





# Australian Education Union

*Federal Office:*

*Ground Floor:* 120 Clarendon Street, Southbank, Victoria, 3006

*Federal Secretary:* Robert Durbridge

*Federal President:* Patricia Byrne

*Telephone:* 61 3 9693 1800

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Ref.: 31.1.1

16 March 2005

Mr Nicholas Wilson  
Industrial Registrar  
GPO Box 1994S  
MELBOURNE VIC 3001

Dear Mr Wilson,

**Re: Financial Documents for the Australian Education Union  
for year ended 30 September 2004**

In accordance with s268 of the Registration and Accountability of Organisations Schedule (Schedule 1B to the Workplace Relations Act 1996), I hereby lodge:

- (a) A copy of the AEU full Financial Report for the year ending 30 September 2004;
- (b) A copy of the concise report provided to members;
- (c) Secretary's Certificate that the documents lodged are copies of the documents provided to members and presented to the meeting of the Federal Executive of the Australian Education Union on 3 March 2005.

Yours sincerely,

A handwritten signature in cursive script, appearing to read "S Hopgood".

Susan Hopgood  
Deputy Federal Secretary



**AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE**  
ABN 16 006 296 647

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2004**

**BGL & ASSOCIATES**  
Chartered Accountants  
Suite One, Ground Floor, 598 St Kilda Road, Melbourne VIC 3004  
PO Box 6094 St Kilda Road Central VIC 8008  
Tel: (03) 9525 2511 Fax: (03) 9525 2829  
Email: [bgl@bglassociates.com.au](mailto:bgl@bglassociates.com.au)

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
ABN 16 006 296 647

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AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
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OPERATING REPORT

Your committee present the report on the union for the financial year ended 30 September 2004.

**Members of Committee**

The name of the members of committee of management in office at any time during or since the end of the financial year are:

Ann Taylor  
Andrew Gohl  
Jean Walker  
Clive Hagger  
Julie-Ann McCullough  
Mary Bluett  
Molly Kreidl  
Lynda Simon  
Steve Ryan  
Mike Poate  
Mike Keely  
Pat Byrne  
Nadine Williams  
Hayden Bromley  
Jennifer Leete  
Maree O'Hallaran  
Maurie Mulheron  
Angelo Gavrielatos  
Barry Johnson  
Graham Moloney (proxy for S Ryan)  
David Kelly (proxy for M Keely)  
John Battams (proxy for JA McCullough)  
Lynette Winch (proxy for S Ryan)

The members of committee of management have been in office since the start of the financial year to the date of this report unless otherwise stated.

**Operating Results**

The deficit of the entity for the financial year amounted to \$311,602.

**Review of Operations**

A review of the operations of the entity during the financial year and the results of those operations found that during the year, the entity continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

**Significant Changes in State of Affairs**

No significant changes in the state of affairs of the entity occurred during the financial year.

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OPERATING REPORT (continued)

**Principal Activity**

The principal activity of the entity during the financial year was promotion of union activities within the education sector. No significant change in the nature of these activities occurred during the year.

**After Balance Date Events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

**Union details**

The union has 20 employees at year end.

The number of members at 30 June 2004 was 155,737.

**Rights of members to resign**

Members may resign from the union in accordance with rule 17, which reads as follows:

**\*17 - Resignation from membership and termination of eligibility**

- (3) A member may resign from membership of the Union by written notice addressed to and delivered to the Secretary of the Branch to which the member is attached.
- (4) A notice of resignation from membership takes effect-
  - (a) where the member ceases to be eligible to become a member of the Union -
    - (i) on the day on which the notice is received at the office of the relevant Branch Secretary; or
    - (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member; whichever is later; or
  - (b) in any other case -
    - (i) at the end of 2 weeks after the notice is received at the office of the relevant Branch Secretary; or
    - (ii) on the day specified in the notice; whichever is later.
- (5) Any subscriptions, levies or fines which are due and payable but have not been paid by a former member in relation to a period before the member's resignation took effect, may be sued for and recovered in the name of the Union, in a court of competent jurisdiction, as a debt due to the Union.
- (6) A notice delivered to the relevant Branch Secretary shall be taken to have been received by the Union when it was delivered.
- (7) A notice of resignation that has been received at the office of the relevant Branch Secretary is not invalid because it was not addressed and delivered in accordance with sub-rule (1).
- (8) A resignation from membership is valid even if it is not effected in accordance with this section if the member is informed in writing by or on behalf of the Union that the resignation has been accepted.
- (9) A relevant Branch Secretary may accept a resignation from membership which is not effected in accordance with this Rule.
- (10) Where the relevant Branch Secretary accepts a resignation in accordance with the previous sub-rule the relevant Branch Secretary shall inform the member in writing that his/her resignation has been accepted.
- (11) On receipt of a written notice from a member that he/she has become ineligible for membership of the Union or a notice of resignation or on acceptance of a resignation which is not effected in accordance with this Rule, the Branch Secretary shall, as soon as possible notify the Federal Secretary that the member has become ineligible for membership or that the member has resigned."

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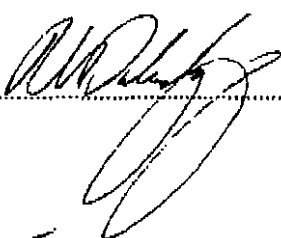
OPERATING REPORT (continued)

**Directorships of Superannuation Funds**

To the best of our knowledge and belief, no officer of the organisation, by virtue of their office of the Australian Education Union - Federal Office is:

- (i) a trustee of a superannuation entity or exempt public sector superannuation scheme; or
- (ii) a director of a company that is the trustee of a superannuation entity or an exempt public sector superannuation scheme; and
- (iii) where a criterion for the officer being the trustee or director is that the officer is an officer of a registered organisation.

Signed in accordance with a resolution of the Committee of Management:

Designated officer ..... 

Dated 14/1/05

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
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STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Notes	2004 \$	2003 \$
Revenues from ordinary activities	3	<u>3,784,520</u>	<u>3,478,344</u>
General expenses	21	(568,468)	(534,086)
Salary expenses	22	(1,693,023)	(1,385,813)
Meeting and conference expenses	23	(307,030)	(305,007)
AEU allocation		(80,000)	(80,000)
Australian Educator		(454,114)	(450,978)
Election expense	24	(875,927)	-
Special projects		(5,700)	(31,999)
TAFE expenses	25	<u>(111,860)</u>	<u>(114,504)</u>
		<u>(4,096,122)</u>	<u>(2,902,387)</u>
<b>(Deficit)/Surplus from ordinary activities</b>		<u><b>(311,602)</b></u>	<u><b>575,957</b></u>

The accompanying notes form part of these financial statements.



AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
ABN 16 006 296 647

STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2004

	Notes	2004 \$	2003 \$
<b>CURRENT ASSETS</b>			
Cash assets	6	1,209,623	1,702,416
Receivables	7	430,753	156,433
Other	8	<u>20,444</u>	<u>27,291</u>
<b>TOTAL CURRENT ASSETS</b>		<u><b>1,660,820</b></u>	<u><b>1,886,140</b></u>
<b>NON-CURRENT ASSETS</b>			
Receivables	7	133,080	164,156
Other financial assets	9	867,650	853,747
Property, plant and equipment	10	<u>389,325</u>	<u>379,214</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u><b>1,390,055</b></u>	<u><b>1,397,117</b></u>
<b>TOTAL ASSETS</b>		<u><b>3,050,875</b></u>	<u><b>3,283,257</b></u>
<b>CURRENT LIABILITIES</b>			
Payables	11	474,614	456,187
Interest-bearing liabilities	12	5,719	43,650
Provisions	13	<u>285,430</u>	<u>252,956</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u><b>765,763</b></u>	<u><b>752,793</b></u>
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing liabilities	12	125,038	128,449
Provisions	13	<u>377,657</u>	<u>307,996</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u><b>502,695</b></u>	<u><b>436,445</b></u>
<b>TOTAL LIABILITIES</b>		<u><b>1,268,458</b></u>	<u><b>1,189,238</b></u>
<b>NET ASSETS</b>		<u><b>1,782,417</b></u>	<u><b>2,094,019</b></u>
<b>MEMBERS FUND</b>			
Reserves	14	181,280	279,800
Accumulated surplus	15	<u>1,601,137</u>	<u>1,814,219</u>
<b>TOTAL MEMBERS FUND</b>		<u><b>1,782,417</b></u>	<u><b>2,094,019</b></u>

The accompanying notes form part of these financial statements.

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
ABN 16 006 296 647

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Notes	2004 \$	2003 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts of subscriptions		3,330,794	3,236,853
Sundry receipts		477,636	460,582
Payments to suppliers and employees		(4,251,960)	(2,895,852)
Interest received		52,660	39,894
Borrowing costs		<u>(9,508)</u>	<u>(9,306)</u>
Net cash provided by/(used in) operating activities	19 (b)	<u>(390,376)</u>	<u>832,171</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		(38,896)	(23,533)
Payment for investments		<u>(13,903)</u>	<u>(42,595)</u>
Net cash used in investing activities		<u>(52,799)</u>	<u>(66,128)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Loan repaid /(advanced)		29,476	(200,759)
Repayment of borrowings		<u>(45,525)</u>	<u>(41,008)</u>
Net cash used in financing activities		<u>(16,049)</u>	<u>(241,767)</u>
Net increase/(decrease) in cash held		(459,226)	524,276
Cash at beginning of financial year		<u>1,668,849</u>	<u>1,144,573</u>
Cash at end of financial year	19 (a)	<u>1,209,623</u>	<u>1,668,849</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

Australian Education Union - Federal Office is a registered body under the Workplace Relations Act 1996. The purpose of the entity is to protect and improve employment conditions and entitlements for members.

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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

**(a) Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

**(b) Property, Plant and Equipment**

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

*Property*

Freehold land and buildings are measured on the cost basis.

*Plant and equipment*

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Committee of Management to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

*Depreciation*

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated over their estimated useful lives to the entity commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

**(c) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the entity are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives received under operating leases are recognised as a liability. Lease payments received reduced the liability.

**(d) Investments**

Non-current investments are measured on the cost basis. The carrying amount of investments is reviewed annually by the Committee of Management to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for shares in listed companies or the underlying net assets for other non-listed investments. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

**(e) Employee Benefits**

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

**(f) Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at banks including at call deposits with banks.

**(g) Revenue**

Capitation fee and levies are recognised when the right to receive the fee has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the members.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

**(h) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

**(i) Comparative Figures**

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(j) Adoption of Australian Equivalents to International Financial Reporting Standards**

Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1 January 2005. This requires the production of accounting data for future comparative purposes at the beginning of the next financial year.

The entity's management are assessing the significance of these changes and preparing for their implementation.

The Committee of Management is of the opinion that the key differences in the entity's accounting policies which will arise from the adoption of IFRS are:

– Non-current investments

Under the pending AASB 139 Financial Instruments: Recognition and Measurement, financial instruments that are classified as available for sale instruments must be carried at fair value. Unrealised gains or losses may be recognised either in income or directly to equity. Current accounting policy is to investments at cost, with an annual review by the Committee of Management to ensure that the carrying amounts are not in excess of the recoverable value of the instrument.

– Impairment of Assets

The entity currently determines the recoverable amount of an asset on the basis of undiscounted net cash flows that will be received from the assets use and subsequent disposal. In terms of the pending AASB 136 Impairment of Assets, the recoverable amount of an asset will be determined as the higher of fair value less costs to sell and value in use. It is likely that this change in accounting policy will lead to impairments being recognised more often than under the existing policy.

**NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of the Workplace Relations Act 1996 the attention of members is drawn to the provisions of subsection (1), (2) and (3) of sections 272, which read as follows:

(1) a member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) the application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) a reporting unit must comply with an application made under subsection (1).

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Note	2004 \$	2003 \$
<b>NOTE 3: REVENUE</b>			
<b>Operating activities</b>			
- capitation fees		2,644,962	2,561,663
- publication levies		385,980	383,597
- TAFE income		38,266	28,871
- Australian Educator		68,369	70,094
- AEU Centre		61,568	180,456
- Federal election - branch contributions		<u>312,564</u>	<u>-</u>
		<u>3,511,709</u>	<u>3,224,681</u>
<b>Non - operating activities</b>			
- interest		62,660	42,512
- rent		95,370	116,903
- other revenue		<u>114,781</u>	<u>94,248</u>
		<u>272,811</u>	<u>253,663</u>
Total Revenue		<u>3,784,520</u>	<u>3,478,344</u>
<b>(a) Interest from:</b>			
- AEU ACT Branch for loan		9,510	2,618
- other persons		<u>53,150</u>	<u>39,894</u>
		<u>62,660</u>	<u>42,512</u>
<b>NOTE 4: (DEFICIT) / SURPLUS FROM ORDINARY ACTIVITIES</b>			
(Deficit)/Surplus from ordinary activities has been determined after:			
<b>(a) Expenses:</b>			
<b>Borrowing costs:</b>			
- other persons		9,508	9,306
<b>Depreciation of non-current assets</b>			
- plant and equipment		28,785	31,657
<b>Bad and doubtful debts:</b>			
- other entities		-	6,653
<b>Remuneration of the auditors for:</b>			
- audit or review services		15,385	15,000
<b>Net loss on disposal of non-current assets</b>			
- Property, plant and equipment		-	14,502

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

Note	2004 \$	2003 \$
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**NOTE 5: RELATED PARTY TRANSACTIONS**

**(a) Federal Executive Members**

The names of members of the Federal Executive who have held office during the financial year are:

Ann Taylor  
 Andrew Gohl  
 Jean Walker  
 Clive Hagger  
 Julie-Ann McCullough  
 Mary Bluett  
 Molly Kreidl  
 Lynda Simon  
 Steve Ryan  
 Mike Poate  
 Mike Keely  
 Pat Byrne  
 Nadine Williams  
 Hayden Bromley  
 Jennifer Leete  
 Maree O'Hallaran  
 Maurie Mulheron  
 Angelo Gavrielatos  
 Barry Johnson  
 Graham Moloney (proxy for S Ryan)  
 David Kelly (proxy for M Keely)  
 John Battams (proxy for JA McCullough)  
 Lynette Winch (proxy for S Ryan)

The members of Secretariat who have held office during the financial year are:

Rob Durbridge  
 Susan Hopgood  
 Michaela Kronemann  
 Roy Martin  
 Darcel Moyle  
 Linda Gale  
 Catherine Davis  
 Pat Forward

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Note	2004 \$	2003 \$
<b>NOTE 6: CASH ASSETS</b>			
Cash on hand		4,407	2,721
Cash at bank		<u>1,205,216</u>	<u>1,699,695</u>
		<u>1,209,623</u>	<u>1,702,416</u>
<b>NOTE 7: RECEIVABLES</b>			
<b>CURRENT</b>			
Trade debtors		286,263	50,172
AEU - ACT Branch		3,489	9,746
AEU - NT Branch		11,512	3,709
AEU - SA Branch		13,774	-
AEU - TAS Branch		3,751	-
AEU - VIC Branch		15,161	550
AEU - WA Branch		65,728	62,781
Loan to AEU ACT Branch		<u>31,075</u>	<u>29,475</u>
		<u>430,753</u>	<u>156,433</u>
<b>NON-CURRENT</b>			
Loan to AEU ACT Branch		<u>133,080</u>	<u>164,156</u>
 (a) The AEU - Federal Office loaned the AEU - ACT Branch \$ 200,000 secured by an unregistered mortgage over land and buildings owned by the AEU - ACT Branch. This loan is to be repaid over a period of 72 months starting 1 August 2003. Interest is charged at a rate which is .5% above the 90 day bank rate and is determined 3 months in advance.			
<b>NOTE 8: OTHER ASSETS</b>			
<b>CURRENT</b>			
Prepayments		<u>20,444</u>	<u>27,291</u>
<b>NOTE 9: OTHER FINANCIAL ASSETS</b>			
<b>NON-CURRENT</b>			
Other investments			
- Units in FEU Trust		<u>867,650</u>	<u>853,747</u>



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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Note	2004 \$	2003 \$
<b>NOTE 10: PROPERTY, PLANT AND EQUIPMENT</b>			
<b>PROPERTY, PLANT AND EQUIPMENT</b>			
<b>(a) NT Property</b>			
At cost		332,286	323,786
Less accumulated depreciation		<u>(25,631)</u>	<u>(16,820)</u>
		<u>306,655</u>	<u>306,966</u>
<b>(b) Office equipment</b>			
At cost		157,130	143,310
Less accumulated depreciation		<u>(109,505)</u>	<u>(92,181)</u>
		<u>47,625</u>	<u>51,129</u>
<b>(c) Furniture, fixtures and fittings</b>			
At cost		163,657	147,079
Less accumulated depreciation		<u>(128,612)</u>	<u>(125,960)</u>
		<u>35,045</u>	<u>21,119</u>
<b>Total property, plant and equipment</b>		<u><b>389,325</b></u>	<u><b>379,214</b></u>

**(a) Movements in Carrying Amounts**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Office equipment	Furniture, fixtures & fittings	NT Building	Total
	\$	\$	\$	\$
<b>2004</b>				
Balance at the beginning of the year	51,129	21,119	306,966	379,214
Additions	13,819	16,577	8,500	38,896
Depreciation expense	<u>(17,323)</u>	<u>(2,651)</u>	<u>(8,811)</u>	<u>(28,785)</u>
Carrying amount at end of year	<u>47,625</u>	<u>35,045</u>	<u>306,655</u>	<u>389,325</u>

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Note	2004 \$	2003 \$
<b>NOTE 11: PAYABLES</b>			
<b>CURRENT</b>			
Unsecured liabilities			
Trade creditors		396,856	437,582
Legal fee payable		40,937	-
AEU - ACT Branch		16,493	-
AEU - VIC Branch		367	-
Sundry creditors and accruals		<u>19,961</u>	<u>18,605</u>
		<u>474,614</u>	<u>456,187</u>
 <b>NOTE 12: INTEREST BEARING LIABILITIES</b>			
<b>CURRENT</b>			
Unsecured liabilities			
Bank overdrafts		<u>-</u>	<u>33,567</u>
 Secured liabilities			
Bank loan		<u>5,719</u>	<u>10,083</u>
		<u>5,719</u>	<u>43,650</u>
 <b>NON-CURRENT</b>			
Secured liabilities			
Bank loan		<u>125,038</u>	<u>128,449</u>

The bank loan is secured by the NT Property

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Note	2004 \$	2003 \$
<b>NOTE 13: PROVISIONS</b>			
<b>CURRENT</b>			
Employee benefits - staff	13(a)	85,739	73,488
Employee benefits - officers		193,986	161,802
Other		<u>5,705</u>	<u>17,666</u>
		<u>285,430</u>	<u>252,956</u>
<b>NON-CURRENT</b>			
Employee benefits - staff	13(a)	89,164	67,827
Employee benefits - officers		<u>288,493</u>	<u>240,169</u>
		<u>377,657</u>	<u>307,996</u>
(a) Aggregate employee benefits liability		<u>657,382</u>	<u>543,286</u>
(b) Number of employees at year end		<u>20</u>	<u>18</u>
<b>NOTE 14: RESERVES</b>			
Election reserve	(a)	-	221,600
Allocated fund reserve	(b)	<u>181,280</u>	<u>58,200</u>
		<u>181,280</u>	<u>279,800</u>
<b>(a) Election reserve</b>			
Movements during the financial year:			
Opening balance		221,600	143,500
Funds (transferred back to accumulated surplus)/allocated for year		<u>(221,600)</u>	<u>78,100</u>
Closing balance		<u>-</u>	<u>221,600</u>
The Election Reserve records funds set aside from the surplus for the purpose of funding expenditure on future elections.			
<b>(b) Allocated fund reserve</b>			
Movements during the financial year:			
Opening balance		58,200	36,200
Funds allocated for year		<u>123,080</u>	<u>22,000</u>
Closing balance		<u>181,280</u>	<u>58,200</u>
The allocated fund reserve was used to record amounts set aside to fund future projects.			

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
ABN 16 006 296 647

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Note	2004 \$	2003 \$
<b>NOTE 15: ACCUMULATED SURPLUS</b>			
Accumulated surplus at the beginning of the financial year		1,814,219	1,338,362
Net (deficit)/surplus attributable to members of the entity		(311,602)	575,957
Net transfers from/(to) reserves		<u>98,520</u>	<u>(100,100)</u>
Accumulated surplus at the end of the financial year		<u>1,601,137</u>	<u>1,814,219</u>

**NOTE 16: CAPITAL AND LEASING COMMITMENTS**

(a) Operating lease commitments

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

Payable

- not later than one year	36,552	43,699
- later than one year and not later than five years	<u>146,033</u>	<u>-</u>
	<u>182,585</u>	<u>43,699</u>

General description of leasing arrangement:

Leasing of postage meter and photocopier

**NOTE 17: RELATED PARTY TRANSACTIONS**

(a) During the year, AEU received \$35,000 (2003: \$33,000) from the Australian Education Union International Fund as administration fees.

(b) The AEU occupies premises owned by the Federation Education Unions Trust in which the AEU has an interest. During the year, AEU received \$85,254 (2003: \$102,423) from the Federation Education of Union Trust as rent and paid \$99,224 (2003: \$109,124) as outgoings.

(c) The AEU NT building is currently occupied by AEU - NT Branch. During the year, the AEU received \$10,116 (2003: \$10,116) as rent.

**NOTE 18: SEGMENT REPORTING**

The AEU operates in the area of education primarily within Australia.

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Note	2004 \$	2003 \$
<b>NOTE 19: CASH FLOW INFORMATION</b>			
(a) Reconciliation of cash			
Cash at the end of the financial year as shown in the statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:			
Cash on hand		4,407	2,721
Cash at bank		1,205,216	1,699,695
Bank overdrafts		<u>-</u>	<u>(33,567)</u>
		<u>1,209,623</u>	<u>1,668,849</u>
 (b) Reconciliation of cash flow from operations with (deficit) surplus from ordinary activities			
(Deficit) Surplus from ordinary activities		(311,602)	575,957
Non-cash flows in (deficit) surplus from ordinary activities			
Amortisation		28,785	31,657
Charges to provisions		102,135	22,935
Write-off of capitalised expenditure		-	14,502
Changes in assets and liabilities			
(Increase)/decrease in receivables		(272,720)	49,496
Decrease in other assets		6,847	876
Increase in payables		<u>56,177</u>	<u>136,748</u>
Cash flows from operations		<u>(390,378)</u>	<u>832,171</u>

**NOTE 20: FINANCIAL INSTRUMENTS**

(a) Interest Rate Risk

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

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

**NOTE 20: FINANCIAL INSTRUMENTS (Continued)**

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non Interest Bearing		Total	
	2004	2003	2004	2003	2004	2003	2004	2003
	%	%	\$	\$	\$	\$	\$	\$
<b>Financial Assets:</b>								
Cash	1.40	0.50	1,205,216	1,699,695	4,407	2,721	1,209,623	1,702,416
Receivables	-	-	164,155	193,631	399,678	126,958	563,833	320,589
Investments	-	-	-	-	867,650	853,747	867,650	853,747
<b>Total Financial Assets</b>			<b>1,369,371</b>	<b>1,893,326</b>	<b>1,271,735</b>	<b>983,426</b>	<b>2,641,106</b>	<b>2,876,752</b>
<b>Financial Liabilities:</b>								
Bank loans and overdrafts	7.15	7.15	130,757	172,099	-	-	130,756	172,099
Trade and sundry creditors	-	-	-	-	474,614	456,187	474,614	456,187
<b>Total Financial Liabilities</b>			<b>130,757</b>	<b>172,099</b>	<b>474,614</b>	<b>456,187</b>	<b>605,370</b>	<b>628,286</b>

**(b) Credit Risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial report.

The entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the entity.

**(c) Net Fair Values**

For unlisted investments where there is no organised financial market the net fair value has been based on a reasonable estimation of the underlying net assets or discounted cash flows of the investment.

The net fair value of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments, forward exchange contracts and interest rate swaps. Financial assets where the carrying amount exceeds net fair values have not been written down as the entity intends to hold these assets to maturity.

The aggregate net fair values and carrying amount of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Note	2004 \$	2003 \$
<b>NOTE 21: GENERAL EXPENSES</b>			
Affiliation fees		9,927	7,107
Legal fees		105,133	6,416
Overseas travel allowances		11,064	-
Donations		7,405	2,662
Other expenses		<u>434,939</u>	<u>517,901</u>
		<u>568,468</u>	<u>534,086</u>
<b>NOTE 22: SALARY EXPENSES</b>			
Professional development		3,817	862
Salary expenses		533,909	400,122
Officers salaries		721,862	551,345
Support staff salaries		<u>433,435</u>	<u>433,484</u>
		<u>1,693,023</u>	<u>1,385,813</u>
<b>NOTE 23: MEETING AND CONFERENCE EXPENSES</b>			
Meeting allowances		106,235	100,341
Other meeting and conference expenses		<u>200,795</u>	<u>204,666</u>
		<u>307,030</u>	<u>305,007</u>
<b>NOTE 24: ELECTION EXPENSES</b>			
Meeting allowance		7,867	-
Other expenses		<u>868,060</u>	<u>-</u>
		<u>875,927</u>	<u>-</u>
<b>NOTE 25: TAFE EXPENSES</b>			
Meeting allowances		27,607	36,273
Other TAFE expenses		<u>84,253</u>	<u>78,231</u>
		<u>111,860</u>	<u>114,504</u>

**AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
ABN 16 006 296 647**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004**

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**NOTE 26: ENTITY DETAILS**

The principal place of business of the entity is:

Australian Education Union - Federal Office

120 Clarendon Street

South Melbourne Vic 3205

The principal activity of the entity during the financial year was promotion of union activities within the education sector.



AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
ABN 16 006 296 647

COMMITTEE OF MANAGEMENT STATEMENT

I, Robert Durbridge, being the designated officer of Australian Education Union - Federal Office does state that on behalf of the Committee of Management and in accordance with a resolution passed by the Committee of Management on

that:

In the opinion of the Committee of Management:

1. the financial statements and notes, as set out on pages 4 to 20 comply with Australian Accounting Standards and other mandatory professional reporting requirements;
2. the financial statements and notes, as set out on pages 4 to 20 comply with the reporting guidelines of the Industrial Registrar;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of Australian Education Union - Federal Office for the financial year to which they relate;
4. there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the general purpose financial report relates and since the end of 30 September 2004:
  - a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - b. the financial affairs of Australian Education Union - Federal Office have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - c. the financial records of Australian Education Union - Federal Office have been kept and maintained in accordance with the Registration and Accountability of Organisations (RAO) Schedule and the RAO Regulations; and
  - d. where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation ; and
  - e. the information sought in any request of a member of Australian Education Union - Federal Office or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the members or Registrar; and
  - f. there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

  
.....  
Robert Durbridge

Dated

14/1/05

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE

**Scope**

We have audited the financial report of Australian Education Union - Federal Office for the financial year ended 30 September 2004 comprising of the Committee of Management Statement, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and notes to the financial statements. The Committee of Management is responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and the Workplace Relations Act 1996 so as to present a view which is consistent with our understanding of the entity's financial position, the results of its operations and its cash flows.

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

**Audit Opinion**

In our opinion, the general purpose financial report of Australian Education Union - Federal Office presents fairly the financial position of Australian Education Union - Federal Office as at 30 September 2004 and the results of its operations and its cash flows for the financial year then ended, in accordance with any of the following that apply in relation to the reporting unit:

- (a) the Australian Accounting Standards; and
- (b) the requirements imposed by Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996.

*BGL & Associates*

BGL & Associates  
Chartered Accountants  
Suite One, Ground Floor  
598 St Kilda Road  
Melbourne VIC 3004

*I. A. Hinds*

I. A. Hinds - A.C.A.  
Partner

14 January 2005  
Melbourne

**AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE**  
**ABN 16 006 296 647**

**CONCISE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2004**

**BGL & ASSOCIATES**  
**Chartered Accountants**  
**Suite One, Ground Floor, 598 St Kilda Road, Melbourne VIC 3004**  
**PO Box 6094 St Kilda Road Central VIC 8008**  
**Tel: (03) 9525 2511 Fax: (03) 9525 2829**  
**Email: [bgl@bglassociates.com.au](mailto:bgl@bglassociates.com.au)**

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**AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE**  
**ABN 16 006 296 647**

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AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
ABN 16 006 296 647

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

**Information on Australian Education Union - Federal Office Concise Financial Report:**

The financial statements and disclosures in the concise financial report have been derived from the 2004 financial report of Australian Education Union - Federal Office.

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

This discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on Australian Education Union - Federal Office financial statements and the information contained in the concise financial report has been derived from the full 2005 Financial Report of Australian Education Union - Federal Office.

**Statement of Financial Performance:**

The deficit from ordinary activities attributable to members for the year is \$ 311,602 compared to a surplus of \$575,957 in 2003. This deficit is mainly due to revenue growing only at 8.8% since 2003 while expenses have increased by 41% over the same period. The significant increase in expenses was due to the National Public Education Campaign during the 2004 Federal Election Campaign.

**Statement of Financial Position:**

Total assets fell by \$232,382 or 7.08% mainly due to a reduction in cash on hand while total liabilities increased by \$79,220 or 6.66% mainly due to an increase in provision in employee entitlements. As a consequence members fund decreased by \$311,602 from the 2003 year.


Apart from the above, there has been no significant change in the composition of the assets and liabilities from the 2003 year.

**Statement of Cash Flows:**

Cash assets decreased from \$1,702,416 as at 30 September 2003 to \$1,209,623 as at 30 September 2004.

Cash flows from operations reduced by 147% during the year from a surplus cash of \$832,171 in 2003 to a deficit of cash of (\$390,378) in 2004. This reduction was a result of the spending on election campaigns.

Designated Officer .....   
Robert Durbridge

Dated: 14/11/05 

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
ABN 16 006 296 647

OPERATING REPORT

Your committee present the report on the union for the financial year ended 30 September 2004.

**Members of Committee**

The name of the members of committee of management in office at any time during or since the end of the financial year are:

Ann Taylor  
Andrew Gohi  
Jean Walker  
Clive Hagger  
Julie-Ann McCullough  
Mary Bluett  
Molly Kreidl  
Lynda Simon  
Steve Ryan  
Mike Poate  
Mike Keely  
Pat Byrne  
Nadine Williams  
Hayden Bromley  
Jennifer Leete  
Maree O'Hallaran  
Maurie Mulheron  
Angelo Gavrielatos  
Barry Johnson  
Graham Moloney (proxy for S Ryan)  
David Kelly (proxy for M Keely)  
John Battams (proxy for JA McCullough)  
Lynette Winch (proxy for S Ryan)

The members of committee of management have been in office since the start of the financial year to the date of this report unless otherwise stated.

**Operating Results**

The deficit of the entity for the financial year amounted to \$311,602.

**Review of Operations**

A review of the operations of the entity during the financial year and the results of those operations found that during the year, the entity continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

**Significant Changes in State of Affairs**

No significant changes in the state of affairs of the entity occurred during the financial year.

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
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OPERATING REPORT (continued)

**Principal Activity**

The principal activity of the entity during the financial year was promotion of union activities within the education sector. No significant change in the nature of these activities occurred during the year.

**After Balance Date Events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity in future financial years.

**Union details**

The union has 20 employees at year end.

The number of members at 30 June 2004 was 155,737.

**Rights of members to resign**

Members may resign from the union in accordance with rule 17, which reads as follows:

**\*17 - Resignation from membership and termination of eligibility**

- (3) A member may resign from membership of the Union by written notice addressed to and delivered to the Secretary of the Branch to which the member is attached.
- (4) A notice of resignation from membership takes effect:-
  - (a) where the member ceases to be eligible to become a member of the Union -
    - (i) on the day on which the notice is received at the office of the relevant Branch Secretary; or
    - (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member; whichever is later; or
  - (b) in any other case -
    - (i) at the end of 2 weeks after the notice is received at the office of the relevant Branch Secretary; or
    - (ii) on the day specified in the notice; whichever is later.
- (5) Any subscriptions, levies or fines which are due and payable but have not been paid by a former member in relation to a period before the member's resignation took effect, may be sued for and recovered in the name of the Union, in a court of competent jurisdiction, as a debt due to the Union.
- (6) A notice delivered to the relevant Branch Secretary shall be taken to have been received by the Union when it was delivered.
- (7) A notice of resignation that has been received at the office of the relevant Branch Secretary is not invalid because it was not addressed and delivered in accordance with sub-rule (1).
- (8) A resignation from membership is valid even if it is not effected in accordance with this section if the member is informed in writing by or on behalf of the Union that the resignation has been accepted.
- (9) A relevant Branch Secretary may accept a resignation from membership which is not effected in accordance with this Rule.
- (10) Where the relevant Branch Secretary accepts a resignation in accordance with the previous sub-rule the relevant Branch Secretary shall inform the member in writing that his/her resignation has been accepted.
- (11) On receipt of a written notice from a member that he/she has become ineligible for membership of the Union or a notice of resignation or on acceptance of a resignation which is not effected in accordance with this Rule, the Branch Secretary shall, as soon as possible notify the Federal Secretary that the member has become ineligible for membership or that the member has resigned."

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
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OPERATING REPORT (continued)

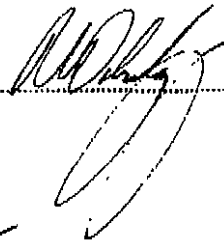
**Directorships of Superannuation Funds**

To the best of our knowledge and belief, no officer of the organisation, by virtue of their office of the Australian Education Union - Federal Office is:

- (i) a trustee of a superannuation entity or exempt public sector superannuation scheme; or
- (ii) a director of a company that is the trustee of a superannuation entity or an exempt public sector superannuation scheme; and
- (iii) where a criterion for the officer being the trustee or director is that the officer is an officer of a registered organisation.

Signed in accordance with a resolution of the Committee of Management:

Designated officer



Dated

14/1/05



**AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE**  
**ABN 16 006 296 647**

**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2004**

	Notes	2004 \$	2003 \$
Revenues from ordinary activities	3	<u>3,784,520</u>	<u>3,478,344</u>
General expenses		(568,468)	(534,086)
Salary expenses		(1,693,023)	(1,385,813)
Meeting and conference expenses		(307,030)	(305,007)
AEU allocation		(80,000)	(80,000)
Australian Educator		(454,114)	(450,978)
Election expense		(875,927)	-
Special projects		(5,700)	(31,999)
TAFE expenses		<u>(111,860)</u>	<u>(114,504)</u>
		<u>(4,096,122)</u>	<u>(2,902,387)</u>
<b>(Deficit)/Surplus from ordinary activities</b>		<u><b>(311,602)</b></u>	<u><b>575,957</b></u>

The accompanying notes form part of this concise financial report.

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
ABN 16 006 296 647

STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2004

	2004 \$	2003 \$
<b>CURRENT ASSETS</b>		
Cash assets	1,209,623	1,702,416
Receivables	430,753	156,433
Other	<u>20,444</u>	<u>27,291</u>
<b>TOTAL CURRENT ASSETS</b>	<u><b>1,660,820</b></u>	<u><b>1,886,140</b></u>
<b>NON-CURRENT ASSETS</b>		
Receivables	133,080	164,156
Other financial assets	867,650	853,747
Property, plant and equipment	<u>389,325</u>	<u>379,214</u>
<b>TOTAL NON-CURRENT ASSETS</b>	<u><b>1,390,055</b></u>	<u><b>1,397,117</b></u>
<b>TOTAL ASSETS</b>	<u><b>3,050,875</b></u>	<u><b>3,283,257</b></u>
<b>CURRENT LIABILITIES</b>		
Payables	474,614	456,187
Interest-bearing liabilities	5,719	43,650
Provisions	<u>285,430</u>	<u>252,956</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u><b>765,763</b></u>	<u><b>752,793</b></u>
<b>NON-CURRENT LIABILITIES</b>		
Interest-bearing liabilities	125,038	128,449
Provisions	<u>377,657</u>	<u>307,996</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u><b>502,695</b></u>	<u><b>436,445</b></u>
<b>TOTAL LIABILITIES</b>	<u><b>1,268,458</b></u>	<u><b>1,189,238</b></u>
<b>NET ASSETS</b>	<u><b>1,782,417</b></u>	<u><b>2,094,019</b></u>
<b>MEMBERS FUND</b>		
Reserves	181,280	279,800
Accumulated surplus	<u>1,601,137</u>	<u>1,814,219</u>
<b>TOTAL MEMBERS FUND</b>	<u><b>1,782,417</b></u>	<u><b>2,094,019</b></u>

The accompanying notes form part of this concise financial report.

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
ABN 16 006 296 647

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

	2004 \$	2003 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts of subscriptions	3,330,794	3,236,853
Sundry receipts	477,636	460,582
Payments to suppliers and employees	(4,251,960)	(2,895,852)
Interest received	62,650	39,894
Borrowing costs	(9,508)	(9,306)
Net cash provided by/(used in) operating activities	<u>(390,378)</u>	<u>832,171</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for property, plant and equipment	(38,896)	(23,533)
Payment for investments	(13,903)	(42,595)
Net cash used in investing activities	<u>(52,799)</u>	<u>(66,128)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loan repaid /(advanced)	29,476	(200,759)
Repayment of borrowings	(45,525)	(41,008)
Net cash used in financing activities	<u>(16,049)</u>	<u>(241,767)</u>
Net increase/(decrease) in cash held	(459,226)	524,276
Cash at beginning of financial year	<u>1,668,849</u>	<u>1,144,573</u>
Cash at end of financial year	<u>1,209,623</u>	<u>1,668,849</u>

The accompanying notes form part of this concise financial report.

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
ABN 16 006 296 647

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

**NOTE 1: BASIC OF PREPARATION OF THE CONCISE FINANCIAL REPORT**

The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports and the Workplace Relations Act 1996.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full report of Australian Education Union - Federal Office. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Australian Education Union - Federal Office as the full financial report.

The accounting policies have been consistently applied by the entity and are consistent with those of the previous financial year.

**NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of the Workplace Relations Act 1996 the attention of members is drawn to the provisions of subsection (1), (2) and (3) of sections 272, which read as follows:

(1) a member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(2) the application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

(3) a reporting unit must comply with an application made under subsection (1).

AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
ABN 16 006 296 647

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Note	2004 \$	2003 \$
<b>NOTE 3: REVENUE</b>			
<b>Operating activities</b>			
- capitation fees		2,644,962	2,561,663
- publication levies		385,980	383,597
- TAFE income		38,266	28,871
- Australian Educator		68,369	70,094
- AEU Centre		61,568	180,456
- Federal election - branch contributions		312,564	-
		<u>3,511,709</u>	<u>3,224,681</u>
<b>Non - operating activities</b>			
- interest		62,660	42,512
- rent		95,370	116,903
- other revenue		114,781	94,248
		<u>272,811</u>	<u>253,663</u>
Total Revenue		<u>3,784,520</u>	<u>3,478,344</u>
(a) Interest from:			
- AEU ACT Branch for loan		9,510	2,618
- other persons		53,150	39,894
		<u>62,660</u>	<u>42,512</u>

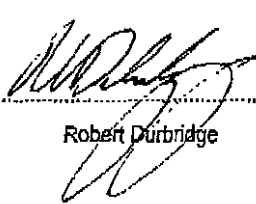
AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE  
ABN 16 006 296 647

COMMITTEE OF MANAGEMENT STATEMENT

I, Robert Durbridge, being the designated officer of Australian Education Union - Federal Office does state that on behalf of the Committee of Management and in accordance with a resolution passed by the Committee of Management on that:

In the opinion of the Committee of Management:

1. the financial statements and notes, as set out on pages 5 to 9 comply with Australian Accounting Standards and other mandatory professional reporting requirements;
2. the financial statements and notes, as set out on pages 5 to 9 comply with the reporting guidelines of the Industrial Registrar;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of Australian Education Union - Federal Office for the financial year to which they relate;
4. there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the general purpose financial report relates and since the end of 30 September 2004:
  - a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - b. the financial affairs of Australian Education Union - Federal Office have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - c. the financial records of Australian Education Union - Federal Office have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - d. where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation ; and
  - e. the information sought in any request of a member of Australian Education Union - Federal Office or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the members or Registrar; and
  - f. there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

  
.....  
Robert Durbridge

Dated

14/1/05

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
AUSTRALIAN EDUCATION UNION - FEDERAL OFFICE**

**Scope**

We have audited the concise financial report of Australian Education Union - Federal Office for the financial year ended 30 September 2004 comprising of the Committee of Management Statement, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and notes to the financial statements. The Committee of Management is responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial report of Australian Education Union - Federal Office for the year ended 30 September 2004. Our audit report on the full financial report was signed on 14 January 2005, and was not subject to any qualification.

Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report, and examination, on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the full financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report is presented fairly in accordance with Accounting Standards and the Workplace Relations Act 1996.

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

**Audit Opinion**

In our opinion, the concise financial report of Australian Education Union - Federal Office complies with Accounting Standard AASB 1039: Concise Financial Report and the Workplace Relations Act 1996.

*BGL & Associates*

BGL & Associates  
Chartered Accountants  
Suite One, Ground Floor  
598 St Kilda Road  
Melbourne VIC 3004

*I. A. Hinds*

I. A. Hinds - A.C.A.  
Partner

14 January 2005  
Melbourne

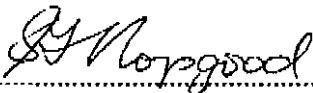
SECRETARY'S CERTIFICATE

I, SUSAN LOUISE HOPGOOD, Deputy Federal Secretary, Australian Education Union do certify that:

1. I am an Officer authorised by the AEU Rules to lodge these documents
2. The Federal Executive of the AEU held a meeting in accordance with the rules on 14 January 2005 (the PREPARATION MEETING) at which the Executive passed a resolution concerning the accounts as presented.
3. The Federal Executive at the aforementioned meeting carried the following resolution:

*That in accordance with the RAO Schedule (Schedule 1B of the Workplace Relations Act 1996), the Federal Executive of the Australian Education Union resolves that members will be provided with a copy of the concise report for the year ended 30 September, 2004, and that members shall be provided free of charge with a copy of the full report where they make a request.*

4. The copy of the concise report being lodged is the document that was provided to members on the AEU website [www.aeufederal.org.au](http://www.aeufederal.org.au). Notification of the report's availability on the website was printed in the Autumn edition of national magazine of the Union, *The Australian Educator*.
5. The copy of the full report being lodged is the document which was presented to the meeting of the Federal Executive of the AEU on the 3 March 2005 (the PRESENTATION MEETING).



.....  
SUSAN LOUISE HOPGOOD  
16 March 2005





**Australian Government**  
**Australian Industrial Registry**

Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
GPO Box 1994S, Melbourne, VIC 3001  
Telephone: (03) 8661 7777  
Fax: (03) 9654 6672

Ms Susan Hopgood  
Deputy Federal Secretary  
Australian Education Union  
P.O. Box 1158  
SOUTH MELBOURNE VIC 3205

Dear Ms Hopgood,

**Re: Financial reports for year ended 30 September 2004 - FR2004/748  
Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)**

Receipt is acknowledged of the full financial report and the concise financial report of the Australian Education Union for the year ended 30 September 2004. The documents were lodged in the Industrial Registry on 16 March 2005.

The documents have been filed.

**Committee of management statement**

I note that the date of passage of the committee of management's resolution, made in relation to the matters requiring declaration in its statement, appears to have been inadvertently omitted.

Should you wish to discuss the financial reporting obligations under the RAO Schedule, I may be contacted on (03) 8661 7775.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ruth Hansen'.

Ruth Hansen  
Statutory Services Branch

23 March 2005