$	\$
Property held for lease at 1 January 2007	-	160,000
Investment property acquired – at cost	342,258	-
Investment property disposed	-	(160,000)
Revaluation increment (Note 11)	-	-
Property held for lease at 31 December 2007	<u>342,258</u>	<u>-</u>

Details of the revaluation during the year at Note 6.

NOTE 9 TRADE AND OTHER PAYABLES

Trade & Sundry creditors	97,543	95,927
GST payable (net)	25,412	70,619
Payroll liabilities	39,335	44,797
	<u>162,290</u>	<u>211,343</u>

NOTE 10 PROVISIONS

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 2007	78,913	148,071	226,984
Net credit for the year	2,441	40,365	42,806
Balance at 31 December 2007	<u>81,354</u>	<u>188,436</u>	<u>269,790</u>
Current	26,847	18,844	45,691
Non Current	54,507	169,592	224,099
	<u>81,354</u>	<u>188,436</u>	<u>269,790</u>

Employee benefits are payable as follows:

Benefits payable to reporting unit officeholders	146,750
Benefits payable to other employees (excluding officeholders)	123,040
	<u>269,790</u>

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

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

NOTE 11 ACCUMULATED FUNDS	2007 \$	2006 \$
Accumulated funds at the beginning of the year	3,213,664	2,583,383
Operating surplus for the year	652,796	630,281
Accumulated funds at the end of the year	<u>3,866,460</u>	<u>3,213,664</u>

NOTE 12 ASSET REVALUATION RESERVE

Balance brought forward as at 1 January 2007	403,450	472,907
Revaluation increment for the year		
Revaluation elimination on disposal	-	(69,457)
Balance carried forward as at 31 December 2007	<u>403,450</u>	<u>403,450</u>

Details of the revaluation during the year at Note 6.

NOTE 13 CONTINGENT LIABILITIES

No material contingent liabilities exist as at 31 December 2007.

NOTE 14 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	620	139
Cash at bank – Bluecard Training account	30,259	24,689
Cash at bank – Political / Sponsorship account	19,982	41,266
Cash at bank – General account	1,965,130	1,709,169
Cash at bank – Term deposit	1,418,911	1,335,285
	<u>3,434,902</u>	<u>3,110,548</u>

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

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

NOTE 14 NOTES TO THE STATEMENT OF CASH FLOWS (CONTINUED)

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

	2007	2006
	\$	\$
Operating surplus	652,796	630,281
Non-cash flows in operating surplus:		
Depreciation	93,144	108,118
Interest accrual	(4,095)	28,636
(Profit)/loss on sale of assets	4,525	(67,005)
Changes in assets and liabilities:		
(Increase) / Decrease in receivables	(7,634)	(5,684)
(Increase) / Decrease in prepayments	1,796	(2,174)
Increase / (Decrease) in accounts payable	(49,053)	(3,069)
Increase / (Decrease) in provisions	42,806	45,990
Net cash provided by operating activities	734,285	735,093

(c) Credit Standby Arrangements

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

NOTE 15 EMPLOYEE BENEFITS

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

	2007
	\$
Motor vehicle and telephone expenses	67,975
Other fringe benefits – salary sacrifice	22,601
Superannuation	67,754
	158,330

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

	2007
	\$
Motor vehicle and telephone expenses	25,597
Other fringe benefits – salary sacrifice	22,601
Superannuation	88,794
	136,992

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

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

NOTE 16 RELATED PARTY TRANSACTIONS

Included in the reporting unit's current assets is an amount of \$1,320 (2006: \$5,359) receivable from the Chifley Insurance Brokers in relation to sponsorship.

Included in the reporting unit's current liabilities is an amount of \$48,919 (2006: \$51,338) owing to the Federal Office of the Transport Workers Union in relation to outstanding sustentation fees payable to 31 December 2007.

NOTE 17 ECONOMIC DEPENDENCY

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

	2007	2006
	\$	\$
Federal Office Expense Reimbursements	5,089	13,863

NOTE 18 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 2007 was \$19,982 (2006: \$41,266) with the funds being held in a separate Commonwealth Bank account, which is interest bearing.

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

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

NOTE 19 SEGMENT INFORMATION

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

NOTE 20 DIVIDENDS

No dividends have been paid or proposed during the year.

NOTE 21 COMMITMENTS

There are no capital commitments, lease commitments or contractual obligations as at 31 December 2007.

NOTE 22 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 23 DOMICILE

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

NOTE 24 AUDITOR'S REMUNERATION

	2007	2006
	\$	\$
Audit services	9,289	9,400
Non audit services	-	-
Accountancy work by related practice	3,200	2,990

NOTE 25 FINANCIAL RISK MANAGEMENT AND OBJECTIVES

Risk exposures and responses

The entity has no exposure to foreign currency risk as activities are wholly performed within Australia.

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

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

NOTE 25 FINANCIAL RISK MANAGEMENT AND OBJECTIVES (CONT'D)

Price Risk

The entity has no exposure to price risk as there are no investments.

Credit Risk

The entity has limited exposure to credit risk which is associated with minimal receivables.

Liquidity Risk

The entity has limited exposure to liquidity risk as there are few payables and ample cash available to settle all payables.

Maturity analysis of financial assets and liabilities based on management's expectation

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows.

	2007	2006
	\$	\$
Cash and cash equivalents	3,434,902	3,110,548
Trade and other receivables	67,162	55,433
Trade and other payables	(162,290)	(211,343)
Net maturity total	<u>3,339,774</u>	<u>2,954,638</u>

Interest Rate Risk

The entity's exposure to market interest rates relates primarily to the entity's cash and cash equivalents.

At balance date the entity had no financial liabilities subject to interest rate movements and the following financial assets:

	2007	2006
	\$	\$
Cash and cash equivalents	<u>3,434,902</u>	<u>3,110,548</u>

The entity's policy is to review bank products and ensure the maximum rate of interest is earned on at call deposits.

The following sensitivity analysis is based on the interest rate risk exposure in existence at the balance sheet date.

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

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

NOTE 25 FINANCIAL RISK MANAGEMENT AND OBJECTIVES (CONT'D)

At 31 December 2007, if interest rates had moved as illustrated in the table below, with all other variables held constant, profit and equity would have been affected as follows:

	Profit (Higher) / lower		Equity (Higher) / lower	
	2007	2006	2007	2006
	\$	\$	\$	\$
+1% (100 basis points)	(40,748)	(31,680)	(40,748)	(31,680)

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

WAGE RECOUPMENT TRUST ACCOUNT

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007	2005
	\$	\$
INCOME		
Trust receipts	1,460	15,870
Interest received	-	-
	1,460	15,870
EXPENSES		
Bank fees	-	-
Trust payments, wages recovered & admin charges	2,450	13,765
	2,450	13,765
Deficiency of income over expenditure	(990)	2,105

**BALANCE SHEET
AS AT 31 DECEMBER 2007**

ASSETS		
Cash at Bank	1,460	6,611
LIABILITIES		
Unclaimed monies	893	893
Amount payable due to deposit error	-	-
NET ASSETS	567	5,718
ACCUMULATED FUNDS		
Accumulated funds at the beginning of the year	5,718	3,613
Deficiency of income over expenditure for the year	(990)	2,105
Amount paid out regarding deposit error	(4,161)	-
Accumulated funds at the end of the year	567	5,718

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 2007
(Prepared on a Cash Basis)**

	2007	2006
	\$	\$
Cash assets in respect of recovered money at the beginning of the year	6,611	4,506
Receipts		
Amounts recovered from employers	1,460	15,870
Interest received on recovered money	-	-
Total receipts	1,460	15,870
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	-	-
Distributed to workers as recovered wages	2,450	13,765
Amount paid out regarding deposit error	4,161	
Total payments	6,611	13,765
Cash assets in respect of recovered money at the end of the year	1,460	6,611

Wages recouped in the year related to 1 workers (2006: 4 workers).

Aggregate recouped wages payable to workers but not yet distributed as at 31 December 2007 amount to \$2,450 and relates to 1 worker.

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

WAGE RECOUPMENT TRUST ACCOUNT

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2007**

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:

AASB 1031 Materiality

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.



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

TEDDY BEAR APPEAL TRUST ACCOUNT

Scope

We have audited the attached 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 financial year ended 31 December 2007 as set out on pages 28 to 29.

Directors' Responsibility for the Financial Report

The members of the committee are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations).

This responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Butler Settinieri (Audit) Pty Ltd

A.C.N. 112 942 373

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Registered Company Auditor Number 289109

Liability limited by a scheme approved under Professional Standards Legislation

**BUTLER
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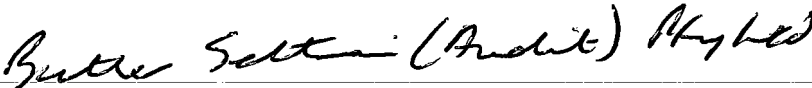
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Independence

In conducting our audit, we have complied with the independence requirements of the Australian Professional Accounting bodies.

Auditor's Opinion

In our opinion, the financial report of The Teddy Bear Appeal Trust Account presents fairly, in all material respects, the financial position of The Teddy Bear Appeal Trust Account as of 31 December 2007 and of its financial performance for the year then ended in accordance with the accounting policies described in note 1 to the financial statements.



BUTLER SETTINERI (AUDIT) PTY LTD



LUCY P GARDNER
Director

Perth
Date: 29 May 2008

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

TEDDY BEAR APPEAL TRUST ACCOUNT

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007	2006
	\$	\$
INCOME		
Other Income	55	4,000
Interest income	28	39
Total income	<u>83</u>	<u>4,039</u>
EXPENSES		
Bank fees	-	-
Donations and costs	3,133	4,830
Total expenses	<u>3,133</u>	<u>4,830</u>
Deficiency of income over expenditure	<u>(3,050)</u>	<u>(791)</u>

**BALANCE SHEET
AS AT 31 DECEMBER 2007**

ASSETS		
Cash at bank	9,453	12,503
LIABILITIES		
	-	-
TOTAL NET ASSETS	<u>9,453</u>	<u>12,503</u>
ACCUMULATED FUNDS		
Accumulated funds as at the beginning of the year	12,503	13,294
Surplus for the year	(3,050)	(791)
Accumulated funds at the end of the year	<u>9,453</u>	<u>12,503</u>

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

TEDDY BEAR APPEAL TRUST ACCOUNT

**NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2007**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(b) Basis of accounting

This financial report is a special purpose financial report prepared for use by the branch administering the Trust Account. 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:

AASB 1031 Materiality

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.

OPERATING REPORT 2007
TRANSPORT WORKERS UNION (WA BRANCH)

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 2007, recorded in the register of members was 9669.

EMPLOYEES OF THE UNION

The number of persons who were, as of the 31st December 2007, 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 noticed 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 by 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 2007, 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	01/01/07 – 31/12/07
Mark Bebich	01/01/07 – 31/12/07
James McGiveron	01/01/07 – 31/12/07
Richard Burton	01/01/07 – 31/12/07
Robert Dunn	01/01/07 – 31/12/07
Paul Aslan	01/01/07 – 31/12/07
John Cain	01/01/07 – 31/12/07
John Davis	01/01/07 – 31/12/07
Timothy Dawson	01/01/07 – 31/12/07
Neville Hodgson	01/01/07 – 31/12/07
John Johnston	01/01/07 – 31/12/07
Michael Knowles	01/01/07 – 31/12/07

Jeff Williams
Jenny Davies
Michael McGiveron

01/01/07 – 31/12/07
01/01/07 – 31/12/07
01/01/07 – 31/12/07

Signed:


(Branch Secretary)

Date: 27.5.08

TRANSPORT WORKERS' UNION OF AUSTRALIA

WESTERN AUSTRALIAN BRANCH

AUDITED GENERAL PURPOSE CONCISE FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2007

**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 free of charge 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 2007**

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6. Cash Flow Statement	7
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COMMITTEE OF MANAGEMENT STATEMENT

In accordance with a resolution of the committee of management passed at their meeting of 29 April 2008, in the opinion of the Committee of Management:

- a) the concise financial statements and notes comply with the Australian Accounting Standards;
- b) the concise financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- c) the concise 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) 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
- e) during the financial period ended 31 December 2007 and since the end of the 2007 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.
- f) 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 27th day of May 2008



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

Scope

We have audited the attached financial report, being a general purpose financial report of The Transport Workers' Union of Australia, Western Australian Branch for the financial year ended 31 December 2007 as set out on pages 4 to 12.

Committee of Management's Responsibility for the Financial Report

The members of the Committee are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standard AASB 1039: Concise Financial Reports.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

We also performed an independent audit of the full financial report of the union for the financial year ended 31 December 2007. Our audit report on the full financial report was signed on the same day as this one and was not subject to any qualification.

In conducting our audit of the concise financial report, we performed procedures to assess whether in all material respects the concise financial report is presented fairly in accordance with Australian Accounting Standard AASB 1039: Concise Financial Reports.

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

- testing that the information included in the concise financial report is consistent with the information in the full financial report, and
- examining, on a test basis, information to provide evidence supporting the amounts and other disclosures in the concise report which were not directly derived from the full financial report

Our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the concise financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Butler Settineri (Audit) Pty Ltd

A.C.N. 112 942 373

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Registered Company Auditor Number 289109

Liability limited by a scheme approved under Professional Standards Legislation

**BUTLER
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Directors:

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FCA

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CA

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Auditor's Opinion

In our opinion, the concise financial report of The Transport Workers' Union of Australia, Western Australian branch for the year ended 31 December 2007 complies with Australian Accounting Standard AASB 1039: Concise Financial Reports.

Butler Settineri (Auditor) Pty Ltd

BUTLER SETTINERI (AUDIT) PTY LTD

Lucy Gardner

LUCY P GARDNER
Director

Perth
Date: *29* May 2008

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

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007	2006
	\$	\$
Revenue from operations	3,493,499	3,319,595
Depreciation and amortisation expense	(93,144)	(108,118)
Borrowing costs expense	-	-
Loss on disposal of fixed assets	(4,525)	-
Other expenses from ordinary activities	(2,743,034)	(2,581,196)
Operating surplus	<u>652,796</u>	<u>630,281</u>

The accompanying notes form part of this financial report.

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

**BALANCE SHEET
AS AT 31 DECEMBER 2007**

	2007	2006
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	3,434,902	3,110,548
Trade and other receivables	67,162	55,433
Prepaid expenses	5,642	7,438
Total Current Assets	<u>3,507,706</u>	<u>3,173,419</u>
NON CURRENT ASSETS		
Property, plant and equipment	852,026	882,022
Investment property	342,258	-
Total Non Current Assets	<u>1,194,284</u>	<u>882,022</u>
TOTAL ASSETS	<u>4,701,990</u>	<u>4,055,441</u>
CURRENT LIABILITIES		
Trade and other payables	162,290	211,343
Provisions	45,691	40,848
Total Current Liabilities	<u>207,981</u>	<u>252,191</u>
NON CURRENT LIABILITIES		
Provisions	224,099	186,136
Total Non Current Liabilities	<u>224,099</u>	<u>186,136</u>
TOTAL LIABILITIES	<u>432,080</u>	<u>438,327</u>
TOTAL NET ASSETS	<u>4,269,910</u>	<u>3,617,114</u>
MEMBERS' FUNDS & RESERVES		
Accumulated funds	3,866,460	3,213,664
Asset revaluation reserve	403,450	403,450
	<u>4,269,910</u>	<u>3,617,114</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 2007**

	2007	2006
	\$	\$
Total equity at the beginning of the year	3,617,114	3,056,290
Surplus reported for the year	652,796	630,281
Revaluation decrement for the year	-	(69,457)
Total equity at the end of the year	<u>4,269,910</u>	<u>3,617,114</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 2007**

	2007	2006
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Membership receipts	3,147,136	2,895,650
Interest received	171,631	159,814
Other income	180,386	232,079
Sustentation fees paid	(315,708)	(342,249)
Payments to suppliers and employees	(2,449,162)	(2,210,201)
Net cash provided by operating activities	734,285	735,093
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for plant & equipment	(81,309)	(149,306)
Payment for Investment property	(342,258)	
Proceeds on sale of plant & equipment	13,636	66,546
Proceeds on sale of investment property	-	164,401
Net cash used in / from investing activities	(409,931)	81,641
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-	-
Net cash used in financing activities	-	-
Net increase in cash held	324,354	816,734
Cash at the beginning of the financial year	3,110,548	2,293,814
Cash at the end of the financial year	3,434,902	3,110,548

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 2007**

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 and Urgent Issues Group Interpretations.

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 and is presented in Australian dollars.

The board evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and internally. There were no such key estimates or judgements made in these financial statements.

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.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

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

(d) Trade and other 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.

(e) Plant and equipment

Property, plant and equipment

Items of plant and equipment are carried at cost less accumulated depreciation. Property is carried at valuation. Depreciation is charged on a basis and at rates designed to write off the carrying value of assets over their estimated useful life to the Branch.

Property	2.5% straight line
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 an industrial unit, is held for short term rental yields and is not occupied by the branch yet. Investment property is carried at cost. Future changes in fair values will be recorded in the income statement. Property is amortised at 2.5% straight line 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.

**TRANSPORT WORKERS' UNION OF AUSTRALIA
WESTERN AUSTRALIAN BRANCH
NOTES TO AND FORMING PART OF THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2007**

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

(h) 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.

(i) 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 2007**

NOTE 3 REVENUE

Membership subscriptions	3,118,262	2,885,941
Initial entrance fees	14,600	9,709
Federal Committee expenses reimbursement	5,089	18,735
Legal reimbursement	-	50
Super Fund Director reimbursement	112,382	115,706
Specific grant income – Bluecard development	5,057	1,488
Advertising and sponsorship	46,562	63,394
Interest received	175,726	131,178
Profit on the sale of plant & equipment	-	67,005
Promotional products revenue	1,750	-
Sundry income	14,071	26,389
Total operating revenue	<u>3,493,499</u>	<u>3,319,595</u>

NOTE 4 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 \$652,796 for the year ended 31 December 2007, an increase of \$22,515 on the 2006 result.

Revenue

Revenue from branch operating activities has increased by \$169,379 for the year ended 31 December 2007.

The predominant contributors to the increased revenue are the increase in membership subscriptions and interest received.

Expenditure

Operating expenditure for the year ended 31 December 2007 totalled \$2,836,178 which has increased by \$146,864. This represents a 5.5% increase from the 2006 year.

The main areas of expenditure contributing to the increases are as follows:

- Advertising costs
- Printing costs
- Wages and Salaries (executive)

Financial Position

During the 31 December 2007 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 2007 year. The debt to equity ratio is 1:10 (2006: 1:8)

Cash flows

The cash inflow exceeded the cash outflow for the year, \$734,285 net inflow from operating activities (2006: \$735,093) and a net cash outflow from investing activities of (\$409,931) (2006: inflow \$81,641).

Equity

The change in equity for the year related wholly to operating activities with no movement in any other equity account.