



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

02 June 2009

Ms Penny Gilmour  
Branch Secretary  
Australian Capital Territory Branch  
Australian Education Union  
PO Box 3042  
MANUKA ACT 2603

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

Dear Ms Gilmour,

**Australian Capital Territory Branch of the Australian Education Union  
Financial Report for the Year Ended 31 December 2008 - FR2008/626**

I acknowledge receipt of the financial report of the Australian Capital Territory Branch of the Australian Education Union for the year ended 31 December 2008. The documents were lodged in the Industrial Registry on 30 March 2009.

The financial report has been filed. Future financial reports may be improved by addressing the following matters.

**Auditor's Report**

The Auditor's Report was signed on 9 February 2009. The Committee of Management Statement, as part of the General Purpose Financial Report, was signed on 10 February 2009. It is important that the Auditor's Report is signed by the Auditor *after* the Committee of Management Statement has been signed. A copy of this letter will also be sent to the Auditor.

**Operating Report**


The Operating Report should be both signed *and* dated in future financial reports. On this occasion the Operating Report was signed but not dated.

**Cover Sheet.**

Whilst correctly referring to the financial 'year ending 31 December 2008' in bold, underneath reference is made to the 'period ending 31 December 2006'. Please ensure the correct reporting period is referred to.

If you have any questions, I can be contacted on (03) 8661 7775 or by email at [thomas.hobbs@airc.gov.au](mailto:thomas.hobbs@airc.gov.au)

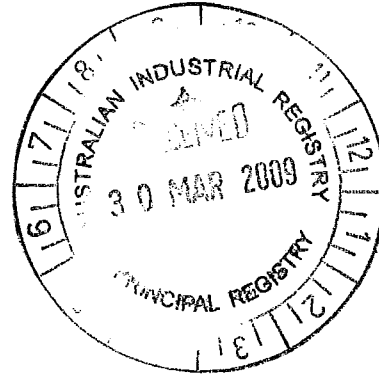
Yours sincerely,

A handwritten signature in black ink, appearing to read 'Thomas Hobbs', written in a cursive style with a long horizontal stroke extending to the right.

Thomas Hobbs

Statutory Services Branch, Melbourne

Cc: Kim D Hanna FCA  
Registered Company Auditor  
Houston & Hanna  
15/11 McKay Gardens  
TURNER ACT 2601  
Email: [kim@khanna.com.au](mailto:kim@khanna.com.au)



File Reference: B47

Mr Andrew Schultz  
Statutory Services Branch  
Australian Industrial Relations Commission  
GPO Box 1994  
MELBOURNE VIC 3001

Dear Andrew

**Australian Education Union - ACT Branch  
Financial Return – Year Ending 31 December 2008**

I enclose a copy of the Auditor's Report, Accounts and Statements for the period ending 31 December 2006 in addition to all documents required under the Workplace Relations Act 1996.

Yours sincerely

**PENNY GILMOUR**  
Secretary

23 March 2009

Attachments

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

I, Penny Gilmour, 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 presented to a meeting of the Committee of Management of the reporting unit on 10 February 2009; in accordance with section 266 of the RAO Schedule.
- That the full report was provided to members via the Union's journal on 6 March 2009.
- That the full report was presented at a general meeting of members on 21 March 2009.

**Signed:**

  
.....  
**PENNY GILMOUR**  
**Branch Secretary**

**Date:** 23 March 2009

# OPERATING REPORT 2008

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

## **Secretary's Overview 2008:**

This year has been one of major change in the AEU – ACT Branch. While the Branch has not been involved in a major campaign over the last 12 months, there have continued to be issues arising from the 2007 Union Collective Agreement [UCA] settlement to address. In addition to workload and the implementation of the UCA, members continue to raise significant concerns with the AEU office about issues of student behaviour management and welfare problems for both students and staff. Despite the high quality of teachers in our system, the job is continuing to become more complex and difficult, with consequent increased pressure on attraction and retention of staff.

The implementation of Section O of the UCA has continued to cause some issues, but data from the audits confirms system compliance with the requirements.

Preparation for the next salaries and working conditions claim has been a dominant task this year. In Term 1 the AEU began consultation with members about mobility policy, and the changes to the current policy steered through the Mobility Committee have been endorsed by the Council after lengthy consultation with the membership. The changed policy will form part of the UCA claim.

The ACT Branch has continued to engage with the issue of professional pay for teachers, and submitted a proposal to DET as part of that consultation process. No outcome has been reached, but the Branch UCA claim contains a serious attempt to introduce such measures. Similarly, the debate within the ACT about teacher registration has seen the AEU engage and make submissions on this matter. No outcome has been announced on this issue by the ACT Government, but the AEU continues to press for the creation of a credible registration process for the Territory, and has asserted that this should be a priority for implementation ahead of the School Standards Authority proposal circulated for comment during the year.

Following a membership survey to identify major issues and themes, October Branch Council endorsed a draft UCA claim for debate among the Sub-Branches. It is a comprehensive claim, addressing issues of workload and resourcing in the system as well as the perennial matter of salary quantum. It is expected that the claim will be finalised by November Council and served on the employer in early 2009.

Staffing continues to be a pressure point in the system. The number of applicants to the ACT public education system has declined over the last few years, suggesting that it no longer ranks as highly for prospective job applicants as it has in the past. This may be explained by the current salaries gap between the ACT and our nearest competitor NSW, and also by the uncertainty caused by school closures the current round of which will finally come to an end at the end of 2007. Added to the declining number of applicants, the system has experienced pockets of acute shortage in some subject areas, and of general difficulty in the supply of relief teachers. This teacher shortage, already serious during 2007 in the ACT secondary sector and for relief teachers, is now chronic with schools unable to retain quality staff in many subject areas and few if any replacements available. Particular areas of shortage remain in school counselling and the AEU is working with members and DET to address this issue. Teacher-Librarians and some LOTE teachers are also in short supply. The shortage of teachers is of course national and international in scope but there is no question that the current disposition of the ACT Government public education system means it is less competitive in the increasing competition for quality staff.

The AEU has continued in 2008 to undertake significant joint work with DET and other system stakeholders. The new Leadership Framework is an example of the quality of collaboration in the best interests of the system. It will provide for teachers at all levels an indication of the

qualities and attributes sought at promotion levels, and should be a valuable tool for self-reflection and planning personal development to achieve the goal of promotion. The fundamental shift in the Framework is a move to describing SLA, SLB and SLC positions in terms of Capabilities. Principal [SLA] selection has been undertaken using Capabilities for some years now, and it has always been intended to flow them downwards. Training for panels selecting using Capabilities is expected to commence during Term 4 2008, with training for prospective applicants in writing to Capabilities anticipated for Term 1 2009.

The AEU has also worked with DET to shape the new SLC positions attached to the Quality Teaching Program. Once the Implementation Team had developed the general disposition and role of the positions, the industrial aspects of transparent appointments processes were finalised and the positions are currently being filled.

The AEU continues to be represented on the planning groups for new schools – Kingsford Smith P-10 School in West Belconnen opens in 2009, and the planning for the new Gungahlin College is well-advanced. Planning has recently commenced for the Tuggeranong P-10 School, due to open in 2011. The AEU has taken a role in the planning of all of these sites, and will continue to do so.

The relationship between the AEU and CIT continues to experience difficult moments, none more so than the dispute which arose from the latest CIT restructure which remains partially unresolved more than 5 months since the conflict came to a head. The negotiation of resolution to most aspects of the dispute was a successful – if tortuous – venture, but in the way of some disputes there remains a single outstanding issue that the parties have been unable to agree. The AEU's lobbying for a political solution to the impasse was interrupted by the ACT Elections; it is expected to resume once the new Assembly has been formed and there is a Minister with whom to prosecute our case.

Despite these occasional difficulties, the AEU has also had a range of productive outcomes with CIT this year, and continues to seek common ground on issues of mutual interest. The changes at CIT and increasing pressure on the VET sector seem to have breathed renewed life into TAFE membership, resulting in some excellent lobbying activities with Federal colleagues, as well as a somewhat revitalised TAFE Council. At the time of writing the Federal Government's VET Agenda as being proposed through COAG is causing deep concern about the future of public VET provision, and the AEU has taken every opportunity to raise its concerns both locally and in the national arena on this matter.

The 2008 ACT Election campaign saw the AEU Council again determine a list of Election Priorities and prosecute these with the major parties and some of the minor groups. Invitations to address AEU Council in August were accepted by representatives of Labor, Liberal, Greens, Community Alliance, Pangallo Independents, and Richard Mulcahy Canberra Party. For the most part the addresses did not provide much more detail than was known at that time, but post-Council saw the start of the release of policies and programs. At the time of writing the final outcome looks to be an Assembly composed of Labor, Liberal and Greens members, but it is unknown which party the Greens will support to form minority Government for the Territory. Once the Government is known, the AEU will resume its lobbying effort to bring the needs of public education to the attention of Government. The AEU provided policy documents for members when parties released these, and prior to the election policies of the 6 groups who had addressed the Council were lodged on the AEU's website for member information. It is important to note that the AEU is not affiliated with any political party at national or ACT level, and does not donate to any political party at national or ACT level.

The ACT Branch has continued to support AEU Federal Campaigns, both through the normal affiliation fees and through the special levy of \$2 per member. The Federal Office has made significant efforts to lobby Prime Minister Rudd and Deputy Prime Minister Gillard about the Federal Government's education agenda, especially the decision to maintain the current iniquitous funding arrangements through another quadrennial period. The AEU commissioned national research into the outcomes and projections for federal contributions to public education over the last decade, and achieved positive and widespread media coverage of the disturbing evidence of continuing decline in support for public education provided in Professor

Jim McMorrow's report. The Federal Office also commissioned research into the state of infrastructure across the nation – again a disturbing picture of lack of maintenance funding for public school facilities which achieved a measure of media interest. The AEU has undertaken lobbying exercises with Federal parliamentarians around the national campaign issues for both schools and TAFE, and the ACT Branch has been a willing participant in both activities.

In mid-October the AEU launched a new federal campaign website, [www.forourfuture.org.au](http://www.forourfuture.org.au), as a vehicle to lobby Federal politicians about the funding issue. The website launch has been supported by a series of campaign ads, media reports and by visits to politicians. The site features an easy method for AEU members to send a letter to the Prime Minister, Deputy Prime Minister and local politicians about the issues that matter, and the ACT Branch has been encouraging our members to participate in this action.

The ACT Branch has hosted a number of international delegations over the last year, including groups of education department and teacher union officials from countries as diverse as China and South Africa. It has been interesting on each occasion to hear very different perspectives on the development of quality systems and excellent teachers, and to share aspects of the ACT experience with our international colleagues.

The ACT Branch has continued to maintain productive relationships with other stakeholders in public education. The ACT Public Education Alliance [ACTPEA] was inaugurated in Term 1 2008, and has met sporadically during the year. While the start has been slow, ACTPEA may yet provide a useful vehicle for campaigns on which the ACT Public Education Community wishes to focus. The ACT P&C Federation office-bearers have changed again this year, and with the flux in that organisation there have not been as many discussions as might have been expected. However, there are very cordial relations between the AEU and the major parent organisation, and the AEU intends to ensure these are nurtured as we move into a UCA campaign year. We have maintained a good relationship with Save Our Schools, and have certainly benefited from access to some of SOS' research efforts. Apart from these groups, the AEU maintains close contact with the Independent Education Union when we have matters of mutual interest, and has continued to exchange advice and information on various aspects of system organisation across both public and private sectors.

The last 12 months have also seen major changes in the AEU office.

The retirement of former Branch Secretary Clive Haggart on 30 May 2008 brought to an end his long period of service to AEU members as a union official. Clive served both the ACT Teachers Federation and the AEU – ACT Branch over a period of twenty years, and his contribution was marked with a series of events prior to his departure. It is most fitting that Clive's formal farewell took place at the Public Education Day Dinner, an event that he was always proud to have instigated. Since his retirement, Clive has developed a keen interest in exploring the options of life post-work!

Clive's retirement precipitated a number of other Officer changes in the Branch. I was elected to replace Clive as Branch Secretary for the remainder of the 2 year period which expires on 31 December 2008. Peter Malone was appointed to the vacancy of Assistant to the Secretary [Industrial], a welcome return to the AEU office which he left in 2002 to take up the Secretary's role at UnionsACT, and then as UnionsNSW Marginal Seat Co-ordinator for Eden-Monaro in the *Your Rights At Work* Campaign. Peter returned to the AEU at the beginning of 2008 in a temporary capacity, acting as Assistant to the Secretary [Industrial] when I was absent on study leave with the Harvard Trade Union Program. Upon my return, Peter remained on board as a project officer, concentrating on the issues of the reviewing mobility policy and developing the Branch position on professional pay/teacher standards. His re-appointment to the substantive position of Assistant to the Secretary [Industrial] ensures that the Branch has an experienced and committed Officer in this role as we move into the next EBA round.

Glenn Fowler has just been re-appointed as a Schools Organiser until Term 1 2012, and this is a welcome development. Glenn is coming to the end of 12 months in the Schools Organiser role, and in that time has shown himself to be enthusiastic, committed and competent. Along

with Bill Book and Mike Fitzgerald, the members are well-served by our organising team. Cathy Smith continues as Assistant to the Secretary [Professional], a role that provides essential support to the work of the Branch and the members. In 2008 there has been a particular demand on the role for production of submissions, and the AEU has continued to produce high-quality work in this regard.

On the administrative side of the office, there have been milestones and changes in 2008. Finance Officer Sue Lai left the AEU after only a brief stay due to changes in her personal circumstances. Joelle Dulac took up the Finance Officer's role in January 2008 and has now been through almost one complete cycle of the AEU year. Michelle Kirby has continued in the Membership Clerk role, and Janet Anderson continues her work as Receptionist/Admin Officer. Janet was the well-deserved recipient of the 2008 Public Education Award, presented in recognition of her continuing contribution to the AEU over 25 years of service. Sue Billington remains the Executive Officer/Office Manager, and the longest-serving member of the team. Members are very fortunate to have such experience and commitment in the office to ensure the administration of the Branch continues to be top-notch.

This is my first Annual Report as Secretary, and I would like to place on record my gratitude for the confidence shown by Council in electing me to the Branch Secretary's position, and my appreciation of the help and support I have received from AEU officers, staff, Executive, Council and membership as I have settled into this new role. Finally, I acknowledge the support and guidance of Clive Haggart, who has left large shoes to fill but encouraged me to re-size them to suit my feet!

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 2997 financial members at 31 December 2008; 1 full time officer and 9 other employees.

The full Annual Report is available on the ACT Branch website.



**PENNY GILMOUR**  
Branch Secretary



Australian Education Union – ACT Branch

**BRANCH EXECUTIVE MEMBERS**  
**[Committee of Management]**

<b>Officer</b>	<b>Position</b>	<b>Occupation</b>	<b>Workplace Address</b>
P Gilmour	Secretary	Union Official	AEU – ACT Branch 40 Brisbane Avenue <b>Barton 2600</b>
P Rasmus	President	Teacher	Lake Ginninderra College 2 Emu Bank <b>Belconnen 2616</b>
W Cave	Vice President [Schools]	Teacher	ACT DET 220 Northbourne Avenue <b>Canberra 2601</b>
L Read	Vice President [Schools]		Preschool Services CTL, Fremantle Drive <b>Stirling 2611</b>
S Darwin	Vice President [TAFE]	TAFE Teacher	CIT – Centre for Business GPO Box 826 <b>Canberra 2601</b>
R Amey	General Member	Teacher	Lake Ginninderra College 2 Emu Ba16 <b>Belconnen 2602</b>
I Bean	General Member	Teacher	Canberra High Bindubi Street <b>Macquarie 2614</b>
R Byrne	General Member	Teacher	Richardson Primary Clift Crescent <b>Richardson 2905</b>
S Colley	General Member	Teacher	Black Mountain School Dryandra Street <b>O'Connor 2601</b>
V Ellen	General Member	Teacher	Melba Copland Secondary School – Melba Site Copland Drive <b>Melba 2615</b>
J Klein	General Member	Teacher	Lanyon High Heidelberg Street <b>Conder 2906</b>
P Rayner	General Member	Teacher	Canberra College Launceston Street <b>Phillip 2606</b>
P Rosser	General Member	Teacher	Amaroo School Katherine Avenue <b>Amaroo 2914</b>
A Blanckensee	TAFE Representative	TAFE Teacher	CIT – Vocational College GPO Box 826 <b>Canberra 2601</b>
M Holmes	TAFE Alternate Representative	TAFE Teacher	CIT – Science, Forensic & Engineering Centre, GPO Box 826 <b>Canberra 2601</b>

AUSTRALIAN EDUCATION UNION  
ACT BRANCH

*General Purpose Financial Report  
For The Year Ended 31<sup>st</sup> December, 2008*

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

Phone: 02-62498515      Fax: 02-62496792

Email: [kim@khanna.com.au](mailto:kim@khanna.com.au)

# AUSTRALIAN EDUCATION UNION - ACT BRANCH

## COMMITTEE OF MANAGEMENT STATEMENT

On 10/02/2009 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 2008.

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:**

Penelope Gilmour

**Title of Office held:**

Branch Secretary

**Signature:**

*Penelope Gilmour*

**Date:**

10/2/2009

# AUSTRALIAN EDUCATION UNION - ACT BRANCH

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2008

2007	INCOME	2008
\$		\$
1,546,663	Members subscriptions	1,562,049
10,754	Interest on investments	28,521
16,960	Other income	12,055
33,034	Rent received	33,890
1,607,411	<b>TOTAL INCOME</b>	1,636,516
20,535	Affiliation fees & I.T.F. Subscriptions	24,724
27,591	Amortisation - leasehold buildings	27,591
74,138	Arbitration & campaign expenses	58,420
3,100	Audit & Accounting Costs	3,200
11,414	Bank fees & merchant fees	11,463
-	Provision for Doubtfull Debts & Bad Debts	330
5,809	Cleaning	4,439
20,060	Computer Services & Data base Costs	19,949
11,733	Depreciation	12,985
15,700	Donations - general	7,723
3,005	Electricity	3,828
9,779	Meeting & conference expenses	8,680
19,166	Membership services & Training	16,901
-	Members Journey Insurance	18,676
93,961	Federal capitation fees	92,614
26,103	Newsletter Expenses	27,761
30,182	Insurance	21,682
11,410	Office equipment & Leases	1,948
60,208	Legal - annual retainer	59,214
5,948	Legal - member's	338
2,778	Legislation reports & awards	2,577
3,252	Photocopying charges	4,879
36,306	Postage,staff recruitment & general expenses	14,179
18,501	Printing & stationery (Inc. year planner)	18,486
12,930	Professional development & training	9,658
20,729	Provision for annual leave	(3,200)
(5,986)	Provision for long service leave	(35,341)
30,868	Rates, taxes and body corporate fees	32,695
15,045	Repairs, maintenance & replacements	5,222
128,595	Salaries - officers (Inc retirement leave entitlements)	261,790
697,192	Salaries - other employees	653,252
105,277	Superannuation -general staff	113,577
19,932	- officers	23,008
17,282	Telephone & internet costs	14,416
8,336	Travel	6,392
39,217	Vehicle expenses (including FBT)	47,449
4,507	Vehicle depreciation	3,605
2,453	Women's Budget	3,652
1,607,057	<b>TOTAL EXPENSES</b>	1,598,762
<b>354</b>	<b>Operating surplus for year</b>	<b>37,754</b>

# AUSTRALIAN EDUCATION UNION - ACT BRANCH

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2008

2007		NOTES	2008
\$			\$
	<b>CURRENT ASSETS</b>		
125,984	Cash at Bank		106,293
352,487	Cash on Deposit		378,389
19,332	Sundry Debtors and Prepayments		46,814
18,175	Members Welfare Loans	5	15,796
(9,000)	<u>Less: Provision for Doubtful Debts</u>		(9,000)
506,978	<b>TOTAL CURRENT ASSETS</b>		538,292
	<b>NON CURRENT ASSETS</b>		
764,662	Leasehold Property, Plant & Equipment	3	724,746
1,271,640	<b>TOTAL ASSETS</b>		1,263,038
	<b>LESS CURRENT LIABILITIES</b>		
64,707	Sundry Creditors		58,447
107,614	Provision for Staff Entitlements - general staff	6	138,355
67,220	- officers	6	22,188
54,285	Subscriptions Paid in Advance		52,730
293,826	<b>TOTAL CURRENT LIABILITIES</b>		271,720
	<b>NON - CURRENT LIABILITIES</b>		
31,470	Provision for Staff Entitlements	6	7,220
31,470	<b>TOTAL NON-CURRENT LIABILITIES</b>		7,220
325,296	<b>TOTAL LIABILITIES</b>		278,940
<b>946,344</b>	<b>NET ASSETS</b>		<b>984,098</b>
	<b>Represented By:</b>		
	<b>Members Funds</b>		
945,990	Balance as at 1 January 2008		946,344
354	Add - Surplus/(Deficit) for Year		37,754
<b>946,344</b>	<b>Balance as at 31 December 2008</b>		<b>984,098</b>

# AUSTRALIAN EDUCATION UNION - ACT BRANCH

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2008

<b>2007</b>		<b>2008</b>
<b>\$</b>		<b>\$</b>
	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
1,554,692	Receipts from Members	1,560,494
9,013	Interest received	25,898
44,042	Receipts - other persons	45,560
<u>(1,538,280)</u>	Payments to suppliers & employees	<u>(1,621,475)</u>
69,467	<b>NET CASH PROVIDED BY OPERATIONS (Note 4(b))</b>	10,476
	<b>CASH FLOW FROM INVESTING &amp; FINANCING ACTIVITIES</b>	
<u>(15,547)</u>	Payments for Assets	<u>(4,265)</u>
(15,547)	<b>NET CASH PROVIDED BY INVESTING &amp; FINANCING</b>	(4,265)
53,920	<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	6,211
424,551	Cash at beginning of year	478,471
<u><b>478,471</b></u>	<b>CASH AT END OF YEAR (Note4 (a))</b>	<u><b>484,682</b></u>

# AUSTRALIAN EDUCATION UNION - ACT BRANCH

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 DECEMBER 2008

### 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 2008

### 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

2007 Written Down Value \$		Cost \$	Accumulated Depreciation \$	2008 Written Down Value \$
722,792	Leasehold land & buildings	994,473	(299,271)	695,202
3,825	Furniture & fittings	72,369	(68,985)	3,384
20,018	Office equipment	71,482	(59,743)	11,739
18,027	Motor vehicles	29,059	(14,637)	14,422
<b>764,662</b>	<b>Total written down value</b>	<b>1,167,382</b>	<b>(442,636)</b>	<b>724,746</b>

### NOTE 4 - CASH FLOW INFORMATION

(a) Reconciliation of Cash	2008 \$	2007 \$
Cash on hand	500	500
Cash at bank	105,793	125,984
Cash on deposit	378,389	351,987
	<b>484,682</b>	<b>478,471</b>



**AUSTRALIAN EDUCATION UNION - ACT BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 DECEMBER 2008**

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

<b>(b) Reconciliation of Cash Flows from Operations</b>	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>Operating surplus/(deficit)</b>	37,754	354
<b>Add Back Non-Cash Items</b>		
Amortisation	27,591	27,591
Depreciation	16,590	16,239
Increase/(decrease) in provisions	(38,541)	14,743
<b>Total Non-Cash Items</b>	<u>43,394</u>	<u>58,927</u>
<b>Changes in Assets &amp; Liabilities</b>		
Decrease/(Increase) in Debtors, Prepayments & Members Loans	(25,103)	8,505
Increase(decrease) in Creditors, including Subs in Advance	(7,815)	2,035
<b>Cash Flows from Operations</b>	<u><b>10,476</b></u>	<u><b>69,467</b></u>

**NOTE 5 - TEACHER WELFARE FUND**

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

Balance of loans outstanding 1 January 2008	18,175	19,590
Loans made during the year	4,142	2,660
	<u>22,317</u>	<u>22,250</u>
<b>Less:</b> Loan repayments received	(6,191)	(4,075)
Loans written off	(330)	-
<b>Balance of loans outstanding 31 December 2008</b>	<u><b>15,796</b></u>	<u><b>18,175</b></u>

**NOTE 6 - PROVISION FOR STAFF LEAVE ENTITLEMENTS**

**Current Liabilities**

**General Staff**

Provision for Annual Leave	83,249	72,102
Provision for Long Service Leave	55,106	35,512
	<u>138,355</u>	<u>107,614</u>

**Office Holder**

Provision for Annual Leave	11,365	25,712
Provision for Long Service Leave	10,823	41,508
	<u>22,188</u>	<u>67,220</u>

**Non Current Liability**

Provision for Long Service Leave	7,220	31,470
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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 2008 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 Accounting 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.....9/2/09.....