



6 December 2018

Ms Helen Richardson  
Branch President  
Australian Education Union-Tasmanian Branch

By e-mail: [support@aeutas.org.au](mailto:support@aeutas.org.au)  
CC: [jdoyle@wlf.com.au](mailto:jdoyle@wlf.com.au)

Dear Ms Richardson,

**Australian Education Union-Tasmanian Branch**

**Financial Report for the year ended 30 June 2018 - [FR2018/109]**

I acknowledge receipt of the financial report of the Australian Education Union-Tasmanian Branch. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 30 November 2018.

The financial report has now been filed.

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 2019 may be subject to an advanced compliance review.

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

Nil activities disclosure

Item 21 of the reporting guidelines (**RGs**) states that if any of the activities identified within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. The notes contained nil activity information for all prescribed reporting guideline categories except the following:

- Acquiring an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission;
- Having another entity administer the financial affairs of the reporting unit; and
- Making a payment to a former related party of the reporting unit.

Please ensure in future years that the above mentioned items are disclosed in either the financial statements, the notes or in the officer's declaration statement as per the reporting guidelines.

### Nil activities disclosure – to be disclosed once

Item 21 of the RGs states that if any of the activities identified within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. I note that the body of the notes includes the following nil activity disclosures for which there was already an equivalent form of disclosure in the financial statements:

- "Nil agreement to receiving financial support from another reporting unit to continue as a going concern" was disclosed in both Note 1(n) and Note 3;
- "Nil agreement to provide financial support to another reporting unit to ensure they continue as a going concern" was disclosed in both Note 1(n) and Note 4(i);
- "Receiving capitation fees from another reporting unit", "receiving donations or grants" were disclosed in both the Statement of Comprehensive Income and Note 3;
- "Receiving revenue from undertaking recovery of wages activity" was disclosed in the Statement of Comprehensive Income, the Branch Executive Declaration and Note 3;
- "Incurring fees as consideration for employers making payroll deductions of membership subscriptions" was disclosed in both the Operating Report and Note 4; and
- "Paying a grant that was \$1,000 or less", "paying a grant that exceeded \$1,000", "paying a donation that was \$1,000 or less" and "paying a donation that exceeded \$1,000" were disclosed in the Statement of Comprehensive Income and Note 4(e).

Please note that nil activities only need to be disclosed once.

### Inconsistency in disclosure of financial information

The Statement of Cash Flows includes the nil activity disclosure for payment to other units/controlled entity. Note 11(b) Related Party Disclosures, however, discloses net cash outflows to the Australian Education Union – Federal Office.

In future years, please ensure that items within the financial report are disclosed consistently.

### Prescribed information in Operating report

Regulation 159(c) requires an operating report to contain the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position. The ROC takes the words "at any time" to mean that all persons, whether they held their position for the full year or for part of the year, must be included.

I note that the following names appeared in the previous year's operating report but did not appear in this year's operating report:

- Denise Woodrow (General Division – North West);
- Loucas Papastavrou (Secondary College Sector);
- Stuart Rees (TAFE Division); and
- Robeka Somers (TAFE Division)

There was no indication that the abovementioned had resigned during, or at the end of, the previous year, and without any such indication the question arises whether their names have been inadvertently omitted.

In future years, please ensure that all persons are included and the periods for which they held their position are clearly indicated.

## **Reporting Requirements**

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 reporting guidelines and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at [Kylie.Ngo@roc.gov.au](mailto:Kylie.Ngo@roc.gov.au).

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Kylie Ngo', written over a horizontal line.

**Kylie Ngo**  
**Financial Reporting Assistant**  
**Registered Organisations Commission**

**Australian Education Union – Tasmanian Branch**

s.268 *Fair Work (Registered Organisations) Act 2009*

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER<sup>1</sup>**

Certificate for the year ended 30 June 2018

I *Helen Richardson* 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* for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on *22 November 2018*; and
- that the full report was presented to the AEU Branch Council of the reporting unit on *23 November 2018* in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



.....

Name of prescribed designated officer:

Helen Richardson

.....

Title of prescribed designated officer:

Branch President

.....

Dated:

*29/11/18*

.....

<sup>1</sup> Regulation 162 of the *Fair Work (Registered Organisations) Regulations 2009* defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) as:  
(a) the secretary; or  
(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.



**Australian Education  
Union Tasmanian Branch  
Financial Statements  
30 June 2018**

## **Australian Education Union Tasmanian Branch**

### **OPERATING REPORT**

**For the period ended 30 June 2018**

The Branch Executive presents its report of the Australian Education Union Tasmanian Branch for the financial year ended 30 June 2018.

#### **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 surplus/(deficit) from ordinary activities amounted to (\$18,268) for the period ending 30 June 2018 (2017: \$290,155).

#### **Financial Affairs**

No significant changes were noted to the financial affairs of the Union 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.

**Australian Education Union Tasmanian Branch**

**OPERATING REPORT**

**For the period ended 30 June 2018**

**Number of members**

The Union had 5,334 members at the end of the reporting period (2017: 5,443).

**Number of employees**

The Union employed 21 staff, expressed as 19.83 FTE, as at 30 June 2018 (2017: 22 employees, expressed as 20.07 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 2018

Names and positions of the Committee of Management for the financial year 1 July 2017 to 30 June 2018 were:

#### BRANCH PRESIDENT

RICHARDSON, Helen

#### BRANCH DEPUTY PRESIDENTS

##### DoE

BUGG, Claire (from 1 February 2018)

CLIFFORD, Adam (until 31 January 2018)

##### Allied Staff

JACKSON, Mandy

##### Secondary Colleges

REVELL-COOK, Peta-Maree

##### TAFE Division

BAILEY, Simon (from 1 February 2018)

VON SAMORZEWSKI, Damian (until 31 January 2018)

#### BRANCH EXECUTIVE

ALLAN, Ian (Until 31 January 2018)

BUTLER, Andrew

CLIFFORD, Leeanne (from 1 February 2018)

GEALE, Sallyann (until 31 January 2018)

GENFORD, David (from 1 February 2018)

GRIFFIN, Heather

JALES, Alison (from 1 February 2018)

OSBORNE, Elizabeth

#### Indigenous Representative

Position Vacant (From 1 February 2018)

DEVERELL, Stephen (until 31 January 2018)



**Australian Education Union Tasmanian Branch**

**OPERATING REPORT**

**For the period ended 30 June 2018**

**GENERAL DIVISION, SOUTH**

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

**BOWDEN, Mark** (until 31 January 2018)  
**CLIFFORD, Leeanne** (elected to Executive position 1 February 2018)  
**CLIFFORD, Nicolas**  
**DEVEREUX, Lucy**  
**EDWARDS, David**  
**GENFORD, David** (elected to Executive position 1 February 2018)  
**JONES, Stephen**  
**LAIRD-VALENTINE, Margaret**  
**VICKERS, Dianne**  
**WALDOCK, Michelle** (until 31 January 2018)  
**WATSON, Gregor** (until 31 January 2018)  
**WICKHAM, Marney**

**GENERAL DIVISION, NORTH**

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

**COATES, Joy**  
**DJAKIC, Murat**  
**DUNCAN, David**  
**ELLIS, Lucie**  
**GEALE, Sallyann** (from 6 March 2018)  
**JAMES, Andrea**  
**MITCHELL, Bella** (until 31 January 2018)  
**STRATTON, Cheryl** (until 31 January 2018)

**Australian Education Union Tasmanian Branch**

**OPERATING REPORT**

**For the period ended 30 June 2018**

**GENERAL DIVISION, NORTH WEST**

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

ALLAN, Ian

ARGENT, Julie (until 31 January 2018)

FOGG, Samuel

FOLKS, Dean (resigned 22 December 2017)

GLOVER, Maree (until 31 January 2018)

HABERLE, Raymond

LAMPREY, Robyn

MCGUIRE, Cayd (from 1 February 2018)

RIPPON, Michelle (from 1 February 2018)

WILSON, Nic

**GENERAL DIVISION, ALLIED STAFF**

**Branch Deputy President, Allied Staff**

JACKSON, Mandy

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

FODEN, Susan (from 1 February 2018)

JANSEN-MUNDAY, Nanna (from 1 February 2018)

STEVENS, Jo (from 1 February 2018)

YOUNG, Lisa (until 31 January 2018)

**SECONDARY COLLEGES SECTOR**

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

REVELL, Peta-Maree

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

BACON, Kirsten (from 1 February 2018)

BROAD, James (from 1 February 2018)

FIDAO, Roland (until 31 January 2018)

HICKS, Peter (until 31 January 2018)

HINE, Lachlan (until 31 January 2018)

PRESTON, Matthew (from 1 February 2018)

RUSSELL, Laura (from 1 February 2018)

SLY, Felicity (from 1 February 2018)

## Australian Education Union Tasmanian Branch

### OPERATING REPORT

For the period ended 30 June 2018

#### TAFE DIVISION

##### TAFE Division President/Branch Deputy President – TAFE

BAILEY, Simon (from 1 February 2018)  
VON SAMORZEWSKI, Damien (until 31 January 2018)

##### TAFE Division Vice President

BREWER, Deborah (from 1 February 2018 until 22 February 2018)  
VON SAMORZEWSKI, Damien (re-elected from 1 February 2018)

##### TAFE Division - Branch Council Delegates

BAILEY, Simon (resigned from position 11 July 2017)  
DEVERELL, Stephen (until 31 January 2018)  
LOONE, Simone (until 31 January 2018)  
SABOL, Tristan (from 1 February 2018)  
VON SAMORZEWSKI, Damien (until 31 January 2018)  
WALLER, Philip (until 31 January 2018)  
WRIGHT, Ben (resigned 25 July 2018)

##### TAFE Division - Executive

BAILEY, Simon (re-elected from 1 February 2018)  
BREWER, Deborah (re-elected from 1 February 2018 to 22 February 2018)  
FRECH, Nicholas (re-elected from 1 February 2018)  
KIRKLEY, Kevin (from 1 February 2018)  
LOCCO-FISCHER, Melissa (resigned before taking office)  
LOONE, Simone (re-elected from 1 February 2018)  
NEEDHAM, Rachel (from 1 February 2018)  
PINNER, Shane (re-elected 1 February 2018)  
SABOL, Tristan (re-elected from 1 February 2018)  
VON SAMORZEWSKI, Damien (re-elected from 1 February 2018)  
WRIGHT, Ben (from 1 February 2018)

##### TAFE Division Council

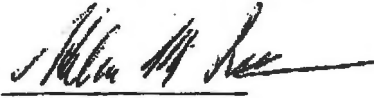
BAILEY, Simon (re-elected from 1 February 2018)  
BREWER, Deborah (re-elected from 1 February 2018 to 22 February 2018)  
FRECH, Nicholas (re-elected from 1 February 2018)  
KIRKLEY, Kevin (from 1 February 2018)  
LOCCO-FISCHER, Melissa (resigned before taking office)  
LOONE, Simone (re-elected from 1 February 2018)  
NEEDHAM, Rachel (from 1 February 2018)  
PINNER, Shane (re-elected from 1 February 2018)  
SABOL, Tristan (re-elected from 1 February 2018)  
VON SAMORZEWSKI, Damien (re-elected from 1 February 2018)  
WRIGHT, Ben (from 1 February 2018)

Australian Education Union Tasmanian Branch

OPERATING REPORT

For the period ended 30 June 2018

Signed in accordance with a resolution of the Branch Executive

A handwritten signature in black ink, appearing to read 'Helen Richardson', written over a horizontal line.

Helen Richardson  
Branch President

Dated: 22/11/18

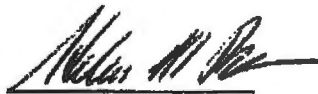
Australian Education Union Tasmanian Branch

SUBSECTION 255(2A) REPORT

For the period ended 30 June 2018

The Branch Executive presents the expenditure report as required under subsection 255(2A) of the Australian Education Union Tasmanian Branch for the financial year ended 30 June 2018.

	2018	2017
	\$	\$
<b>Categories of expenditures</b>		
Remuneration and other employment-related costs and expenses - employees	2,630,865	2,515,299
Advertising	26,666	69
Operating costs	1,098,187	985,402
Donations to political parties	-	-
Legal costs	19,935	20,359



Helen Richardson  
Branch President

Dated: 22/11/18

Australian Education Union Tasmanian Branch

BRANCH EXECUTIVE DECLARATION

For the period ended 30 June 2018

On the 22 / 11 / 2018 the Branch Executive of the Australian Education Union Tasmanian Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2018:

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

- (a) the financial statements and notes comply with Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the TO Act);
- (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 GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the 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 RO Act; 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

**Australian Education Union Tasmanian Branch**

**BRANCH EXECUTIVE DECLARATION**

**For the period ended 30 June 2018**

- (v) where information has been sought in any request by a member of the Australian Education Union Tasmanian Branch or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
  - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) in relation to the recovery of wages activity, no activity of this nature has been undertaken.



Helen Richardson  
Branch President

Dated: 22/11/18

Australian Education Union Tasmanian Branch

STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June 2018

	Notes	2018 \$	2017 \$
<b>Revenue</b>	3		
Membership subscriptions		3,500,549	3,544,324
Capitation fees and other revenue to another reporting unit		-	-
Cinema ticket sales		22,156	30,527
Board sitting fees		32,291	25,525
Investment income & interest		95,696	88,496
Rental revenue		44,755	39,699
Other revenue		17,400	39,997
<b>Total revenue</b>		<b>3,712,847</b>	<b>3,768,568</b>
<b>Other income</b>			
Grants or Donations		-	-
Net movement in managed investments		44,538	42,716
Revenue from recovery of wages activity		-	-
<b>Total other income</b>		<b>44,538</b>	<b>42,716</b>
<b>Total Income</b>		<b>3,757,385</b>	<b>3,811,284</b>
<b>Expenses</b>			
Employee expenses	4(a)	2,630,865	2,515,299
Capitation fees and other expense to another reporting unit	4(b)	191,325	191,369
Affiliation fees	4(c)	79,149	78,211
Administration expenses	4(d)	683,679	545,401
Grants or donations	4(e)	-	-
Depreciation and amortisation	4(f)	147,538	149,945
Legal costs	4(g)	19,935	20,359
Net losses from sale of assets		2,162	1,545
Other expenses	4(h)	21,000	19,000
<b>Total expenses</b>		<b>3,775,653</b>	<b>3,521,129</b>
<b>Surplus / (deficit) for the year</b>		<b>(18,268)</b>	<b>290,155</b>
<b>Other comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(18,268)</b>	<b>290,155</b>

The accompanying notes form part of these financial statements.



Australian Education Union Tasmanian Branch

**STATEMENT OF FINANCIAL POSITION**

As at 30 June 2018

	Notes	2018 \$	2017 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5(a)	765,602	958,683
Trade and other receivables	5(b)	70,354	63,188
Other current assets	5(c)	2,541,695	2,409,308
<b>Total current assets</b>		<u>3,377,651</u>	<u>3,431,179</u>
<b>Non-Current Assets</b>			
Land and buildings	6(a)	2,153,733	2,200,525
Plant and equipment	6(b)	85,054	126,101
Motor vehicles	6(c)	115,062	133,163
Work in progress	6(d)	37,738	-
Other non-current assets	6(e)	12,822	-
<b>Total non-current assets</b>		<u>2,404,409</u>	<u>2,459,789</u>
<b>Total assets</b>		<u>5,782,060</u>	<u>5,890,968</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	7(a)	49,585	53,577
Other payables	7(b)	108,178	113,706
Employee provisions	8	338,674	447,240
<b>Total current liabilities</b>		<u>496,437</u>	<u>614,523</u>
<b>Non-Current Liabilities</b>			
Employee provisions	8	135,501	108,055
<b>Total non-current liabilities</b>		<u>135,501</u>	<u>108,055</u>
<b>Total liabilities</b>		<u>631,938</u>	<u>722,578</u>
<b>Net assets</b>		<u>5,150,122</u>	<u>5,168,390</u>
<b>EQUITY</b>			
Retained profits	9(a)	3,682,692	3,700,960
Reserves	9(c)	1,467,430	1,467,430
<b>Total equity</b>		<u>5,150,122</u>	<u>5,168,390</u>

The accompanying notes form part of these financial statements.

Australian Education Union Tasmanian Branch

STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2018

	Retained Earnings \$	General Reserve \$	Asset Revaluation Reserve \$	Total Equity \$
Closing Balance as at 30 June 2016	3,410,805	725,031	742,399	4,878,235
Surplus / (deficit) for the year	290,155	-	-	290,155
Closing balance as at 30 June 2017	3,700,960	725,031	742,399	5,168,390
Surplus / (deficit) for the year	(18,268)	-	-	(18,268)
Closing balance as at 30 June 2018	3,682,692	725,031	742,399	5,150,122

The accompanying notes form part of these financial statements.

Australian Education Union Tasmanian Branch

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) **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.

(f) **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.

(g) **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.

(h) **Other Current Assets**

Managed investments are classified as fair value through profit or loss with any gains or losses arising on measurement recognised in profit or loss. Mortgage Fund investments are valued at amortised cost using the effective interest rate method.

Australian Education Union Tasmanian Branch

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) 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 does not include an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. Any such costs would be insignificant.

*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:

	2018	2017
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.

Australian Education Union Tasmanian Branch

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) 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.

(k) 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.

(l) 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.

(m) 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 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) 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.

(n) Going Concern

The Union is not reliant on the agreed financial support of another reporting unit to continue on a going concern basis.

NOTE 2 EVENTS AFTER THE REPORTING PERIOD

There were no events that occurred after 30 June 2018, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

Australian Education Union Tasmanian Branch

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	2018	2017
	\$	\$
<b>NOTE 3 REVENUE</b>		
During the 2018 financial year, AEU did not receive any revenue from capitation fees, levies, grants or donations, or from recovery of wages activity. The union has not received financial support from any other reporting units.		
<b>NOTE 4 EXPENSES</b>		
<b>(a) Employee expenses</b>		
<b>Holders of office</b>		
Wages and salaries	172,107	149,495
Superannuation	22,996	22,424
Leave and other entitlements	21,844	18,974
Executive expenses	51,398	45,220
<b>Employee expenses - holders of office</b>	<b>268,345</b>	<b>236,113</b>
<b>Employees other than office holders</b>		
Wages and salaries	1,763,183	1,865,032
Superannuation	229,768	243,881
Leave and other entitlements	163,626	170,273
Separation and redundancies	205,943	-
<b>Employee expenses - employees other than office holders</b>	<b>2,362,520</b>	<b>2,279,186</b>
<b>Total employee expenses</b>	<b>2,630,865</b>	<b>2,515,299</b>
There are no other expenses relating to redundancies or other liabilities for office holders and other employees of the Union. No fees have been incurred as consideration for employers making payroll deductions for membership subscriptions.		
<b>(b) Capitation fees</b>		
AEU Federal capitation fees	191,325	191,369
<b>Total capitation fees</b>	<b>191,325</b>	<b>191,369</b>
<b>(c) Affiliation fees</b>		
ACTU affiliation	34,019	32,810
Unions Tasmania affiliation	32,604	32,922
Education International affiliation	12,526	12,479
<b>Total affiliation fees</b>	<b>79,149</b>	<b>78,211</b>

Australian Education Union Tasmanian Branch

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	2018	2017
	\$	\$
<b>NOTE 4 EXPENSES (continued)</b>		
<b>(d) Administration expenses</b>		
Accounting and auditing	19,410	16,130
Bad debts – loans to members	2,600	-
Bank charges	26,091	26,180
Branch council	21,761	30,668
Compulsory levies (public education levy – AEU Federal Office)	22,604	22,672
Computer maintenance and database upgrades	62,081	51,313
Conference and meeting expenses	12,279	47,911
Consultancy advice	16,979	-
Fees/allowances – meeting and conferences	20,119	16,178
Industrial campaigns	76,675	19,730
Insurance	83,041	47,607
Member expenses	43,255	45,807
Postage, printing & stationery	16,536	13,651
Property expenses	85,024	79,672
Repairs and maintenance	43,006	51,005
Research	61,001	5,139
Uniforms	452	92
Telephone	38,362	32,056
Travel and motor vehicle expenses	32,403	39,590
<b>Total administration expenses</b>	<b>683,679</b>	<b>545,401</b>
<b>(e) Grants or donations</b>		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	<b>-</b>	<b>-</b>
<b>(f) Depreciation and amortisation</b>		
Land and buildings	57,208	57,153
Plant and equipment	51,996	52,684
Motor vehicles	38,334	40,108
<b>Total depreciation and amortisation</b>	<b>147,538</b>	<b>149,945</b>



Australian Education Union Tasmanian Branch

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	2018 \$	2017 \$
<b>NOTE 4 EXPENSES (continued)</b>		
<b>(g) Legal costs</b>		
Litigation	19,935	20,359
Other legal matters	-	-
<b>Total legal costs</b>	<u>19,935</u>	<u>20,359</u>
<b>(h) Other expenses</b>		
Contribution to International Trust Fund	21,000	19,000
Penalties – via RO Act or RO regulations	-	-
<b>Total other expenses</b>	<u>21,000</u>	<u>19,000</u>

(l) The Union has not provided financial support for any other reporting units.

**NOTE 5 CURRENT ASSETS**

<b>(a) Cash and cash equivalents</b>		
Cash at bank	765,374	958,455
Cash on hand	228	228
<b>Total cash and cash equivalents</b>	<u>765,602</u>	<u>958,683</u>
<b>(b) Trade and other receivables</b>		
Sundry debtors	6,847	1,155
Loans to members	2,831	8,181
Prepayments	42,756	33,980
Accrued membership subscriptions	17,920	19,872
<b>Total current receivables</b>	<u>70,354</u>	<u>63,188</u>
Less provision for doubtful debts	-	-
<b>Total current receivables (net)</b>	<u>70,354</u>	<u>63,188</u>

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 2018.

<b>(c) Other current assets</b>		
Managed investment	871,781	806,210
Mortgage fund investment	1,669,914	1,603,098
<b>Total other current assets</b>	<u>2,541,695</u>	<u>2,409,308</u>

Australian Education Union Tasmanian Branch

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	2018	2017
	\$	\$
<b>NOTE 6 NON-CURRENT ASSETS</b>		
(a) Land and buildings		
At deemed cost	2,866,272	2,855,856
Accumulated depreciation	<u>(712,539)</u>	<u>(655,331)</u>
<b>Total land and buildings</b>	<b>2,153,733</b>	<b>2,200,525</b>

On the transition to AIFRS a determination was made that land and buildings be valued at deemed cost. Prior years included land and buildings at executive branch valuation.

*Reconciliation of the opening and closing balances of land and buildings*

Net book value 1 July	2,200,525	2,257,678
Additions	10,416	-
Depreciation expense	<u>(57,208)</u>	<u>(57,153)</u>
<b>Net book value 30 June</b>	<b>2,153,733</b>	<b>2,200,525</b>
Net book value as of 30 June represented by		
Gross book value	2,866,272	2,855,856
Accumulated depreciation and Impairment	<u>(712,539)</u>	<u>(655,331)</u>
<b>Net book value 30 June</b>	<b>2,153,733</b>	<b>2,200,525</b>

(b) Plant and equipment		
At cost	513,600	582,358
Accumulated depreciation	<u>(428,546)</u>	<u>(456,257)</u>
<b>Total plant and equipment</b>	<b>85,054</b>	<b>126,101</b>

*Reconciliation of the opening and closing balances of plant and equipment*

Net book value 1 July	126,101	162,355
Additions	15,636	17,451
Disposals	(4,687)	(1,021)
Depreciation expense	<u>(51,996)</u>	<u>(52,684)</u>
<b>Net book value 30 June</b>	<b>85,054</b>	<b>126,101</b>
Net book value as of 30 June represented by		
Gross book value	513,600	582,358
Accumulated depreciation and impairment	<u>(428,546)</u>	<u>(456,257)</u>
<b>Net book value 30 June</b>	<b>85,054</b>	<b>126,101</b>

Australian Education Union Tasmanian Branch

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	2018	2017
	\$	\$
<b>NOTE 6 NON-CURRENT ASSETS (continued)</b>		
<b>(c) Motor Vehicles</b>		
At cost	213,768	230,198
Accumulated depreciation	<u>(98,706)</u>	<u>(97,035)</u>
<b>Total motor vehicles</b>	<b>115,062</b>	<b>133,163</b>
<i>Reconciliation of the opening and closing balances of motor vehicles</i>		
<b>Net book value 1 July</b>	<b>133,163</b>	<b>151,858</b>
Additions	42,030	29,210
Disposals	(21,797)	(7,797)
Depreciation expense	<u>(38,334)</u>	<u>(40,108)</u>
<b>Net book value 30 June</b>	<b>115,062</b>	<b>133,163</b>
<b>Net book value as of 30 June represented by</b>		
Gross book value	213,768	230,198
Accumulated depreciation and impairment	<u>(98,706)</u>	<u>(97,035)</u>
<b>Net book value 30 June</b>	<b>115,062</b>	<b>133,163</b>
<b>(d) Work in progress</b>		
At cost	<u>37,738</u>	-
<b>Total work in progress</b>	<b>37,738</b>	-
<i>Reconciliation of the opening and closing balances of work in progress</i>		
<b>Net book value 1 July</b>	-	-
Additions	<u>37,738</u>	-
<b>Net book value 30 June</b>	<b>37,738</b>	-
<b>Net book value as of 30 June represented by</b>		
Gross book value	<u>37,738</u>	-
<b>Net book value 30 June</b>	<b>37,738</b>	-
<b>(e) Other non-current assets</b>		
Prepayments	<u>12,822</u>	-
<b>Total other non-financial assets</b>	<b>12,822</b>	-

Australian Education Union Tasmanian Branch

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	2018	2017
	\$	\$
<b>NOTE 7 CURRENT LIABILITIES</b>		
<b>(a) Trade payables</b>		
Trade creditors	16,217	13,912
Accrued expenses	33,368	39,665
<b>Total trade payables</b>	<b>49,585</b>	<b>53,577</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 2018.

<b>(b) Other payables</b>		
GST payable	63,030	73,359
PAYG withholding tax	45,148	40,347
Consideration to employers for payroll deduction	-	-
Legal costs	-	-
<b>Total other payables</b>	<b>108,178</b>	<b>113,706</b>

Wages and salaries, employee payroll deductions and legal costs were fully paid as at 30 June 2018.

Australian Education Union Tasmanian Branch

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	2018	2017
	\$	\$
<b>NOTE 8 EMPLOYEE PROVISIONS</b>		
<b>Holders of office</b>		
Annual leave	28,086	18,615
Long service leave	46,394	41,706
<b>Employee provisions - holders of office</b>	<b>74,480</b>	<b>60,321</b>
<b>Employees other than office holders</b>		
Annual leave	214,200	214,368
Long service leave	185,495	280,606
<b>Employee provisions - employees other than office holders</b>	<b>399,695</b>	<b>494,974</b>
<b>Total employee provisions</b>	<b>474,175</b>	<b>555,295</b>
<b>Current</b>	338,674	447,240
<b>Non-current</b>	135,501	108,055
<b>Total employee provisions</b>	<b>474,175</b>	<b>555,295</b>

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

**NOTE 9 EQUITY**

<b>(a) Retained profits</b>		
Balance at the beginning of the year	3,700,960	3,410,805
Surplus / (deficit) for the year	(18,268)	290,155
<b>Balance at end of year</b>	<b>3,682,692</b>	<b>3,700,960</b>
<b>(b) General reserve</b>		
Balance as at beginning of the year	725,031	725,031
Transferred in or out	-	-
<b>Balance at end of year</b>	<b>725,031</b>	<b>725,031</b>
<b>(c) Asset revaluation reserve</b>		
Balance as at beginning of the year	742,399	742,399
Transferred in or out	-	-
<b>Balance at end of year</b>	<b>742,399</b>	<b>742,399</b>
<b>Total reserves</b>	<b>1,467,430</b>	<b>1,467,430</b>

**Australian Education Union Tasmanian Branch**

**NOTES TO THE FINANCIAL STATEMENTS**

For the period ended 30 June 2018

	2018	2017
	\$	\$
<b>NOTE 9 EQUITY (continued)</b>		
There are no other funds relating to compulsory levies or voluntary contributions maintained by the Union.		
<b>NOTE 10 CASH FLOW</b>		
<b>CASH FLOW RECONCILIATION</b>		
<b>Surplus / (deficit) for the year</b>	(18,268)	290,155
<b>Adjustments for non-cash items</b>		
Bad Debt Expense	2,600	-
Depreciation and amortisation	147,538	149,945
Net (profit) / loss on disposal of plant and equipment	2,162	1,545
Net movement in investments	(44,538)	(42,716)
<b>Changes in assets and liabilities</b>		
(Increase) / decrease in trade and other receivables	(25,338)	(28,742)
(Decrease) / increase in trade payables	(3,992)	217
(Decrease) / increase in other payables	(5,528)	(13,699)
(Decrease) / increase in employee provisions	(81,120)	35,829
<b>Net cash from / (used by) operating activities</b>	<u>(26,484)</u>	<u>392,534</u>
<b>(a) CASH FLOW INFORMATION</b>		
<b>Cash inflows</b>		
Operating activities	3,709,107	3,758,562
Investing activities	27,072	7,528
<b>Total cash inflows</b>	<u>3,736,179</u>	<u>3,766,090</u>
<b>Cash outflows</b>		
Operating activities	3,735,591	3,366,028
Investing activities	193,669	127,565
<b>Total cash outflows</b>	<u>3,929,260</u>	<u>3,493,593</u>

**Australian Education Union Tasmanian Branch**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the period ended 30 June 2018**

**NOTE 11 RELATED PARTY DISCLOSURES**

**(a) Related Parties**

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

Helen Richardson	President
Claire Bugg	Deputy President – DoE (from 1 February 2018)
Adam Clifford	Deputy President – DoE (until 31 January 2018)
Mandy Jackson	Deputy President – Support Staff
Peta-Maree Revell-Cook	Deputy President – Secondary Colleges
Simon Bailey	Deputy President – TAFE (from 1 February 2018)
Damian Von Samorzewski	Deputy President – TAFE (until 31 January 2018)
Ian Allan	(until 31 January 2018)
Andrew Butler	
Leeanne Clifford	(from 1 February 2018)
Sallyann Geale	(until 31 January 2018)
David Genford	(from 1 February 2018)
Heather Griffin	
Alison Jales	(from 1 February 2018)
Elizabeth Osborne	

**(b)**

	2018 \$	2017 \$
<b>Net Cash flows (to) / from other reporting units</b>		
Australian Education Union - Federal Office	(365,226)	(325,756)
Australian Education Union - ACT Branch	-	-
Australian Education Union - VIC Branch	-	(1,360)
Australian Education Union - SA Branch	-	-
Australian Education Union - NT Branch	-	-
New South Wales Teachers Federation Branch	-	-
Queensland Teachers Union	-	-

**(c) International Trust Fund**

This fund has been set up under AEU Rules and is audited separately. AEU branches contribute to the fund.

Contribution	21,000	19,000
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Australian Education Union Tasmanian Branch

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	2018	2017
	\$	\$
<b>NOTE 12 REMUNERATION OF AUDITORS</b>		
Value of the services provided by WLF Accounting & Advisory		
Financial statement audit services	11,050	10,600
Other services	2,600	2,502
<b>Total remuneration of auditors</b>	<b>13,650</b>	<b>13,102</b>

Other services includes the preparation of the financial statements in the Registered Organisations Commission model financial statements format.

**NOTE 13 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 Union's 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 Union's 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 \$33,073 (2017: \$33,680).



Australian Education Union Tasmanian Branch

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

	2018	2017
	\$	\$
<b>NOTE 14 KEY MANAGEMENT PERSONNEL REMUNERATION</b>		
<b>Short-term employee benefits</b>		
Salary (including annual leave taken)	327,714	297,990
Annual leave accrued	25,209	22,922
<b>Total short-term employee benefits</b>	<b>352,923</b>	<b>320,912</b>
<b>Post-employment benefits</b>		
Superannuation	46,171	44,225
<b>Total post-employment benefits</b>	<b>46,171</b>	<b>44,225</b>
<b>Other long-term benefits</b>		
Long service leave	16,386	14,899
<b>Total other long-term benefits</b>	<b>16,386</b>	<b>14,899</b>
Termination benefits	-	-
<b>Total benefits</b>	<b>415,480</b>	<b>380,036</b>

**NOTE 15 UNION DETAILS**

The principal place of business of the Union is:

Level 1/32 Patrick Street  
HOBART TAS 7000

**NOTE 16 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, the Commissioner, 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).

Australian Education Union Tasmanian Branch

STATEMENT OF CASH FLOWS

For the period ended 30 June 2018

	Notes	2018 \$	2017 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from members		3,502,501	3,534,298
Investment income		28,718	27,904
Interest income		66,978	60,592
Other income		110,910	135,768
Receipts from other units/controlled entity(s)		-	-
<b>Cash used</b>			
Employees		(2,707,184)	(2,496,305)
Suppliers		(1,028,407)	(869,723)
Payment to other units/controlled entity(s)		-	-
<b>Net cash from / (used by) operating activities</b>	<b>10</b>	<b>(26,484)</b>	<b>392,534</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sale of plant and equipment		24,322	7,149
<b>Cash used</b>			
Repayments from / (Loans to) members		2,750	379
Purchase of plant and equipment		(95,404)	(46,661)
Purchase of land and buildings		(10,416)	-
Proceeds / (Purchase) of Investments		(87,849)	(80,904)
<b>Net cash from / (used by) investing activities</b>		<b>(166,597)</b>	<b>(120,037)</b>
<b>Net increase / (decrease) in cash held</b>		<b>(193,081)</b>	<b>272,497</b>
Cash and cash equivalents at the beginning of the period		958,683	686,186
<b>Cash and cash equivalents at the end of the period</b>	<b>5(a)</b>	<b>765,602</b>	<b>958,683</b>

The accompanying notes form part of these financial statements.

Australian Education Union Tasmanian Branch

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2018

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 statements with zero values in both financial years are disclosed only due to the mandatory requirements of the Registered Organisations 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) Accounting Judgements and Estimates**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

## INDEPENDENT AUDITOR'S REPORT

Members of the Australian Education Union Tasmanian Branch

Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of Australian Education Union Tasmanian Branch, which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies; the Branch Executive declaration, the subsection 255(2A) report and operating report.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Australian Education Union Tasmanian Branch as at 30 June 2018, and its financial performance and cash flows for the year ended on that date in accordance with:

- (a) the Australian Accounting Standards; and
- (b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### Information Other than the Financial Report and Auditor's Report Thereon

The Branch Executive is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

Liability limited by a scheme approved under Professional Standards Legislation.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### **Responsibilities of the Branch Executive for the Financial Report**

The Branch Executive of the Reporting Unit are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Branch Executive determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Branch Executive are responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Branch Executive either intends to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Reporting Unit's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Branch Executive.
- Conclude on the appropriateness of the Branch Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for our audit opinion.

We communicate with the Branch Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**JOANNE DOYLE**

**Partner**

**Wise Lord & Ferguson**

Fellow of Institute of Chartered Accountants Australia & New Zealand CAANZ

Registered Company Auditor: 217468

Registered Organisation Auditor no. AA2017/121

Holder of Public Practice Certificate

1/160 Collins Street

HOBART TAS 7000

Date: 22 November 2018

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

In relation to our audit of the financial report of the Australian Education Union Tasmanian Branch for the financial year ended 30 June 2018, to the best of my knowledge and belief, there have been no contraventions of the auditor Independence requirements as set out in the *Fair Work (Registered Organisations) Act 2009*; and any applicable code of professional conduct.



JOANNE DOYLE  
Partner  
Wise Lord & Ferguson  
Chartered Accountants

1/160 Collins Street  
HOBART TAS 7000

Dated: 22 November 2018





10 September 2018

Ms Helen Richardson  
Branch President  
Tasmanian Branch  
Australian Education Union

By Email: [support@aeutas.org.au](mailto:support@aeutas.org.au)

Dear President,

**Re: Lodgement of Financial Report - [FR2018/109]  
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Australian Education Union-Tasmanian Branch (the reporting unit) ended on 30 June 2018. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

### **Loans Grants and Donations Statement**

The reporting unit is required to lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 of the RO Act requires this statement to be lodged with the Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, namely on or before 28 September 2018.

The attached fact sheet *Loans Grants and Donations (FS 009)* summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our [website](#).

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty. Currently penalties are up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual and may be imposed upon your organisation and/or an officer whose conduct led to the contravention.

### **Financial report**

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines (FS 008)* summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on its rules) no later than 30 December 2018 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported (see attached *Loans Grants and Donations* fact sheet FS 009). The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement.



You can visit our website for more information regarding [financial reporting](#), and fact sheets regarding [financial reporting processes and requirements](#). A model set of financial statements developed by the ROC is also available on our website. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty, as set out above, being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

#### **Auditor's report**

When assessing the financial report we will also focus on the structure and content of the auditor's report to ensure that it complies with the revisions made to the Auditing Standards which came into operation with effect from 15 December 2016. Please find [here](#) a link to guidance note *Illustrative Auditor's Report* (GN 004) relating to these requirements (also available on our website).

## **REMINDER**

### **YOUR AUDITOR MUST BE REGISTERED (s.256)**

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our [website](#).

#### **Contact**

Should you require any clarification in relation to the above, please email [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au).

Yours faithfully,



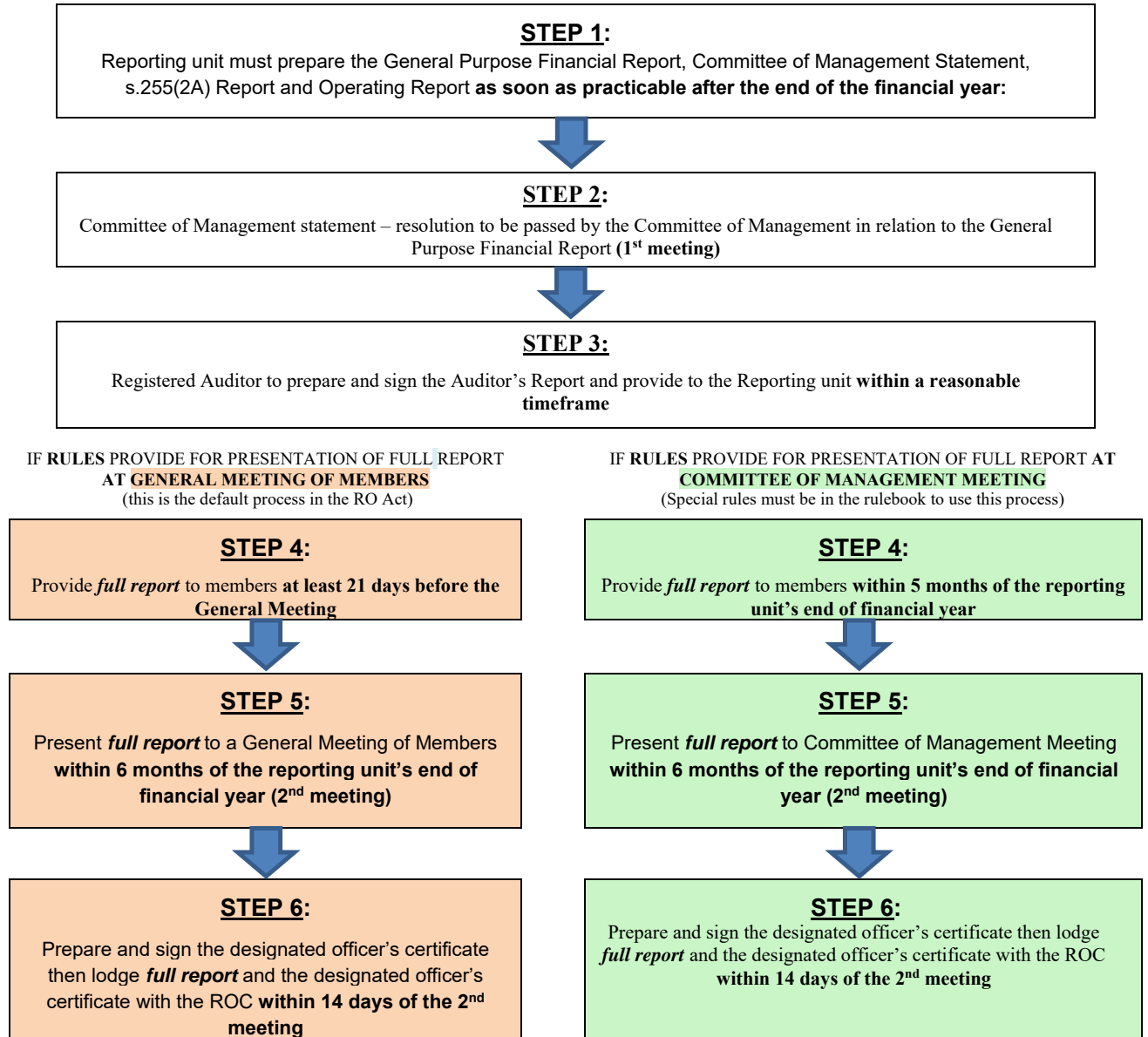
**Sarah Wilkin**  
**Registered Organisations Commission**

# Fact sheet

## Summary of financial reporting timelines – s.253 financial reports

### General Information:

- The **full report** consists of the General Purpose Financial Report, Committee of Management Statement, Operating report, s.255(2A) Report and signed Auditors' Report
- For an explanation of each of the steps below see our [Fact sheet—financial reporting process](#).



# Fact sheet

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Australian Government  
Registered Organisations Commission

**FS 009**  
(19 June 2017)

## Fact sheet

### Loans, Grants & Donations

#### **The Loans, Grants & Donations Requirements**

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the Commissioner's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.





#### **The Loans, Grants & Donations Statement**



Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceeds \$1000. The following information must be supplied to the Registered Organisations Commission (the ROC) for each relevant loan, grant or donation:

- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,\* and
- the arrangements for repaying the loan.\*

\*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the ROC has a [Template Loans, Grants and Donations Statement](#) on its website. The ROC encourages branches and organisations to lodge the statement even if all of the figures are NIL. Common misconceptions Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.

	Statements can be lodged with the financial report.		The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.
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### Grants & Donations within the Financial Report

Item 16(e) of the Commissioner's Reporting Guidelines requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines. In the [ROC's Model Statements](#) the note appears as follows:

#### Note 4E: Grants OR donations\*

Grants:	[Current year]	[Previous year]
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	-	-

The Commissioner's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

### Implications for filing the Financial Report

During their review of the financial report staff of the ROC may confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their last financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the website.

### Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the ROC on [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)

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This fact sheet is not intended to be comprehensive. It is designed to assist in gaining an understanding of the Registered Organisations Commission and its work. The Registered Organisations Commission does not provide legal advice