



**AUSTRALIAN INDUSTRIAL REGISTRY**

Australian Industrial Registry  
Level 35, Nauru House  
80 Collins Street  
MELBOURNE VIC 3000  
Telephone: (03) 8661 7888  
Fax: (03) 9654 6672

**Ref: FR2003/663-[284V-QLD]**

Mr John C Battams  
Branch Secretary  
Australian Education Union-Queensland Branch  
PO Box 1591  
MILTON, BC, QLD 4064

Dear Mr Battams

**Re: Australian Education Union-Queensland Branch  
Financial Reporting Obligations under *Workplace Relations Act 1996***

This is a courtesy letter to remind you of the financial reporting obligations of the abovenamed body under the *Workplace Relations Act 1996* ('the Act') for the financial year ended 31 December, 2003.

While the accounting, auditing and reporting obligations have changed with the introduction of the *Registration and Accountability of Organisations Schedule* (the RAO Schedule) which generally came into operation on 12 May 2003, Part IX, Division 11 of the Act continues to apply in relation to a financial year of an organisation that ends on 31 December, 2003. The corresponding obligations set out in the RAO Schedule apply to each financial year of an organisation that starts on or after 1 July 2003.

Now that the financial year for 31 December, 2003 has ended, it is timely that you put in train the various steps of the financial reporting requirements. To assist you with this process I have enclosed for your information a notice summarising these requirements including the time-scales prescribed by the legislation.

Please note that a branch of an organisation may be exempted from the accounting, auditing and reporting obligations in respect of a financial year by satisfying a Registrar that the branch did not have any financial affairs during the financial year. An application under subsection 271A(1) of the Act must be made within 90 days (unless extended by a Registrar) after the end of the financial year.

Please do not hesitate to contact me on (03) 8661 7775 if you wish to discuss the financial reporting requirements, especially if you anticipate any difficulty in meeting any step in the time-scales prescribed.

Yours sincerely

Ruth Hansen  
E-mail: [ruth.hansen@air.gov.au](mailto:ruth.hansen@air.gov.au)  
9 January 2004

## ***WORKPLACE RELATIONS ACT 1996***

### **Accounting, auditing and financial reporting obligations of registered organisations for financial years starting before 1 July 2003**

Financial reports should be prepared, audited, provided to members\*, presented to a meeting and lodged in the Industrial Registry within certain time-scales - these requirements are summarised as follows:

**A** An organisation must keep such accounting records [s.4(1)] as correctly explain its transactions and financial position [s.272(1)].

**B** The account of income and expenditure and the account of assets and liabilities are prepared as soon as practicable after the end of the financial year [s273(1) and reg 107].

Opinions are required to be given on the accounts in the Accounting Officer's Certificate (usually by the Treasurer or Secretary) [reg 109(1)(a) and (4)] and the Committee of Management Certificate (by 2 members of the committee on its behalf) [reg 109(1)(b) and (2)].

Again, each certificate is to be prepared as soon as practicable after the end of the financial year [s273(1) and (2)].

***Note:** The Committee of Management Certificate must refer to certain matters relating to the accounts "which shall be in accordance with such resolution as is passed by the committee of management" [reg 109(2)(a)]. It necessarily follows that the accounts must be the subject of a resolution at a committee of management meeting convened prior to preparation of the certificate - here known as the **FIRST MEETING**.*

**C** The accounts (by this stage including the two certificates) are then to be submitted for the Auditor's opinion [s276(1)].

**D** A statement signed by an officer of the organisation showing the "relevant particulars" in relation to each loan, grant or donation of an amount exceeding \$1,000 made during the year must be lodged in the Registry as soon as practicable after the end of the financial year [s269 of Part IX, Division 10].

**E** The Auditor makes his/her report - expressing his/her opinion in accordance with s276(4) - within 6 months from the completion of the relevant financial year [reg 113]\*\*.

**F** Members are to be provided\* with copies of the accounts and the Auditor's Report within 56 days of the date of the making of the Auditor's report [s279(1) and (3)]\*\*.

**G** The accounts and the Auditor's Report are then to be presented to a general meeting of members or a meeting of the committee of management within 84 days of the Auditor's report\*\* - here known as the **SECOND MEETING** - provided that at least 7 clear days elapse between the date documents are supplied to members (as per F above) and the date of the meeting [s279(6)(a)].

If a meeting is not due within the period mentioned above, the documents must be presented to the next committee of management meeting [s279(6)(b)].

***Note:** If the Auditor's Report refers to any deficiency, failure or shortcoming and a meeting is not due within the period mentioned above, the documents must be presented to a meeting of the committee of management convened for the purpose within the period mentioned above [s279(7)].*

**H** Copies of the accounts and the Auditor's Report are to be lodged in the Industrial Registry within 14 days after the meeting at which they were presented\*\* - accompanied by a certificate by the Secretary that the documents lodged are copies of the documents presented to the meeting mentioned in G above [s280(1)]. This certificate should be dated and should also indicate the date on which the documents were presented to the "second meeting".

\* The obligation to provide documents to members may be discharged by provision of "a summary", subject to certain conditions [s279(2)].

\*\* The legislation generally includes provision for extensions, etc. to be sought in certain circumstances.

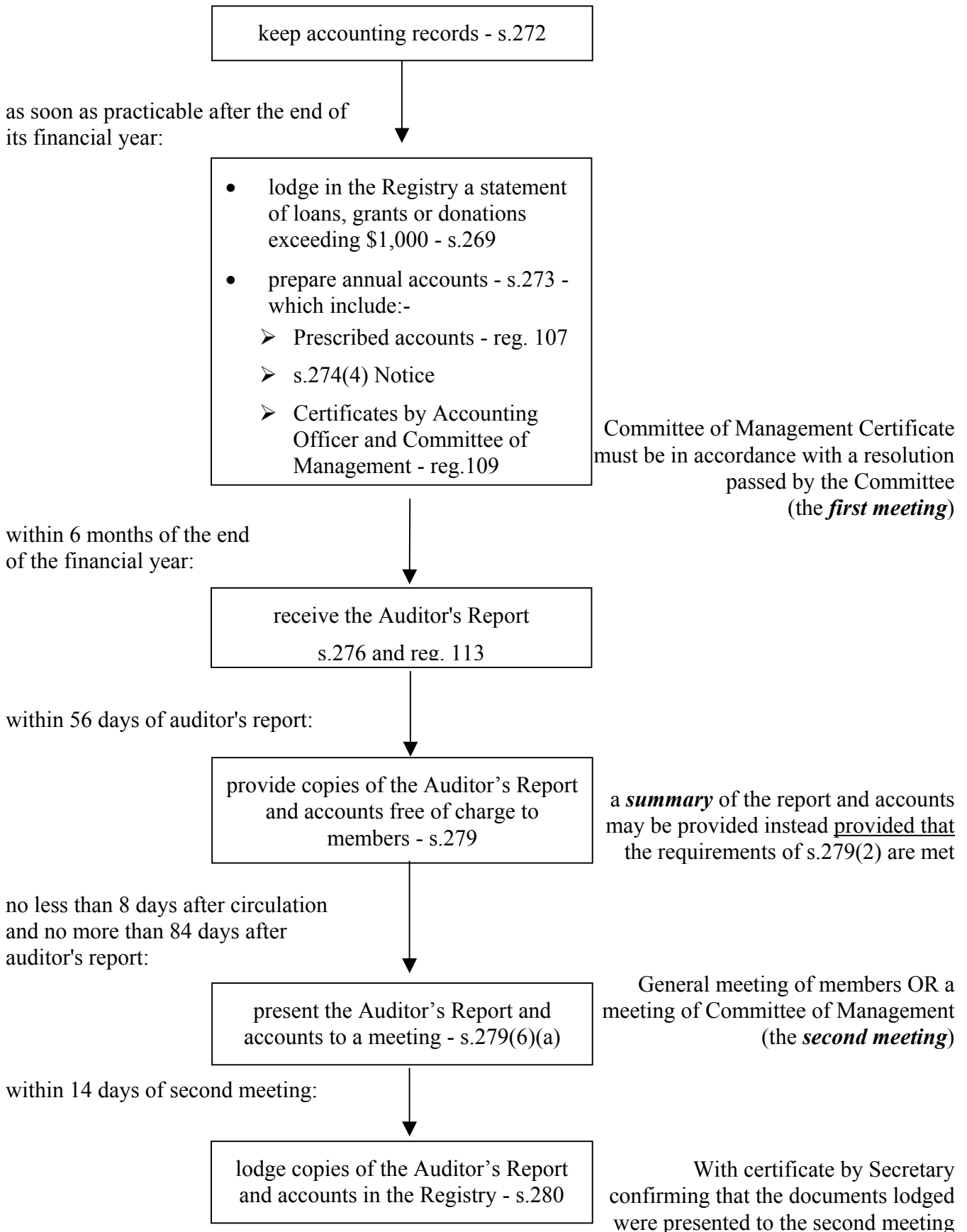
A graphical representation of these requirements is set out overleaf.

**IMPORTANT NOTES:** This is a summary only ; Part IX, Division 11 of the *Workplace Relations Act 1996* (the Act) and Part VII, Division 8 of the Workplace Relations Regulations should be consulted for full details of the requirements. For financial years starting on or after 1 July 2003 Schedule 1B of the Act applies. Schedule 1B (the Registration and Accountability of Organisations Schedule) generally came into operation on 12 May 2003. [25/06/2003]

## WORKPLACE RELATIONS ACT 1996

### Accounting, auditing and financial reporting obligations of registered organisations for financial years starting before 1 July 2003

An organisation or a branch of an organisation must:



**IMPORTANT NOTES:** This is a summary only ; Part IX, Division 11 of the *Workplace Relations Act 1996* (the Act) and Part VII, Division 8 of the Workplace Relations Regulations should be consulted for full details of the requirements. For financial years starting on or after 1 July 2003 Schedule 1B of the Act applies. Schedule 1B (the Registration and Accountability of Organisations Schedule) generally came into operation on 12 May 2003. [25/06/2003]



# AUSTRALIAN EDUCATION UNION

## QUEENSLAND BRANCH

ABN 47 599 010 588

*The Teachers' Building 21 Graham Street, Milton, Queensland, Australia.*

Phone: (07) 3512 9000 Fax: (07) 3369 0022.

ADDRESS ALL CORRESPONDENCE TO: The Branch Secretary, P.O. Box 1591, Milton BC, Q. 4064.

In Reply Please Quote:

gmw:rjm

22 April 2004

The Executive Officer  
Australian Industrial Registry  
GPO Box 19945  
Melbourne Vic 3001

Dear Sir

Please find enclosed the dated Financial Statements for the year ended 31 December 2003 for the Australian Education Union (Queensland Branch) accompanied by a verification statement from the Branch Secretary, Mr John Battams.

Yours sincerely

Gail Woods  
**Business Manager**





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In Reply Please Quote:

### AUSTRALIAN EDUCATION UNION (QUEENSLAND BRANCH)

### STATEMENT BY THE BRANCH SECRETARY

I, **JOHN BATTAMS** certify that the documents attached namely:

- Committee of Management's Certificate
- Accounting Officer's Certificate
- Auditor's Report
- Balance Sheet
- Statement of Income and Expenditure
- Notes to the Accounts

without alteration or erasure are copies of the documents presented to the Committee of Management on 19 April 2004.

**John Battams**  
**General Secretary**



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# Financial Statements 2003

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**COMMITTEE OF MANAGEMENT'S CERTIFICATE**

In accordance with Regulation 109(1)(b) of the Regulations to the Workplace Relations Act 1996, we, Julie-Ann McCullough and John Battams being two members of the Executive of the Queensland Branch of the Australian Education Union, do state that:

- (i) In the opinion of the Executive, the attached accounts show a true and fair view of the financial affairs of the Branch as at 31 December 2003;
- (ii) In the opinion of the Executive, meetings of the Executive were held during the year ended 31 December 2003 in accordance with the rules of the Organisation;
- (iii) To the knowledge of any member of the Executive, there have been no instances during the year ended 31 December 2003 where records of the Branch or other documents (not being documents containing information made available to a member of the Branch under sub-section 274(2) of the Act) or copies of those records or other documents, or copies of the rules of the Organisation, have not been furnished, or made available, to members of the Branch in accordance with the Act, these regulations or the rules of the Organisation as the case may be;
- (iv) In relation to the report prepared in accordance with Section 276 of the Act by the auditor of the Branch in respect of the year ended 31 December 2002 and in relation to the financial accounts prepared in accordance with sub-section 273(1) to which that report relates the Branch has complied with sub-section 279(1) and 279(6) of the Act.

Signed in accordance with a resolution of the Executive.



J McCullough



J Battams

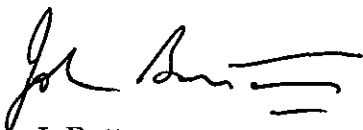
Brisbane, February 2004

**ACCOUNTING OFFICER'S CERTIFICATE**

In accordance with Regulation 109(1)(a) of the Regulations to the Workplace Relations Act 1996, as amended, I, John Battams, Branch Secretary being the officer responsible for keeping the accounting records of the Queensland Branch of the Australian Education Union, certify that as at 31 December 2003 the number of members of the organisation was 38,803

In my opinion:-

- (i) The attached accounts show a true and fair view of the financial affairs of the Union as at 31 December 2003;
- (ii) A record has been kept of all moneys paid by or collected from members and all moneys so paid or collected have been credited to the bank account to which those moneys are to be credited, in accordance with the rules of the Union;
- (iii) Before any expenditure was incurred by the Union, approval of the incurring of the expenditure was obtained in accordance with the rules of the Union;
- (iv) With regard to funds of the Union raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- (v) All loans or other financial benefits granted to persons holding office in the Union were authorised in accordance with the rules of the Union;
- (vi) The register of members of the union was maintained in accordance with the Act.



J Battams

Brisbane, February 2004



**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF AUSTRALIAN EDUCATION UNION (QUEENSLAND BRANCH)

**Scope*****The Financial Report And The Committee of Management's Responsibility***

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows and accompanying notes to the financial statements for Australian Education Union (Queensland Branch) ("the Branch") for the year ended 31 December 2003.

The members of the committee of management are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the Branch, and that complies with Accounting Standards in Australia, in accordance with Section 273 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 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 judgement, 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 the Workplace Relations Act 1996, a view which is consistent with our understanding of the Branch's 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 report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee of management.

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 committee of management and management of the Branch.

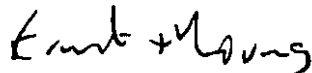
**INDEPENDENT AUDITOR'S REPORT****Independence**

We are independent of the Australian Education Union (Queensland Branch), and have met the independence requirements of Australian professional ethical pronouncements. In addition to our audit of the financial report we were engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

**Audit Opinion**

In our opinion:

- (a) the financial report of the Australian Education Union (Queensland Branch) has been properly drawn up, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia and Section 273 of the Workplace Relations Act 1996, so as to provide a true and fair view of the Branch's financial position as at 31 December 2003 and of its performance as represented by the results of its operations and its cash flows for the year then ended;
- (b) the Australian Education Union (Queensland Branch) kept satisfactory accounting records for the financial year, including records of:
- the sources and nature of the income of the Branch (including income from members); and
  - the nature and purposes of expenditure of the Branch;
- (c) we have received all the information and explanations required from the Branch's officers and employees for the purposes of our audit.



ERNST & YOUNG  
P M Glenny, Partner



Brisbane  
Date Opinion Formed 10 February 2004

**STATEMENT OF FINANCIAL POSITION**  
as at 31 December 2003

	2003	2002
<b>ACCUMULATED FUNDS</b>		
General Fund	\$ <u>66</u>	\$ <u>66</u>
Represented by		
<b>CURRENT ASSETS</b>		
Cash at Bank	1,087	1,091
Sundry Debtors	<u>1,279</u>	<u>1,075</u>
	2,366	2,166
<b>CURRENT LIABILITIES</b>		
Creditors & Accruals	<u>2,300</u>	<u>2,100</u>
<b>NET ASSETS</b>	<u>\$ <u>66</u></u>	<u>\$ <u>66</u></u>

**STATEMENT OF FINANCIAL PERFORMANCE**  
for the year ended 31 December 2003

	2003	2002
<b>INCOME</b>		
Membership	812541	762187
Bank Interest	82	94
Donations from Queensland Teachers' Union	<u>2279</u>	<u>2075</u>
	<b>814902</b>	<b>764356</b>
<b>EXPENDITURE</b>		
Audit	2300	2100
Bank Charges	14	22
Postage	47	47
Subscriptions - Australian Education Union Federal	<u>812541</u>	<u>762,187</u>
	<b>814902</b>	<b>\$ 764,356</b>
<b>EXCESS OF INCOME OVER EXPENDITURE</b>	<b>nil</b>	<b>Nil</b>

## STATEMENT OF CASH FLOWS

for the year ended 31 December 2003

	2003	2002
	INFLOWS	INFLOWS
	<OUTFLOWS>	<OUTFLOWS>

### CASH FLOWS FROM OPERATING ACTIVITIES

	Notes		
<b>RECEIPTS</b>			
Donations Received		2,075	1,770
Interest received		82	94
Membership		812,541	762,187
 <b>PAYMENTS</b>			
Supplies and other		<2,147>	<1,947>
Interest & bank charges		<14>	< 22>
Subscriptions		<812,541>	<762,187>
Net cash flows from operating activities	4	< 4>	< 105>

### CASH FLOWS FROM INVESTING ACTIVITIES

Net cash flows from investing activities		NIL	NIL
		NIL	NIL

### CASH FLOWS FROM FINANCING ACTIVITIES

Net cash flows from financing activities		NIL	NIL
		NIL	NIL
Net <decrease>/increase in cash held		<4>	<105>
Cash at beginning of reporting period		1,091	1,196
Cash at end of reporting period	4	\$ 1,087	\$ 1,091

## NOTES TO AND FORMING PART OF THE ACCOUNTS for the year ended 31 December 2003

### NOTE 1 - ACCOUNTING POLICIES

(a) Basis of Accounting

The Statement of Financial Position and Statement of Financial Performance are prepared on an accrual basis and are drawn up in accordance with the historical cost convention which requires that assets be carried in the Statement of Financial Position at or below the cost originally incurred at the date of acquisition. No adjustment is made for changes in the general purchasing power of the dollar or changes in the current price of specific assets.

(b) Income Tax

No provision for income tax is made in the accounts as the Union is exempt from income tax under Section 50-15 of the Income Tax Assessment Act 1997.

(c) Employees

All officers and staff are employed by the Queensland Teachers' Union of Employees.

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

In accordance with the requirements of the Workplace Relations Act 1996 the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 274 which reads as follows:

- "(1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under sub-section (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar, in such manner, and within such time, as is prescribed." Penalty \$1,000
- (3) A registrar may only make an application under sub-section (1) at the request of a member of an organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member."

### NOTE 3 - SEGMENT INFORMATION

The Queensland Branch of the Australian Education Union operates solely as the Queensland branch of a trade union in Australia, and is domiciled in Australia.

### NOTE 4 - STATEMENT OF CASH FLOWS

(a) Reconciliation of the operating surplus/<deficiency> with the net cash flows from operating activities -	<b>2003</b>	<b>2002</b>
Operating surplus/<deficiency>	-	-
Movement in assets and liabilities		
<Increase>/decrease in sundry debtors	<204>	<305>
<Decrease>/increase in sundry creditors	<u>200</u>	<u>200</u>
Net cash flows from operating activities	<u>&lt;4&gt;</u>	<u>&lt;105&gt;</u>

(b) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, the entity considers cash to include cash on hand and cash in the bank. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows;

	<b>2003</b>	<b>2002</b>
Cash on hand / bank	<u>\$ 1,087</u>	<u>\$ 1,091</u>



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

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

Mr Battams  
Branch Secretary  
Australian Education Union  
Queensland Branch  
PO Box 1591  
MILTON BC QLD 4064

Dear Mr Battams,

**Re: Australian Education Union - Queensland Branch  
Financial documents for year ended 31 December 2003 - FR2003/663**

I have received the full financial documents of the Queensland Branch of the above named organisation for the year ended 31 December 2003. The documents were lodged in the Industrial Registry on 28 April 2004.

The documents have been filed.

I direct your attention to the following matter concerning the financial reporting requirements of the *Workplace Relations Act 1996* (the Act) applicable to these documents. Please note that the reporting obligations for the year ended 31 December 2004 will be governed by the new RAO Schedule, details of which were forwarded to the Association on 8 May 2003. No further action is required in relation to the subject documents.

**Accounting Officers and Committee of Management Certificates**

The accounting officers and committee of management certificates are dated February 2004 while the auditor's report is dated 10 February 2004. The auditor, in the report, is required to give an opinion in respect of the accounts and statements prepared in accordance with section 273 of the Act. Such accounts must include the certificates of the accounting officer and the committee of management. The dates of the certificates supplied may indicate their preparation after the auditor has made the report.

## New Legislation

As you may be aware, the Workplace Relations (Registration and Accountability of Organisations) legislation generally came into operation on 12 May 2003.

Schedule 1B of the legislation establishes a **Registration and Accountability of Organisations Schedule (the RAO Schedule)** within the *Workplace Relations Act 1996* (the WR Act). Many of the provisions relating to registered organisations previously contained in the WR Act are replicated in the new RAO Schedule, with some amendments. Other matters are substantially changed by the RAO Schedule, particularly the financial reporting requirements.

The abovenamed organisation has correctly completed and lodged its financial documents for the financial year ended 31 December 2003 under the WR Act. **However, the reporting obligations for the financial year ending 31 December 2004 will be governed by the requirements of the new of RAO Schedule.**

Accordingly, it is recommended that, in preparation of the financial documents for the year commencing 1 January 2004, the new requirements be brought to the attention of the organisation's auditor.

Should you have any queries concerning these matters or require further information, I may be contacted on (03) 8661 7988.

Yours sincerely



Lynette Markovski  
Statutory Services Branch  
20 May 2004