



FAIR WORK  
COMMISSION

29 January 2014

Mr Peter Clisby  
Secretary, Northern Territory Branch  
Australian Education Union  
PO Box 41863  
CASUARINA NT 0811

Dear Mr Clisby,

**Re: Lodgement of Financial Statements and Accounts - Australian Education Union,  
Northern Territory Branch - for years ended 31 December 2011 (FR2011/2902), 31  
December 2012 (FR2012/589)**

I refer to the above financial statements and accounts. I acknowledge an unusual delay in corresponding to you in relation to these reports.

The documents in relation to the year ended 31 December 2011 were first lodged with the Fair Work Commission on 27 June 2012. The documents in relation to the year ended 31 December 2012 were lodged on 27 May 2013. An amended operating report in respect of 2012 was provided today at my request following our telephone conversation on 24 January 2014.

I have clarified with you several of the legislative requirements to be kept in mind in future financial reports. I note your advice that recent changes to the accounting procedures will facilitate ensuring members are provided copies of the signed audited reports a minimum 21 days prior to the Annual Conference, in accordance with subsection 265(5) of the Act.

I have also noted FWC's previous correspondence to you in relation to earlier reports. Issues previously raised appear to have been largely addressed in the 2011 or 2012 reports and I have filed the documents.

In the table overleaf I set out particular requirements of the former Reporting Guidelines or Accounting or Auditing Standards which were either not reflected in the reports or may not have been previously clarified for the Branch, for your and the auditor's information.

If you have any query regarding the above, please do not hesitate to contact me on (02) 6723 7237.

Yours sincerely

Stephen Kellett

Senior Adviser, Regulatory Compliance Branch

Table

Provision	What it says	Explanation
Fair Work (Registered Organisations) Act 2009	Title of Act	All references in the report, including the Notes and the Auditor's Report must refer to this Act (i.e. the 'RO Act'). The RAO Schedule was renamed and the Workplace Relations Act 1996 superseded in 2009.
<p>Paragraph 25(e)(iv) Reporting Guidelines (former)</p> <p>Cf. Paragraph 41(e)(iv) Reporting Guidelines (new)</p> <p>S252(2) RO Act 2009</p>	<p>"The committee of management statement must include declarations by the committee of management as to whether in the opinion of the committee of management that...</p> <p>(e)(iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation;"</p> <p>"Where an organisation consists of 2 or more reporting units, the financial records.... (etc) must be kept.....". (as above)</p>	<p>This declaration applies where an organization (e.g. 'the AEU') consists of 2 or more reporting units (e.g. 'the NT Branch'). Note 1 to sub-section 252(2) of the RO Act explains that this requirement would involve (for example) the "adoption of consistent accounting policies and a common chart of accounts for all reporting units in the organisation."</p> <p>Note that the requirement is qualified/mitigated by the words "<i>as far as practicable</i>".</p>
<p>Reporting Guideline 11(g) (former)</p> <p>And</p> <p>11(h) (former)</p> <p>Cf. 17(f) (new) and 17(g) (new)</p> <p>Income Statement or Notes</p> <p>See also 21(c) and (d) (new)</p>	<p>"Balances for the following items of expense must be disclosed by the reporting unit...</p> <p>"employee benefits to holders of office of the reporting unit;</p> <p>"employee benefits to employees (other than holders of offices) of the reporting unit"</p> <p>"Balances for the following items of expense must be disclosed by the reporting unit.....</p> <p>(f) employee expenses related to <u>holders of office</u> by (i) wages and salaries; (ii) superannuation; (iii) leave and other entitlements; (iv) separation and redundancies; and (v) other employee expenses (specify if material)</p> <p>Balances for the following items of expense must be disclosed by the reporting unit.....</p> <p>(f) employee expenses related to <u>employees (other than holders of office)</u> by (i) wages and salaries; (ii) superannuation; (iii) leave and other entitlements; (iv) separation and redundancies; and (v) other employee expenses (specify if material)"</p>	<p>There has always been a requirement to report employment-related payments and provisions separately between those who are holders of office and those who are not. It must be clear from the employment benefits balances in the Statement of Comprehensive Income, or from the Notes related to Employee Benefits provisions whether (if any) a portion pertains to holders of office. It must be possible for FWC to ascertain whether any related party disclosure for key management (e.g. 'officers') compensation is applicable in accordance with AASB 124.</p> <p>The new Reporting Guidelines identify various sub-categories.</p> <p>All balances related to the payment or provision for employment benefits in the prescribed categories listed should be clearly described as either made to elected office-holders or to non-office-holder employees.</p>
Reporting Guideline (former) 11(j)	<p>"Balances for the following items of expense must be disclosed...</p> <p>"(j) legal costs and other expenses related to litigation or other legal matters"</p>	The Statement of Comprehensive income or Notes must disclose separate balances for legal and audit expenses where they occur.



**From:** KELLETT, Stephen  
**To:** ["Secretary"](#)  
**Subject:** Attention Mr Peter Clisby - Financial reports y/e 31 Dec 2011, 31 Dec 2012 - filing  
**Date:** Wednesday, 29 January 2014 1:45:00 PM  
**Attachments:** [AEU\\_NT\\_FR2011\\_2902\\_FR2012\\_589 \(final\).pdf](#)

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Dear Peter,

Please see attached my letter in relation to the above.

Yours sincerely

STEPHEN KELLETT  
Regulatory Compliance Branch  
**FAIR WORK COMMISSION**

80 William Street  
EAST SYDNEY NSW 2011

(ph) (02) 6723 7237  
(email) [stephen.kellett@fwc.gov.au](mailto:stephen.kellett@fwc.gov.au)

**From:** KELLETT, Stephen  
**To:** ["secretary@aeunt.org.au"](mailto:secretary@aeunt.org.au)  
**Subject:** Re financial report y/e 31 Dec 2012 - queries  
**Date:** Friday, 24 January 2014 4:16:00 PM  
**Attachments:** [AEU NT FR2011 2902 Designated Officer Certificate 2011.pdf](#)  
[AEU NT FR2011 2902 Operating Report 2011.pdf](#)  
[AEU - NT FR2012 589 DOC.pdf](#)  
[AEU - NT 2012 operating report.pdf](#)

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Dear Mr Clisby,

I am currently examining the financial reports for the years end 31 Dec 2011 and 31 Dec 2012. I would appreciate the opportunity to clarify a couple of matters.

I attach a copy of the Operating Report for the year 2011, and a copy of the Operating report for the year 2012 and a copy of your Designated Officer's Certificates for reference.

Yours sincerely

STEPHEN KELLETT  
Regulatory Compliance Branch  
**FAIR WORK COMMISSION**

80 William Street  
EAST SYDNEY NSW 2011

(ph) (02) 6723 7237  
(email) [stephen.kellett@fwc.gov.au](mailto:stephen.kellett@fwc.gov.au)

**From:** Peter Clisby [mailto:secretary@aeunt.org.au]  
**Sent:** Thursday, 28 June 2012 12:01 PM  
**To:** ANDERSON, Eve  
**Subject:** FW: AEU NT Operating Report 2011, AEU NT Financial Statements 2011, Designated Officers Certificate 2011

Dear Eve,

I have received notification that Kevin is on holidays by return email and advice to refer matters to yourself in his absence.

Please read below and find the attached documents.

Regards  
Peter

Peter Clisby  
Secretary AEU-NT

Telephone 08 8948 5399  
Mobile 0408 120 010  
Email: [secretary@aeunt.org.au](mailto:secretary@aeunt.org.au) website: [www.aeunt.org.au](http://www.aeunt.org.au)

Australian Education Union NT Branch  
Registered Office: Unit 3, 8 Totem Rd  
Coconut Grove NT 0810  
Postal: PO Box 41863, Casuarina NT 0811

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**From:** Peter Clisby [mailto:secretary@aeunt.org.au]  
**Sent:** Wednesday, 27 June 2012 4:03 PM  
**To:** 'DONNELLAN, Kevin'  
**Subject:** AEU NT Operating Report 2011, AEU NT Financial Statements 2011, Designated Officers Certificate 2011

Dear Kevin,

Please find attached the 2011 Financial reports for the AEU NT.

I note your communication dated 15 March 2012 and can advise the following:

Membership of the Committee of Management with dates of all members for the year ending 31 December 2011 is contained in the submitted Operating Report. Our rules stipulate that newly elected people take up office on the 3<sup>rd</sup> Monday of the year following their election. This means that our changeover date was 17<sup>th</sup> January 2011 and this is so stated in my Operating Report. However, members in general, when elections are held in August/September 2010, have a reasonable understanding that those people take up office in the new school year. There are no scheduled Committee of Management meetings before school resumes near the end of January each year. For this reason our Financial Statement has identified those elected members of the Committee of Management that participated in meetings throughout 2011 rather than the full list which may have otherwise confused members in general.

The Operating Report now contains a statement on Trustee of superannuation entity.

The Operating Report now contains a statement on Right of members to resign.

The Committee of Management Statement signed in February 2012, prior to receiving your advice, still has the old references. I would seek your assistance with this because this document was sent to me by FWA late 2011. I have included appropriate information but had assumed that the FWA supplied document would have correct references. I have since tried to find an updated document template on your site but have failed to locate it. I would appreciate your assistance with this. However, with the timeline we had in 2011/2012 the document supplied had already been used this time.

I note your statement regarding our Auditor using old references and undertake to raise this with him.

Finally your reference to s268 of the Act is noted and I will endeavour to meet this requirement in future. I have previously sought advice from other General Secretaries of the AEU who told me that date of lodgement was within 6 months of the end of the financial year concerned ie in this case 30<sup>th</sup> June 2012. I understand that each of the AEU Branches operate to that timeline.

Regards  
Peter

Peter Clisby  
Secretary AEU-NT

Telephone 08 8948 5399

Mobile 0408 120 010

Email: [secretary@aeunt.org.au](mailto:secretary@aeunt.org.au) website: [www.aeunt.org.au](http://www.aeunt.org.au)

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## **Operating Report for the Australian Education Union, Northern Territory Branch for the year ended 31 December 2011**

### **Committee of Management during the reporting period**

**President:** Rod Smith until 17/1/11  
Matthew Cranitch from 17/1/11

**Secretary:** Adam Lampe until 17/1/11  
Peter Clisby from 17/1/11

**Vice President:** Stephen Nimmo until 17/1/11

**(General Division)** Rachel Helliwell from 17/1/11

**Vice President (TAFE):** Gerry McKeegan

**Treasurer:** David Arnold until 17/1/11  
Stephen Pelizzo from 17/1/11

**Indigenous Officer:** Cassandra Brown

**Women's Officer:** Susan Stanaway until 17/1/11  
Jodie Clegg from 17/1/11

### **Councillors**

Paula Thornton

Rachel Helliwell until 17/1/11

Olga Scholes until 24/3/11

Melanie Baldwin

Grace Hooper from 18/8/11

Annette Hill from 17/1/11

Marilyn Feneley from 24/3/11

Rosie Lawrence from 16/8/11

Adam Lampe from 16/6/11

Murray Waycott

Glynis Winslade

Peter Hardcastle

Michelle Jean 9<sup>th</sup> June till 3<sup>rd</sup> August 2011

## **Operating Report**

### **Review of Operations**

A review of operations of the Australian Education Union – Northern Territory during the reporting period and the results of those operations found that during the year the Australian Education Union – Northern Territory continued to engage in its principal activity.

### **Significant Changes in State of Affairs**

No significant changes in the state of affairs of the Australian Education Union – Northern Territory occurred during the financial year.

### **Principal Activities**

The principal activity of the Australian Education – Northern Territory during the reporting period was the protection and improvement of employment conditions for its members. No significant changes in the nature of this activity occurred during the reporting period.

### **Right of members to Resign**

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

“17-Resignation from membership and termination of eligibility

(1) Subject to sub-rule 17(1A) a member becomes ineligible for membership of the Union when he/she no longer meets the conditions of eligibility for membership of the Union.

(1A) The following persons shall after the date referred to in sub-rule 5(12) be eligible to retain membership within the conditions of eligibility for membership set out in rule 5:

(a) members who are eligible for membership pursuant to paragraphs 5(3)(a), (b) or (c) and are –

(i) seconded by their employer to non-teaching duties, or

(ii) appointed by the Minister for Education to any Board, Committee or statutory authority;

(b) members who were formerly eligible for membership pursuant to paragraph 5(4)(a), (b)

or (c) and have commenced to be employed elsewhere in the Victorian Education Department or in a technical and further education institution or by the Technical and Further Education Board or are seconded by their employer to perform professional duties requiring teacher qualifications;

(c) persons who become members of the Union prior to the date referred to in sub-rule 5(12) pursuant to paragraphs 5(3)(d) or 5(4)(d);

Provided that persons who are entitled to retain membership pursuant to this sub-rule should not be entitled to retain membership after the expiration of the secondment or appointment.

## **Operating Report (Continued)**

(2) A member who becomes ineligible for membership of the Union shall within seven days thereof give written notice of the fact and the reason therefore to the Secretary of the Branch to which he/she is attached.

(3) A member may resign from membership of the Union by written notice addressed to and delivered to the Secretary of the Branch to which the member is attached.

(4) A notice of resignation from membership takes effect:-

(a) here the member ceases to be eligible to become a member of the Union –

(i) on the day on which the notice is received at the office of the relevant Branch Secretary;  
or

(ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member; whichever is later; or

(b) in any other case –

(i) at the end of 2 weeks after the notice is received at the office of the relevant Branch Secretary;  
or

(ii) on the day specified in the notice; whichever is later.

(5) Any subscriptions, levies or fines which are due and payable but have not been paid by a former member in relation to a period before the member's resignation took effect, may be sued for a recovered in the name of the Union, in a court of competent jurisdiction, as a debt due to the Union.

(6) A notice delivered to the relevant Branch Secretary shall be taken to have been received by the Union when it was delivered.

(7) A notice of resignation that has been received at the office of the relevant Branch Secretary is not invalid because it was not addressed and delivered in accordance with sub-rule (1).

(8) A resignation from membership is valid even if it is not effected in accordance with this section if the member is informed in writing by or on behalf of the Union that the resignation has been accepted.

(9) A relevant Branch Secretary may accept a resignation from membership which is not effected in accordance with this Rule.

(10) Where the relevant Branch Secretary accepts a resignation in accordance with the previous sub-rule the relevant Branch Secretary shall inform the member in writing that his/her resignation has been accepted.

(11) On receipt of a written notice from a member that he/she has become ineligible for membership of the Union or a notice of resignation or on acceptance of a resignation which is not effected in accordance with this Rule, the Branch Secretary shall, as soon as possible notify the Federal Secretary that the member has become ineligible for membership or that the member has resigned.

### **Membership and Employee Numbers**

The number of employees at 31 December 2011 was 5.

The number of members at 31 December 2011 was 1948.

**Operating Report (Continued)**

**Directorship of Superannuation Fund**

To the best of our knowledge and belief, no officer or member of the organisation, by virtue of their office or membership of the Australian Education Union – Northern Territory is:

(i) a trustee of a superannuation entity or exempt public sector superannuation scheme;

or

(ii) a director of a company that is the trustee of a superannuation entity or an exempt public sector superannuation scheme; and

(iii) where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

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

Designated Officer

Peter Clisby

Secretary AEU NT



Dated this 27<sup>th</sup> day of June, 2012

**Designated Officer's Certificate**

*s268 Fair Work (Registered Organisations) Act 2009*

I, Peter Clisby, being the Secretary of the Australian Education Union NT Branch certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to the Committee of Management on 4<sup>th</sup> May 2012 and members attending Annual Conference on 5<sup>th</sup> May 2012 and available to all members through the Territory Educator which is our member publication sent to each sub branch for distribution. It was also made available on the AEU NT website and
- that the full report was presented to and accepted by resolution at Annual Conference of the AEU NT on 5<sup>th</sup> May 2012 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature



Date:

26/6/12

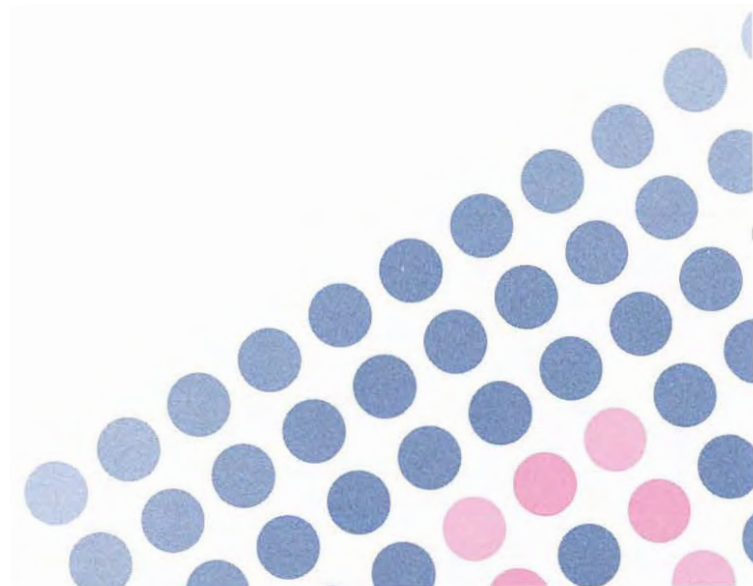


## Australian Education Union NT Branch

### Financial Statements

*for*

the year ended 31 December 2011



# Australian Education Union NT Branch

ABN: 64 406 978 451

## Financial Report For The Year Ended 31 December 2011

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**AUSTRALIAN EDUCATION UNION NT BRANCH**  
**ABN: 64 406 978 451**  
**MEMBERS' REPORT**

Your Members of the Committee present this report on the association for the financial year ended 31 December 2011.

**Committee Members**

The names of each person who has been a member of the committee during the year and to the date of this report are:

Matthew Cranitch  
Peter Clisby  
Adam Lampe  
Stephen Pelizzo  
Annette Hill  
Marilyn Feneley  
Cassandra Brown  
Rosie Lawrence  
Paula Thornton  
Rachel Helliwell  
Martin Griffin  
Melanie Baldwin  
Glynis Winslade  
Peter Hardcastle  
Grace Hooper  
Jodie Clegg  
Murray Waycott  
Renzo Giuliani  
Kristin Doyle  
Judy Boland  
Julie Danvers  
Liam Phillips  
Wayne McGillivray

**Significant Changes**

No significant change in the nature of these activities occurred during the year.

**Operating Result**

The profit from ordinary activities after providing for income tax amounted to

	2011	2010
	\$53,734	\$163,492

**Auditor's Independence Declaration**

The auditor's independence declaration for the year ended 31 December 2011 has been received and can be found on page 2 of the financial report.

Signed in accordance with a resolution of the Members of the Committee on:

Chairperson   
Matthew Cranitch

Dated this 26<sup>th</sup> day of April 2012



## AUSTRALIAN EDUCATION UNION N.T. BRANCH

### **Auditor's Independence Declaration**

#### **To the members of Australian Education Union N.T. Branch**

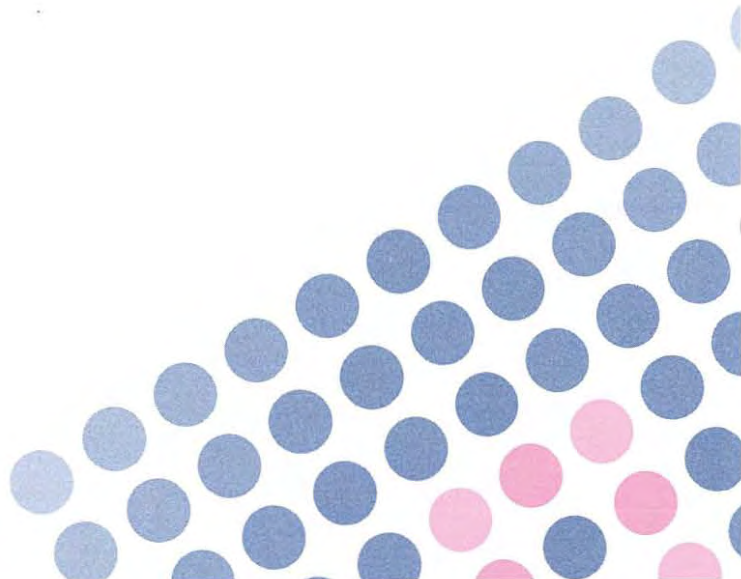
I declare that, to the best of my knowledge and belief, during the year ended 31 December 2011 there have been:

- (i) no contraventions of the auditor independence requirements set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to read "Barry Hansen".

Barry Hansen  
Registered Company Auditor

*11 April 2012*



**AUSTRALIAN EDUCATION UNION NT BRANCH**  
**ABN: 64 406 978 451**  
**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 \$	2010 \$
Revenue	2	1,213,945	1,152,490
Other income	2	7,699	(3,293)
Employee benefits expense		(599,563)	(554,112)
Depreciation and amortisation expense		(30,860)	(26,250)
Repairs, maintenance and vehicle running expense		(11,806)	(14,263)
Conference/seminar costs		(80,824)	(63,654)
Audit, legal and consultancy expense		(76,097)	(14,730)
Fuel, Light and power expense		(4,875)	(3,777)
Specific projects expenses		(36,839)	(29,033)
AEU expenses		(18,243)	(18,857)
Capitation fees		(63,263)	(47,699)
Committee expenses		(63,743)	(56,399)
Affiliation fees		(8,408)	(8,768)
Insurance		(11,764)	(12,927)
Hire plant and equipment		(18,065)	(7,947)
Computer expenses		(5,231)	(8,092)
Telephone		(20,105)	(25,406)
Travel and accommodation		(16,438)	(13,771)
Payroll tax		(31,966)	(26,352)
Fringe Benefits tax		(5,725)	(10,592)
Organiser expenses		(16,857)	(5,437)
Doubtful debts expense		(9,404)	-
Other expenses		(37,814)	(37,639)
<b>Profit before income tax</b>		<b>53,734</b>	<b>163,492</b>
Income tax expense	1(j)	-	-
<b>Profit for the year</b>		<b>53,734</b>	<b>163,492</b>
Profit attributable to members of the entity		<b>53,734</b>	<b>163,492</b>

The accompanying notes form part of these financial statements.

**AUSTRALIAN EDUCATION UNION NT BRANCH**  
**ABN: 64 406 978 451**  
**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 \$	2010 \$
<b>Profit for the year</b>		53,734	163,492
<b>Other comprehensive income:</b>			
Prior year adjustment to employee leave provisions	2(a)	44,222	-
<b>Other comprehensive income for the year</b>		44,222	-
<b>Total comprehensive income for the year</b>		97,956	163,492
<b>Total comprehensive income attributable to members of the entity</b>		97,956	163,492

The accompanying notes form part of these financial statements.

**AUSTRALIAN EDUCATION UNION NT BRANCH**  
**ABN: 64 406 978 451**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2011**

	Note	2011 \$	2010 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	3	1,242,679	1,183,274
Trade and other receivables	4	218	12,355
Other assets	5	-	13,762
<b>TOTAL CURRENT ASSETS</b>		<u>1,242,897</u>	<u>1,209,391</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	392,896	388,820
Other financial assets		<u>10</u>	<u>10</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>392,906</u>	<u>388,830</u>
<b>TOTAL ASSETS</b>		<u>1,635,803</u>	<u>1,598,221</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	36,876	15,264
Provisions	8	<u>38,045</u>	<u>83,990</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>74,921</u>	<u>99,254</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	8	38,323	74,366
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>38,323</u>	<u>74,366</u>
<b>TOTAL LIABILITIES</b>		<u>113,244</u>	<u>173,620</u>
<b>NET ASSETS</b>		<u>1,522,559</u>	<u>1,424,601</u>
<b>EQUITY</b>			
Retained earnings		<u>1,522,559</u>	<u>1,424,601</u>
<b>TOTAL EQUITY</b>		<u>1,522,559</u>	<u>1,424,601</u>

The accompanying notes form part of these financial statements.

**AUSTRALIAN EDUCATION UNION NT BRANCH**  
**ABN: 64 406 978 451**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2011**

	Retained Earnings \$	Revaluation Surplus \$	Financial Assets Reserve \$	Total \$
<b>Balance at 1 January 2010</b>	1,261,109			1,261,109
<b>Comprehensive income</b>				
Profit/(loss) for the year	163,492			163,492
<b>Total comprehensive income</b>	163,492	-	-	163,492
<b>Balance at 31 December 2010</b>	1,424,601	-	-	1,424,601
<b>Comprehensive income</b>				
Profit attributable to the entity	53,734			53,734
Other comprehensive income for the year	44,224			44,224
<b>Total comprehensive income</b>	97,958	-	-	97,958
<b>Balance at 31 December 2011</b>	1,522,559	-	-	1,522,559

The accompanying notes form part of these financial statements.

**AUSTRALIAN EDUCATION UNION NT BRANCH**  
**ABN: 64 406 978 451**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 \$	2010 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipt of grants and other income		1,159,316	1,106,796
Payments to suppliers and employees		(1,130,038)	(905,014)
Interest received		<u>57,789</u>	<u>46,180</u>
Net cash generated from operating activities		<u>87,067</u>	<u>247,962</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		7,273	-
Payment for property, plant and equipment		<u>(34,935)</u>	<u>(8,572)</u>
Net cash used in investing activities		<u>(27,662)</u>	<u>(8,572)</u>
Net increase/(decrease) in cash held		59,405	239,390
Cash and cash equivalents at the beginning of the financial year		<u>1,183,274</u>	<u>943,884</u>
Cash and cash equivalents at the end of the financial year	3	<u><u>1,242,679</u></u>	<u><u>1,183,274</u></u>

The accompanying notes form part of these financial statements.

**AUSTRALIAN EDUCATION UNION NT BRANCH**  
**ABN: 64 406 978 451**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011**

The financial statements cover Australian Education Union NT Branch as an individual entity, incorporated and domiciled in Australia.

**Note 1 Summary of Significant Accounting Policies**

**Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the requirements of the Workplace Relations Act 1996 (RAO Schedule).

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

**Accounting Policies**

**(a) Revenue**

Australian Education Union NT Branch receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

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

**(b) Inventories**

Inventories are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

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

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

**Property**

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the members conduct members' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost or for nominal cost are valued recognised at the fair value of the asset at the date it is acquired.

**Plant and Equipment**

Plant and equipment is measured on the cost basis and is therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

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**Depreciation**

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. 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 assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	15-40%
Motor Vehicles	15-20%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

**(d) Leases**

Leases of property, plant and equipment, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the entity are classified as finance leases.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**(e) Financial Instruments**

*Initial Recognition and Measurement*

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the corporation commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

*Classification and Subsequent Measurement*

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

*Amortised cost* is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

*(i) Financial assets at fair value through profit or loss*

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with

*(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

*(iii) Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

*(iv) Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

*(v) Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

*Impairment*

At the end of each reporting period, the corporation assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

*Derecognition*

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**(f) Impairment of Assets**

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent on the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

**(g) Employee Benefits**

Provision is made for the corporation's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. 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. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

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

**(h) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the

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

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financial activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to

**(j) Income Tax**

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

**(k) Intangibles**

**Software**

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between 1 and 4 years. It is assessed annually for impairment.

**(l) Provisions**

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

**(m) Comparative Figures**

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

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

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- (n) **Trade and Other Payables**  
Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the corporation during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.
- (o) **Critical Accounting Estimates and Judgments**  
The members evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the corporation.
- (p) **Information to be provided to Members or Registrar**
1. A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
  2. The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
  3. A reporting unit must comply with an application made under subsection 1.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

Note 2 Revenue and Other Income

	Note	2011 \$	2010 \$
Revenue from government grants and other grants			
— Conference Income		3,464	3,091
— Membership fees		1,145,823	1,097,821
— Rebates and refunds		2,450	3,700
— Body Corporate Income		4,419	1,598
— Donations		-	100
		<u>1,156,156</u>	<u>1,106,310</u>
Other revenue			
— Interest received		57,789	46,180
		<u>57,789</u>	<u>46,180</u>
Total Revenue		<u>1,213,945</u>	<u>1,152,490</u>
Other Income			
— Gain on disposal of property, plant and equipment		7,273	(4,524)
— Other		426	1,231
Total Other Income		<u>7,699</u>	<u>(3,293)</u>
Total Revenue and Other Income		<u>1,221,644</u>	<u>1,149,197</u>

Note 2(a) Comprehensive Income

Adjustments to prior years provisions for employee			
Adjustments to prior years employee provisions		44,222	-
Total gifted assets		<u>44,222</u>	<u>-</u>

Note 3 Cash and Cash Equivalents

CURRENT			
Cash at bank		1,242,679	1,183,274
Total cash and cash equivalents as stated in the statement of financial position		<u>1,242,679</u>	<u>1,183,274</u>
Total cash and cash equivalents as stated in the cash flows statement		<u>1,242,679</u>	<u>1,183,274</u>

Note 4 Trade and Other Receivables

CURRENT			
Trade receivables		9,622	12,355
Provision for impairment	5(i)	(9,404)	-
		<u>218</u>	<u>12,355</u>
Total current trade and other receivables	10	<u>218</u>	<u>12,355</u>

Note 5 Other Assets

CURRENT			
Prepayments		-	13,762
		<u>-</u>	<u>13,762</u>

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Note 5(a) Financial Assets

	Note	2011 \$	2010 \$
<b>NON-CURRENT</b>			
— Investments in shares	Note 10	10	10
		<u>10</u>	<u>10</u>

Note 6 Property, Plant and Equipment

**LAND AND BUILDINGS**

Buildings at fair value:

— Directors valuation 2011

	320,389	320,389
Total buildings	<u>320,389</u>	<u>320,389</u>
Total land and buildings	<u>320,389</u>	<u>320,389</u>

**PLANT AND EQUIPMENT**

Plant and equipment

At cost

Less accumulated depreciation

	79,121	77,152
	<u>(70,147)</u>	<u>(58,675)</u>
	8,974	18,477

Motor vehicles

At cost

(Accumulated depreciation)

	119,584	86,617
	<u>(56,051)</u>	<u>(36,063)</u>
	63,533	49,954

Total plant and equipment

	<u>72,507</u>	<u>68,431</u>
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Total property, plant and equipment

	<u>392,896</u>	<u>388,820</u>
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**Movements in Carrying Amounts**

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

	Land and Buildings \$	Motor Vehicles \$	Plant and Equipment \$	Total \$
<b>2010</b>				
Balance at the beginning of the year	320,389	63,715	26,918	411,022
Additions at cost			4,048	4,048
Depreciation expense		<u>(13,761)</u>	<u>(12,489)</u>	<u>(26,250)</u>
Carrying amount at end of year	<u>320,389</u>	<u>49,954</u>	<u>18,477</u>	<u>388,820</u>
<b>2011</b>				
Balance at the beginning of the year	320,389	49,954	18,477	388,820
Additions at cost		1,971	32,965	34,936
Depreciation expense		<u>(19,388)</u>	<u>(11,472)</u>	<u>(30,860)</u>
Carrying amount at end of year	<u>320,389</u>	<u>32,537</u>	<u>39,970</u>	<u>392,896</u>

Note 7 Trade and Other Payables

	Note	2011 \$	2010 \$
<b>CURRENT</b>			
Trade payables		19,481	6,993
Other current payables		4,575	-
GST payable		3,108	(1,867)
Amounts held from salary and wages		<u>9,712</u>	<u>10,138</u>
		<u>36,876</u>	<u>15,264</u>

(a) Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables			
— Total current		<u>36,876</u>	<u>15,264</u>
		<u>36,876</u>	<u>15,264</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

Note 8 Provisions

	2011 \$	2010 \$
<b>CURRENT</b>		
Short-term Employee Benefits		
Opening balance at 1 January 2011	83,990	83,990
Additional provisions raised during year	(45,945)	-
Balance at 31 December 2011	<u>38,045</u>	<u>83,990</u>
<b>NON-CURRENT</b>		
Long-term Employee Benefits		
Opening balance at 1 January 2011	74,366	74,366
Additional provisions raised during year	(36,043)	-
Balance at 31 December 2011	<u>38,323</u>	<u>74,366</u>
	<u>38,045</u>	<u>83,990</u>
<b>Analysis of Total Provisions</b>		
Current	38,045	83,990
Non-current	<u>38,323</u>	<u>74,366</u>
	<u>76,368</u>	<u>158,356</u>

Provision for Long-term Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits has been included in Note 1 of financial statements.

Note 9 Cash Flow Information

Reconciliation of Cashflow from Operations with Profit after Income Tax

	2011 \$	2010 \$
Profit after income tax	53,734	163,492
Non cash flows		
Depreciation and amortisation	30,860	26,250
(Increase)/Decrease in Provision for doubtful debts	9,404	
Profit on sale of property, plant and equipment	7,273	4,524
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	2,733	(745)
Increase/(decrease) in trade and other payables	(21,612)	(13,762)
Increase/(decrease) in employee provisions	(45,945)	63,977
Increase in other provisions	50,620	4,225
Net cash (used in)/provided by operating activities	<u>87,067</u>	<u>247,961</u>

Note 10 Financial Risk Management

The corporation's financial statements consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

<b>Financial Assets</b>			
Cash and cash equivalents	3	1,242,679	1,183,274
Loans and receivables	4	218	12,355
— Investments in shares.	5(a)	10	10
<b>Total Financial Assets</b>		<u>1,242,907</u>	<u>1,195,639</u>
<b>Financial Liabilities</b>			
Financial liabilities at amortised cost			
— Trade and other payables	7(a)	36,876	15,264
<b>Total Financial Liabilities</b>		<u>36,876</u>	<u>15,264</u>

Specific Financial Risk Exposures and Management

The main risks the corporation is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and equity price risk.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the corporation.

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The corporation does not have any material credit risk exposures as its major source of revenue is the receipt of membership fees.

*Credit Risk Exposures*

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 4.

**Fair value estimation**

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair values is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the corporation. Most of these instruments, which are carried at amortised cost (i.e. trade receivables, loan liabilities), are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the

	Footnote	2011		2010	
		Net Carrying Amount \$	Net Fair Value \$	Net Carrying Amount \$	Net Fair Value \$
<b>Financial assets</b>					
Cash and cash equivalents	(i)	1,242,679	1,242,679	1,183,274	1,183,274
Trade and other receivables	(i)	218	218	12,355	12,355
— investments in shares	(ii)	10	10	10	10
<b>Total financial assets</b>		<b>1,242,907</b>	<b>1,242,907</b>	<b>1,195,639</b>	<b>1,195,639</b>
<b>Financial liabilities</b>					
Trade and other payables	(i)	36,876	36,876	15,264	15,264
<b>Total financial liabilities</b>		<b>36,876</b>	<b>36,876</b>	<b>15,264</b>	<b>15,264</b>

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables excludes amounts relating to the provision of annual leave which is outside the For listed available-for-sale and held-for-trading financial assets, closing quoted bid prices at the end of the reporting period are used.
- (ii) determining the fair values of the unlisted available-for-sale financial assets, the directors have used inputs that are observable either directly (as prices) or indirectly (derived from prices).

**Note 11 Reserves**

**(a) Revaluation Surplus**

The revaluation surplus records the revaluations of non-current assets. Where revaluations are deemed to represent profits of a permanent nature, dividends may be declared from this surplus.

**(b) Financial Assets Reserve**

The financial asset reserve records revaluation increments and decrements (that do not represent impairment write-downs) that relate to financial assets that are classified as available-for-sale.

**Note 12 Entity Details**

The registered office of the entity is:  
 Australian Education Union NT Branch  
 PO Box 41863  
 Nightcliff  
 NT 0811

## **Australian Education Union: Committee Of Management Statement 2011**

On 17/02/12 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 31/12/11:

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:
  - (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) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - #(v) the information sought in any request of a member of the reporting unit or a Registrar of duly made under section 272 of the *RAO Schedule* has been furnished to the member or Registrar; and
  - #(vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the *RAO Schedule*.
- # (f) no recovery of wages activity from which the reporting unit derived revenues was undertaken during the financial year.

Signature:



Name: Peter Clisby, Secretary

For the Committee of Management of the Australian Education Union - Northern Territory Branch

Date: 17/02/12

# Where not relevant these may be modified accordingly (e.g. in (vi) "No orders have been made by the Commission under section 273 of the *RAO Schedule* during the period."

## AUSTRALIAN EDUCATION UNION NT BRANCH

### **Independent audit report**

### **To the members of Australian Education Union NT Branch**

#### **Scope**

##### *The financial report and the Branch's responsibility*

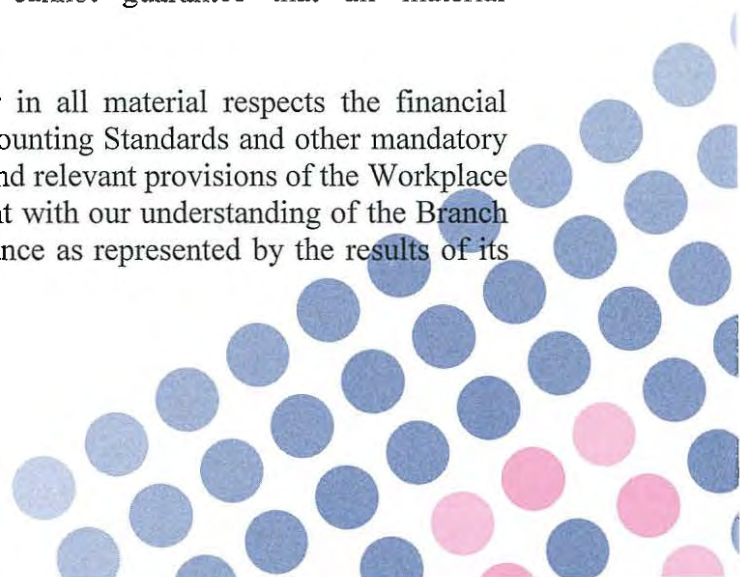
The financial report is a general purpose report comprising the Committee's Report, Statement by Members of the Management Committee, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and accompanying Notes to the Financial Statements for the Australian Education Union NT Branch ("the Branch") for the year ended 31 December 2011.

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.





## AUSTRALIAN EDUCATION UNION NT BRANCH

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

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.

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 for the year ended 31 December 2011 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: 11 April 2012



FAIR WORK  
AUSTRALIA

3 February 2012

Mr Peter Clisby  
Branch Secretary  
Australian Education Union-Northern Territory Branch  
3/8 Totem Road  
Coconut Grove NT 0810

Dear Mr Clisby,

**Lodgement of Financial Documents for year ended 31 December 2011 [FR2011/2902]  
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Australian Education Union-Northern Territory Branch (the "reporting unit") has recently ended. This is a courtesy letter to remind you of the obligation to prepare and process the reporting unit's financial documents. The full financial report must be lodged with Fair Work Australia within a period of 6 months and 14 days of the end of the financial year.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. The attached *Timeline/Planner* summarises these requirements.

In addition, financial reporting fact sheets and sample documents can be found on our Fair Work Australia website. The information can be viewed at [www.fwa.gov.au](http://www.fwa.gov.au) – under *Registered Organisations – Overview – Fact sheets*. This site also contains the Financial Reporting Guidelines.

This office encourages you to lodge all financial reports electronically (e.g. as pdf files) at [orgs@fwa.gov.au](mailto:orgs@fwa.gov.au). Alternatively, you can forward the documents by fax to (03) 9655 0410.

Please do not hesitate to contact me on (03) 8661 7764 or by email at [kevin.donnellan@fwa.gov.au](mailto:kevin.donnellan@fwa.gov.au) if you wish to discuss the requirements outlined in this correspondence.

Yours sincerely,

Kevin Donnellan  
Organisations, Research & Advice  
Fair Work Australia

**TIMELINE/ PLANNER**

Financial reporting period ending:	/ /
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Prepare financial statements and Operating Report.
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(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.	/ /
(b) A #designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).	

*As soon as practicable after end of financial year*

Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /
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*Within a reasonable time of having received the GPFR  
(NB: Auditor's report must be dated on or after date of Committee of Management Statement*

Provide full report free of charge to members – s265 The full report includes:	/ /
<ul style="list-style-type: none"> <li>• the General Purpose Financial Report (which includes the Committee of Management Statement);</li> <li>• the Auditor's Report; and</li> <li>• the Operating Report.</li> </ul>	

*(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,*

*or*

*(b) in any other case including where the report is presented to a Committee of Management meeting\*, the report must be provided to members within 5 months of end of financial year.*

Present full report to:	/ /
(a) General Meeting of Members - s266 (1),(2); OR	
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /

*Within 6 months of end of financial year*

*Within 6 months of end of financial year*

Lodge full report with Fair Work Australia, together with the #Designated Officer's certificate** – s268	/ /
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*Within 14 days of meeting*

\* *the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.*

# *The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.*

++ *The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.*