



FAIR WORK
AUSTRALIA

4 December 2009

Mr F Wubbeling
President
Australian Principals Federation
Unit2, 13-21 Vale Street
NORTH MELBOURNE VIC 3051

By email: apf@apf.net.au

Dear Mr Wubbeling,

**Fair Work (Registered Organisations) Act 2009 (RO Act)
Financial Report for year ended 30 June 2007 (FR2007/459)
Financial Report for year ended 30 June 2009 (FR2009/10137)**

I acknowledge receipt of the financial reports for the Federal Office of the Australian Principals Federation (APF) for years ended 30 June 2007 and 30 June 2009. I also acknowledge receipt of your application under s271 of the RO Act for an exemption for the reporting unit that is constituted by the Federal Office of the APF from its financial reporting obligations for the year ended 30 June 2008. The documents were lodged with Fair Work Australia on 23 October 2009.

The s271 application will be dealt with in separate correspondence.

I note that the General Manager of Fair Work Australia (FWA) has been served with an application that was filed in the Federal Court of Australia in *Australian Education Union v Tim Lee & Anor* (VID669/2009). Consistent with earlier correspondence from the General Manager dated 24 August 2009, the financial reports have been examined by FWA in order to determine their compliance with the requirements of the RO Act.

The financial reports for years ended 30 June 2007 and 30 June 2009 have been filed.

Although the reports have been filed, there are a number of issues that will require attention in the preparation of future financial reports. No further action is necessary in respect of the financial reports already lodged and filed, but please ensure the following comments are taken into account when preparing future reports.

Auditor's report to cover all parts of the general purpose financial report (GPFR)

The auditor's report states that they have "*audited the financial report of the Australian Principals Federation...the financial report includes the financial statements of the Federation.*" It is unclear whether the committee of management statement was included as part of the audit. Under sub-section 253(2)(c) the committee of management statement forms part of the GPFR and must be considered by the auditor in forming the audit opinion. I am forwarding a copy of this letter to your auditor for future action.

Reproduction of s272(1), (2) and (3) in notes to the financial statements

It is a requirement of s272(5) of the RO Act that sub-sections 272(1), (2) and (3) be reproduced in the GPFR. This is usually contained in the notes to the financial statement.

Income statement – Administrative and office expenses

The income statement for year ended 30 June 2007 had a figure of \$354,225 in administrative expenses and \$117,235 in office expenses which made up 63% and 21% of the total expenditure for the year respectively. If the administrative expenses or the office expenses include any of the following expense items, guideline 11 of the reporting guidelines that were issued by the Industrial Registrar (and which continue to apply) requires those items to be disclosed as a separate amount in the profit and loss statement or the notes to the financial accounts.

The expense items of guideline 11 are:

- Expenses incurred for employers making payroll deductions of membership subscriptions;
- Where the rules of the organisation require one reporting unit to pay another reporting unit of the organisation a contribution to the administrative expenses;
- Fees and periodic subscriptions in respect of its affiliation to any political party, federation or group of organisations having an interest in industrial matters;
- Compulsory levies imposed on the reporting unit;
- Grants or donations;
- Employee benefits to holders of office;
- Employee benefits to employees;
- Fees or allowances in respect of attendances as representatives of the reporting unit at conferences or other meetings;
- Legal costs;
- Expenses incurred in connection with meeting of members or committees;
- Penalties imposed on the reporting unit under the Act or Regulations.

Please ensure if any of the above expenses are incurred, separate amounts are disclosed in future financial reports.

Employee benefits to office holders and to employees to be separately disclosed

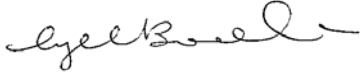
You will note from the above dot points that 'employee benefits to holders of office' and 'employee benefits to employees' must be disclosed as separate amounts in the accounts. In the financial report for the year ended 30 June 2007 the balance sheet and note 6 to the accounts disclose a figure of \$35,220 of employee benefits. Note 10(a), however, provides information regarding related party transactions and discloses the amount of \$140,391 of employee benefits to the president (a holder of office). In future, please ensure employee benefits to employees are separately disclosed from employee benefits to holders of office.

Operating report to provide number of persons who were employees measured on a full-time equivalent basis

The financial report for year ended 30 June 2009 did not provide information regarding the number of employees for the financial year. Even where there are no employees for the relevant financial year, a statement to that effect must be contained in the operating report under the sub-heading 'Employees'.

If you have any queries regarding this letter please do not hesitate to contact me on (03) 8661 7989 (Wednesday to Friday) or via email at cynthia.lobooth@fwa.gov.au .

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Cynthia Lo-Booth', with a stylized flourish at the end.

Cynthia Lo-Booth
Tribunal Services and Organisations
Fair Work Australia

cc: Mark Costigan
Mark Costigan & Associates
Chartered Accountants



Australian Principals Federation

APF

Unit 2/ 13-21 Vale Street
North Melbourne Vic 3051
Phone: 03 9320 7100
Fax: 03 9326 8147
Email: apf@apf.net.au

440 Vincent Street West
Leederville WA 6007
Phone: 08 6380 2344
Fax: 08 6380 2955
Email: apf@apf.net.au

Certificate of Secretary or Other Authorised Officer
2006-07 Australian Principals Federation

I, Frederik Wubbeling, being the President of the Australian Principals Federation certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members on 8 October 2009; and
- that the full report was presented to a meeting of the Committee of Management, held on 22nd October 2009.

Signature:

(President)

Date:

22 October 2009

THE AUSTRALIAN PRINCIPALS FEDERATION

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2007**

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THE AUSTRALIAN PRINCIPALS FEDERATION OPERATING REPORT FOR THE FINANCIAL YEAR 2007

Principal Activities

Although this report is formally required to cover the period 1 July 2006 to 30 June 2007, reference is made to some activities outside this timeframe to provide contextual connections.

The core business and therefore the principal activity of the organisation has been to provide effective advice and support to members as well as representing and advocating for them with the employer in relation to matters such as salary, contractual issues, retirement, Work Cover, complaints resolution, disciplinary action of the employer and performance management.

Having been granted registration by Vice President Ross of the Australian Industrial Relations Commission (AIRC) on 30 January 2006, the Australian Principals Federation was embroiled in defending the registration in the Commission as a consequence of various measures taken by the Australian Education Union, (AEU) which opposed the registration. An AEU application for a stay of the grant of registration was disallowed by AIRC President Giudice in March 2006 and following an AIRC Full Bench hearing of an appeal against registration in the same month ultimately resulted in a decision to dismiss the appeal being announced on 2 October 2006.

The existing certified agreement applying to Western Australian Principal Class Officers (PCOs) expired on 28 February and the APF wrote to the WA Department of Education and Training (DET), serving a log of claims and seeking negotiations. Following WA DET's refusal to meet the APF and a subsequent hearing in the AIRC the employer was compelled to enter discussions. The content of the AIRC directed discussions centred on jurisdictional issues. Consequently no progress was possible regarding the substantive industrial claims of WA APF members. Nevertheless, the WA DET did agree to a timetable of regular meetings with APF representatives concerning industrial matters. Two issues about which the APF was able to have an influence were performance management and site tenure renewal.

In Victoria the APF served a log of claims on the Department of Education and Training. This was done in March 2006 with the purpose of obtaining an interim award for PCOs, and therefore before the introduction of the new Commonwealth WorkChoices legislation. With such tight timeline constraints and the APF action being opposed by both the Department of Education and Training and the AEU, the APF action was ultimately unsuccessful. Other matters that the APF was able to make progress on in subsequent regular meetings with the Victorian employer were in relation to contract renewal and a revision of the complaints management and principal selection processes.

The other significant activity in the 2006/07 financial year in Victoria was in relation to preparing for and commencing negotiations for a new certified agreement. The APF extensively consulted members in preparing a log of claims culminating in a General Meeting of members in March 2007. The APF negotiating team commenced formal negotiations with the employer representatives in April 2007, eight months before the expiration of the agreement operating at the time. Although agreement was achieved concerning a number of non-salary related items no overall agreement was concluded in the period of this report.

In addition to the above activities, because of the differing approaches to industrial relations by the Victorian and Western Australian State Governments, with concomitant and differing priorities for members in those states, preparation commenced to restructure the APF organisation to create a Federal body with two state branches.

Significant Changes

Whilst the audit of accounts for the financial year reveals an increase in revenue from membership subscriptions, a significant loss has been sustained as a consequence of a marked increase in administrative costs. This increase is due largely from the increased expenditure on legal fees related to defence of Federal registration status.

**THE AUSTRALIAN PRINCIPALS FEDERATION
OPERATING REPORT FOR THE FINANCIAL YEAR 2007**

Right to Resign

A members' right to resign is regulated by Schedule 1 of the Workplace Relations Act 1996 and is covered by Rule 12 which provides *inter alia* that a member may resign by written notice addressed and delivered to the President.

Trustee of Superannuation Entity

The APF has no officers or members who are trustees of a superannuation entity or of an exempt public sector superannuation scheme or as a director of a company that is a trustee of such an entity or scheme.

Number of Members

The number of members of the APF in the reporting period was 1,493.

Number of Employees


The APF had 4.6 (EFT) employees in the reporting period.

Committee of Management (APF Council)

For the entirety of the financial year, 1 July 2006 to 30 June 2007, the individuals listed below held office unless otherwise stated.

Name	Sector	Constituency
Kevin Mackay	Primary	Statewide Victorian
David Finnerty	Secondary	Statewide Victorian
Robert Cherry	Primary	Barwon South West Region
Alison Murphy	Secondary	Barwon South West Region
Wendy Inman	Primary	Gippsland Region
Valerie Jones	Secondary	Gippsland Region
John Cunningham	Primary	Grampians Region
Claire Kaczowski (resigned 14/07/06) Philip Scambler elected 12/09/06	Secondary	Grampians Region
Shaun O'Shannessy (resigned 30/03/06) David Hinton appointed by resolution of Executive 04/04/06	Primary	Hume Region
John Pryor	Secondary	Hume Region
Guy Leader (resigned 20/02/07) Position vacant	Primary	Loddon Mallee Region
John Cortese	Secondary	Loddon Mallee Region
Christopher Cotching	Primary	Eastern Metropolitan Region
Fred Wubbeling	Secondary	Eastern Metropolitan Region
Mark Thompson	Primary	Northern Metropolitan Region
John Atkinson	Secondary	Northern Metropolitan Region
Aileen Hall	Primary	Southern Metropolitan Region
Karin Liedke	Secondary	Southern Metropolitan Region
Peter Kearney	Primary	Western Metropolitan Region
Michael Janson	Secondary	Western Metropolitan Region
Alan Beard (resigned 29/09/06) Rosemary Simpson elected 14/12/06	Primary	Statewide Western Australian
Peter Fitzgerald	Secondary	Statewide Western Australian

Name:
Position Held:
11 September 2009


ACTING PRESIDENT

THE AUSTRALIAN PRINCIPALS FEDERATION

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
INCOME		
Subscriptions		
- Primary Members	232,175	229,314
- Secondary Members	123,681	115,585
- WA members	9,886	6,756
- Direct Payments	1,751	-
	-----	-----
	367,493	351,655
Reimbursements	103,824	93,259
Interest Received	10,056	12,168
	-----	-----
	481,373	457,082
	-----	-----
LESS EXPENDITURE		
Occupancy Costs	31,757	25,513
Office Expenses	117,235	161,185
Communications	33,966	27,061
Administrative Expenses	354,225	255,393
Motor Vehicle Expenses	16,555	13,260
Finance Expenses	8,930	6,750
Miscellaneous Expenses	-	989
VPF Holdings Expenses	-	93
	-----	-----
	562,668	490,244
	-----	-----
OPERATING (LOSS) PROFIT FOR THE YEAR	(81,295)	(33,162)
	=====	=====

The above income statement should be read in conjunction with the accompanying notes.

THE AUSTRALIAN PRINCIPALS FEDERATION

**BALANCE SHEET
AS AT 30 JUNE 2007**

	NOTE	2007	2006
		\$	\$
CURRENT ASSETS			
Cash	3	192,386	197,042
Receivables		41,215	27,943
		-----	-----
TOTAL CURRENT ASSETS		233,601	224,985
		-----	-----
NON-CURRENT ASSETS			
Property, plant & equipment	4	138,134	139,139
		-----	-----
TOTAL NON-CURRENT ASSETS		138,134	139,139
		-----	-----
TOTAL ASSETS		371,735	364,124
		-----	-----
CURRENT LIABILITIES			
Creditors and borrowings	5	37,304	12,415
Employee benefits	6	17,596	4,587
		-----	-----
TOTAL CURRENT LIABILITIES		54,900	17,002
		-----	-----
NON CURRENT LIABILITIES			
Employee benefits	6	35,220	25,651
		-----	-----
TOTAL LIABILITIES		90,120	42,653
		-----	-----
NET ASSETS		\$ 281,615	\$ 321,471
		=====	=====
MEMBERS' EQUITY			
Reserves	7	126,212	84,773
Retained Profit		155,403	236,698
		-----	-----
		\$ 281,615	\$ 321,471
		=====	=====

The above balance sheet should be read in conjunction with the accompanying notes.

THE AUSTRALIAN PRICIPALS FEDERATION

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

	NOTE	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:			
Subscriptions		367,493	351,655
Reimbursements		103,824	93,259
Payments to suppliers and employees		(466,639)	(514,321)
Interest received		10,056	12,168
		-----	-----
Net cash provided by (used in) operating activities	8	14,734	(57,239)
		-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:			
Fixed asset purchases		(19,390)	(39,607)
Proceeds on sale of fixed assets		-	16,705
		-----	-----
		(19,390)	(22,902)
		-----	-----
Net increase (decrease) in cash held		(4,656)	(80,141)
		-----	-----
Cash at the beginning of the financial year		197,042	277,183
		-----	-----
Cash at the end of the financial year	3	\$192,386	\$197,042
		=====	=====

The above cash flow statement should be read in conjunction with the accompanying notes.

THE AUSTRALIAN PRICIPALS FEDERATION

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2007**

2007	Retained Profits	Reserves	Total
	\$	\$	\$
Beginning of the financial year	236,698	84,773	321,471
Movement for the year	(81,295)	41,439	(39,856)
	-----	-----	-----
End of the financial year	155,403	126,212	281,615
	=====	=====	=====
2006	Retained Profits	Reserves	Total
	\$	\$	\$
Beginning of the financial year	269,860	80,447	350,307
Movement for the year	(33,162)	4,326	(28,836)
	-----	-----	-----
End of the financial year	236,698	84,773	321,471
	=====	=====	=====

The above statement of changes in equity should be read in conjunction with the accompanying notes.

THE AUSTRALIAN PRINCIPALS FEDERATION
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is for the entity Australian Principals Federation, as an individual entity. This organisation is registered under the Workplace Relations Act 1996 and domiciled in Australia. In accordance with the Act the Federation is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Federation is not subject to the Corporations Act 2001.

(a) Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the requirements imposed by the reporting guidelines of Part 3 of Chapter 8 of the Workplace Relations Act 1996.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

(b) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised for major activities as follows:

(i) Subscriptions

Subscriptions are recognised on receipt from members.

(ii) Reimbursements

Reimbursements are recognised on receipt from associations in which business agreements are held. The Federation receives reimbursements from these associations for office expenses incurred.

(iii) Interest income

Interest income is recognised on a time proportion basis taking into account the interest rates applicable to the financial assets.

(iv) Donations and Sponsorships

Donations and sponsorships are recognised on receipt of the funds.

(c) Income Tax

The Federation is exempt from the payment of income tax pursuant to Section 50-30 of the Income Tax Assessment Act 1997.

THE AUSTRALIAN PRINCIPALS FEDERATION
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 2007

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicated that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(e) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, high liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

(g) Plant and Equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Federation and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

THE AUSTRALIAN PRINCIPALS FEDERATION
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 2007

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Plant and Equipment (continued)

Depreciation is calculated on the straight line basis to write off the net cost of each fixed asset during its expected useful life. The principal annual rates in use are:

Motor Vehicles	25%
Office Furniture and Equipment	10% - 25%
Professional Library	10%

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1 (d)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

(h) Creditors and Borrowings

These amounts represent liabilities for good and services provided to the Federation prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. The legal fund amounts represent monies collected from members for legal support and industrial representation.

(i) Employee benefits

(i) Wages and Salaries and Annual Leave

Liabilities for wages and salaries and annual leave are recognised in current provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long Service Leave

A liability for long service leave is recognised in the provision for employee benefits, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

THE AUSTRALIAN PRINCIPALS FEDERATION
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 2007

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2007 reporting periods. The Federation has assessed the impact of these new standards and interpretations and is not expecting a significant impact on the financial statements.

	2007	2006
	\$	\$
2. EXPENSES		
Operating (loss) profit includes the following specific expenses:		
Depreciation of plant and equipment	20,223	16,731
Provisions – employee entitlements	21,624	7,183
	-----	-----
	\$ 41,847	\$ 23,914
	=====	=====

3. CASH

Cash on Hand	146	157
General Cheque Account	37,189	26,585
Term Deposits	155,051	170,300
	-----	-----
	\$ 192,386	\$ 197,042
	=====	=====

THE AUSTRALIAN PRINCIPALS FEDERATION
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 2007

	2007	2006
	\$	\$
4. PLANT & EQUIPMENT		
Motor Vehicles - at Cost	38,261	38,261
Less Accumulated Depreciation	(10,011)	(1,891)
	-----	-----
	28,250	36,370
	-----	-----
Office Furniture & Equipment - at cost	275,762	256,372
Less Accumulated Depreciation	(167,498)	(155,395)
	-----	-----
	108,264	100,977
	-----	-----
Professional Library – at cost	2,925	2,925
Less Accumulated Depreciation	(1,305)	(1,133)
	-----	-----
	1,620	1,792
	-----	-----
	\$138,134	\$139,139
	=====	=====
5. CREDITORS & BORROWINGS		
Sundry Creditors and Accruals	32,596	11,235
GST Outstanding	4,708	1,180
	-----	-----
	\$37,304	\$12,415
	=====	=====
6. EMPLOYEE BENEFITS		
Current Annual Leave	17,596	4,587
Non Current Long Service Leave	35,220	25,651
	-----	-----
	\$52,816	\$30,238
	=====	=====

THE AUSTRALIAN PRINCIPALS FEDERATION
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	\$	\$
7. RESERVES		
(a) Legal Fund	\$ 126,212	\$ 84,773
	=====	=====
(b) Movements		
Balance 1 July	84,773	80,447
Member's subscriptions received	88,741	74,978
Legal fees paid	(47,302)	(70,652)
	-----	-----
Balance 30 June	\$ 126,212	\$ 84,773
	=====	=====
(c) The legal fund contains member's subscriptions received to cover legal fees such as registration and member issues.		

	2007	2006
	\$	\$
8. CASH FLOW INFORMATION		
Reconciliation of Net Cash Provided by Operating Activities with Net Income		
Net Income/(loss)	(81,295)	(33,162)
Non-cash flows in net income		
Depreciation	20,395	16,731
Changes in assets and liabilities		
Decrease/(increase) in receivables	(13,271)	(25,736)
Decrease/(increase) in prepayments	-	4,398
Increase/(decrease) in sundry creditors	24,888	(2,493)
Increase/(decrease) in legal fund	41,439	4,326
Increase/(decrease) in provisions	22,578	(21,303)
	-----	-----
Net Cash provided (used in) by operating activities	\$14,734	(\$57,239)
	=====	=====

THE AUSTRALIAN PRINCIPALS FEDERATION
NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2007

9. REMUNERATION OF AUDITORS	2007	2006
	\$	\$
During the year the following fees were paid or payable for services provided by the auditor of the entity:		
<i>Audit services</i>		
Mark Costigan & Associates	2,915	2,695
Audit and review of financial reports and other audit work under the <i>Corporations Act 2001</i>		
	-----	-----
	\$2,915	\$ 2,695
	=====	=====

10. RELATED PARTY TRANSACTIONS

(a) Key management personnel compensation (President)

Short-term employee benefits	131,688	120,109
Other Long-term employee benefits	4,373	1,169
	-----	-----
	\$ 140,391	\$ 121,278
	=====	=====

(b) Transactions with related parties

There are no transactions between the Federation and committee members for the supply of goods or services other than in the normal relationship between the Federation and a member. Transactions between the Federation and committee members are on the same terms and conditions available to all other members.

THE AUSTRALIAN PRICIPALS FEDERATION
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007


On 11 September 2009 the Committee of Management of The Australian Principals Federation passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2007.

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member of Registrar; and
 - (v) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
- (f) in relation to recovery of wages activity:
 - (i) there has been no such activity undertaken by the reporting unit.

For Committee of Management:

Name:
Position Held:
11 September 2009


ACTING PRESIDENT

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE AUSTRALIAN PRINCIPALS FEDERATION

Report on the Financial Report

We have audited the financial report of the Australian Principals Federation for the year ended 30 June 2007. The financial report includes the financial statements of the Federation. The Committee of Management is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Federation.

Committee Members' Responsibility for the Financial Report

The committee members' of the Australian Principals Federation are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. 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.

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. 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 the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee members', as well as evaluating the overall presentation of the financial report.

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 complied with the independence requirements of the Workplace Relations Act 1996.

Auditor's Opinion

In our opinion, the general purpose financial report of the Australian Principals Federation presents fairly the financial position of the Australian Principals Federation as at 30 June 2007 and the results of its operations and its cash flows for the financial year then ended, in accordance with any of the following that apply in relation to the reporting unit:

- (a) the Australian Accounting Standards; and
- (b) the requirements imposed by Part 3 of Chapter 8 of the Workplace Relations Act 1996.

MARK COSTIGAN & ASSOCIATES
Chartered Accountants



Mark A. Costigan
Register Company Auditor
Member of the Institute of Chartered Accountants in Australia holding a current Public Practice Certificate

Lilydale Victoria
11 September 2009