



Mr Adam Lampe
Branch Secretary
Australian Education Union
Northern Territory Branch

email: admin@aeunt.org.au

Dear Mr Lampe

Re: Financial Report for Australian Education Union (Northern Territory Branch) for year ended 31 December 2006 – FR2006/638

I acknowledge receipt of the financial report for the Australian Education Union (Northern Territory Branch) for the year ended 31 December 2006. This document was lodged with the Registry on 29 August 2007.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

Operating Report

The operating report must contain the following:

Right of members to resign:

Subsection 254(2)(c) of Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule) requires the operating report to “give details” of the right of members to resign from the reporting unit under section 174 of the RAO Schedule. The requirement may be met by the inclusion of a statement that a member has the right to resign and a reference to the relevant rule, which makes such provision. Alternatively, the complete text of the relevant resignation rule may be reproduced in the report. It would appear in this case that rule 17 of the organisation’s Rules is applicable.

Audit Report

It is not clear from the Report whether or not the Auditor is an approved Auditor. In this regard I draw your attention to the definitions of approved auditor in regulation 4 of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003. In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report. I recommend you draw this comment to the attention of your Auditors.

Income and expenditure statement

In the income and expenditure statement there is no breakdown of the wages figure for elected officials and employees of the reporting unit. In the Reporting Guidelines reference is made at subclauses 14(c) and (d) to employee benefits in respect of holders of office and employees of the reporting unit. Could you ensure that future reports contain separate amounts for these categories.

Committee of Management Statement

The Committee of Management statement in paragraph (e) contained the words “*in accordance with s272 of the Workplace Relations Act 1996*”. The inclusion of these words are unnecessary and misleading.

Also, the statement did not address the reference contained in the Reporting Guidelines (http://www.airc.gov.au/organisations/rao/rao_253_a.pdf) as follows:

- the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and

Recovery of wages activity

I remind you that the applicable Reporting Guidelines require the Committee of Management Statement to include information in relation to recovery of wages activity. If there has been no recovery of wages activity you may wish to consider words such as:

(xz) in relation to the recovery of wages activity:

(i) there has been no such activity undertaken by the reporting unit.

Schedule 1

Please note that references to Schedule 1B should properly refer to Schedule 1.

Documents not lodged in Registry within 14 days of meeting

The documents were presented to a Committee of Management meeting on 6 May 2007 but were not lodged in the Registry until 29 August 2007.

In future financial years the documents should be lodged in the Industrial Registry within 14 days of the meeting at which they were presented - see s268 of the RAO Schedule.

Electronic lodgment

I encourage you to take advantage of the electronic lodgment service provided by the Registry for future lodgments. You may register as a user and then lodge your documents via the Electronic Lodgment page of the AIRC website at www.airc.gov.au. Alternatively, you may send an email with the documents attached to: riateam3@air.gov.au. Please note that the Rules of the Commission allow for electronic signatures to be used, other than for statutory declarations (see subrule 74A(1)). Where documents are lodged electronically, there will be no need to forward hard copies of the documents.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

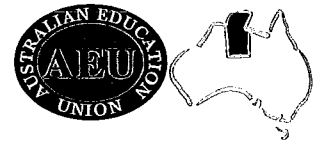
Yours sincerely

A handwritten signature in black ink, appearing to read 'Kevin Donnellan', with a long horizontal flourish extending to the right.

Kevin Donnellan

Statutory Services Branch
14 September 2007

FR2006/238



ref: 24087221

24 August 2007

The Deputy Industrial Registrar
Australian Industrial Registry
GPO Box 1994
MELBOURNE VIC 3001

Dear Deputy Registrar

Re: Financial Documents – Year Ending 31 Dec 2006

Please find attached documents as required under S1 Workplace Relations Act.

I apologise for the lateness of these submissions.

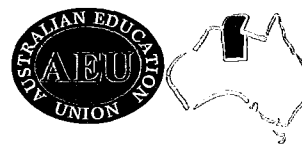
If you have concerns in relation to these submissions please do not hesitate to contact myself.

Yours Sincerely

A handwritten signature in black ink that reads 'A. Lampe'.

Adam Lampe
Secretary AEU-NT





Ref: 24087218

AIRC - Operating Report

I, Adam Lampe, Secretary of the Australian Education Union Northern Territory Branch, hereby declare that in accordance with s230(1)(d) and reg 147(f) and (g) the following numbers of members at 31 December 2006 are true and accurate.

* Financial	1859
* On Leave	3
* Students	81
* Unfinancial	232

Employee numbers are as follows:

Full Time Officers	2
Administration Officers	2

The principal activities of the Union are industrial relations, providing information and support to our members.

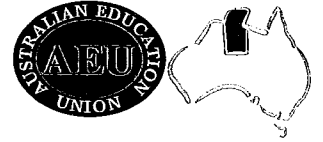
There have been no significant changes during the reporting year.

Members have the right to resign by giving notice to the Branch Secretary, in accordance with AEU Federal rule 17 and section 174 of Schedule 1 to the Workplace Relations Act 1996.

No officers or members hold positions, in relation to Superannuation funds or entities, of the kind described in Section 254(2)(d) of Schedule 1 to the Workplace Relations Act 1996.

Membership of the committee of management is as follows:

- | | | |
|-----------------------------|-----------------|--|
| o President | Nadine Williams | AEU-NT Office
Unit 3/8 Totem Road Coconut
Grove NT |
| o Vice President
General | Stephen Pelizzo | Gray Primary School
Gray NT |
| o Vice President
TAFE | John Carson | Charles Darwin University
Casuarina NT |
| o Secretary | Alan Perrin | AEU-NT Office
Unit 3/8 Totem Road Coconut
Grove NT |



Committee of Management Statement

On 9 April 2007 the Committee of Management of the Australian Education Union, Northern Territory 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, 2006.

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

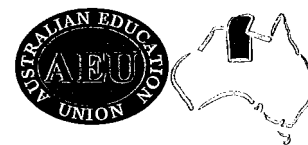
- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows 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 the GPFR relates and since the end of that year, in accordance with s 272 of the Workplace Relations Act 1996
 - (i) meetings of the committee of management were held in accordance with the rules of the organization 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 organization 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) No orders have been made by the Commission under Section 273 of the RAO Schedule during the period.

For Committee of Management: Adam Lampe

Title of Office held: Secretary

Signature:

Date: 24 August 2007



REF: 24087220

Certificate of Secretary

(s268 of Schedule 1 Workplace Relations Act 1996)

I, Adam Lampe, being Secretary of the Australian Education Union – Northern Territory 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 9 April 2007; and

that the full report was presented to a meeting of the committee of management of the reporting unit on 6 May 2007; in accordance with section 266 of the RAO Schedule.

Signature:

Date: 24 August 2007

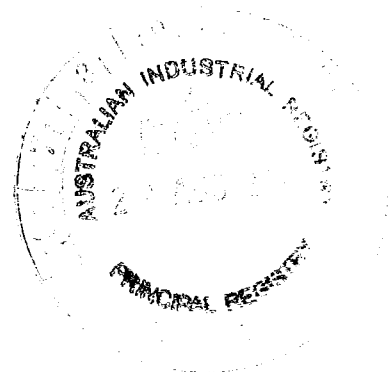


AUSTRALIAN EDUCATION UNION N.T. BRANCH

Financial Statements

for

the year ended 31 December 2006



CHARTERED ACCOUNTANT

ABN 55 024 660 252

Suite 15, 1st Floor Paspalis Centrepoint 48-50 Smith St Mall, Darwin 0800

GPO Box 3770, Darwin, Northern Territory Australia 0801

Tel: (08) 8981 5585 Fax (08) 8981 5586

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Australian Education Union N.T. Branch

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Independent audit report

To the members of Australian Education Union NT Branch

Scope

The financial report and the Branch's responsibility

The financial report is a general purpose report comprising the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and accompanying Notes to the Financial Statements for the Australian Education Union NT Branch ("the Branch") for the year ended 31 December 2006.

The Branch is responsible for preparing a financial report that presents fairly the financial position and performance of the Branch, and that complies with Accounting Standards and other mandatory financial reporting requirement in Australia and relevant provisions of Part 3 of Chapter 8 of Schedule 1 (RAO Schedule) of the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Branch. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia and relevant provisions of the Workplace Relations Act 1996, a view which is consistent with our understanding of the Branch and its financial position, and of its performance as represented by the results of its operations and cash flows.

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

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial reports; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee.

AUSTRALIAN EDUCATION UNION NT BRANCH

Independent audit report to the members of the Australian Education Union NT Branch (con't)

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgment of the appropriateness or reasonableness of the business plans or strategies adopted by the Branch or management.

Independence

We are independent of the Branch, and have met the independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion the general purpose financial report of the Australian Education Union NT Branch is presented fairly, in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 (RAO Schedule) of the Workplace Relations Act 1996.



Barry Hansen
Registered Company Auditor
Darwin

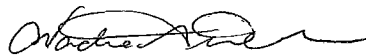
Date: 05 April 2007

Australian Education Union N.T. Branch
Statement by Members of the Committee
For the year ended 31 December 2006

In the opinion of the Committee the Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows and Notes to the Financial Statements:

1. Presents fairly the financial position of Australian Education Union N.T. Branch as at 31 December 2006 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:



President



Secretary

Australian Education Union N.T. Branch
Statement of Financial Performance
For the year ended 31 December 2006

	Note	2006 \$	2005 \$
Surplus from ordinary activities		212,436	99,932
Net surplus attributable to members of the association		<u>212,436</u>	<u>99,932</u>
Total changes in equity of the association		<u><u>212,436</u></u>	<u><u>99,932</u></u>
Opening retained surpluses		525,982	426,050
Net surplus attributable to members of the association		<u>212,436</u>	<u>99,932</u>
Closing retained surpluses		<u><u>738,419</u></u>	<u><u>525,982</u></u>

The accompanying notes form part of these financial statements.

Australian Education Union N.T. Branch
Statement of Financial Position As At 31 December 2006

	Note	2006 \$	2005 \$
Current Assets			
Cash assets	2	501,621	365,625
Receivables		820	33,760
Current tax assets		1,698	1,826
Total Current Assets		504,139	401,210
Non-Current Assets			
Other financial assets		10	10
Property, plant and equipment	3	399,542	371,505
Total Non-Current Assets		399,552	371,515
Total Assets		903,690	772,725
Current Liabilities			
Payables	4	4,571	17,295
Interest-bearing liabilities		23,322	
Current tax liabilities		5,604	7,538
Provisions		23,687	11,910
Total Current Liabilities		57,184	36,743
Non-Current Liabilities			
Interest-bearing liabilities		65,067	210,000
Provisions		43,020	
Total Non-Current Liabilities		108,087	210,000
Total Liabilities		165,272	246,743
Net Assets		738,419	525,982
Members' Funds			
Retained profits		738,419	525,982
Total Members' Funds		738,419	525,982

The accompanying notes form part of these financial statements.

Australian Education Union N.T. Branch
Statement of Cash Flows
For the year ended 31 December 2006

	2006	2005
	\$	\$
Cash Flow From Operating Activities		
Receipts from customers	992,009	742,793
Payments to Suppliers and employees	(700,824)	(674,147)
Interest received	20,364	19,287
Interest and other costs of finance	(9,976)	
Net cash provided by (used in) operating activities (note 2)	301,574	87,933
Cash Flow From Investing Activities		
Payment for:		
Sale of property, plant and equipment	11,818	
Payments for property, plant and equipment	(55,786)	(334,974)
Net cash provided by (used in) investing activities	(43,968)	(334,974)
Cash Flow From Financing Activities		
Proceeds of borrowings	88,389	210,000
Repayment of borrowings	(210,000)	
Net cash provided by (used in) financing activities	(121,611)	210,000
Net increase (decrease) in cash held	135,996	(37,041)
Cash at the beginning of the year	365,625	402,666
Cash at the end of the year (note 1)	501,621	365,625

The accompanying notes form part of these financial statements.

Australian Education Union N.T. Branch

Statement of Cash Flows

For the year ended 31 December 2006

2006

2005

Note 1. Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash at bank - NAB	97,315	265,525
Cash at bank - Investment a/c	100,000	100,000
Cash at bank - Cash Maximiser a/c	304,206	
Cash on hand	100	100
	<u>501,621</u>	<u>365,625</u>

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit

Operating profit (loss) after tax	212,436	99,932
Depreciation	16,037	13,728
Increase/(decrease) in provision for payroll deductions	(512)	(302)
(Profit) / Loss on sale of property, plant and equipment	(107)	
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	32,940	(32,170)
Increase (decrease) in trade creditors and accruals	(12,723)	11,281
Increase (decrease) in employee entitlements	54,797	11
Increase (decrease) in sundry provisions	(1,294)	(4,548)
Net cash provided by operating activities	<u>301,574</u>	<u>87,933</u>

Australian Education Union N.T. Branch

Notes to the Financial Statements

For the year ended 31 December 2006

Note 1: Statement of Significant Accounting Policies

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 and the requirements of the Workplace Relations Act 1996 (RAO Schedule).

The financial report covers Australian Education Union N.T. Branch as an individual entity.

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 economic entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Income tax

The association believes it is exempt from Income Tax..

Property, Plant and Equipment

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

a) Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

b) Plant and equipment

The carrying amount of plant and equipment is reviewed annually 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 that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining the recoverable amounts.

c) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to Australian Education Union N.T. Branch 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 depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Asset	Depreciation Rate %
Plant and equipment	15-40%
Motor vehicles	15-18.75%

Australian Education Union N.T. Branch

Notes to the Financial Statements

For the year ended 31 December 2006

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to Australian Education Union N.T. Branch 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 value.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that ownership of the asset will be obtained 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.

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

Employee entitlements

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements 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 entitlements payable later than one year have been measured at the present value of the estimated future cash out flows to be made for those entitlements.

Contributions are made by Australian Education Union N.T. Branch to an employee superannuation fund and are charged as expenses when incurred.

Australian Education Union N.T. Branch does not record, as an asset or a liability, the difference between the employer established defined benefit superannuation plan's accrued benefits and the net market value of the plans assets.

Australian Education Union N.T. Branch operates an ownership-based remuneration scheme, details of which are provided in the Notes to Accounts. Profits or losses incurred by employees, being the difference between the market value and the par value of the shares acquired, are not recorded as remuneration paid to employees.

Cash

For the purpose of the statement of cash flows, cash includes cash on hand and in all call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months, net of bank overdrafts.

Comparative Figures

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

Australian Education Union N.T. Branch
Income and Expenditure Statement
For the year ended 31 December 2006

	2006	2005
	\$	\$
Income		
Grant - AEU Federal office	120,000	
Advertising	6,888	7,099
Interest received	20,364	19,287
Campaign levies	135	941
Conference income	4,518	
Membership fees	821,123	759,846
Other income	265	334
Profit on sale of property, plant, equip	107	
Rebates and refunds	6,141	4,371
Sales - Federal office		2,373
Total income	979,541	794,250
Expenses		
Advertising and promotion	227	938
AEU expenses	7,410	
Audit fees	2,700	2,150
Bank Fees And Charges	9,368	9,871
Capitation fees	51,308	46,720
Cleaning/rubbish removal	911	150
Committee expenses	43,260	60,430
Computer expenses	4,700	
Conference/seminar costs	59,192	35,128
Consultants fees		70
Depreciation - plant	6,852	6,367
Donations	469	385
Equipment - minor	740	
Fees & charges		187
Fringe benefits tax	7,590	2,941
Hire/rent of Plant & Equipment	6,819	5,856
Insurance	10,381	11,200
Interest - Australia	9,975	
Legal fees	6,212	11,666
Light & power	5,803	5,247
Loss on disposal		2,417

The accompanying notes form part of these financial statements.

Australian Education Union N.T. Branch
Income and Expenditure Statement
For the year ended 31 December 2006

	2006	2005
	\$	\$
Motor vehicle expenses	10,141	9,668
M/V car - Depreciation	9,185	7,361
Office expenses	976	2,176
Payroll tax	18,357	19,307
Postage & courier	5,471	5,839
Printing & stationery	18,884	16,265
Rates & land taxes	349	
Rent on land & buildings	2,529	10,116
Repairs & maintenance	17,539	615
Repairs & maintenance - buildings	1,243	10,246
Specific projects	36,682	60,098
Staff training	1,116	
Subscriptions	1,030	2,532
Sundry expenses	1,265	14,985
Superannuation	32,726	29,371
Telephone	20,863	16,448
Training costs		631
Travel & accommodation	19,634	15,769
Wages	335,196	271,167
Total expenses	<u>767,105</u>	<u>694,317</u>
Surplus from ordinary activities	<u><u>212,436</u></u>	<u><u>99,932</u></u>

The accompanying notes form part of these financial statements.