



FR2006/388

28 November 2006

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

Dear Sir

**Lodgement of the AEU 2005 Audited Accounts in terms of s268 of Schedule 1B
Workplace Relations Act 1996**

I, Jean Walker, being the President of the Australian Education Union, Tasmanian Branch certify:

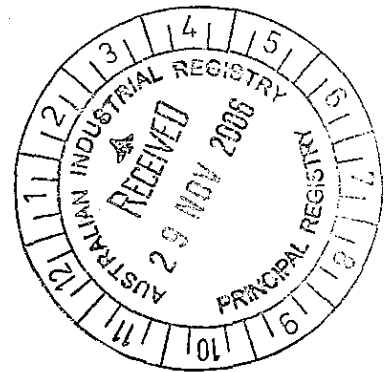
1. That the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
2. the full report was supplied to members in all AEU workplaces, on 3 November 2006; and
3. that the full report was presented to a meeting of the committee of management of the reporting unit on 17 November 2006; in accordance with section 266 of the RAO Schedule

Yours sincerely

Jean Walker
President

Attach (1)

CC: Susan Hopgood, AEU Federal Secretary
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yourrightsatwork
worth fighting for

Please quote our reference number:

JW/GLM 2F/9.3

<p>All correspondence to: State Manager AEU Tasmanian Branch PO Box 117 NORTH HOBART TAS 7002</p> <p>www.aeutas.org.au</p>	<p>Street address: 32 Patrick Street HOBART TAS 7000</p> <p>Telephone: (03) 6234 9500 Outside the Hobart metro area: 1800 001 313 Facsimile: (03) 6234 3052</p>	<p>Launceston Office: 39 Paterson Street LAUNCESTON TAS 7250</p> <p>Telephone: (03) 6334 0361 Facsimile: (03) 6334 1285 Email: north@aeutas.org.au</p>	<p>Burnie Office: 2 Menai Street BURNIE TAS 7320</p> <p>Telephone: (03) 6432 1565 Facsimile: (03) 6432 1566 Email: northwest@aeutas.org.au</p>
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**Independent audit report to members
of the Australian Education Union
Tasmanian Branch**



Wise Lord & Ferguson

advice to advantage



Chartered Accountants

ABN 23 563 132 864

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Scope

The financial report and Branch Executive's responsibility

The financial report comprises the Income Statement, Balance Sheet, Statement of cash flows, Statement of Changes in Equity, accompanying notes to the financial statements, and the Branch Executive's declaration for the Australian Education Union Tasmanian Branch (the Association), for the year ended 30 June 2006.

The Association's Branch Executive is responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the Association, and that complies with Accounting Standards in Australia, in accordance with the *Associations Incorporation Act [Tas]* and the Association's constitution. 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 Association. 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 the *Associations Incorporation Act [Tas]*, including compliance with Accounting Standards in Australia, other mandatory financial reporting requirements in Australia, and the Association's constitution, a view which is consistent with our understanding of the Association'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 Branch Executive.

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 judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the Branch Executive of the Association.

Independence

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

Audit opinion

In our opinion, the financial report of the Australian Education Union Tasmanian Branch is in accordance with:

- (a) the *Associations Incorporation Act [Tas]*, including:
 - (i) giving a true and fair view of the financial position of the Australian Education Union Tasmanian Branch at 30 June 2006 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia; and
- (b) other mandatory financial reporting requirements in Australia.



J DOYLE
PARTNER
WISE LORD & FERGUSON

160 Collins Street
Hobart TAS 7001

Date: 16th October 2006

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Income Statement

YEAR ENDED 30 JUNE 2006

	Notes	2006 \$	2005 \$
REVENUES FROM ORDINARY ACTIVITIES	2	3,016,304	2,871,920
Depreciation expense		68,877	79,622
Salaries and employee benefits expense	3	1,938,828	1,772,825
Members' expenses		151,797	109,772
Federal capitation fees		167,802	154,208
Publications expense		55,400	55,776
Office and administration expense	3	92,412	94,682
Travel and motor vehicle expense		46,752	42,067
Branch Council expense		37,283	41,339
Other expenses from ordinary activities	3	306,197	250,285
PROFIT FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE		<u>150,956</u>	<u>271,344</u>
INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES		<u>-</u>	<u>-</u>
PROFIT FROM ORDINARY ACTIVITIES AFTER INCOME TAX EXPENSE		<u>150,956</u>	<u>271,344</u>
NET PROFIT ATTRIBUTABLE TO MEMBERS OF THE AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH		<u>150,956</u>	<u>271,344</u>

The accompanying notes form part of this Financial Report

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Balance Sheet

AT 30 JUNE 2006

	Notes	2006	2005
		\$	\$
CURRENT ASSETS			
Cash assets		353,551	306,549
Receivables and prepayments	4	34,663	2,844
Other financial assets		2,129,978	2,000,000
TOTAL CURRENT ASSETS		<u>2,518,192</u>	<u>2,309,393</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	1,038,052	1,082,954
TOTAL NON-CURRENT ASSETS		<u>1,038,052</u>	<u>1,082,954</u>
TOTAL ASSETS		<u>3,556,244</u>	<u>3,392,347</u>
CURRENT LIABILITES			
Payables	6	115,083	129,044
Provisions	7	197,471	197,742
TOTAL CURRENT LIABILITIES		<u>312,554</u>	<u>326,786</u>
NON-CURRENT LIABILITIES			
Provisions	8	203,894	176,721
TOTAL NON-CURRENT LIABILITIES		<u>203,894</u>	<u>176,721</u>
TOTAL LIABILITIES		<u>516,448</u>	<u>503,507</u>
NET ASSETS		<u>3,039,796</u>	<u>2,888,840</u>
EQUITY			
Retained Profits	9	1,572,366	1,421,410
Reserves	9	1,467,430	1,467,430
TOTAL EQUITY		<u>3,039,796</u>	<u>2,888,840</u>

The accompanying notes form part of this Financial Report

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Statement of Cash Flows

YEAR ENDED 30 JUNE 2006

	Notes	2006	2005
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		2,888,877	2,796,989
Payments to suppliers and employees		(2,796,736)	(2,455,204)
Interest received		117,764	97,028
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	10a	209,905	438,813
CASH FLOWS FROM INVESTING ACTIVITIES			
Loans to Members		(3,880)	-
Purchase of property, plant and equipment		(50,580)	(57,716)
Proceeds from sale of property, plant and equipment		21,535	28,636
Purchase of short term deposits		(129,978)	(300,000)
NET CASH FLOWS FROM/(USED) IN INVESTING ACTIVITIES		(162,903)	(329,080)
NET INCREASE/(DECREASE) IN CASH HELD		47,002	109,733
Cash and cash equivalents at the beginning of the period		306,549	196,816
CLOSING CASH CARRIED FORWARD	10b	353,551	306,549

The accompanying notes form part of this Financial Report

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Statement of Changes in Equity

30 JUNE 2006

	RETAINED PROFITS	GENERAL RESERVE	ASSET REVALUATION RESERVE	TOTAL EQUITY
AT 1 JULY 2004	1,150,066	725,031	742,399	2,617,496
Profit (Loss) for the year	271,344	-	-	271,344
AT 30 JUNE 2005	1,421,410	725,031	742,399	2,888,840
Profit (Loss) for the year	150,956	-	-	150,956
AT 30 JUNE 2006	1,572,366	725,031	742,399	3,039,796

The accompanying notes form part of this Financial Report

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Notes to the Financial Statements

30 JUNE 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporations Act [Tasmania].

The financial report covers the Australian Education Union Tasmanian Branch as an individual entity. The Australian Education Union Tasmanian Branch is an association incorporated in Tasmania under the Association Incorporation Act 1984.

The report is also prepared on an accruals basis with the exception of member subscriptions, which are recognised on a cash basis. The report is based upon historic costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. The following material accounting policies, which are consistent with the previous period, unless otherwise stated, have been adopted in the preparation of this report.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

This is the first financial report prepared based on AIFRS. No material differences arose as a result of adoption of AIFRS from the previous AGAAP standards and comparatives were therefore not required to be re-stated, with the exception of the following:

Annual Leave

In accordance with AASB119 Employee benefits, the split between the current and non-current annual leave provision was re-stated for 2005 to reflect the requirement under the standard to recognise as non-current, any leave entitlements expected to be taken after 12 months of balance date. This only resulted in a change in the split between current and non-current, therefore no adjustment was required to be made against opening equity upon transition to AIFRS.

(c) Cash and cash equivalents

Cash comprises cash on hand and in banks and short-term deposits with a maturity date of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consists of cash and cash equivalents as defined above, net of outstanding overdrafts.

(d) Trade debtors and other receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Notes continued

30 JUNE 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

(e) Property, Plant and Equipment

Cost and Valuation

Freehold land and buildings are measured on a fair value basis. At each reporting date, the value of each asset in these classes is reviewed to ensure that it does not differ materially from the asset's fair value at that date. Where necessary, the asset is revalued to reflect its fair value.

In prior years two balance sheet accounts for land and buildings were carried, being land and buildings at valuation and land and buildings at cost. In the current year it was deemed that both accounts in total represented the asset's fair value, therefore they were combined into one account 'land and buildings at Branch Executive Valuation 1999'.

All other classes of property, plant and equipment are measured at cost.

Depreciation

Depreciation of buildings is provided on a straight-line basis. Plant and equipment are depreciated using reducing balance over their useful lives.

Major depreciation periods are:

- | | |
|-----------------------|----------------|
| - Buildings | 50 years |
| - Plant and equipment | 4 to 5 years |
| - Computer equipment | 2.5 to 3 years |
| - Motor Vehicles | 4 to 5 years |

(f) Recoverable amount

Non-current assets measured using the cost basis are not carried at an amount above their recoverable amount, and where a carrying value exceeds this recoverable amount, the asset is written down.

(g) Provisions

Provisions are recognised when the economic entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

(h) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Association.

(i) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognised:

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Notes continued

30 JUNE 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont)

Member Subscriptions

Revenue is recognised upon receipt.

Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(j) Taxes

Income taxes

The Association is exempt from paying income tax due to its being an association not for profit under s50-5 of the Income Tax Assessment Act 1997.

Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from or payable to, the taxation authority.

(k) Employee entitlements

Provision is made for employee entitlement benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include salaries, annual leave and long service leave.

Liabilities arising in respect of salaries, annual leave and long service leave expected to be settled within twelve months of reporting date are measured at nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

(l) Comparatives

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Notes continued

30 JUNE 2006

	Notes	2006	2005
		\$	\$
2. REVENUE FROM ORDINARY ACTIVITIES			
(i) Revenues from operating activities			
Member Subscriptions		2,855,929	2,741,842
Cinema Tickets		20,102	19,099
Other income		2,722	1,420
Total revenue from operating activities		<u>2,878,753</u>	<u>2,762,361</u>
(ii) Revenues from non-operating activities			
Interest		132,141	97,028
Proceeds on sale of fixed assets		21,818	28,636
Less: Carrying value		(26,889)	(27,533)
Profit on disposal		(5,071)	1,103
Other income		10,481	11,428
Total revenues from non-operating activities		<u>137,551</u>	<u>109,559</u>
Total revenues from ordinary activities		<u>3,016,304</u>	<u>2,871,920</u>
3. EXPENSES			
(i) Salaries and employee benefits expense			
Wages		1,393,639	1,244,719
Superannuation		212,832	199,652
Office holder's remuneration		103,390	93,337
Provision for leave		177,958	182,577
Executive expenses		31,778	28,105
Maternity Leave Expenses		19,231	24,435
Total salaries and employee benefits expense		<u>1,938,828</u>	<u>1,772,825</u>

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Notes continued

30 JUNE 2006

	Notes	2006	2005
		\$	\$
3. EXPENSES (CONT)			
(ii) Office and administration expense			
Postage, printing and stationery		58,281	59,752
Telephone		33,692	34,439
Office Equipment		439	491
Total office and administration expense		<u>92,412</u>	<u>94,682</u>
(iii) Other expenses from ordinary activities			
Accounting and auditing		8,250	9,275
Bank charges and debit tax		1,910	2,927
Computer expense		33,154	34,606
Conference & meeting expense		8,350	15,403
Contribution to International Trust Fund		-	10,000
Industrial/campaign expense		79,083	37,224
Insurance		48,493	25,242
Property Costs		51,196	42,700
Rent		17,790	17,335
Repairs & maintenance		22,097	17,623
Research		11,622	13,755
TTLIC & ACTU expense		24,252	24,195
Total other expenses from ordinary activities		<u>306,197</u>	<u>250,285</u>

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Notes continued

30 JUNE 2006

	Notes	2006	2005
		\$	\$
4. RECEIVABLES (CURRENT)			
Sundry debtors		959	602
Loans to members		6,122	2,242
Accrued income		14,377	-
Prepayments		13,205	-
Total current receivables		<u>34,663</u>	<u>2,844</u>

(a) Terms and conditions

Sundry debtors are non-interest bearing and generally collected on 30 day terms.

5. PROPERTY, PLANT AND EQUIPMENT

Land and buildings.

At Branch Executive Valuation 1999	1d	1,013,481	994,130
Additions at cost	1d	-	19,350
Accumulated depreciation		(161,389)	(141,119)
Total land and buildings		<u>852,092</u>	<u>872,361</u>

Plant and equipment

At cost		338,354	374,396
Accumulated depreciation		(253,002)	(269,837)
Total plant and equipment		<u>85,352</u>	<u>104,559</u>

Motor vehicles

At cost		143,769	148,034
Accumulated depreciation		(43,161)	(42,000)
		<u>100,608</u>	<u>106,034</u>

Total property plant and equipment		<u>1,038,052</u>	<u>1,082,954</u>
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AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Notes continued

30 JUNE 2006

	Notes	2006	2005
		\$	\$
5. PROPERTY, PLANT AND EQUIPMENT (CONT)			
(a) Reconciliations			
Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year.			
<i>Land and buildings</i>			
Carrying amount at beginning		872,361	892,630
Depreciation expense		(20,269)	(20,269)
		<u>852,092</u>	<u>872,361</u>
<i>Plant and equipment</i>			
Carrying amount at beginning		104,559	130,904
Additions		7,344	7,554
Disposals		(2,078)	-
Depreciation expense		(24,473)	(33,899)
		<u>85,352</u>	<u>104,559</u>
<i>Motor Vehicles</i>			
Carrying amount at beginning		106,034	108,859
Additions		43,232	50,162
Disposals		(24,524)	(27,533)
Depreciation expense		(24,134)	(25,454)
		<u>100,608</u>	<u>106,034</u>

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Notes continued

30 JUNE 2006

	Notes	2006	2005
		\$	\$
6. PAYABLES (CURRENT)			
Creditors		6,916	14,267
Accrued expenses		24,086	13,894
Goods and services tax		57,811	61,094
PAYG withholding tax		26,270	39,789
Total current payables		<u>115,083</u>	<u>129,044</u>

(a) Terms and conditions

Sundry creditors and accrued expenses are non-interest bearing and generally paid on 30 day terms

7. PROVISIONS (CURRENT)

Employee benefits – Recreational Leave		19,288	19,106
Employee benefits – Long Service Leave		178,183	178,636
Total current provisions		<u>197,471</u>	<u>197,742</u>

8. PROVISIONS (NON-CURRENT)

Employee benefits – Recreational Leave		169,427	160,101
Employee benefits – Long Service Leave		34,467	16,620
Total non-current provisions		<u>203,894</u>	<u>176,721</u>

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Notes continued

30 JUNE 2006

	Notes	2006	2005
		\$	\$
9. RESERVES AND RETAINED PROFITS			
General		725,031	725,031
Asset Revaluation		742,399	742,399
Total reserves		<u>1,467,430</u>	<u>1,467,430</u>
Retained Profits		<u>1,572,366</u>	<u>1,421,410</u>

(a) General

Nature and purpose of reserve

The general reserve contains amounts of retained profits that have been set aside for the purpose of funding specific projects that are announced from time to time.

(b) Asset revaluation

Nature and purpose of reserve

The asset revaluation reserve is used to record increments and decrements in the value of non-current assets.

(c) Retained Profits

Balance at the beginning of the year		1,421,410	1,150,066
Net profit attributable to company members of the Australian Education Union Tasmanian Branch		150,956	271,344
Balance at end of year		<u>1,572,366</u>	<u>1,421,410</u>

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Notes continued

30 JUNE 2006

	Notes	2006 \$	2005 \$
10. STATEMENT OF CASH FLOWS			
(a) Reconciliation of the operating profit after tax to the net cash flows from operations			
Profit from ordinary activities after tax		150,956	271,344
Non-cash items			
Depreciation		68,877	79,622
Net (profit)/loss on disposal of plant and equipment		5,071	(1,103)
Changes in assets and liabilities			
(Increase)/decrease in receivables		(29,939)	1,357
(Decrease)/increase in payables		(13,961)	25,020
(Decrease)/increase in provisions		26,901	62,573
Net cash flow from (used in) operating activities		<u>209,905</u>	<u>438,813</u>
(b) Reconciliation of cash			
Cash balance comprises:			
- Cash at bank		353,323	306,321
- Cash on hand		228	228
Closing cash balance		<u>353,551</u>	<u>306,549</u>

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Notes continued

30 JUNE 2006

	Notes	2006	2005
		\$	\$
11. AUDITORS' REMUNERATION			
Amounts due to Wise Lord & Ferguson for:			
- an audit of the entity		8,000	8,000
		<hr/>	<hr/>
		8,000	8,000

12. RELATED PARTY DISCLOSURES

The Branch Executives of the Australian Education Union Tasmanian Branch during the financial year were:

2005/2006 Branch Executive – Appointed 1/2/06 – to 31/1/08

Jean Walker	President
Terry Polglase	Deputy President – South Region
Nick Finlay	Deputy President – North Region
Greg Hales	Deputy President – North-West Region
Pat MacLeod	Deputy President – Allied Staff
Jon Paice	Deputy President – TAFE
Greg Brown	Deputy President – Secondary Colleges
Robert Britton	
Jim Delaney	
Peter Kearney	
Margaret Laird Valentine	
Diana Michalek	
Elizabeth Osborne	
Olivia Skirving	
Robert Soward	
Rod Viney	

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Notes continued

30 JUNE 2006

13. FINANCIAL INSTRUMENTS

13(a) Interest rate risk

The entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

Fixed interest rate maturing in:

Financial instruments	Floating interest rate		Within 1 year		1 to 5 years		Non-interest bearing		Weighted average effective interest rate	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
	\$		\$		\$		\$		%	
<i>(i) Financial assets</i>										
Cash	353,324	306,549	-	-	-	-	228	228	3.25	3.25
Receivables	-	-	12,913	-	-	-	20,286	2,844	N/A	N/A
Short term deposits	-	-	2,129,978	2,000,000	-	-	-	-	6.32	5.80
Total financial assets	353,324	306,549	2,142,891	2,000,000	-	-	20,514	3,072	-	-

N/A - not applicable for non-interest bearing financial instruments.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Notes continued

30 JUNE 2006

13 . FINANCIAL INSTRUMENTS (cont'd)

13(a) Interest rate risk (cont'd)

Fixed interest rate maturing in:

Financial instruments	Floating interest rate		Within 1 year		1 to 5 years		Non-interest bearing		Weighted average effective interest rate	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
	\$	\$	\$	\$	\$	\$	\$	\$	%	%
<i>(ii) Financial liabilities</i>										
Payables	-	-	-	-	-	-	115,083	129,044	N/A	N/A
Total financial liabilities	-	-	-	-	-	-	115,083	129,044	-	-

N/A - not applicable for non-interest bearing financial instruments.

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Notes continued

30 JUNE 2006

13. FINANCIAL INSTRUMENTS (cont'd)

13(b) Net fair values

All financial assets and liabilities have been recognised at the balance date at their net fair value.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to the financial statements.

13(c) Credit risk

The entity's maximum exposure to credit risk at balance date in relation to each class of recognised financial assets, is the carrying amount of those assets as indicated in the balance sheet.

The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association.

14. ASSOCIATION DETAILS

The principal place of business of the Association is:

32 Patrick Street
HOBART TAS 7000

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Branch Executive Declaration

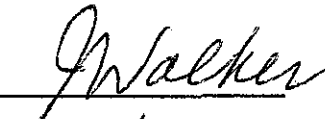
30 June 2006

The Branch Executive have determined that the Association is a reporting entity. The Branch Executive have determined that this general purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The Branch Executive of the Association declare that:

- (a) the financial statements and notes of the Association financial report:
- (i) comply with Accounting Standards as detailed in Note 1 to the financial statements; and
 - (ii) give a true and fair view of the Association's financial position as at 30 June 2006 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
- (b) In the Branch Executive's opinion there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Branch Executive.



Dated: 16/10/06

AUSTRALIAN EDUCATION UNION TASMANIAN BRANCH

Operating Report

30 June 2006

Your Branch Executive submit the financial report of the Australian Education Union Tasmanian Branch for the financial year ended 30 June 2006.

Principal activities

The principal activities of the association during the financial year were:

- To maintain and improve the working conditions and professional welfare of its members.
- Be a professionally managed and democratic Union which provides maximum opportunities for membership involvement in its activities.
- Provide a wide range of appropriate services and benefits to members
- Work towards ensuring a just and equitable society, including by promoting actively public education, training and unionism.

Significant changes

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

Operating result

The profit from ordinary activities amounted to \$150,956 for the period ending 30 June 2006 (2005: \$271,344).

Employees

The Association employed 25 staff as at 30 June 2006 (2005: 26 employees employed sometime during that period).

Payments to employers

The Association did not make any payments during the financial year to employers as consideration for the employers making payroll deductions of membership subscriptions.

Legal costs

During the financial year, the Association incurred \$43,501 in legal fees on behalf of members. The Association was reimbursed \$3,384 by members.

Right to Resign

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.

Signed in accordance with a resolution of the Branch Executive.

Walher
Dated: 16/10/06

[Handwritten signature]
- No Number of members.
- Names of members.
of COM / periods
positions held
Not included.
This info. is included
in Notes of documents.



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

Ms Jean Walker
President
Australian Education Union
Tasmanian Branch
PO Box 117
NORH HOBART TAS 7002

Dear Ms Walker,

**Re: Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule)
Financial reports for year ended 30 June 2006 - FR2006/388**

I have received the financial reports of your organisation for year ended 30 June 2006. The documents were lodged in the Industrial Registry on 29 November 2006

The following matters concerning the financial reporting requirement of the RAO schedule require further attention.

Auditor's Report

The opinion expressed by the auditor in their report appears to have been drafted to meet the requirements of Tasmanian state legislation not relevant to the Workplace Relations Act 1996. In order to comply with the provisions of subsection 257(5) of the RAO Schedule, the auditor's opinion should be expressed in the following terms:

"In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996".

This matter was raised in correspondence from the Registry dated 17 February 2006 in relation to financial documents for the year ended 30 June 2005. There are other references throughout the documents to the Associations Incorporation Act [Tasmania]. The documents should refer to the Workplace Relations Act 1996 (Commonwealth) as they relate to a reporting unit of the federally registered Australian Education Union (namely the Tasmanian Branch of that organisation) which is registered under that Act.

Operating Report

An operating report prepared under section 254 of the RAO Schedule and regulation 159 of the RAO Regulations must contain certain information. I note that some of this information is included within the GPFR, however all the required information needs to be incorporated in an Operating report. Enclosed is a copy of section 254 of the RAO Schedule and Regulation 159 of the RAO Regulations.

Notes to accounts

Information to be provided to members

The notes of the Financial report must contain a notice drawing attention to provisions of the RAO Schedule which require that prescribed information is available to members on request and which sets out a copy of subsections 272(1), (2) and (3) - refer to subsection 272(5) of the RAO Schedule.

No such notice appears in the documents.

Committee of Management Statement

The certificate under the title “Branch Executive Declaration” may be intended to perform the function of the Committee of Management Statement.

Under item 17 of the Industrial Registrar’s Reporting Guidelines, the committee of management statement must include declarations as to whether in the opinion of the committee of management:

- (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 debt as and when they become due and payable; and*
- (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) *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; and*
- (v) *the information sought in any request of a member of the reporting unit or a Registrar duly 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.*

In addition to these requirements, the committee of management statement must be made in accordance with such resolution passed by the committee in relation to the matters requiring declaration. The statement must also specify the date of the resolution.

This matter was raised in correspondence from the Registry dated 17 February 2006 in relation for the year ended 30 June 2005.

In future years you should not expect that the financial documents of the branch will not be filed by the Registry unless they comply fully with the requirements of the Workplace Relations Act 1996.

Should you wish to discuss these matter you may ring me on 8661 7988.

I have forwarded a copy of this letter to the auditor for their information about this matter.

Yours sincerely

Lynette Markovski
Statutory Services Branch
8 December 2006

cc J. Doyle
Wise Lord Ferguson
160 Collins Street
HOBART TAS 7000