



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

Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
GPO Box 1994, Melbourne, VIC 3001  
Telephone: (03) 8661 7799  
Fax: (03) 9654 6672

Mr Clive Haggar  
Branch Secretary  
Australian Education Union  
ACT Branch  
40 Brisbane Avenue  
BARTON ACT 2600

By email: [priority1@aeuact.asn.au](mailto:priority1@aeuact.asn.au)

Dear Mr Haggar,

**Re: Financial Documents - year ended 31 December 2005 (FR2005/669)**  
**Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)**

I have received the following documents relating to the financial report for the ACT Branch of the Australian Education Union for the year ended 31 December 2005:

- Designated Officer's Certificate - lodged in the Registry on 26 April 2006,
- Statement relating to donations made by the branch during the year ending 31 December 2005 - lodged in the Registry on 21 April 2006.

The Statement relating to donations has been placed on a file that is not available to the general public in accordance with s237(4) of the RAO Schedule.

The financial documents for year ending 31 December 2005 have now been filed.

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

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Andrew Schultz', with a long horizontal stroke extending to the right.

Andrew Schultz  
Statutory Services Branch

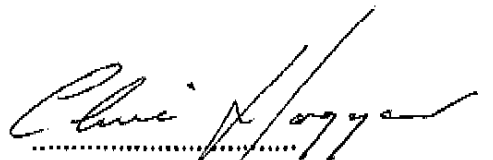
26 April 2006

**REVISED**  
**CERTIFICATE OF SECRETARY**  
**OR OTHER AUTHORISED OFFICER**  
[s268 of Schedule 1B *Workplace Relations Act 1996*]

I, Clive Haggard, being the Secretary of the Australian Education Union – ACT Branch certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on 17 February 2006; and
- That the full report was presented to a meeting of the Committee of Management of the reporting unit on 7 February 2006; in accordance with section 266 of the RAO Schedule.
- That the full report was presented to a general meeting of members on 11 March 2006; in accordance with section 266 of the RAO Schedule.

Signed:

  
.....  
**CLIVE HAGGARD**  
Branch Secretary

Date:

26 April 2006



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**Australian Industrial Registry**

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80 Collins Street, Melbourne, VIC 3000  
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Branch Secretary  
Australian Education Union  
ACT Branch  
40 Brisbane Avenue  
BARTON ACT 2600

By email: [priority1@aeuact.asn.au](mailto:priority1@aeuact.asn.au)

Dear Mr Haggard,

**Re: Financial Documents - year ended 31 December 2005 (FR2005/669)**

**Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)**

I have received the financial report for the ACT Branch of the Australian Education Union for the year ended 31 December 2005. The documents were lodged in the Registry on 20 March 2006.

This is the second lodgment by the branch of its financial reports under the *Registration and Accountability of Organisations (RAO) Schedule* which commenced on 12 May 2003.

The documents have not yet been filed.

The branch is required to:

- Present the Full Financial Report to a General Meeting of the members, and then
- Lodge a revised Designated Officer's Certificate (s268) that confirms that this has occurred.

Would you be able to advise me in writing by Friday 5th May 2006 regarding what steps the branch is taking to achieve this.

More information regarding these issues is provided below.

Timing of financial documents

One of the key requirements of the RAO Schedule is that *all financial documents must be signed and dated at least 21 days before they are 'presented to a general meeting of the members'* – see the enclosed *Timeline*.

The dates of the various events for the lodged documents were as follows:

- 7 Feb 2006 - Committee of Management Meeting
- 7 Feb 2006 - Committee of Management Statement
- 8 Feb 2006 - Auditor's Report
- 17 Feb 2006 - Documents provided to members
- 21 Feb 2006 - Operating Report

As you can see, the timing was not in accordance with the RAO Schedule because:

- the Operating Report was dated after the documents were provided to the members, and
- the Auditor's Report and Operating Report were dated after the meeting.

## Presentation of documents to a General Meeting of Members

The financial reports were presented to a Committee of Management meeting rather than a general meeting of the members. This does not appear to be in accord with the requirements of s266(3) of the RAO Schedule.

The financial documents may only be presented to a Committee of Management if:

*the rules of the reporting unit provide for a specified percentage (not exceeding 5%) of members to be able to call a general meeting of the reporting unit for the purpose of considering the auditor's report, the general purpose financial report and the operating report.* (s266(3))

Rule 41(A) of the ACT Branch Rules provides as follows:

### *41 - Referral of Decisions to General Meetings*

*(A) Any decision of Branch Executive or Branch Council may be presented for acceptance or rejection to a general meeting of financial members of the Branch, provided that a petition requesting such general meeting, signed by at least 5% of the membership is received by the Branch President within 30 days of the decision concerned.*

It is the view of the Registry that this rule does not meet the requirement set out in s266(3) of the RAO Schedule as it does not expressly give to members the right to call a general meeting to consider the financial documents.

Accordingly, it will be necessary for the full financial report for year ending 31 December 2005 to be presented to a general meeting of the members. The full financial report is defined in s265(1)(a) and 253(2) to consist of the following:

- General Purpose Financial Report,
- Committee of Management Statement,
- Auditor's Report, and
- Operating Report

If the branch wishes to present the full financial report to a Committee of Management meeting in future financial years then the branch will need to amend the ACT Branch Rules in accordance with the requirements of s266(3).

## Donations

As the accounts disclosed an amount for donations of \$6,498 the branch should also provide information regarding any donation made in excess of \$1,000 in accordance with s237 of the RAO Schedule. A form is enclosed for this purpose.

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

Yours faithfully,

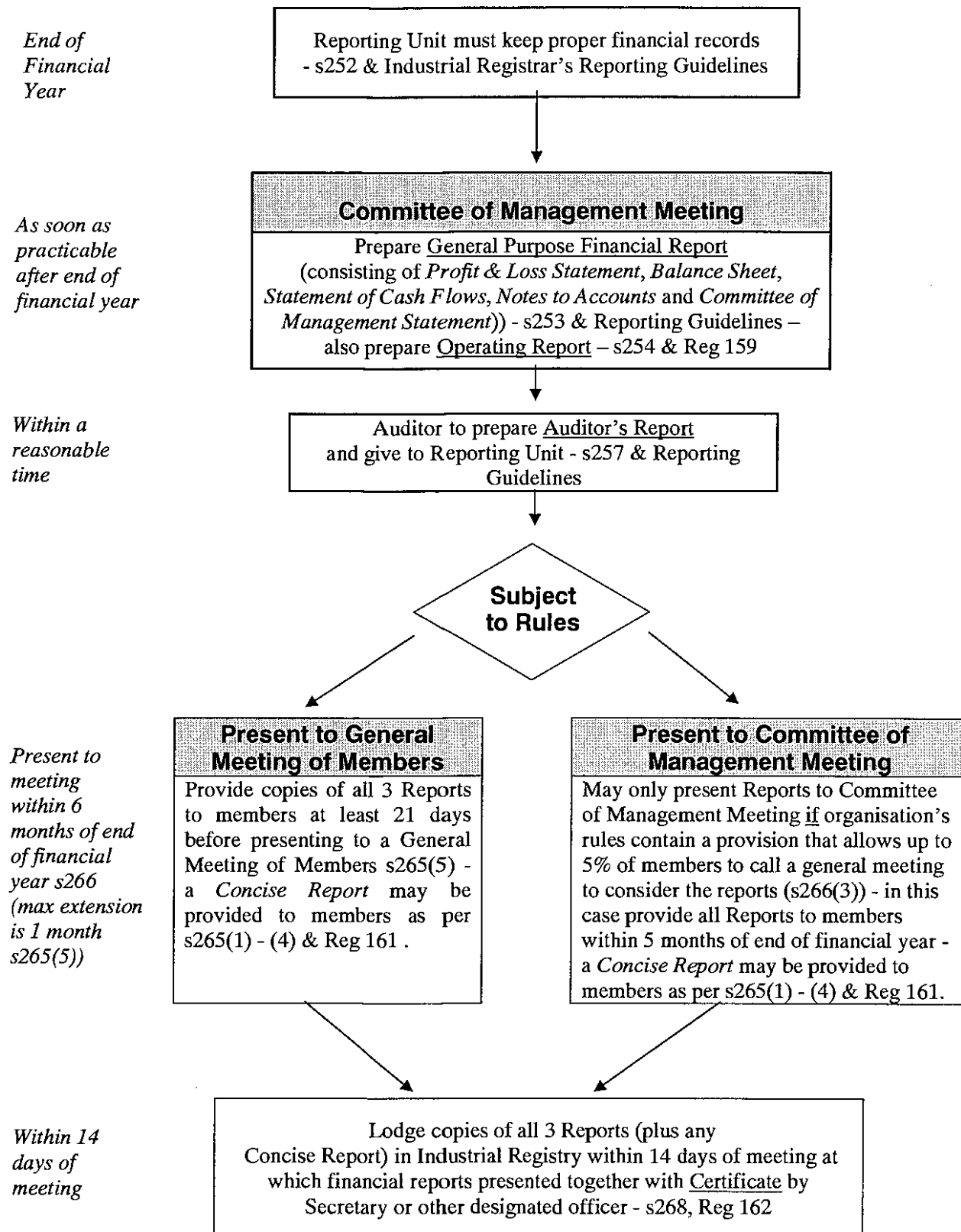


Andrew Schultz  
Statutory Services Branch

20 April 2006

# Financial Reporting Timeline (RAO Schedule)

Lodge financial reports within 6½ months of end of financial year by completing the following steps:





## Statement of loans, grants and donations exceeding \$1,000 for financial year ending / /

Please refer to section 237 of the Registration and Accountability of Organisations Schedule when completing this form. This statement when lodged in the Industrial Registry may only be viewed by a member of the organisation. Use of this form is optional.

### Organisation's details

Name of organisation including division or branch

Postal Address

	Postcode

### Details of officer completing the statement

Name

Name of office held in organisation

(An officer of the organisation should complete the statement)

Postal Address

	Postcode

Telephone number (BH)

Facsimile number

Email

I certify that the information contained in this statement and its attachments is true and complete.

Signature

Date

**An organisation must lodge this statement within 90 days of the end of its financial year.**

Enquiries and statements should be addressed to:

THE INDUSTRIAL REGISTRAR  
AUSTRALIAN INDUSTRIAL REGISTRY  
LEVEL 42, NAURU HOUSE  
80 COLLINS STREET  
MELBOURNE VIC 3000  
Tel: (03) 8661 7777  
Fax: (03) 9655 0401  
Email: melbourne@air.gov.au

**AUSTRALIAN INDUSTRIAL REGISTRY**

*Australian Industry Registry*

**LOANS, GRANTS AND DONATIONS EXCEEDING \$1,000 MADE BY ORGANISATION**

(if insufficient space, please attach separate sheet)

**LOANS**

Name of Recipient of Loan	Address	Amount	Purpose for which loan required	Security given in relation to loan	Arrangements for repayment of loan

*Note: where a loan is made to relieve a member or dependant of a member from severe financial hardship, the name and address and particulars of arrangements for repayment need not be stated.*

**GRANTS**

Name of Recipient of Grant	Address	Amount	Purpose of Grant

*Note: where a grant is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated*

**DONATIONS**

Name of Recipient of Donation	Address	Amount	Purpose of Donation

*Note: where a donation is made to relieve a member or dependant of a member from severe financial hardship, the name and address need not be stated.*



FR2005/669

File Reference: B47

Mr Ken Ophel  
Team Leader - Australian Industrial Relations Commission  
Level 36, Nauru House  
80 Collins Street  
MELBOURNE VIC 3000

Dear Ken

**Australian Education Union - ACT Branch  
Financial Return – Year Ending 31 December 2005**

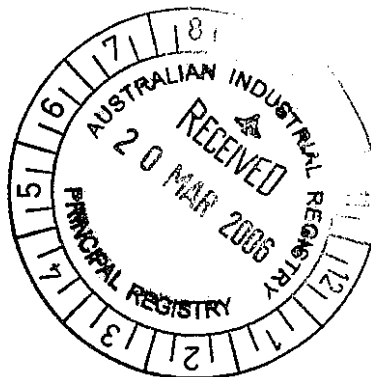
I enclose a copy of the Auditor's Report, Accounts and Statements for the period ending 31 December 2005 in addition to all documents required under the Workplace Relations Act 1996.

Yours sincerely

**CLIVE HAGGAR**  
Secretary

13 March 2006

Attachments



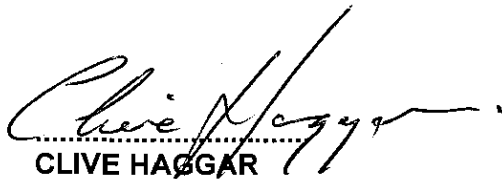


**CERTIFICATE OF SECRETARY  
OR OTHER AUTHORISED OFFICER**  
[s268 of Schedule 1B *Workplace Relations Act 1996*]

I, Clive Haggar, being the Secretary of the Australian Education Union – ACT Branch  
certify:

- That the documents lodged herewith are copies of the full report, referred to in  
s268 of the RAO Schedule; and
- That the full report was provided to members on 17 February 2006; and
- That the full report was presented to a meeting of the Committee of  
Management of the reporting unit on 7 February 2006; in accordance with  
section 266 of the RAO Schedule.

Signed:

  
CLIVE HAGGAR  
Branch Secretary

Date: 13 March 2006

# AUSTRALIAN EDUCATION UNION - ACT BRANCH

## COMMITTEE OF MANAGEMENT STATEMENT

On 07/02/2006 the Committee of Management of Australian Education Union - ACT Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2005.

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

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

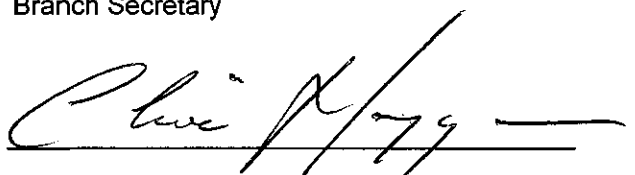
**For Committee of management:**

Clive Haggar

**Title of Office held:**

Branch Secretary

**Signature:**



**Date:**

7th February, 2006

**Australian Education Union – ACT Branch**

**BRANCH EXECUTIVE MEMBERS**

[Committee of Management]

<b>Officer</b>	<b>Position</b>	<b>Occupation</b>	<b>Workplace Address</b>
C Haggar	Secretary	Union Official	AEU – ACT Branch 40 Brisbane Avenue <b>Barton</b> 2600
A Zuffo	President	Teacher	Southern Cross Primary Wirraway Crescent <b>Scullin</b> 2614
J Hamilton	Vice President	TAFE Teacher	CIT – Reid Campus GPO Box 826 <b>Canberra City</b> 2601
S French	Vice President	Teacher	Kaleen High Balwin Drive <b>Kaleen</b> 2617
P Rasmus	Vice President	Teacher	38 Murrarji Street <b>Hawker</b> 2614
R Amey	General Member	Teacher	Dickson College Phillip Avenue <b>Dickson</b> 2602
F Dawning	General Member	Teacher	Cook Primary Templeton Street <b>Cook</b> 2614
R Humphreys	General Member	Teacher	53 Barber Crescent <b>Flynn</b> 2615
T Riggs	General Member	Teacher	53 Brunswick Circuit <b>Kaleen</b> 2617
L Stackpoole	General Member	Teacher	Kaleen Primary Ashburton Circuit <b>Kaleen</b> 2617
I Starr	General Member	Teacher	Caroline Chisholm High Hambidge Crescent <b>Chisholm</b> 2904
W Wurfel	General Member	Teacher	Palmerston District School Kosciusko Avenue <b>Palmerston</b> 2913
Greg Howatson	General Member	Teacher	Alfred Deakin High Kent Street <b>Deakin</b> 2600
C Coleman	Preschool Rep	Preschool Teacher	Charles Conder Preschool Tom Roberts Avenue <b>Conder</b> 2905
K Keats	Preschool Alternate Rep	Preschool Teacher	Indigenous Education Unit c/- Mawson Primary Ainsworth Street <b>Mawson</b> 2607

# OPERATING REPORT 2005

This report is prepared in accordance with the requirements of Schedule 1B of the Workplace Relations Act 1996, section 254.

## **Secretary's Overview 2005:**

The Federal Government's decisive election victory in 2004 with its achievement of a Senate majority has led to the most significant interventions by a Federal Government into the operations of our education systems in the nation's history.

2005 has seen every operational aspect of our systems, whether TAFE or schools, influenced by the ideological driven agenda of the Federal Government. The interventions have been both educational and industrial. The Skilling Australia Act and the Industrial Relations Legislation, the Quadrennial Funding Legislation and Regulations combining to force TAFE Institutes, schools and State and Territory systems to adhere to the directions of the Federal Government. Flagpoles, standardised reporting, specified values, publishing of teacher qualifications, attendance and professional learning to the insistence on the offering of individual workplace contracts, demands for performance pay, principals' rights to hiring and firing and the creation of stand alone vocational colleges have all been part of the intervention process.

We have also experienced the personal policy whims of the Federal Minister Brendan Nelson who has advocated the teaching of creationism in schools, ill-conceived proposals for national certification and studies into curriculum by Liberal Party acolytes paid out of public funds and using discredited research methodology.

In the meantime, in the ACT, teachers have continued to concentrate on delivering positive educational outcomes for students despite the behaviour of the Federal Minister undermining their work, threatening their employment rights and seeking to undermine the systems they work for and their union.

The year 2005 began with the participation of the ACT Branch representatives in the January AEU Federal Conference, National TAFE Council and the National Indigenous Seminar in Fremantle, WA. The Conference focused on the industrial, educational and professional implications of the re-election of the Howard Government. As usual, the delegates who participated felt reinvigorated by the Conference and other meetings and determined to work harder in the interests of members and public education. One aspects of the Conference was the call for members to involve themselves in fundraising and contributing to the Asian Tsunami Relief Fund.

On return to duty, officers met with the new head of the Department, Dr Michele Bruniges to discuss issues of concern. The most prominent of these as students and members began the school term was the issue of voluntary contributions. The ACT Council of Parents and Citizens Associations launched a shaming campaign in the media where schools were named for allegedly breaching the New Education Act and Departmental Guidelines.

AEU officers convened a meeting with the P&C Council officers and principals before approaching DET to establish a forum to determine how guidelines could be improved and schools supported to eliminate concerns. This exercise intensely negotiated over Term 1 led to an agreed set of policy changes to avoid conflict in the future.

The AEU then called on the group to continue as a Promoting Public Education Forum to address the continuing decline in the public sector share of enrolments in schools. Regular meetings have been held to discuss improvements in the way public education can be supported by the union, parents, DET, students and teachers to sustain and improve our enrolment share and hence protect the jobs of teachers.

The loss of enrolment share over the 10 years to 2003 has seen the percentage of students in public schools fall to 59.92% at an annual decline of almost 1% pa. No teacher or principal

working in public education can ignore his or her professional responsibility in addressing this issue.

The AEU has made a feature of promoting public education in the journal, in the media, to Council and members in schools generally throughout the year. Research has been commissioned and issues such as infrastructure, student behaviour, teacher professionalism, resources, educational support, workload, morale, marketing and school culture have all come under scrutiny. Celebrating the values of public education has also been emphasised. The Department and CIT are now committed to an ongoing partnership with the AEU that will see an expansion of public education activities in 2006, including a *Public Education Week* building on our successful Public Education Day 2005. Many more schools participated in the various activities on 19 May with a powerful address by the new Chief Executive, Michele Bruniges on the value of public education at a lunch time gathering at CIT, followed by Dr Clive Hamilton of the Australia Institute at the Public Education Day Dinner that night.

The AEU's working relationship with DET, principals and the P&C Council extended through the year to participation on a wide range of other significant committees, including one that examined the system's response to the Federal Minister's demands for student and school reporting. Officers also participated on a BSSS roundtable which met twice with system representatives to discuss issues relating to Years 11 and 12, and sat on the Curriculum Review Taskforce and Consultative Committee.

In the cases of these committees a regular feature of discussions was the issue of the political assault being carried out in the media by local and interstate politicians and conservative media commentators on "Standards", Outcomes Based Education, Reporting and Assessment. Rarely has there been the level of orchestrated Federal Government and supporters' criticism, mostly baseless that has been directed at public education.

The curriculum and assessment challenges facing teachers in the ACT are difficult enough to manage in such a small system at the best of times but in the hostile climate of today's education polity the professional work of teachers is being made doubly difficult.

Throughout 2005, the negotiation and implementation of many elements of the 2004-2005 Certified Agreement continued with July Council giving its approval to a Code of Professional Practice. We still await its stamp of approval from DET. The Code provides advice to the profession in a broad range of areas relating to professional conduct. This is essential, as the ACT has finally begun the move to establish a Professional Registration body for teachers. We remain the only jurisdiction in Australia without such a body. Its expected establishment is in 2008 and the AEU will play a major role in its configuration. Officers participated in the initial planning committee meetings during the year, along with representatives of the employers and the IEU.

While ongoing work on implementation of this Agreement was being undertaken the salary and conditions claim for 2006-2009 was being developed through a consultation process with members. Unlike the year-long process for the previous Agreement, the Council and Mass Meetings approved the claim to go forward in September after a much shorter consultation. The consistent theme of the 2004-2005 Agreement, that of comparable and consistent salaries with our colleagues across the border, was reinforced by the Agreement in NSW in October to provide a fully funded 4% pa increase for the public and private school systems from 1 January 2006.

This was an historic Agreement, achieved without the usual industrial conflict between the parties. It also occurred before the expiration of current Agreements and in anticipation of the very much more unfavourable industrial relations environment, heralded by the Howard "Work Choices" legislation threatening the elimination of State based industrial relations systems.

At the time of writing, our claims having been served are being negotiated but with the question of quantum being left to last as a political issue. Lobbying by officers of the ACT Branch of Government has also intensified.

In July the Stanhope Government announced an ambitious program of school renewal with its proposal for a new \$43m P-10 school in West Belconnen encompassing the existing Ginninderra District High School and Holt and Higgins Primary and Preschools.

The AEU took a proactive and positive position on the proposal with the strong support of staff, particularly at GDHS. With only 140 students projected for 2006 the secondary school would not have been viable with an unplanned closure inevitable. Despite a campaign against the proposal by a small number of community members and parents, fuelled by a sustained assault by the ACT Opposition, most of the community recognise the proposal as a tremendous investment in public education in one of the more disadvantaged areas in the city.

Branch Council congratulated the ACT Government on the proposal and instructed Union officers to actively campaign for its implementation. Meetings were held with staff of the affected schools and additional support negotiated to support transition arrangements.

What is of concern about the proposal is the hostile reaction of Opposition politicians, some community members and the Parents and Citizens Council to a proposition that delivers a modern infrastructure and programs into an environment where two of the three schools were residualised and despite significant assistance, faced with their communities a bleak future at best. In their attempts to challenge the proposal, some parents resorted to libellous comments about staff and neighbouring schools. Alternative proposals thrown up in the consultation process called for continuation of existing students even though numbers at GDHS would have continued to decline past 2006.

The disputation does not bode well for the future requirement to consolidate the shrinking school population. The AEU published a discussion paper on the issue in July and in supporting the West Belconnen investment made it clear that elsewhere in Canberra the educational needs of students and the working conditions of teachers required such an approach to be replicated. The long term sustainability of public education requires modern infrastructure that supports modern teaching practice in a diversity of school types and sizes.

Since May, when the Federal Government gave us the first indications of its Industrial Relations Legislations, AEU officers and members have been active in opposition to the changes. Despite the \$55m expenditure on Government propaganda, the Australian community remains resolutely opposed to the "Work Choices" legislation. The ACT Branch has contributed over \$8.50 per member to the ACTU and ACT Labour Council campaign against the so-called reforms while members have been active at rallies, petition signings, seminars etc educating themselves and the community about the unfair and destructive removal of the rights and protections of working people under our current system.

The November Council meeting is being asked to consider an even larger financed effort for 2006 to support the *Your Rights At Work* Campaign. With the Howard Government's control of the Senate, the only way in which the legislation can be removed is through massive community backlash at the next Federal Election due in 2007 or such pressure on the Federal Government that it will amend its own legislation because it is deemed unconstitutional or unworkable.

A number of significant decisions were made during 2005 to improve the campaigning capacity of the ACT Branch. In 2006 for the first time, the Union's resources committed to campaigns will exceed \$100,000 while it continues to reduce its liabilities by making a double mortgage payment to the AEU Federal Office. Full ownership of the AEU office is expected to be achieved within the next two or three years. Increased expenditure on technology and a staffing restructure has led to an improved financial capacity for the Union to support activity into the future.

Recruitment remains a major issue for the AEU as 2003 and 2004 were our best ever years. We still have to recruit the increasing number of new and beginning teachers to our ranks to sustain our membership density. By the end of October, we had recruited some 300 new members but there remained a significant number of new teachers in schools that had not yet

joined. As older members retire and are replaced by beginning teachers we need to ensure that we continue to recruit to the maxim to sustain our capacity to negotiate with Government and the employer. As the legitimate voice of the profession, we must always speak with the strength of numbers. The hostile industrial, educational and political environment of the next few years makes recruitment absolutely our core business and every member has a role to play in this vital activity.

New members from Term 4 2005 can only join via non-payroll deduction methods. Encouragement is also being given to existing members to transfer from payroll deduction to ensure security of income in the future. Cancellation of PRD facilities has been a favourite tool of conservative governments to attack unions in the past. Over 250 existing members converted to other payment mechanisms in the first three weeks of Term 4. We hope the trend continues.

Member activism, at its high levels in 2004, has unfortunately fallen away somewhat during 2005. While the most Sub-Branch Executive positions have been filled, representation has been variable with October Council recording 52 Sub-Branches as not in attendance. This is half the Council and for a meeting that was addressed by the Minister on the issue of student and school reporting and which heard significant reports on the salary claims and the IR campaign is disappointing. Members were active at the August 9 Rally and at Floriade in the IR Campaign with several hundred participating but we will have to lift levels of activity in 2006 and 2007 if we are to succeed in overturning the anti-workers, anti-union and anti-public education legislation of the Federal Government.

The ACT Branch has involved itself throughout the year in national activities, including National Executive, National TAFE Council, Executive, various seminars, national meetings and in the campaigning and lobbying exercises led by the AEU's Federal President Pat Byrne, retiring Federal Secretary Rob Durbridge and acting Federal Secretary Susan Hopgood.

We also hosted the 2005 General Secretaries Meeting with colleagues from the NZ teacher unions joining their Australian counterparts.

The close personal working relationships with our interstate colleagues have been beneficial to all concerned in advancing the cause of teacher unionism and public education in 2006.

In addition to the Secretary's Overview and the financial statements [attached] as reported, the ACT Branch is required by the legislation to detail the Resignation Rules of the organisation. The member is entitled to resign in accordance with Federal Rule 17 – Sub-rule 17[1A][3].

In effect, this Rule provides that a member's notice of resignation takes effect:

- [a] if you are ceasing to be a teacher in the ACT Government sector entirely, from no earlier than the date you leave.
- [b] in any other case [ie you are remaining a teacher in the ACT Government sector], no earlier than two weeks after you have notified the Union.

All notices of resignation must be in writing, specify the precise date of resignation and be delivered to the AEU – ACT Branch Secretary.

No Officers of the ACT Branch holds positions designated under section 254[2d].

The list of Executive Members [Committee of Management] is attached.

The AEU – ACT Branch had 3374 financial members at 31 December 2005; 1 full time officer and 9 other employees

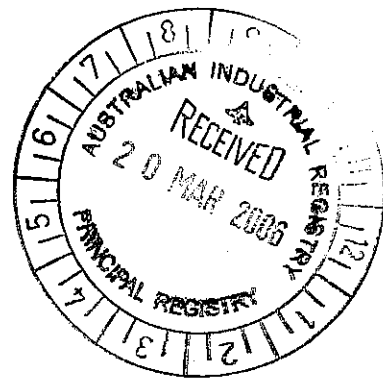
The full Annual Report and Financial Report for 2005 are available on the ACT Branch website.

**Clive Haggar – Branch Secretary**

21 February 2006

**AUSTRALIAN EDUCATION UNION  
ACT BRANCH**

*General Purpose Financial Report  
For The Year Ended 31<sup>st</sup> December, 2005*



**Houston & Hanna**  
Chartered Accountants  
15/11 McKay Gardens  
TURNER ACT 2601

Phone: 02-62498515      Fax: 02-62496792  
Email: [khanna@webone.com.au](mailto:khanna@webone.com.au)



# AUSTRALIAN EDUCATION UNION - ACT BRANCH

## COMMITTEE OF MANAGEMENT STATEMENT

On 07/02/2006 the Committee of Management of Australian Education Union - ACT Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2005.

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar.
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cashflows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which GPFR related and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of the 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 unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - (iv) reports done on a single reporting unit basis; and
  - (v) there has been no requests by any member or the Registrar that required a report under Section 272 of the RAO Schedule.
  - (vi) no orders have been made by the Commission under section 273 of the RAO Schedule during the period.

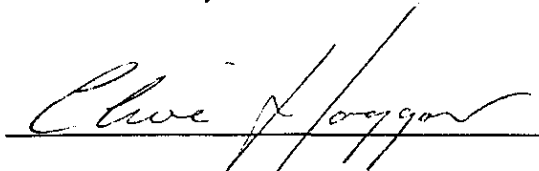
**For Committee of management:**

Clive Haggan

**Title of Office held:**

Branch Secretary

**Signature:**



**Date:**

7th February, 2006

# AUSTRALIAN EDUCATION UNION - ACT BRANCH

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2005

2004		2005
\$	INCOME	\$
1,454,456	Members subscriptions	1,480,411
(31,484)	Less collection costs	(18,083)
8,260	Interest on investments	10,336
5,364	Other income	16,311
33,150	Rent received	35,971
125,122	Distribution TLC income trust	-
<u>1,594,867</u>	<b>TOTAL INCOME</b>	<u>1,524,946</u>
21,969	Affiliation fees & I.T.F. Subscriptions	18,290
15,900	Amortisation - leasehold buildings	23,748
58,956	Arbitration & campaign expenses	77,547
3,500	Audit & Accounting Costs	3,600
7,099	Bank fees	6,892
-	Provision for Doubtfull Debts	2,240
4,788	Cleaning	4,413
20,601	Computer Services & Data base Costs	22,703
8,836	Depreciation	10,379
5,227	Donations - general	6,498
125,122	Donation - ACT TLC	-
2,274	Electricity	2,082
15,637	Meeting & conference expenses	19,155
13,695	Membership services & Training	9,014
80,645	Federal capitation fees	91,939
30,133	Newsletter Expenses	29,320
23,959	Insurance	22,421
9,522	Interest	8,592
27,528	Office equipment & Leases	13,198
44,928	Legal - annual retainer	51,633
1,751	Legal - member's	-
2,119	Legislation reports & awards	3,142
4,071	Photocopying charges	3,627
19,563	Postage, freight & general expenses	14,836
17,559	Printing & stationery (Inc. year planner)	14,733
5,950	Professional development & training	17,211
25,821	Provision for annual leave	8,701
19,125	Provision for long service leave	5,870
25,299	Rates, taxes and body corporate fees	22,222
4,350	Repairs, maintenance & replacements	10,347
106,839	Salaries - officers	107,799
645,944	Salaries - other employees	667,065
84,516	Superannuation -general staff	88,085
17,532	- officers	17,465
18,943	Telephone & internet costs	17,963
4,704	Travel	6,809
23,698	Vehicle expenses (including FBT)	20,821
7,322	Vehicle depreciation	6,612
3,936	Women's Budget	2,165
<u>1,559,361</u>	<b>TOTAL EXPENSES</b>	<u>1,459,137</u>
<u><u>35,507</u></u>	<b>Operating surplus for year</b>	<u><u>65,809</u></u>

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS

# AUSTRALIAN EDUCATION UNION - ACT BRANCH

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2005

2004 \$		NOTES	2005 \$
	<b>CURRENT ASSETS</b>		
115,515	Cash at Bank		148,039
225,914	Cash on Deposit		235,306
10,996	Sundry Debtors and Prepayments		14,135
3,910	Members Subscriptions in Arrears		3,648
15,170	Members Welfare Loans	5	18,210
(6,760)	Less: Provision for Doubtful Debts		(9,000)
<u>364,745</u>	<b>TOTAL CURRENT ASSETS</b>		<u>410,338</u>
	<b>NON CURRENT ASSETS</b>		
804,103	Leasehold Property, Plant & Equipment	3	833,300
<u>1,168,848</u>	<b>TOTAL ASSETS</b>		<u>1,243,638</u>
	<b>LESS CURRENT LIABILITIES</b>		
56,224	Sundry Creditors		67,753
39,000	Borrowings		46,927
100,672	Provision for Staff Entitlements - general staff	6	97,440
61,197	- officers	6	69,062
32,726	Subscriptions Paid in Advance		84,985
<u>289,819</u>	<b>TOTAL CURRENT LIABILITIES</b>		<u>366,167</u>
	<b>NON - CURRENT LIABILITIES</b>		
5,000	Rent Deposit held		5,000
77,304	Borrowings		-
21,705	Provision for Staff Entitlements	6	31,643
<u>104,009</u>	<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>36,643</u>
<u>393,828</u>	<b>TOTAL LIABILITIES</b>		<u>402,810</u>
<u><u>775,019</u></u>	<b>NET ASSETS</b>		<u><u>840,828</u></u>
	<b>Represented By:</b>		
	<b>Members Funds</b>		
739,512	Balance as at 1 January 2005		775,019
35,507	ADD - Surplus/(Deficit) for Year		65,809
<u><u>775,019</u></u>	<b>Balance as at 31 December 2005</b>		<u><u>840,828</u></u>

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS

# AUSTRALIAN EDUCATION UNION - ACT BRANCH

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2005

2004 \$		2005 \$
	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
1,427,070	Receipts from Members	1,532,670
8,260	Interest received	10,336
163,636	Receipts - other persons	51,981
(1,409,066)	Payments to suppliers & employees	(1,413,757)
<u>189,899</u>	<b>NET CASH PROVIDED BY OPERATIONS (Note 4(b))</b>	<u>181,230</u>
	<b>CASH FLOW FROM INVESTING &amp; FINANCING ACTIVITIES</b>	
-	Sale of assets (net)	2,602
(76,696)	Loan Repayments	(69,377)
(26,405)	Payments for Assets	(72,539)
<u>(103,101)</u>	<b>NET CASH PROVIDED BY INVESTING &amp; FINANCING</b>	<u>(139,314)</u>
86,798	<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	41,916
254,631	Cash at beginning of year	341,429
<u><u>341,429</u></u>	<b>CASH AT END OF YEAR (Note4 (a))</b>	<u><u>383,345</u></u>

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS

# AUSTRALIAN EDUCATION UNION - ACT BRANCH

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 DECEMBER 2005

### Note 1 Statement of Accounting Policies

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996 and associated Regulations 2003.

The financial report has been prepared on an accruals basis and is based on historical costs and 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 Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) **Income Tax**

The association is a tax exempt body under the division 50 of the income tax assessment Act 1997 as a registered employee organisation.

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

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

**Plant and Equipment**

Plant and Equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets.

**Depreciation**

The depreciable amount of all fixed assets are depreciated on a straight line basis over the useful lives of the assets to the association commencing from time the assets is held ready for use.

The depreciation rates used for each class of depreciable asset are:

<u>Class of Fixed Assets</u>	<u>Depreciation Rate</u>
Office Furniture & Fittings	10 - 15%
Office Equipment	20 - 25%
Leasehold Buildings	2.50%

(c) **Employee Benefits**

Provision is made for the company'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 their nominal amount. 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 association to an employee superannuation fund and are charged as expenses when incurred.

# AUSTRALIAN EDUCATION UNION - ACT BRANCH

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

### NOTE 2 - INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, as amended, the attention of members is drawn to the provisions of Section 272 of Schedule 1B, which indicates as follows:

- (1) A member of a branch, 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) The reporting unit must comply with an application made under subsection (1).

**Civil penalty provision applies for non compliance.**

### NOTE 3 - LEASEHOLD PROPERTY, PLANT & EQUIPMENT

2004 Written Down Value \$		Cost \$	Accumulated Depreciation \$	2005 Written Down Value \$
743,265	Leasehold land & buildings	994,472	216,498	777,974
6,357	Furniture & fittings	88,692	84,257	4,435
28,966	Office equipment	85,443	64,934	20,509
25,515	Motor vehicles	48,972	18,590	30,382
<u>804,103</u>	Total written down value	<u>1,217,579</u>	<u>384,279</u>	<u>833,300</u>

### NOTE 4 - CASH FLOW INFORMATION

(a) Reconciliation of Cash	2005 \$	2004 \$
Cash on hand	500	300
Cash at bank	148,039	115,515
Cash on deposit	234,806	225,614
	<u>383,345</u>	<u>341,429</u>

# AUSTRALIAN EDUCATION UNION - ACT BRANCH

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 DECEMBER 2005

### NOTE 4 - CASH FLOW INFORMATION (continued)

(b) Reconciliation of Cash Flows from Operations	2005 \$	2004 \$
Operating surplus/(deficit)	65,809	35,507
<b>Add Back Non-Cash Items</b>		
Amortisation	23,748	15,900
Depreciation	16,991	16,158
Increase/(decrease) in provisions	16,811	44,946
<b>Total Non-Cash Items</b>	<u>123,359</u>	<u>112,511</u>
<b>Changes in Assets &amp; Liabilities</b>		
Decrease/(Increase) in Debtors, Prepayments & Members Loans	(5,917)	44,418
Increase in Creditors, including Subs in Advance	63,788	32,971
<b>Cash Flows from Operations</b>	<u><b>181,230</b></u>	<u><b>189,899</b></u>

### NOTE 5 - TEACHER WELFARE FUND

#### Summary of Transactions in the Teacher Welfare Fund

Balance of loans outstanding 1 January 2005	15,170	11,760
Loans made during the year	5,000	7,500
	<u>20,170</u>	<u>19,260</u>
<b>Less:</b> Loan repayments received	(1,960)	(4,090)
Loans written off	-	-
<b>Balance of loans outstanding 31 December 2005</b>	<u><b>18,210</b></u>	<u><b>15,170</b></u>

### NOTE 6 - PROVISION FOR STAFF LEAVE ENTITLEMENTS

#### Current Liabilities

##### *General Staff*

Provision for Annual Leave	71,738	66,621
Provision for Long Service Leave	25,702	34,051
	<u>97,440</u>	<u>100,672</u>

##### *Office Holder*

Provision for Annual Leave	24,249	20,665
Provision for Long Service Leave	44,813	40,532
	<u>69,062</u>	<u>61,197</u>

#### Non Current Liability

Provision for Long Service Leave	<u>31,643</u>	<u>21,705</u>
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# AUSTRALIAN EDUCATION UNION - ACT BRANCH

## AUDITOR'S REPORT

I have audited the accounts of the Australian Education Union, ACT Branch in respect of the year ended 31 December 2005 and have received all the information and explanations I required for the purposes of my audit.

### Scope

The Executive Committee is responsible for the preparation and presentation of the financial reports and the information contained therein. I have conducted an independent audit of the financial reports in order to express an opinion on them to the members.

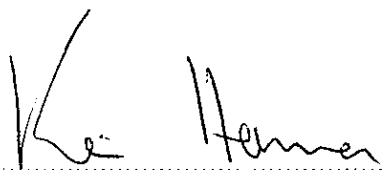
My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the accounts are free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the accounts, and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

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

In my opinion:

- (i) there were kept by the Organisation in respect of the year satisfactory accounting records detailing the sources and nature of the income of the Organisation (including income from members) and the nature and purpose of expenditure;
- (ii) the general purpose financial report is presented fairly in accordance with applicable Australian Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1B of the Workplace relations Act 1996, and
- (iii) that the branch has not being involved with recovery of wages activities during the year.

Suite 15 George Turner Offices  
11 McKay Gardens  
TURNER ACT 2601

  
.....  
**Kim D Hanna FCA**  
**Registered Company Auditor**  
Date 8<sup>th</sup> February, 2006