

15 December 2015

Mr Terry Polglase  
President  
Tasmania Branch  
Australian Education Union  
[support@aeutas.org.au](mailto:support@aeutas.org.au)



CC: Wise Lord & Fergusen, attn.: J Doyle by email: [jdoyle@wlf.com.au](mailto:jdoyle@wlf.com.au)

Dear Mr Polglase,

**Australian Education Union-Tasmania Branch  
Financial Report for the year ended 30 June 2015 - [FR2015/232]**

I acknowledge receipt of the financial report of the Tasmania Branch of the Australian Education Union. The documents were lodged with the Fair Work Commission on 18 August 2015. Further information was received from the branch on 4 November and 4 December 2015.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2016 may be subject to an advanced compliance review.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The Commission will confirm these concerns have been addressed prior to filing next year's report.

**Compliance with previous requests**

I note that the branch did not address any of the concerns raised in last year's filing letter and that further information had to be sought concerning:

- The serving of the auditor's statement;
- The auditor's declaration regarding the management's use of the going concern basis of accounting;
- A Key Management Personnel note;
- Breakdowns of employee expenses and provisions.

Please ensure that this supplied information forms part of next year's General Purpose Financial Report.

**Timescale requirements**

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timeline requirements can be found on the Commission's website. In particular, I draw your attention to Financial reporting process

and timelines which explains the timeline requirements, and Diagrammatic summary of financial reporting timelines which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirement was not met:

Reports must be provided to Members at least 21 days before the General Meeting of Members

The Designated Officer's Certificate states that the financial report was provided to members on 27 July 2015, and presented to a General Meeting of members on 14 August 2015. Under section 265(5)(a) of the RO Act, where the report is presented to a General Meeting of members, the report must be provided to members at least 21 days before that meeting.

If these dates are correct, the reporting unit only provided members the financial report 17 days before the General Meeting.

Please note that subsection 265(5) is a civil penalty provision and future failure to meet this timelines may result in an inquiry into the organisation and the General Manager of the Commission may apply under s.310(1) of the RO Act to the Federal Court of Australia for a pecuniary penalty order to be imposed on your organisation and, potentially, an officer whose conduct led to the non-compliance.

### **Disclosure of grants or donations**

Reporting Guideline 16(e) requires that where grants or donations have been paid, the total amount paid is to be disclosed as follows:

- (i) grants that were \$1,000 or less;
- (ii) grants that exceeded \$1,000;
- (iii) donations that were less than \$1,000; and
- (iv) donations that exceeded \$1,000

Note 3(e) discloses that \$7,046 was paid in grants and donations but does not distinguish the total amounts paid as described above.

Please ensure that it is broken down as required in next year's report.

### **Reporting Requirements**

On the Commission's website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The Commission recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 8656 4698 or via email at [catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au).

Kind regards



**CATHERINE BEBBINGTON**  
Regulatory Compliance Branch

### **FAIR WORK COMMISSION**

Tel: 03 8656 4698

Fax: 03 9655 0410

[catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au)

[www.fwc.gov.au](http://www.fwc.gov.au)

4 November 2015

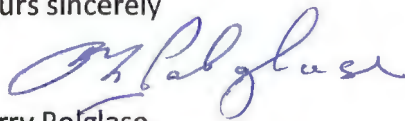
Catherine Bebbington  
Regulatory Compliance Branch  
Fair Work Commission  
GPO Box 1994  
MELBOURNE VIC 3001  
By email: [Catherine.bebbington@fwc.gov.au](mailto:Catherine.bebbington@fwc.gov.au)

Dear Catherine

**Australian Education Union – Tasmanian Branch  
Financial Report for the year ended 30 June 2015 – [FR2015/232]**

I refer to your letter of 13 October 2015 and attach financial statements and signed auditor's report updated to reflect changes as per the contents of your letter.

Yours sincerely

A handwritten signature in blue ink, which appears to read "Terry Polglase".

Terry Polglase  
President

Cc: Wise Lord & Ferguson – J Doyle by email: [jdoyle@wlf.com.au](mailto:jdoyle@wlf.com.au)

#### Hobart Office

Level 1 32 Patrick Street  
HOBART TAS 7000  
Phone: 6234 9500  
Fax: 6234 3052  
e: [support@aeutas.org.au](mailto:support@aeutas.org.au)

#### Launceston Office

39 Paterson Street  
LAUNCESTON TAS 7250  
p: 1800 001 313  
e: [support@aeutas.org.au](mailto:support@aeutas.org.au)

#### Devonport Office

63 Best Street  
DEVONPORT TAS 7310  
p: 1800 001 313  
e: [support@aeutas.org.au](mailto:support@aeutas.org.au)

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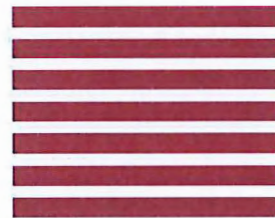
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Australian Education  
Union Tasmanian  
Branch

**Financial Statements**

**For the Year Ended  
30 June 2015**



**Wise Lord & Ferguson**  
Chartered Accountants  
*advice to advantage*



# Australian Education Union Tasmanian Branch

## OPERATING REPORT

**For the period ended 30 June 2015**

The Branch Executive presents its report of the Australian Education Union Tasmanian Branch for the financial year ended 30 June 2015.

### **Principal activities**

The principal activities of the Union 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; and
- Work towards ensuring a just and equitable society, including by promoting actively public education, training and unionism.

It is noted that during the financial year the activities of the Union were suitably carried out. No significant change in the nature of these activities occurred during the year.

The profit/(loss) from ordinary activities amounted to \$281,892 for the period ending 30 June 2015 (2014: \$415,279).

### **Financial Affairs**

No significant changes were noted to the financial affairs of the Branch during the year.

### **Right to Resign**

Resignation from membership and termination of eligibility for membership is regulated by Rule 17 of the Federal Rules.

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.

### **Superannuation Trustees/Directors**

There are no members of the Branch Council that are trustees or directors of a superannuation entity or an exempt public sector superannuation scheme.

### **Number of members**

The Union had 5,756 members at the end of the reporting period (2014: 6,020).

### **Number of employees**

The Union employed 26 staff, expressed as 22.67 FTE, as at 30 June 2015 (2014: 26 employees, expressed as 22.68 FTE).

### **Payments to employers**

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

**Australian Education Union Tasmanian Branch**

**OPERATING REPORT**

**For the period ended 30 June 2015**

**Names and positions of the Committee of Management for the financial year  
1 July 2014 to 30 June 2015 were:**

**BRANCH PRESIDENT**

POLGLASE, Terry

**BRANCH DEPUTY PRESIDENTS**

**DoE**

WALKER, Ed

**Allied Staff**

JACKSON, Mandy

**Secondary Colleges**

McNAB, Brian

**TAFE Division**

CALVERT, Rex

**BRANCH EXECUTIVE**

ALLAN, Ian

COATES Joy

FOLKS, Dean

GLASSON, Andrew

LAIRD VALENTINE, Margaret

OSBORNE, Elizabeth

**Indigenous Representative**

Vacant

# Australian Education Union Tasmanian Branch

## OPERATING REPORT

For the period ended 30 June 2015

### GENERAL DIVISION, SOUTH

#### Branch Council Delegate, General Division Sector – South

BUGG, Claire (from 01/05/2015)  
BUTLER, Warwick  
CLIFFORD, Adam (resigned 28/02/2015)  
CLIFFORD, Leeanne  
EDWARDS, David  
GLOVER, Ed  
GRIFFIN, Martin  
HAYES, Mark (resigned 31/12/2014)  
HILL, Ailsa  
MICHAEL, Hayen (from 01/05/2015)  
JONES, Stephen  
KING, Jackie  
LAIRD-VALENTINE, Margaret  
LORD, Stuart  
MADDERN, David  
OSBORNE, Elizabeth  
TUBB, Owen  
WALDOCK, Michelle  
WATSON, Gregor

### GENERAL DIVISION, NORTH

#### Branch Council Delegate, General Division Sector – North

COATES, Joy  
DJAKIC, Murat  
DUNCAN, David  
ELLIS, Lucie  
FINLAY, Nicholas  
GEALE, Sallyann  
GRIFFIN, Heather (from 01/05/2015)  
JAMES, Andrea  
McDONOUGH, Warren  
MITCHELL, Bella  
STRATTON, Cheryl

### GENERAL DIVISION, NORTH WEST

#### Branch Council Delegate, General Division Sector – North West

ALLAN, Ian  
ARGENT, Julie  
ENNISS, Gerard (resigned 28/02/2015)  
FOGG, Samuel

#### Branch Council Delegate, General Division Sector – North West (continued)

GLOVER, Maree  
LAMPREY, Robyn  
MARIA, Robyn (from 01/05/2015)  
WILSON, Nic  
WOODROW, Denise

**Australian Education Union Tasmanian Branch**

**OPERATING REPORT**

**For the period ended 30 June 2015**

**GENERAL DIVISION, ALLIED STAFF**

**Branch Deputy President, Allied Staff**

JACKSON, Mandy

**Branch Council Delegate, General Division Sector – Allied Staff**

BOWERMAN, Mandy

BURRELL, Sharon

CRELLIN, Tarun

(resigned 31/03/2015)

GLASSON, Andrew

SCHOFIELD, Kai

**SECONDARY COLLEGES SECTOR**

**Secondary Colleges Sector/President/Branch Deputy President – Secondary Colleges**

McNAB, Brian

**Branch Council Delegate, General Division Sector – Secondary Colleges**

BUTLER, Andrew

FIDAO, Roland

NANDAN, Robyn

PAPASTAVROU, Loucas

**TAFE DIVISION**

**TAFE Division President/Branch Deputy President – TAFE**

CALVERT, Rex

**Branch Council Delegate, TAFE Division**

BACON, Kirsten

DEVERELL, Stephen

STOTHERS, Wendy

(resigned 28/02/2015)

**Officers who are directors of a company or a member of a board**

GEALE, Sallyann

HILL, Ailsa

McDONOUGH, Warren

NANDAN, Robyn

Signed in accordance with a resolution of the Branch Executive



Terry Polglase  
Branch President

Dated: 27/7/2015



## Australian Education Union Tasmanian Branch

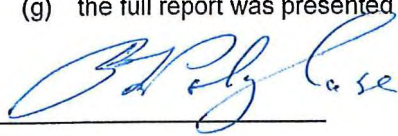
### BRANCH EXECUTIVE DECLARATION

For the period ended 30 June 2015

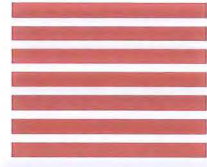
On the 27/7/2015 the Branch Executive of the Australian Education Union Tasmanian Branch passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30 June 2015:

The Branch Executive of the Union declares that in relation to the GPRF 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 General Manager of FWA;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Australian Education Union Tasmanian Branch for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Australian Education Union Tasmanian Branch will be able to pay its debt as and when they become due and payable;
- (e) during the financial year to which the GPRF 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 Australian Education Union Tasmanian Branch 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 Australian Education Union Tasmanian Branch have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
  - (iv) as far as is practical and reasonable, the financial records of the Australian Education Union Tasmanian Branch have been kept in a consistent manner to other national education union branches; and
  - (v) the information sought in any request of a member of the Australian Education Union Tasmanian Branch or the General Manager of FWA duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member of the General Manager of FWA; and
  - (vi) no orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009;
- (f) in relation to the recovery of wages activity, no activity of this nature has been undertaken.
- (g) the full report was presented to the members on 27/7/2015.

  
Terry Polglase  
Branch President

Dated: 27/7/15



**Wise Lord & Ferguson**  
Chartered Accountants  
*advice to advantage*

### **Auditor's Independence Declaration to the Branch Executive of Australian Education Union**

In relation to our audit of the financial report of Australian Education Union for the financial year ended 30 June 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

**J DOYLE**  
PARTNER  
WISE LORD & FERGUSON

Date: 21<sup>st</sup> July 2015



1st Floor 160 Collins Street Hobart TAS 7000 GPO Box 1083 Hobart TAS 7001  
Tel: (03) 6223 6155 Email: [email@wlf.com.au](mailto:email@wlf.com.au) Internet: [www.wlf.com.au](http://www.wlf.com.au)

Partners: Harvey Gibson, Danny McCarthy, Douglas Thomson, Joanne Doyle, Stuart Clutterbuck,  
Ian Wheeler, Dean Johnson, Marg Marshall, Paul Lyons, Alicia Leis, Nick Carter

Managers: Melanie Richardson, Simon Jones, Trent Queen, Rachel Burns, Nathan Brereton,  
Melissa Johnson, Donna Powell, Rebecca Meredith, Naomi Norman, Maryellen Salter

Consultant: Peter Beven

## Australian Education Union Tasmanian Branch

### STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June 2015

	Notes	2015 \$	2014 \$
<b>Revenue</b>			
Membership subscription		3,643,691	3,658,718
Cinema ticket sales		43,739	48,955
Board Sitting Fees		29,787	24,043
Interest		16,171	12,103
Rental revenue		44,104	47,795
Other revenue		50,341	45,312
<b>Total Revenue</b>		<b>3,827,833</b>	<b>3,836,926</b>
<b>Other Income</b>			
Net movement in managed fund		28,263	81,162
Net gains from sale of assets		-	16,388
<b>Total other income</b>		<b>28,263</b>	<b>97,550</b>
<b>Total income</b>		<b>3,856,096</b>	<b>3,934,476</b>
<b>Expenses</b>			
Employee expenses	3(a)	2,571,600	2,466,979
Capitation fees	3(b)	198,717	188,332
Affiliation fees	3(c)	65,657	95,739
Administration expenses	3(d)	549,022	594,521
Grants or donations	3(e)	7,046	-
Depreciation and amortisation	3(f)	131,459	142,310
Legal costs	3(g)	21,733	17,316
Net losses from sale of assets		4,970	-
Other expenses	3(h)	24,000	14,000
<b>Total expenses</b>		<b>3,574,204</b>	<b>3,519,197</b>
<b>Profit for the year</b>		<b>281,892</b>	<b>415,279</b>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<b>281,892</b>	<b>415,279</b>

The accompanying notes form part of this Financial Report

**Australian Education Union Tasmanian Branch**

**STATEMENT OF FINANCIAL POSITION**

**For the period ended 30 June 2015**

	Notes	2015 \$	2014 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4(a)	1,872,852	952,652
Trade and other receivables	4(b)	196,980	218,692
Other current assets	4(c)	728,290	1,321,080
<b>Total Current Assets</b>		<b>2,798,122</b>	<b>2,492,424</b>
<b>Non-Current Assets</b>			
Land and buildings	5(a)	2,314,831	2,372,117
Property, plant and equipment	5(b)	117,440	135,534
Motor vehicles	5(c)	145,746	116,491
<b>Total Non-Current Assets</b>		<b>2,578,017</b>	<b>2,624,142</b>
<b>Total Assets</b>		<b>5,376,139</b>	<b>5,116,566</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	6(a)	99,602	62,802
Other payables	6(b)	99,623	99,184
Employee provisions	7	351,238	394,944
<b>Total Current Liabilities</b>		<b>550,463</b>	<b>556,930</b>
<b>Non-Current Liabilities</b>			
Employee provisions	7	183,811	199,663
<b>Total Non-Current Liabilities</b>		<b>183,811</b>	<b>199,663</b>
<b>Total Liabilities</b>		<b>734,274</b>	<b>756,593</b>
<b>Net Assets</b>		<b>4,641,865</b>	<b>4,359,973</b>
<b>EQUITY</b>			
Retained profits	8(a)	3,174,435	2,892,543
Reserves	8(b)	1,467,430	1,467,430
<b>Total Equity</b>		<b>4,641,865</b>	<b>4,359,973</b>

The accompanying notes form part of this Financial Report

**Australian Education Union Tasmanian Branch**

**STATEMENT OF CHANGES IN EQUITY**

**For the period ended 30 June 2015**

	<b>Retained Earnings</b>	<b>General Reserve</b>	<b>Asset Revaluation Reserve</b>	<b>Total Equity</b>
	\$	\$	\$	\$
<b>Closing balance as at 30 June 2013</b>	<b>2,477,264</b>	<b>725,031</b>	<b>742,399</b>	<b>3,944,694</b>
Profit for the year	415,279	-	-	415,279
<b>Closing balance as at 30 June 2014</b>	<b>2,892,543</b>	<b>725,031</b>	<b>742,399</b>	<b>4,359,973</b>
Profit for the year	281,892	-	-	281,892
<b>Closing balance as at 30 June 2015</b>	<b>3,174,435</b>	<b>725,031</b>	<b>742,399</b>	<b>4,641,865</b>

The accompanying notes form part of this Financial Report

## Australian Education Union Tasmanian Branch

### CASH FLOW STATEMENT

For the period ended 30 June 2015

	Notes	2015 \$	2014 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from members		3,841,111	3,775,531
Interest		17,834	10,440
<b>Cash used</b>			
Employees		(2,631,158)	(2,570,894)
Suppliers		(848,581)	(903,625)
<b>Net cash from (used by) operating activities</b>	<b>9</b>	<b>379,206</b>	<b>311,452</b>
 <b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant and equipment		26,851	35,370
<b>Cash used</b>			
Loans to/(Repayments from) members and staff		10,245	(15,110)
Purchase of plant and equipment		(117,155)	(85,686)
Proceeds/(Purchase) of investments		621,053	(10,440)
<b>Net cash from (used by) investing activities</b>		<b>540,994</b>	<b>(75,866)</b>
 <b>Net increase (decrease) in cash held</b>		 920,200	 235,586
Cash and cash equivalents at the beginning of the period		952,652	717,066
<b>Cash and cash equivalents at the end of the period</b>	<b>4(a)</b>	<b>1,872,852</b>	<b>952,652</b>

The accompanying notes form part of this Financial Report

# Australian Education Union Tasmanian Branch

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Australian Education Union Tasmanian Branch is a not-for-profit entity. Disclosures made in the financial statement with zero values in both financial years are disclosed only due to the mandatory requirements of the Fair Work Commission.

The financial report covers the Australian Education Union Tasmanian Branch as an individual entity. The Australian Education Union Tasmanian Branch is a trade union in Tasmania governed by the Fair Work (Registered Organisations) Act 2009.

The financial statements have been prepared on an accrual basis and are based on historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

#### (b) Statement of Compliance

The financial report complies with Australian Accounting Standards, including International Financial Reporting Standards ('IFRS').

#### (c) Comparative Amounts

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

#### (d) New Australian Accounting Standards

##### *Adoption of New Australian Accounting Standard Requirements*

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year.

There are no new standards, amendments to standards or interpretations that were issued prior to sign off date that are expected to have a financial impact on the Union in the future reporting period.

#### (e) Cash and Cash Equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

# Australian Education Union Tasmanian Branch

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (f) 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.

#### (g) Other Current Assets

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'net movement in managed fund' line item in the statement of comprehensive income.

#### (h) Land, Buildings, Plant and Equipment

##### *Asset Recognition*

Purchases of land, buildings, plant and equipment are recognised at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

##### *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.

##### *Depreciation*

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2015	2014
Land and buildings	<b>50 years</b>	50 years
Plant and equipment	<b>4 to 5 years</b>	4 to 5 years
Computer equipment	<b>2.5 to 3 years</b>	2.5 to 3 years
Motor vehicles	<b>4 to 5 years</b>	4 to 5 years

##### *Derecognition*

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.



# Australian Education Union Tasmanian Branch

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (i) 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 Union.

#### (j) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits due within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

#### (k) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Donation income is recognised when it is received.

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

#### (l) Other Income

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

# Australian Education Union Tasmanian Branch

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (m) Taxes

The Union is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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

- where the amount of GST incurred 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
- for receivables and payables.

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

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

### NOTE 2 EVENTS AFTER THE REPORTING PERIOD

There were no events that occurred after 30 June 2015, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

### NOTE 3 EXPENSES

#### (a) Employee expenses

##### Holders of office

	2015 \$	2014 \$
Wages and salaries	142,392	138,629
Superannuation	21,359	20,794
Leave and other entitlements	40,679	28,100
Executive expenses	22,386	28,946
Separation and redundancies	-	-
Other employee expenses	-	-
<b>Subtotal employee expenses holders of office</b>	<b>226,816</b>	<b>216,469</b>

##### Employees other than office holders

Wages and salaries	1,968,392	1,828,915
Superannuation	287,827	273,530
Leave and other entitlements	88,565	148,065
Separation and redundancies	-	-
Other employee expenses	-	-
<b>Subtotal employee expenses other than office holders</b>	<b>2,344,784</b>	<b>2,250,510</b>
<b>Total employee expenses</b>	<b>2,571,600</b>	<b>2,466,979</b>

**Australian Education Union Tasmanian Branch**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the period ended 30 June 2015**

	<b>2015</b>	<b>2014</b>
	\$	\$
<b>NOTE 3 EXPENSES (continued)</b>		
<b>(b) Capitation fees</b>		
AEU Federal capitation fees	198,717	188,332
<b>Total capitation fees</b>	<b>198,717</b>	<b>188,332</b>
<b>(c) Affiliation fees</b>		
ACTU Affiliation	17,919	44,512
TTLC Affiliation	34,675	36,848
Education International Affiliation	13,063	14,379
<b>Total affiliation fees</b>	<b>65,657</b>	<b>95,739</b>
<b>(d) Administration expenses</b>		
Accounting and auditing	13,330	18,264
Bank charges	17,931	16,417
Branch Council	22,427	32,472
Compulsory levies (public education levy)	20,457	37,498
Computer expense	32,947	37,812
Conference and meeting expenses	38,709	11,676
Fees/allowances – meeting and conferences	22,639	27,836
Industrial campaigns	43,727	36,938
Insurance	51,039	49,946
Members expenses	60,006	90,534
Postage, printing & stationery	21,719	19,731
Property expenses	82,610	82,025
Publications	8,628	16,120
Repairs and maintenance	37,570	38,890
Research	5,571	4,341
Uniforms	1,763	123
Telephone	31,451	25,080
Travel and motor vehicle expenses	36,498	48,818
<b>Total administration expenses</b>	<b>549,022</b>	<b>594,521</b>
<b>(e) Grants and donations</b>		
Benevolent assistance	7,046	-
<b>Total grants and donations</b>	<b>7,046</b>	<b>-</b>
<b>(f) Depreciation and amortisation</b>		
Land and buildings	57,286	56,990
Plant and equipment	39,115	51,985
Motor vehicles	35,058	33,335
<b>Total depreciation and amortisation</b>	<b>131,459</b>	<b>142,310</b>
<b>(g) Legal costs</b>		
Litigation	21,733	17,316
<b>Total legal costs</b>	<b>21,733</b>	<b>17,316</b>

## Australian Education Union Tasmanian Branch

### NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

	Notes	2015 \$	2014 \$
<b>NOTE 3 EXPENSES (continued)</b>			
<b>(h) Other expenses</b>			
Contribution to International Trust Fund		24,000	14,000
<b>Total other expenses</b>		<b>24,000</b>	<b>14,000</b>

The Australian Education Union Tasmanian Branch has not incurred any penalties under the Registered Organisation Act or Registered Organisation Regulations.

#### NOTE 4 CURRENT ASSETS

<b>(a) Cash and cash equivalents</b>			
Cash at bank		1,872,624	952,424
Cash on hand		228	228
<b>Total cash and cash equivalents</b>		<b>1,872,852</b>	<b>952,652</b>
<b>(b) Trade and other receivables</b>			
Sundry debtors		9,743	36,525
Loans to members and staff		17,317	27,562
Prepayments		28,974	9,329
Accrued Interest		-	1,663
Accrued membership subscriptions		140,946	143,613
<b>Total current receivables</b>		<b>196,980</b>	<b>218,692</b>
Less provision for doubtful debts		-	-
<b>Total current receivables (net)</b>		<b>196,980</b>	<b>218,692</b>

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

The Australian Education Union Tasmanian Branch does not have monies receivable from other reporting units at 30 June 2015.

<b>(c) Other current assets</b>			
Investment account		30	643,660
Managed investment account		728,260	677,420
<b>Total other current assets</b>		<b>728,290</b>	<b>1,321,080</b>

#### NOTE 5 NON-CURRENT ASSETS

<b>(a) Land and buildings</b>			
At cost		2,855,856	2,855,856
Accumulated depreciation		(541,025)	(483,739)
<b>Total land and buildings</b>		<b>2,314,831</b>	<b>2,372,117</b>

**Australian Education Union Tasmanian Branch**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the period ended 30 June 2015**

	Notes	2015 \$	2014 \$
<b>NOTE 5 NON-CURRENT ASSETS (continued)</b>			
<i>Reconciliation of the opening and closing balances of land and buildings</i>			
<b>Net book value 1 July</b>		2,372,117	2,416,373
Additions		-	12,735
Depreciation expense		(57,286)	(56,991)
<b>Net book value 30 June</b>		<b>2,314,831</b>	<b>2,372,117</b>
<b>Net book value as of 30 June represented by</b>			
Gross book value		2,855,856	2,855,856
Accumulated depreciation and impairment		(541,025)	(483,739)
<b>Net book value 30 June</b>		<b>2,314,831</b>	<b>2,372,117</b>
 <b>(b) Plant and equipment</b>			
At cost		489,445	505,160
Accumulated depreciation		(372,005)	(369,626)
<b>Total plant and equipment</b>		<b>117,440</b>	<b>135,534</b>
 <i>Reconciliation of the opening and closing balances of plant and equipment</i>			
<b>Net book value 1 July</b>		135,534	137,194
Additions		24,999	50,325
Disposals		(3,978)	-
Depreciation expense		(39,115)	(51,985)
<b>Net book value 30 June</b>		<b>117,440</b>	<b>135,534</b>
<b>Net book value as of 30 June represented by</b>			
Gross book value		489,445	505,160
Accumulated depreciation and impairment		(372,005)	(369,626)
<b>Net book value 30 June</b>		<b>117,440</b>	<b>135,534</b>
 <b>(c) Motor vehicles</b>			
At cost		216,459	204,651
Accumulated depreciation		(70,713)	(88,160)
<b>Total motor vehicles</b>		<b>145,746</b>	<b>116,491</b>
 <i>Reconciliation of the opening and closing balances of motor vehicles</i>			
<b>Net book value 1 July</b>		116,491	146,182
Additions		92,156	22,627
Disposals		(27,843)	(18,983)
Depreciation expense		(35,058)	(33,335)
<b>Net book value 30 June</b>		<b>145,746</b>	<b>116,491</b>
<b>Net book value as of 30 June represented by</b>			
Gross book value		216,459	204,651
Accumulated depreciation and impairment		(70,713)	(88,160)
<b>Net book value 30 June</b>		<b>145,746</b>	<b>116,491</b>

## Australian Education Union Tasmanian Branch

### NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

	Notes	2015 \$	2014 \$
<b>NOTE 6 CURRENT LIABILITIES</b>			
<b>(a) Trade payables</b>			
Trade creditors		3,361	1,909
Accrued expenses		96,241	60,893
<b>Total trade payables</b>		<b>99,602</b>	<b>62,802</b>

Trade payables are non-interest bearing and are usually settled within 30 days.

The Australian Education Union Tasmanian Branch does not have monies payable to other reporting units at 30 June 2015.

<b>(b) Other payables</b>			
GST Payable		57,198	65,676
PAYG withholding tax		42,425	33,508
<b>Total other payables</b>		<b>99,623</b>	<b>99,184</b>

Wages and salaries, employee payroll deductions and legal costs were fully paid as at 30 June 2015.

#### NOTE 7 EMPLOYEE PROVISIONS

<b>Holders of office</b>			
Annual leave		29,545	20,230
Long service leave		11,134	7,870
<b>Subtotal employee provisions for holders of office</b>		<b>40,679</b>	<b>28,100</b>
<b>Employees other than office holders</b>			
Annual leave		235,426	239,348
Long service leave		258,944	327,159
<b>Subtotal employee provisions for employees other than office holders</b>		<b>494,370</b>	<b>566,507</b>
<b>Total employee provisions</b>		<b>535,049</b>	<b>594,607</b>
Current		351,238	394,944
Non-current		183,811	199,663
<b>Total employee provisions</b>		<b>535,049</b>	<b>594,607</b>

There are no other provisions relating to redundancies or other liabilities for office holders and other employees of the Union.

#### NOTE 8 EQUITY

<b>(a) Retained Profits</b>			
Balance at the beginning of the year		2,892,543	2,477,264
Profit for the year		281,892	415,279
<b>Balance at end of year</b>		<b>3,174,435</b>	<b>2,892,543</b>

## Australian Education Union Tasmanian Branch

### NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

	Notes	2015 \$	2014 \$
<b>NOTE 8 EQUITY (continued)</b>			
<b>(b) Reserves</b>			
General reserve		725,031	725,031
Asset revaluation reserve		742,399	742,399
<b>Total reserves</b>		<b>1,467,430</b>	<b>1,467,430</b>
 <b>NOTE 9 CASH FLOW RECONCILIATION</b>			
<b>Profit for the year</b>		281,892	415,279
<b>Adjustments for non-cash items</b>			
Depreciation		131,459	142,311
Net (profit)/loss on disposal of plant and equipment		4,970	(16,388)
<b>Changes in assets and liabilities</b>			
(Increase)/decrease in receivables		(16,796)	(123,458)
(Decrease)/increase in payables		37,239	(2,377)
(Decrease)/increase in provisions		(59,558)	(103,915)
<b>Net cash from (used by) operating activities</b>		<b>379,206</b>	<b>311,452</b>

#### NOTE 10 RELATED PARTY DISCLOSURES

**(a) Retained Profits**

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

Terry Polglase	President
Mandy Jackson	Deputy President – Allied Staff
Rex Calvert	Deputy President – TAFE
Brian McNab	Deputy President – Secondary Colleges
Ed Walker	Deputy President – Department of Education
Andrew Glasson	
Margaret Laird Valentine	
Ian Allan	
Joy Coates	
Dean Folks	
Elizabeth Osborne	

# Australian Education Union Tasmanian Branch

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

	2015	2014
	\$	\$
<b>NOTE 10 RELATED PARTY DISCLOSURES (continued)</b>		
<b>(b) International Trust Fund</b>		
This fund has been set up under AEU Rules and is audited separately. AEU Branches contribute to the fund.		
Contribution	24,000	14,000
<b>NOTE 11 REMUNERATION OF AUDITORS</b>		
<b>Value of the services provided by Wise Lord &amp; Ferguson</b>		
Financial statement audit services	10,300	10,000
Other services	300	300
<b>Total remuneration of auditors</b>	10,600	10,300

Other services relates to the preparation of the financial statements in the Fair Work Australia model financial statements format.

### NOTE 12 FINANCIAL INSTRUMENTS

The entity's principle financial assets comprise cash, cash investments and trade debtors whilst its principle financial liabilities comprise trade payables.

The entity has exposure to the following risks from its use of financial instruments:

#### (a) Credit risk

Credit risk is the risk of financial loss to the Union if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Unions receivables from customers.

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

#### (b) Interest rate risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

The majority of the Unions financial assets are held in interest bearing assets that are expected to mature within three months or in financial assets that reset to the prevalent market interest rate on a monthly or quarterly basis. As a result the Union is subject to limited exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates.

An increase / (decrease) in interest rates of 1% will have a corresponding effect on revenue of \$26,011 (2014, \$22,737).



## Australian Education Union Tasmanian Branch

### NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

#### NOTE 13 KEY MANAGEMENT PERSONNEL REMUNERATION

	Short-term employee benefits	Post- employment benefits	Long term benefits	Other	Total
<b>2015</b>					
Total Income paid or payable to all Executives of the Union	326,486	-	-	-	326,486
<b>2014</b>					
Total Income paid or payable to all Executives of the Union	317,162	-	-	-	317,162

#### NOTE 14 UNION DETAILS

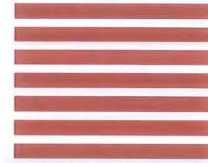
The principal place of business of the Union is:

32 Patrick Street  
HOBART TAS 7000

#### NOTE 15 SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1) to (3) of section 272 which read as follows:

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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).



**Wise Lord & Ferguson**  
Chartered Accountants  
*advice to advantage*

## **Independent auditor's report to the members of the Australian Education Union Tasmanian Branch**

We have audited the accompanying financial report of the Australian Education Union Tasmanian Branch, which comprises the Statement of Financial Position as at 30 June 2015, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Branch Executive declaration.

### *Branch Executive Responsibility for the Financial Report*

The Branch Executive of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and with *Fair Work (Registered Organisations) Act 2009*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards and International Standards on Auditing. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Branch Executive, as well as evaluating the overall presentation of the financial report.



1st Floor 160 Collins Street Hobart TAS 7000 GPO Box 1083 Hobart TAS 7001  
Tel: (03) 6223 6155 Email: [email@wlf.com.au](mailto:email@wlf.com.au) Internet: [www.wlf.com.au](http://www.wlf.com.au)

Partners: Harvey Gibson, Danny McCarthy, Douglas Thomson, Joanne Doyle, Stuart Clutterbuck,  
Ian Wheeler, Dean Johnson, Marg Marshall, Paul Lyons, Alicia Leis, Nick Carter  
Managers: Melanie Richardson, Simon Jones, Trent Queen, Rachel Burns, Nathan Brereton,  
Melissa Johnson, Donna Powell, Rebecca Meredith, Naomi Norman, Maryellen Salter  
Consultant: Peter Beven

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Independence*

In conducting our audit we have met the independence requirements of the Australian professional accounting bodies.

*Auditor's Opinion*

In our opinion:

- a) the general purpose financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the *Fair Work (Registered Organisations) Act 2009*.
- b) there are reasonable grounds to believe that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.



**Joanne Doyle**

Partner

Wise Lord & Ferguson

Registered Company Auditor

1/160 Collins Street

Hobart TAS 7001

Date : 4 November 2015



13 October 2015

Mr Terry Polglase  
President  
Tasmania Branch  
Australian Education Union  
[support@aeutas.org.au](mailto:support@aeutas.org.au)

CC: Wise Lord & Fergusen, attn.: J Doyle by email: [jdoyle@wlf.com.au](mailto:jdoyle@wlf.com.au)

Dear Mr Polglase,

**Australian Education Union - Tasmania Branch  
Financial Report for the year ended 30 June 2015 - [FR2015/232]**

I acknowledge receipt of the financial report of the Tasmania Branch of the Australian Education Union. The documents were lodged with the Fair Work Commission on 18 August 2015.

The financial report has not been filed. Further information is required before the report can be filed.

The below issues were raised in last year's filing letter and have not been addressed. As was stated in last year's correspondence, the Commission confirms all filing letter concerns are addressed prior to filing the subsequent report. Consequently, the report will not be filed until the information is provided.

**Auditor's Report**

Date of Report

The auditor's report was dated 29 July 2015. This was two days after the Designated Officer's Certificate declares the report was provided to members. As such it appears that the signed auditor's report was not provided to members with the financial report.

Please confirm whether the members were provided with a copy of the signed auditor's statement.

Declaration regarding going concern

Paragraph 39 of the Reporting Guidelines requires an auditor to include in the auditor's statement a declaration that as part of the audit of the financial statement they have concluded that the management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate.

Please supply a declaration from the auditor that the management's use of the going concern basis of accounting is appropriate and ensure that this information is provided to the members.

**Key management personnel**

Australian Accounting Standard *AASB 124 Related Party Disclosures* paragraph 17 requires the General Purpose Financial Report to disclose within the statements or the notes compensation paid to key management personnel.

This normally includes a listing of the key management personnel for the organisation, the total amount of compensation paid to all key management personnel, and then totals for each of the following categories:

- Short term employee benefits
- Post employment benefits
- Other long term employee benefits
- Termination benefits
- Any share based payments.

The definition for these categories can be found within accounting standard *AASB 119: Employee Benefits*. Please supply a key management personnel note and ensure that it is provided to the members.

### **Disclosure of employee expenses to office holders and other employees**

The Reporting Guidelines require reporting units to disclose in the Statement of Comprehensive Income or in the notes to the financial statements employee expenses to holders of office (item 16(f)) and employee expenses to other employees (item 16(g)). Item 16(f) and 16(g) of the Reporting Guidelines also requires these expenses to be separately disclosed as follows:

- Wages and salaries;
- Superannuation;
- Leave and other entitlements;
- Separation and redundancies; and
- Other employee expenses.

Note 3(a) to the financial statements has disclosed wages and salaries, superannuation, leave and other entitlements separately for officer holders and employees, but does not separately disclose separation and redundancies and other employee expenses provided for officers and employees.

The Reporting Guidelines require that all employee and office holder expenses be detailed separately (refer to items 16(f) and 16(g)).

Please note that Reporting Guideline 17 states that if the activities identified in item 16 have not occurred in the reporting period, a statement of this effect must be included in the GPFR. This may be done as a statement or a NIL line item.

Please supply figures for 'separation and redundancies' and 'other' expenses for holders of office and employees other than holders of office and ensure these figures are provided to the members.

### **Disclosure of employee provisions to office holders and other employees**

The Reporting Guidelines also require either the Statement of Financial Position or the notes to disclose any liability for employee benefits in respect of office holders and other employees (items 20(c) and 20 (d)). Item 20(c) and 20(d) of the Reporting Guidelines requires these provisions to be separately disclosed as follows:

- Annual leave;
- Long service leave;
- Separation and redundancies; and
- Other employee provisions.

Note 7 to the financial statements has disclosed annual leave and long service leave separately for office holders and employees, but does not separately disclose 'separation and redundancies' and 'other' employee provisions provided for officers and employees.

The Reporting Guidelines require that all employee and office holder provisions be detailed separately (refer to items 20(c) and 20(d)).

Please note that Reporting Guideline 21 states that if the activities identified in item 20 have not occurred in the reporting period, a statement of this effect must be included in the GPFR. This may be done as a statement or a NIL line item.

Please supply figures for these provisions and ensure they are provided to the members.

If you have any queries regarding this letter, please contact me on (03) 8661 7974 or via email at [catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au).

Yours sincerely



**CATHERINE BEBBINGTON**  
Regulatory Compliance Branch

**FAIR WORK COMMISSION**

Tel: 03 8661 7974

Fax: 03 9655 0410

[catherine.bebbington@fwc.gov.au](mailto:catherine.bebbington@fwc.gov.au)

11 Exhibition Street, Melbourne Victoria 3000

GPO Box 1994, Melbourne Victoria 3001

[www.fwc.gov.au](http://www.fwc.gov.au)

17 August 2015

Fair Work Commission  
[orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)

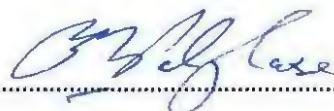
Dear Sir/Madam

**Re: Lodgement of Financial Documents for year ended 30 June 2015  
[FR2013/338] Fair Work (Registered Organisations) Act 2009 (the RO Act)**

I, Terry Polglase, being the President of the Australian Education Union, Tasmanian Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Education Union, Tasmanian Branch referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full Report for the year ended 30 June 2015 was provided to members of the reporting unit on 27 July 2015; and
- that the full report was presented to a Branch Council meeting of the reporting union on 14 August 2015 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:.....



Name of prescribed designated officer: TERRY POLGLASE

Title of prescribed designated officer: PRESIDENT

Dated: 18 AUGUST 2015

Attach (2)

CC: Susan Hopgood, AEU Federal Secretary

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#### Hobart Office

Level 1 32 Patrick Street  
HOBART TAS 7000  
Phone: 6234 9500  
Fax: 6234 3052  
e: support@aeutas.org.au

#### Launceston Office

39 Paterson Street  
LAUNCESTON TAS 7250  
p: 1800 001 313  
e: support@aeutas.org.au

#### Devonport Office

63 Best Street  
DEVONPORT TAS 7310  
p: 1800 001 313  
e: support@aeutas.org.au

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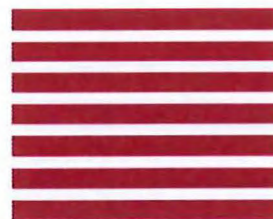
Web: [www.aeutas.org.au](http://www.aeutas.org.au)  
[facebook.com/aeutasmania](https://www.facebook.com/aeutasmania)  
[twitter.com/aeutasmania](https://twitter.com/aeutasmania)



Australian Education  
Union Tasmanian  
Branch

**Financial Statements**

**For the Year Ended  
30 June 2015**



**Wise Lord & Ferguson**  
Chartered Accountants  
*advice to advantage*





# **Australian Education Union Tasmanian Branch**

## **OPERATING REPORT**

**For the period ended 30 June 2015**

The Branch Executive presents its report of the Australian Education Union Tasmanian Branch for the financial year ended 30 June 2015.

### **Principal activities**

The principal activities of the Union 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; and
- Work towards ensuring a just and equitable society, including by promoting actively public education, training and unionism.

It is noted that during the financial year the activities of the Union were suitably carried out. No significant change in the nature of these activities occurred during the year.

The profit/(loss) from ordinary activities amounted to \$281,892 for the period ending 30 June 2015 (2014: \$415,279).

### **Financial Affairs**

No significant changes were noted to the financial affairs of the Branch during the year.

### **Right to Resign**

Resignation from membership and termination of eligibility for membership is regulated by Rule 17 of the Federal Rules.

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.

### **Superannuation Trustees/Directors**

There are no members of the Branch Council that are trustees or directors of a superannuation entity or an exempt public sector superannuation scheme.

### **Number of members**

The Union had 5,756 members at the end of the reporting period (2014: 6,020).

### **Number of employees**

The Union employed 26 staff, expressed as 22.67 FTE, as at 30 June 2015 (2014: 26 employees, expressed as 22.68 FTE).

### **Payments to employers**

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

**Australian Education Union Tasmanian Branch**

**OPERATING REPORT**

**For the period ended 30 June 2015**

**Names and positions of the Committee of Management for the financial year  
1 July 2014 to 30 June 2015 were:**

**BRANCH PRESIDENT**

POLGLASE, Terry

**BRANCH DEPUTY PRESIDENTS**

**DoE**

WALKER, Ed

**Allied Staff**

JACKSON, Mandy

**Secondary Colleges**

McNAB, Brian

**TAFE Division**

CALVERT, Rex

**BRANCH EXECUTIVE**

ALLAN, Ian

COATES Joy

FOLKS, Dean

GLASSON, Andrew

LAIRD VALENTINE, Margaret

OSBORNE, Elizabeth

**Indigenous Representative**

Vacant

## Australian Education Union Tasmanian Branch

### OPERATING REPORT

For the period ended 30 June 2015

#### GENERAL DIVISION, SOUTH

##### Branch Council Delegate, General Division Sector – South

BUGG, Claire (from 01/05/2015)  
BUTLER, Warwick  
CLIFFORD, Adam (resigned 28/02/2015)  
CLIFFORD, Leeanne  
EDWARDS, David  
GLOVER, Ed  
GRIFFIN, Martin  
HAYES, Mark (resigned 31/12/2014)  
HILL, Ailsa  
MICHAEL, Hayen (from 01/05/2015)  
JONES, Stephen  
KING, Jackie  
LAIRD-VALENTINE, Margaret  
LORD, Stuart  
MADDERN, David  
OSBORNE, Elizabeth  
TUBB, Owen  
WALDOCK, Michelle  
WATSON, Gregor

#### GENERAL DIVISION, NORTH

##### Branch Council Delegate, General Division Sector – North

COATES, Joy  
DJAKIC, Murat  
DUNCAN, David  
ELLIS, Lucie  
FINLAY, Nicholas  
GEALE, Sallyann  
GRIFFIN, Heather (from 01/05/2015)  
JAMES, Andrea  
McDONOUGH, Warren  
MITCHELL, Bella  
STRATTON, Cheryl

#### GENERAL DIVISION, NORTH WEST

##### Branch Council Delegate, General Division Sector – North West

ALLAN, Ian  
ARGENT, Julie  
ENNISS, Gerard (resigned 28/02/2015)  
FOGG, Samuel

##### Branch Council Delegate, General Division Sector – North West (continued)

GLOVER, Maree  
LAMPREY, Robyn  
MARIA, Robyn (from 01/05/2015)  
WILSON, Nic  
WOODROW, Denise

**Australian Education Union Tasmanian Branch**

**OPERATING REPORT**

**For the period ended 30 June 2015**

**GENERAL DIVISION, ALLIED STAFF**

**Branch Deputy President, Allied Staff**

JACKSON, Mandy

**Branch Council Delegate, General Division Sector – Allied Staff**

BOWERMAN, Mandy

BURRELL, Sharon

CRELLIN, Tarun

(resigned 31/03/2015)

GLASSON, Andrew

SCHOFIELD, Kai

**SECONDARY COLLEGES SECTOR**

**Secondary Colleges Sector/President/Branch Deputy President – Secondary Colleges**

McNAB, Brian

**Branch Council Delegate, General Division Sector – Secondary Colleges**

BUTLER, Andrew

FIDAO, Roland

NANDAN, Robyn

PAPASTAVROU, Loucas

**TAFE DIVISION**

**TAFE Division President/Branch Deputy President – TAFE**

CALVERT, Rex

**Branch Council Delegate, TAFE Division**

BACON, Kirsten

DEVERELL, Stephen

STOTHERS, Wendy

(resigned 28/02/2015)

**Officers who are directors of a company or a member of a board**

GEALE, Sallyann

HILL, Ailsa

McDONOUGH, Warren

NANDAN, Robyn

Signed in accordance with a resolution of the Branch Executive



Terry Polglase  
Branch President

Dated: 27/7/2015

## Australian Education Union Tasmanian Branch

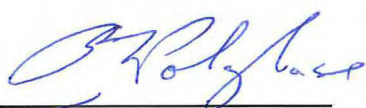
### BRANCH EXECUTIVE DECLARATION

For the period ended 30 June 2015

On the 27/7 / 2015 the Branch Executive of the Australian Education Union Tasmanian Branch passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30 June 2015:

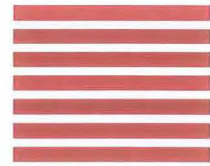
The Branch Executive of the Union declares that in relation to the GPRF that in its opinion:

- (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 General Manager of FWA;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Australian Education Union Tasmanian Branch for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Australian Education Union Tasmanian Branch will be able to pay its debt as and when they become due and payable;
- (e) during the financial year to which the GPRF 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 Australian Education Union Tasmanian Branch 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 Australian Education Union Tasmanian Branch have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; and
  - (iv) as far as is practical and reasonable, the financial records of the Australian Education Union Tasmanian Branch have been kept in a consistent manner to other national education union branches; and
  - (v) the information sought in any request of a member of the Australian Education Union Tasmanian Branch or the General Manager of FWA duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been furnished to the member of the General Manager of FWA; and
  - (vi) no orders have been made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009;
- (f) in relation to the recovery of wages activity, no activity of this nature has been undertaken.



Terry Polglase  
Branch President

Dated: 27/7/2015



**Wise Lord & Ferguson**  
Chartered Accountants  
*advice to advantage*

### **Auditor's Independence Declaration to the Branch Executive of Australian Education Union**

In relation to our audit of the financial report of Australian Education Union for the financial year ended 30 June 2015, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

**J DOYLE**  
PARTNER  
WISE LORD & FERGUSON

Date: 21<sup>st</sup> July 2015



1st Floor 160 Collins Street Hobart TAS 7000 GPO Box 1083 Hobart TAS 7001  
Tel: (03) 6223 6155 Email: [email@wlf.com.au](mailto:email@wlf.com.au) Internet: [www.wlf.com.au](http://www.wlf.com.au)

**Partners:** Harvey Gibson, Danny McCarthy, Douglas Thomson, Joanne Doyle, Stuart Clutterbuck, Ian Wheeler, Dean Johnson, Marg Marshall, Paul Lyons, Alicia Leis, Nick Carter  
**Managers:** Melanie Richardson, Simon Jones, Trent Queen, Rachel Burns, Nathan Brereton, Melissa Johnson, Donna Powell, Rebecca Meredith, Naomi Norman, Maryellen Salter  
**Consultant:** Peter Beven

## Australian Education Union Tasmanian Branch

### STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June 2015

	Notes	2015 \$	2014 \$
<b>Revenue</b>			
Membership subscription		3,643,691	3,658,718
Cinema ticket sales		43,739	48,955
Board Sitting Fees		29,787	24,043
Interest		16,171	12,103
Rental revenue		44,104	47,795
Other revenue		50,341	45,312
<b>Total Revenue</b>		<b>3,827,833</b>	<b>3,836,926</b>
<b>Other Income</b>			
Net movement in managed fund		28,263	81,162
Net gains from sale of assets		-	16,388
<b>Total other income</b>		<b>28,263</b>	<b>97,550</b>
<b>Total income</b>		<b>3,856,096</b>	<b>3,934,476</b>
<b>Expenses</b>			
Employee expenses	3(a)	2,571,600	2,466,979
Capitation fees	3(b)	198,717	188,332
Affiliation fees	3(c)	65,657	95,739
Administration expenses	3(d)	549,022	594,521
Grants or donations	3(e)	7,046	-
Depreciation and amortisation	3(f)	131,459	142,310
Legal costs	3(g)	21,733	17,316
Net losses from sale of assets		4,970	-
Other expenses	3(h)	24,000	14,000
<b>Total expenses</b>		<b>3,574,204</b>	<b>3,519,197</b>
<b>Profit for the year</b>		<b>281,892</b>	<b>415,279</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>281,892</b>	<b>415,279</b>

The accompanying notes form part of this Financial Report

## Australian Education Union Tasmanian Branch

### STATEMENT OF FINANCIAL POSITION

For the period ended 30 June 2015

	Notes	2015 \$	2014 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4(a)	1,872,852	952,652
Trade and other receivables	4(b)	196,980	218,692
Other current assets	4(c)	728,290	1,321,080
<b>Total Current Assets</b>		<b>2,798,122</b>	<b>2,492,424</b>
<b>Non-Current Assets</b>			
Land and buildings	5(a)	2,314,831	2,372,117
Property, plant and equipment	5(b)	117,440	135,534
Motor vehicles	5(c)	145,746	116,491
<b>Total Non-Current Assets</b>		<b>2,578,017</b>	<b>2,624,142</b>
<b>Total Assets</b>		<b>5,376,139</b>	<b>5,116,566</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	6(a)	99,602	62,802
Other payables	6(b)	99,623	99,184
Employee provisions	7	351,238	394,944
<b>Total Current Liabilities</b>		<b>550,463</b>	<b>556,930</b>
<b>Non-Current Liabilities</b>			
Employee provisions	7	183,811	199,663
<b>Total Non-Current Liabilities</b>		<b>183,811</b>	<b>199,663</b>
<b>Total Liabilities</b>		<b>734,274</b>	<b>756,593</b>
<b>Net Assets</b>		<b>4,641,865</b>	<b>4,359,973</b>
<b>EQUITY</b>			
Retained profits	8(a)	3,174,435	2,892,543
Reserves	8(b)	1,467,430	1,467,430
<b>Total Equity</b>		<b>4,641,865</b>	<b>4,359,973</b>

The accompanying notes form part of this Financial Report



**Australian Education Union Tasmanian Branch**

**STATEMENT OF CHANGES IN EQUITY**

**For the period ended 30 June 2015**

	<b>Retained Earnings</b>	<b>General Reserve</b>	<b>Asset Revaluation Reserve</b>	<b>Total Equity</b>
	\$	\$	\$	\$
<b>Closing balance as at 30 June 2013</b>	<b>2,477,264</b>	<b>725,031</b>	<b>742,399</b>	<b>3,944,694</b>
Profit for the year	415,279	-	-	415,279
<b>Closing balance as at 30 June 2014</b>	<b>2,892,543</b>	<b>725,031</b>	<b>742,399</b>	<b>4,359,973</b>
Profit for the year	281,892	-	-	281,892
<b>Closing balance as at 30 June 2015</b>	<b>3,174,435</b>	<b>725,031</b>	<b>742,399</b>	<b>4,641,865</b>

The accompanying notes form part of this Financial Report

**Australian Education Union Tasmanian Branch**

**CASH FLOW STATEMENT**

**For the period ended 30 June 2015**

	Notes	2015 \$	2014 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from members		3,841,111	3,775,531
Interest		17,834	10,440
<b>Cash used</b>			
Employees		(2,631,158)	(2,570,894)
Suppliers		(848,581)	(903,625)
<b>Net cash from (used by) operating activities</b>	<b>9</b>	<b>379,206</b>	<b>311,452</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant and equipment		26,851	35,370
<b>Cash used</b>			
Loans to/(Repayments from) members and staff		10,245	(15,110)
Purchase of plant and equipment		(117,155)	(85,686)
Proceeds/(Purchase) of investments		621,053	(10,440)
<b>Net cash from (used by) investing activities</b>		<b>540,994</b>	<b>(75,866)</b>
<b>Net increase (decrease) in cash held</b>		920,200	235,586
Cash and cash equivalents at the beginning of the period		952,652	717,066
<b>Cash and cash equivalents at the end of the period</b>	<b>4(a)</b>	<b>1,872,852</b>	<b>952,652</b>

The accompanying notes form part of this Financial Report

# Australian Education Union Tasmanian Branch

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Australian Education Union Tasmanian Branch is a not-for-profit entity.

The financial report covers the Australian Education Union Tasmanian Branch as an individual entity. The Australian Education Union Tasmanian Branch is a trade union in Tasmania governed by the Fair Work (Registered Organisations) Act 2009.

The financial statements have been prepared on an accrual basis and are based on historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

#### (b) Statement of Compliance

The financial report complies with Australian Accounting Standards, including International Financial Reporting Standards ('IFRS').

#### (c) Comparative Amounts

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

#### (d) New Australian Accounting Standards

##### *Adoption of New Australian Accounting Standard Requirements*

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year.

There are no new standards, amendments to standards or interpretations that were issued prior to sign off date that are expected to have a financial impact on the Union in the future reporting period.

#### (e) Cash and Cash Equivalents

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

## Australian Education Union Tasmanian Branch

### NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

#### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### (f) 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.

##### (g) Other Current Assets

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'net movement in managed fund' line item in the statement of comprehensive income.

##### (h) Land, Buildings, Plant and Equipment

###### *Asset Recognition*

Purchases of land, buildings, plant and equipment are recognised at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

###### *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.

###### *Depreciation*

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

## Australian Education Union Tasmanian Branch

### NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

#### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2015	2014
Land and buildings	50 years	50 years
Plant and equipment	4 to 5 years	4 to 5 years
Computer equipment	2.5 to 3 years	2.5 to 3 years
Motor vehicles	4 to 5 years	4 to 5 years

#### *Derecognition*

An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

#### (i) 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 Union.

#### (j) Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits due within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the reporting unit in respect of services provided by employees up to reporting date.

#### (k) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Donation income is recognised when it is received.

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

# Australian Education Union Tasmanian Branch

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

### NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (l) Other Income

Gains and losses from disposal of assets are recognised when control of the asset has passed to the buyer.

#### (m) Taxes

The Union is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

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

- where the amount of GST incurred 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
- for receivables and payables.

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

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

### NOTE 2 EVENTS AFTER THE REPORTING PERIOD

There were no events that occurred after 30 June 2015, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

	2015 \$	2014 \$
<b>NOTE 3 EXPENSES</b>		
<b>(a) Employee expenses</b>		
<b>Holders of office</b>		
Wages and salaries	142,392	138,629
Superannuation	21,359	20,794
Leave and other entitlements	40,679	28,100
Executive expenses	22,386	28,946
<b>Subtotal employee expenses holders of office</b>	<b>226,816</b>	<b>216,469</b>
<b>Employees other than office holders</b>		
Wages and salaries	1,968,392	1,828,915
Superannuation	287,827	273,530
Leave and other entitlements	88,565	148,065
<b>Subtotal employee expenses employees other than office holders</b>	<b>2,344,784</b>	<b>2,250,510</b>
<b>Total employee expenses</b>	<b>2,571,600</b>	<b>2,466,979</b>

## Australian Education Union Tasmanian Branch

### NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

	2015 \$	2014 \$
<b>NOTE 3 EXPENSES (continued)</b>		
<b>(b) Capitation fees</b>		
AEU Federal capitation fees	198,717	188,332
<b>Total capitation fees</b>	<b>198,717</b>	<b>188,332</b>
<b>(c) Affiliation fees</b>		
ACTU Affiliation	17,919	44,512
TTLC Affiliation	34,675	36,848
Education International Affiliation	13,063	14,379
<b>Total affiliation fees</b>	<b>65,657</b>	<b>95,739</b>
<b>(d) Administration expenses</b>		
Accounting and auditing	13,330	18,264
Bank charges	17,931	16,417
Branch Council	22,427	32,472
Compulsory levies (public education levy)	20,457	37,498
Computer expense	32,947	37,812
Conference and meeting expenses	38,709	11,676
Fees/allowances – meeting and conferences	22,639	27,836
Industrial campaigns	43,727	36,938
Insurance	51,039	49,946
Members expenses	60,006	90,534
Postage, printing & stationery	21,719	19,731
Property expenses	82,610	82,025
Publications	8,628	16,120
Repairs and maintenance	37,570	38,890
Research	5,571	4,341
Uniforms	1,763	123
Telephone	31,451	25,080
Travel and motor vehicle expenses	36,498	48,818
<b>Total administration expenses</b>	<b>549,022</b>	<b>594,521</b>
<b>(e) Grants and donations</b>		
Benevolent assistance	7,046	-
<b>Total grants and donations</b>	<b>7,046</b>	<b>-</b>
<b>(f) Depreciation and amortisation</b>		
Land and buildings	57,286	56,990
Plant and equipment	39,115	51,985
Motor vehicles	35,058	33,335
<b>Total depreciation and amortisation</b>	<b>131,459</b>	<b>142,310</b>
<b>(g) Legal costs</b>		
Litigation	21,733	17,316
<b>Total legal costs</b>	<b>21,733</b>	<b>17,316</b>

## Australian Education Union Tasmanian Branch

### NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

	Notes	2015 \$	2014 \$
<b>NOTE 3 EXPENSES (continued)</b>			
<b>(h) Other expenses</b>			
Contribution to International Trust Fund		24,000	14,000
<b>Total other expenses</b>		<b>24,000</b>	<b>14,000</b>

The Australian Education Union Tasmanian Branch has not incurred any penalties under the Registered Organisation Act or Registered Organisation Regulations.

#### NOTE 4 CURRENT ASSETS

<b>(a) Cash and cash equivalents</b>			
Cash at bank		1,872,624	952,424
Cash on hand		228	228
<b>Total cash and cash equivalents</b>		<b>1,872,852</b>	<b>952,652</b>
<b>(b) Trade and other receivables</b>			
Sundry debtors		9,743	36,525
Loans to members and staff		17,317	27,562
Prepayments		28,974	9,329
Accrued Interest		-	1,663
Accrued membership subscriptions		140,946	143,613
<b>Total current receivables</b>		<b>196,980</b>	<b>218,692</b>
Less provision for doubtful debts		-	-
<b>Total current receivables (net)</b>		<b>196,980</b>	<b>218,692</b>

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

The Australian Education Union Tasmanian Branch does not have monies receivable from other reporting units at 30 June 2015.

<b>(c) Other current assets</b>			
Investment account		30	643,660
Managed investment account		728,260	677,420
<b>Total other current assets</b>		<b>728,290</b>	<b>1,321,080</b>

#### NOTE 5 NON-CURRENT ASSETS

<b>(a) Land and buildings</b>			
At cost		2,855,856	2,855,856
Accumulated depreciation		(541,025)	(483,739)
<b>Total land and buildings</b>		<b>2,314,831</b>	<b>2,372,117</b>



**Australian Education Union Tasmanian Branch**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the period ended 30 June 2015**

	Notes	2015 \$	2014 \$
<b>NOTE 5 NON-CURRENT ASSETS (continued)</b>			
<i>Reconciliation of the opening and closing balances of land and buildings</i>			
<b>Net book value 1 July</b>		2,372,117	2,416,373
Additions		-	12,735
Depreciation expense		(57,286)	(56,991)
<b>Net book value 30 June</b>		<b>2,314,831</b>	<b>2,372,117</b>
<b>Net book value as of 30 June represented by</b>			
Gross book value		2,855,856	2,855,856
Accumulated depreciation and impairment		(541,025)	(483,739)
<b>Net book value 30 June</b>		<b>2,314,831</b>	<b>2,372,117</b>
<b>(b) Plant and equipment</b>			
At cost		489,445	505,160
Accumulated depreciation		(372,005)	(369,626)
<b>Total plant and equipment</b>		<b>117,440</b>	<b>135,534</b>
<i>Reconciliation of the opening and closing balances of plant and equipment</i>			
<b>Net book value 1 July</b>		135,534	137,194
Additions		24,999	50,325
Disposals		(3,978)	-
Depreciation expense		(39,115)	(51,985)
<b>Net book value 30 June</b>		<b>117,440</b>	<b>135,534</b>
<b>Net book value as of 30 June represented by</b>			
Gross book value		489,445	505,160
Accumulated depreciation and impairment		(372,005)	(369,626)
<b>Net book value 30 June</b>		<b>117,440</b>	<b>135,534</b>
<b>(c) Motor vehicles</b>			
At cost		216,459	204,651
Accumulated depreciation		(70,713)	(88,160)
<b>Total motor vehicles</b>		<b>145,746</b>	<b>116,491</b>
<i>Reconciliation of the opening and closing balances of motor vehicles</i>			
<b>Net book value 1 July</b>		116,491	146,182
Additions		92,156	22,627
Disposals		(27,843)	(18,983)
Depreciation expense		(35,058)	(33,335)
<b>Net book value 30 June</b>		<b>145,746</b>	<b>116,491</b>
<b>Net book value as of 30 June represented by</b>			
Gross book value		216,459	204,651
Accumulated depreciation and impairment		(70,713)	(88,160)
<b>Net book value 30 June</b>		<b>145,746</b>	<b>116,491</b>

# Australian Education Union Tasmanian Branch

## NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

	Notes	2015 \$	2014 \$
<b>NOTE 6 CURRENT LIABILITIES</b>			
<b>(a) Trade payables</b>			
Trade creditors		3,361	1,909
Accrued expenses		96,241	60,893
<b>Total trade payables</b>		<b>99,602</b>	<b>62,802</b>

Trade payables are non-interest bearing and are usually settled within 30 days.

The Australian Education Union Tasmanian Branch does not have monies payable to other reporting units at 30 June 2015.

<b>(b) Other payables</b>			
GST Payable		57,198	65,676
PAYG withholding tax		42,425	33,508
<b>Total other payables</b>		<b>99,623</b>	<b>99,184</b>

Wages and salaries, employee payroll deductions and legal costs were fully paid as at 30 June 2015.

### NOTE 7 EMPLOYEE PROVISIONS

<b>Holders of office</b>			
Annual leave		29,545	20,230
Long service leave		11,134	7,870
<b>Subtotal employee provisions for holders of office</b>		<b>40,679</b>	<b>28,100</b>
<b>Employees other than office holders</b>			
Annual leave		235,426	239,348
Long service leave		258,944	327,159
<b>Subtotal employee provisions for employees other than office holders</b>		<b>494,370</b>	<b>566,507</b>
<b>Total employee provisions</b>		<b>535,049</b>	<b>594,607</b>
Current		351,238	394,944
Non-current		183,811	199,663
<b>Total employee provisions</b>		<b>535,049</b>	<b>594,607</b>

### NOTE 8 EQUITY

<b>(a) Retained Profits</b>			
Balance at the beginning of the year		2,892,543	2,477,264
Profit for the year		281,892	415,279
<b>Balance at end of year</b>		<b>3,174,435</b>	<b>2,892,543</b>

## Australian Education Union Tasmanian Branch

### NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

	Notes	2015 \$	2014 \$
<b>NOTE 8 EQUITY (continued)</b>			
<b>(b) Reserves</b>			
General reserve		725,031	725,031
Asset revaluation reserve		742,399	742,399
		<b>1,467,430</b>	<b>1,467,430</b>
<b>NOTE 9 CASH FLOW RECONCILIATION</b>			
<b>Profit for the year</b>		281,892	415,279
<b>Adjustments for non-cash items</b>			
Depreciation		131,459	142,311
Net (profit)/loss on disposal of plant and equipment		4,970	(16,388)
<b>Changes in assets and liabilities</b>			
(Increase)/decrease in receivables		(16,796)	(123,458)
(Decrease)/increase in payables		37,239	(2,377)
(Decrease)/increase in provisions		(59,558)	(103,915)
		<b>379,206</b>	<b>311,452</b>

#### NOTE 10 RELATED PARTY DISCLOSURES

**(a) Retained Profits**

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

Terry Polglase	President
Mandy Jackson	Deputy President – Allied Staff
Rex Calvert	Deputy President – TAFE
Brian McNab	Deputy President – Secondary Colleges
Ed Walker	Deputy President – Department of Education
Andrew Glasson	
Margaret Laird Valentine	
Ian Allan	
Joy Coates	
Dean Folks	
Elizabeth Osborne	

## Australian Education Union Tasmanian Branch

### NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2015

	2015 \$	2014 \$
<b>NOTE 10 RELATED PARTY DISCLOSURES (continued)</b>		
<b>(b) International Trust Fund</b>		
This fund has been set up under AEU Rules and is audited separately. AEU Branches contribute to the fund.		
Contribution	24,000	14,000
<b>NOTE 11 REMUNERATION OF AUDITORS</b>		
<b>Value of the services provided by Wise Lord &amp; Ferguson</b>		
Financial statement audit services	10,300	10,000
Other services	300	300
<b>Total remuneration of auditors</b>	10,600	10,300

Other services relates to the preparation of the financial statements in the Fair Work Australia model financial statements format.

#### NOTE 12 FINANCIAL INSTRUMENTS

The entity's principle financial assets comprise cash, cash investments and trade debtors whilst its principle financial liabilities comprise trade payables.

The entity has exposure to the following risks from its use of financial instruments:

##### (a) Credit risk

Credit risk is the risk of financial loss to the Union if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Unions receivables from customers.

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

##### (b) Interest rate risk

Interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

The majority of the Unions financial assets are held in interest bearing assets that are expected to mature within three months or in financial assets that reset to the prevalent market interest rate on a monthly or quarterly basis. As a result the Union is subject to limited exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates.

An increase / (decrease) in interest rates of 1% will have a corresponding effect on revenue of \$26,011 (2014, \$22,737).

## **Australian Education Union Tasmanian Branch**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the period ended 30 June 2015**

#### **NOTE 13 UNION DETAILS**

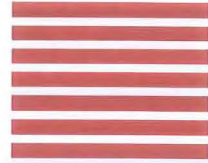
The principal place of business of the Union is:

32 Patrick Street  
HOBART TAS 7000

#### **NOTE 14 SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009**

In accordance with requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1) to (3) of section 272 which read as follows:

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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).



**Wise Lord & Ferguson**

Chartered Accountants

*advice to advantage*

## **Independent auditor's report to the members of the Australian Education Union Tasmanian Branch**

We have audited the accompanying financial report of the Australian Education Union Tasmanian Branch, which comprises the Statement of Financial Position as at 30 June 2015, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Branch Executive declaration.

### *Branch Executive Responsibility for the Financial Report*

The Branch Executive of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and with *Fair Work (Registered Organisations) Act 2009*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards and International Standards on Auditing. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Branch Executive, as well as evaluating the overall presentation of the financial report.



1st Floor 160 Collins Street Hobart TAS 7000 GPO Box 1083 Hobart TAS 7001  
Tel: (03) 6223 6155 Email: [email@wlf.com.au](mailto:email@wlf.com.au) Internet: [www.wlf.com.au](http://www.wlf.com.au)

**Partners:** Harvey Gibson, Danny McCarthy, Douglas Thomson, Joanne Doyle, Stuart Clutterbuck, Ian Wheeler, Dean Johnson, Marg Marshall, Paul Lyons, Alicia Leis, Nick Carter

**Managers:** Melanie Richardson, Simon Jones, Trent Queen, Rachel Burns, Nathan Brereton, Melissa Johnson, Donna Powell, Rebecca Meredith, Naomi Norman, Maryellen Salter

**Consultant:** Peter Beven

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Independence*

In conducting our audit we have met the independence requirements of the Australian professional accounting bodies.

*Auditor's Opinion*

In our opinion the general purpose financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the *Fair Work (Registered Organisations) Act 2009*.



**J DOYLE**  
PARTNER  
WISE LORD & FERGUSON  
Registered Company Auditor

160 Collins Street  
Hobart TAS 7001

Date : 29<sup>th</sup> July 2015