



Australian Government

Australian Industrial Registry

Level 36, 80 Collins Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9654 6672
Email: melbourne@air.gov.au

Ms Lynne Rolley
Federal Secretary
Independent Education Union of Australia
PO Box 1301
SOUTH MELBOURNE VIC 3205

Dear Lynne,

**Financial Report for the Year Ended 31st December 2005 - FR2005/624
Schedule 1B of the Workplace Relations Act 1996 (RAO Schedule)**

Thank you for the financial report of the Independent Education Union of Australia for the year ended 31st December 2005. The documents were lodged in the Industrial Registry on 5th May 2006. Please excuse the delay in responding to you, our attention in recent months has been diverted to the new 'Workchoices' legislation.

The documents have been filed.

I make the following comments to assist you in preparing financial documents in the future. You do not need to take any further action in respect of the documents which have been lodged.

Operating Report

While the organisation has prepared a comprehensive Operating Report, I note an oversight in that the report had not been signed or dated.

Loans, Grants and Donations

Note 6 on page 11 of the accounts disclose total donations for the financial year of \$63,250. The Note clearly sets out the name of each individual recipient and the amount which was donated. It is still necessary, however, for the organisation to separately provide information regarding any donation made in excess of \$1,000 in accordance with section 237 of the RAO Schedule. A form is enclosed for this purpose.

Section 237 requires an organisation to, within 90 days of the end of its financial year, lodge in the Industrial Registry a statement (which is separate to its accounts) showing particulars in relation to each loan, grant or donation which has been made in the financial year *of an amount exceeding \$1,000*. The statement must also be signed by an officer.

Section 237 regards the contents of such statements as confidential to the organisation and its members and is therefore not for general public viewing, and because they do not form part of the General Purpose Financial Report they can be placed on a Registry file that is not available to the general public.

Please do not hesitate to contact me by email at robert.pfeiffer@air.gov.au or on (03) 8661 7817 if you wish to discuss this letter.

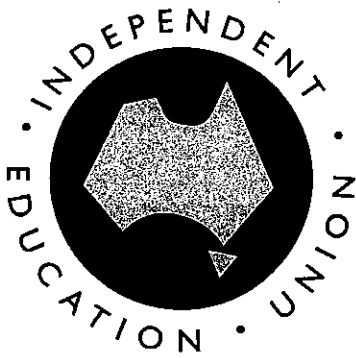
A copy of the financial report has been placed on the website maintained by the Industrial Registry at <http://www.e-airc.gov.au/130N>.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'R Pfeiffer'.

Robert Pfeiffer
Statutory Services Branch

18 July 2006



FR2005/624

INDEPENDENT EDUCATION UNION of Australia

First Floor, 120 Clarendon Street, Southbank, Victoria 3006

PO Box 1301, South Melbourne, Victoria 3205

Ph: (03) 9254 1830 Fax: (03) 9254 1835

ieu@ieu.org.au

www.ieu.org.au

03 May 2006

The Registrar
Australian Industrial Registry
GPO Box 1994S
Melbourne VIC 3001

Dear Registrar,

Please find attached the 2005 Audit for the Independent Education union of Australia together with the Designated Officer's Certificate in accordance with Section 268 of the Workplace relations Act.

Your sincerely,

Lynne Rolley
Federal Secretary

Designated Officer's Certificate

s268 of Schedule 1B Workplace Relations Act 1996

I Lynne Margaret Rolley being the Federal Secretary of the Independent Education Union of Australia certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- that the full report was provided to members via its publication on the IEU website at www.ieu.org.au on the 04th March 2006; and
- that the full report was presented to a meeting of the IEU Executive on 28 February 2006 and to the IEU Federal Council on 27 April 2006 in accordance with section 266 of the RAO Schedule.

Signature:

Lynne Rolley

Date:

3/5/06



K. L. Paroissien & Associates

Certified Practising Accountants Chartered Secretaries

14 Wakefield Street, Hawthorn, 3122. P.O. Box 2106. Telephone 9818 0468 Fax 9818 3448

AUSTRALIAN SOCIETY OF CPAs

H. D. Paroissien FCPA ACIS

R. G. Paroissien CPA ACIS

**INDEPENDENT EDUCATION UNION
OF AUSTRALIA**

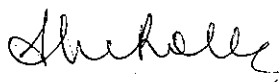
Year Ended 31st December, 2005

INDEPENDENT EDUCATION UNION OF AUSTRALIA
CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER

I, Lynne Margaret Rolley being the federal secretary of the Independent Education Union of Australia certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- that the full report was provided to members on 28 February 2006; and
- that a full report was presented to a general meeting of members of the reporting unit on 27 April 2006; in accordance with section 266 of the RAO Schedule

Signature:



Date: 3 May 2006

INDEPENDENT EDUCATION UNION OF AUSTRALIA
GENERAL PURPOSE FINANCIAL REPORT
YEAR ENDED 31ST DECEMBER, 2005

Item	Page Number
Federal Executive Statement	1
Operating Report	2
Statement of Financial Position (Balance Sheet)	6
Statement of Financial Performance (Profit & Loss Statement)	7
Statement of Cash Flows	8
Notes to and Forming Part of the Accounts	10
Auditors Report	12
Depreciation Schedule	13

INDEPENDENT EDUCATION UNION OF AUSTRALIA

FEDERAL EXECUTIVE'S STATEMENT

On the 28th February, 2006 the Federal Executive of Independent Education Union of Australia passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the financial year ended 31st December, 2005.

The Federal Executive 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 federal executive were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; 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 financial records of the reporting unit have been kept as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) No orders have been made by the Commission under section 273 of the RAO Schedule during the period.

For Federal Executive:

Richard Shearman

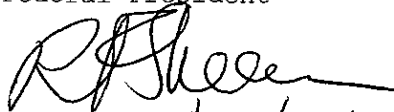
Lynne Rolley

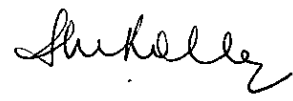
Title of Office held:

Federal President

Federal Secretary

Signature:


28/02/06


28/02/06

Date:

INDEPENDENT EDUCATION UNION OF AUSTRALIA

OPERATING REPORT

PRINCIPAL ACTIVITIES FOR THE YEAR

- (1) **Support** and advice to branches regarding political, industrial, legal and professional agendas. Ensuring ongoing advice to them on the Federal Government's WorkChoices legislation.
- (2) **Representation** of the industrial and professional interests of the members in a broad range of federal spheres. This includes the ACTU and its committees; participation in forums on educational and professional issues of relevance to IEU members; representation to Government Ministers and Shadow Ministers on government policies relevant to the professional and industrial interests of our members; representation of the Union's interests in the Australian Industrial Relations Commission in relation to rules matters and the defence of members' industrial rights in industrial disputes.
- (3) **Submissions** to national inquiries on school funding, educational, industrial and human rights issues relevant to the membership and the broader community. Appearance before such Inquiries on behalf of the union and its membership and participation in the public debate on these matters.
- (4) **Research** in relevant areas of public policy such as the funding of schooling, industrial, legal and constitutional matters, educational issues, and human rights concerns to inform our own policy development. Oversight of the comparative salaries and conditions of various categories of staff in non government schools across the jurisdictions. Monitoring of Commission decisions and decisions from other jurisdictions.
- (5) **Protection and carriage** of the Union's Rules.
- (6) **Negotiation and prosecution** of claims for improved salaries and conditions for workers in the ELICOS sector and for staff in a number of workplaces in the NT. Maintenance of Federal Awards through Safety Net Review processes.

RESULT OF THOSE ACTIVITIES

- (1) Continued growth of the Union's membership in all branches.
- (2) A proactive membership industrially and professionally
- (3) Continued public profile of the Union on behalf of teachers and support staff in non government education
- (4) Improvements in the industrial and professional conditions of the membership

SIGNIFICANT CHANGES IN THE NATURE OF THESE ACTIVITIES

There have been no significant changes in the nature of these activities over the past year.

SIGNIFICANT CHANGES IN THE UNION'S FINANCIAL AFFAIRS DURING THE YEAR

The changes in the financial affairs of the Union during the past year arise from the employment of a third officer from January to August 2005, a contribution to the national IR campaign and the renovations of the federal office.

INDEPENDENT EDUCATION UNION OF AUSTRALIA

OPERATING REPORT (Cont'd)

DETAILS OF THE RIGHT OF MEMBERS TO RESIGN

A member may resign from the Union in accord with Rule 21 which states:

21 - RESIGNATION FROM MEMBERSHIP

- (a) A member of the Union may resign from membership by written notice addressed and delivered to the relevant Branch Secretary.
- (b) A notice of resignation from membership takes effect:
 - (i) Where the member ceases to be eligible to become a member of the Union.
 - (A) on the day on which the notice is received by the Union; or
 - (B) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member; whichever is later; or
 - (ii) in any other case:
 - (A) at the end of two weeks after the notice is received by the organisation; or
 - (B) on the day specified in the notice;whichever is the later.
- (c) Any dues payable and not paid by a former member in relation to a period before the member's resignation from the organisation took effect, may be sued for and recovered in the name of the Union, in a court of competent jurisdiction, as a debt due to the Union.
- (d) A notice delivered to the person mentioned in subclause (a) shall be taken to have been received by the Union when it was delivered.
- (e) A notice of resignation that has been received by the Union is not invalid because it was not addressed and delivered in accordance with Subclause (a).
- (f) A resignation from membership of the Union is valid even if it is not effected in accordance with this section if the member is informed in writing by or on behalf of the Union that the resignation has been accepted.

INDEPENDENT EDUCATION UNION OF AUSTRALIA

OPERATING REPORT (Cont'd)

DETAILS (INCLUDING POSITION HELD) OF ANY OFFICER OR MEMBER OF THE UNION WHO IS:

(1) TRUSTEE OF A SUPER ENTITY

(2) A DIRECTOR OF A COMPANY THAT IS A TRUSTEE OF A SUPER ENTITY

Tony Keenan	Federal Deputy President and Secretary IEU Victorian Branch - Trustee of Independent Schools Superannuation Trust
Debra James	Federal Council member and Deputy Secretary IEU Victorian Branch - Trustee of Catholic Superannuation Fund
Janet Sherry	IEU Victorian Branch Committee of Management member - Trustee of Independent Schools Superannuation Trust
John Mildren	Member of Committee of Management IEU Victorian Branch - Trustee of Catholic Superannuation Fund
Fran Renehan	Member of Committee of Management IEU Victorian Branch - Trustee of Catholic Superannuation Fund
Terry Burke	Federal Vice President and Secretary IEU QLD Branch - Director of QIEC Pty. Ltd, the Corporate Trustee of QIEU Super.
John Spriggs	Federal Council member and Senior Industrial Officer IEU QLD Branch - Director of QIEC Pty. Ltd, the Corporate Trustee of QIEU Super.
Chris Seymour	Federal Council member and Organiser IEU QLD Branch - Director of QIEC Pty. Ltd, the Corporate Trustee of QIEU Super.
Greg McGhie	Organiser IEU QLD Branch - Director of QIEC Pty. Ltd, the Corporate Trustee of QIEU Super.
Glen Seidel	Federal Executive member and Secretary IEUSA Branch - Trustee and Secretary of Independent Schools Superannuation Trust and Catholic Church Superannuation Fund (SA)
Barry Morrison	Member IEUSA and Union appointed Trustee of Independent Schools Superannuation Trust
Val Reinke	Treasurer/Executive member of IEUSA and Union appointed Trustee of Independent Schools Superannuation Trust
Gloria Taylor	Federal Executive member and Deputy Secretary IEUNSWACT Branch - Trustee of NGS Super Fund
John Quessy	Federal Council member and Assistant Secretary IEUNSWACT Branch - Trustee NGS Super Fund
Kevin Phillips	NSWACT Executive member and teacher - Trustee of NGS Super
Dick Shearman	Federal President and Secretary NSWACT IEU - Alternate Director NGS Super
Chris Wilkinson	President NSWACTIEU and teacher - Alternate Director NGS Super
Helen Spry	Member IEU Council and teacher - Alternate Director NGS Super
Michael Hagan	NSWACT Executive member and teacher - Director of the Catholic Schools Retirement Fund
Nigel Briggs	Federal Council member and Assistant Secretary of IEUWA - non voting Plan Secretary of Concept One Superannuation Fund.
Angela Briant	Assistant Secretary IEU TCEE Branch - Director of Tasplan Superannuation Fund

THE NUMBER OF PERSONS THAT WERE RECORDED IN THE REGISTER OF MEMBERS ON 31/12/05

There were 62,517 members on the register of members on 31st December 2005.

THE NUMBER OF PERSONS WHO WERE EMPLOYEES OF THE FEDERAL UNION ON 31/12/05, INCLUDING FULL-TIME OR PART-TIME

For eight months of 2005, there were five persons employed by the Federal Union. Three were employed on a full time basis, one was employed at .8 and one was employed at .7. In August of 2005, one of the full time staff resigned.

INDEPENDENT EDUCATION UNION OF AUSTRALIA

OPERATING REPORT (Cont'd)

THE NAMES OF EACH PERSON WHO HAS BEEN A MEMBER OF THE COMMITTEE OF MANAGEMENT AT ANY TIME DURING THE REPORTING PERIOD AND THE PERIOD FOR WHICH HE OR SHE HELD THE POSITION

The following persons are on the Federal Executive of the Union. The period of time during the reporting period for which they have held their position is indicated. reporting period:

Lynne Rolley	12 months
Loretta Cotter	12 months
Dick Shearman	12 months
Gloria Taylor	12 months
Tony Keenan	12 months
Terry Burke	12 months
Glen Seidel	12 months
Theresa Howe	12 months
Barry McFarlane	12 months
Chris Smallbane	11 months
Angela Briant	1 month
Cheryl Salter	12 months

INDEPENDENT EDUCATION UNION OF AUSTRALIA
Statement of Financial Position as at 31st December, 2005

2004			
\$	MEMBERS FUNDS		
210,485	Balance as at 31st December, 2004		365,610
155,125	Plus Profit for Year		0
0	Less Loss for Year		128,728
<u>\$365,610</u>			<u>\$236,882</u>
	CURRENT ASSETS		
200	Cash on Hand	200	
	Commonwealth Bank of Australia		
5,816	- Cheque Account	80,345	
2,514	- International Account	373	
	AMP Banking		
20,212	- International Account	21,212	
420,670	Members Equity Bank Ltd.	168,565	
0	Debtors	43,929	
10,333	Prepayments	15,664	
<u>459,745</u>	Total Current Assets		330,288
	LESS CURRENT LIABILITIES		
12,189	Creditors	47,860	
22,726	International Clearing Account	21,584	
16,396	Provision for Annual Leave	35,410	
48,972	Provision for Long Service Leave	56,012	
9,620	GST Payable	9,352	
<u>109,903</u>	Total Current Liabilities		170,218
349,842	Working Capital		160,070
	PLUS NON CURRENT ASSETS		
	Property, Plant & Equipment		
23,343	Leasehold Improvements	64,041	
(23,343)	Less Accumulated Amortisation	<u>1,081</u>	62,960
46,237	Plant & Equipment (at cost)	50,197	
(32,777)	Less Provision for Depreciation	<u>38,255</u>	11,942
19,273	Office Furniture & Fittings (at cost)	19,273	
(17,246)	Less Provision for Depreciation	<u>17,644</u>	1,629
281	Library	281	
<u>15,768</u>	Total Non Current Assets		76,812
<u>\$365,610</u>	NET ASSETS		<u>\$236,882</u>

INDEPENDENT EDUCATION UNION OF AUSTRALIA
Statement of Financial Performance for Year Ended 31st December, 2005

2004	Income	Notes	
\$			
713,950	Capitation Fees Received	3	764,642
21,270	Interest Received		13,324
210,000	Services Received	4	0
0	Sundry Income		2,386
945,220	Total Income		780,352
	Less Expenditure		
1,192	Advertising		0
215,082	Affiliation Fees	5	237,580
(3,754)	Annual Leave Provision		19,014
4,100	Audit Fees		4,200
1,182	Bank Charges & Duties		596
332	Computer Costs		715
3,946	Contributions to Campaigns/Donations	6	63,250
8,941	Depreciation		11,282
440	Fringe Benefits Tax		453
2,537	Insurance		4,067
2,226	International Projects		0
0	Internet		10,695
1,047	Leasing Charges		896
276	Legal Fees		2,654
8,404	Library Fees & Subscriptions		9,974
10,497	Long Service Leave Provision		7,040
1,717	Meetings & Business Expenses		1,930
1,022	Office Requisites		1,711
13,057	Payroll Tax		16,386
3,606	Postage		2,093
3,222	Printing & Stationery		5,638
17,799	Rent		6,846
2,880	Renovations		16,503
181	Repairs & Maintenance		1,579
3,224	Research		4,545
246,451	Salaries - Officers		231,211
80,804	Salaries - Administration Staff		89,833
978	Staff Training & Conferences		1,227
46,147	Superannuation		70,708
18,637	Subsidy IEU - NT		18,637
742	Sundries		1,020
8,478	Telephone		6,631
79,273	Travelling		53,426
5,429	Workcover		6,740
790,095	Total Expenditure		909,080
\$155,125	SURPLUS (DEFICIT) FOR YEAR		(\$128,728)

INDEPENDENT EDUCATION UNION OF AUSTRALIA
Statement of Cash Flows for Year Ended 31st December, 2005

2004			
\$	Cash Flows from Operating Activities		
791,804	Revenue from Operations	723,099	
(760,636)	Payments to Suppliers and Employees	(842,546)	
21,270	Interest Received	13,324	
<u>(8,929)</u>	Net GST Collected	<u>(268)</u>	
<u>43,509</u>	Net Cash provided by Operating Activities (see Note 2)		<u>(106,391)</u>
	Cash Flows from Investing Activities		
0	Purchase of Leasehold Improvements	(64,041)	
(2,608)	Purchase of Plant & Equipment	(10,626)	
0	Proceeds from Sale of Plant & Equipment	<u>2,341</u>	
<u>(2,608)</u>	Net Cash used in other activities		<u>(72,326)</u>
40,901	Net Increase (Decrease) in Cash Held		<u>(178,717)</u>
408,511	Cash at beginning of year		449,412
<u>\$449,412</u>	Cash at end of year		<u>\$270,695</u>

INDEPENDENT EDUCATION UNION OF AUSTRALIA
Statement of Cash Flows for Year Ended 31st December, 2005

2004
 \$

NOTES TO THE STATEMENT OF CASH FLOWS

1. Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments. Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the financial statements as follows:

200	Cash on Hand	200
	Commonwealth Bank of Australia	
5,816	- Cheque Account	80,345
2,514	- International Account	373
	AMP Banking	
20,212	- International Account	21,212
420,670	Members Equity Bank Ltd.	168,565
<u>\$449,412</u>		<u>\$270,695</u>

2. Reconciliation of Net Cash provided by Operating Activities to Operating Profit after Income Tax

155,125	Operating Surplus for Year	(128,728)
8,941	Depreciation	11,282
0	(Profit)/Loss on Disposal of Plant & Equipment	0
	Changes in Assets and Liabilities	
17,854	(Increase) Decrease in Debtors	(43,929)
386	(Increase) Decrease in Prepayments	(5,331)
(4,337)	Increase (Decrease) in Creditors	35,671
22,726	Increase (Decrease) in East Timor Clearing Account	(1,142)
(5,000)	Increase (Decrease) in Amounts Payable to Branches	0
(150,000)	Increase (Decrease) in Income Received in Advance	0
(8,929)	Increase (Decrease) in GST Payable	(268)
	Increase (Decrease) in Provision for:	
(3,754)	Annual Leave	19,014
10,497	Long Service Leave	7,040
<u>\$43,509</u>		<u>(\$106,391)</u>

Cash Outflows shown in brackets

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF THE ACCOUNTS**

NOTE 1

The General Purpose Financial Report has been prepared in accordance with Accounting Standards, other mandatory professional reporting requirements and The Workplace Relations Act 1996.

The accounts are prepared in accordance with the historical cost convention. The accounting policies adopted are consistent with those of the previous year.

(a) Income Tax

The Union is exempt from income tax under section 50-15 of the Income Tax Assessment Act 1997. The ongoing applicability of this ruling is at the discretion of the Australian Taxation Office.

(b) Depreciation

Depreciation is calculated on a straight line basis so as to write off the full net cost of each fixed asset during its effective working life.

The principal annual rates are:-

Leasehold Improvements	4%
Office Furniture & Fittings	10%
Computer & Office Equipment	27%

(c) Employee Entitlements

Provisions for employee long service leave and annual leave have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment.

(d) Cash

For the purpose of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and are used in the cash management function on a day to day basis, net of outstanding bank overdrafts.

(e) Goods and Services Tax

Business expenses and assets are recognised net of the amount of GST except where the amount of GST accrued is not recoverable from the Australian Taxation Office.

2. Information to be provided to Members or Registrar

In accordance with the requirements of the RAO Schedule of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 272 which reads as follow:

- (1) A member of an reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit.
- (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 be not less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under sub-section (1).

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NOTES TO AND FORMING PART OF ACCOUNTS (CONT'D)**

2004		
\$	Note 3	
	Capitation Fees Received	
299,091	NSW/ACT	318,818
3,818	NT	4,175
151,149	QLD	159,740
40,727	ANGEE	44,545
5,091	TISTA	4,900
9,801	TCEE	9,418
162,909	VIEU	178,500
41,364	WA	44,546
<u>\$713,950</u>		<u>\$764,642</u>
	Note 4	
	Services Received	
150,000	Australian Education Industry Centre - Period 1996-2001	0
60,000	Australian Education Industry Centre - Period 2002-2003	0
<u>\$210,000</u>		<u>\$0</u>
	Note 5	
	Affiliation Fees Paid	
112,646	ACTU	133,124
11,000	ACTU Organising Centre	10,000
1,327	APHEDA	1,327
9,000	COPE	10,000
67,228	EI	69,454
500	ICTUR	0
136	NEF	136
1,100	NSN	1,100
12,145	WUCT	12,439
<u>\$215,082</u>		<u>\$237,580</u>
	Note 6	
	Contributions to Campaigns/Donations	
0	ACSA - Quality Teachers & Teaching	1,000
500	ACTU 2003 National OHS Campaign	0
0	ACTU Industrial Relations Campaign	54,545
0	Alola Foundation	464
455	Amnesty International	0
0	APHEDA - Tsunami Catastrophe Donation	4,091
500	Australian Catholic Schools - IEU Logo in Brochures	0
1,391	Brochures - Howard Miscues on Education	0
0	Child Labour Scheme	600
500	Essay Prize - "There is no place like home"	0
0	ICTUR - Trade Union Rights	2,550
600	Oxfam	0
<u>\$3,946</u>		<u>\$63,250</u>

AUDITORS REPORT TO THE MEMBERS OF**INDEPENDENT EDUCATION UNION OF AUSTRALIA****The Financial Report and Directors' Responsibility**

The financial report comprises the statement of financial performance, statement of financial position and statement of cash flow for Independent Education Union of Australia for the year ended 31st December, 2005.

The committee is responsible for the preparation and true and fair presentation of the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the Union. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We perform procedures to assess whether in all material respects the financial report presents fairly Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Union's financial position, and of their performances as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examine on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of the Union's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance of internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

We have received all the information and explanations we required for the purpose of our audit.

In our opinion:

- (i) there were kept by the Union in respect of the year under review, satisfactory accounting records detailing the sources and nature of the income of the union (including income from members) and the nature and purpose of expenditure : and
- (ii) the attached accounts and statements, including the Federal Executive Statement, are prepared in accordance with Section 253 of the Workplace Relations Act, 1996. The accounts set out on page 6 to 11 have been prepared from the accounting records of the Union and are properly drawn up so as to give a true and fair view of:
- (iii) the financial position of the union as at 31st December, 2005; and
- (iv) the financial performance of the union for the year ended on the date; and

are in accordance with Statements of Accounting Concepts and applicable Accounting Standards as required by Section 257(5) of the RAO Schedule.

K.L. Paroissien & Associates



A.R. Paroissien PNA

Melbourne, 7th March, 2006

INDEPENDENT EDUCATION UNION OF AUSTRALIA
Year Ended 31st December, 2005

DEPRECIATION SCHEDULE

	Original Cost	Value at 31/12/04	Written Off	Sales	Value at 31/12/05
1. Furniture & Fittings					
Workstations	5,469	-	-		-
Mobile Draw Units (2)	585	-	-		-
Blinds	385	-	-		-
Filing Cabinets (2)	618	-	-		-
Bookcases (6) 1800H x 900W	1,200	-	-		-
3 Tier Door Unit Marcadet	842	-	-		-
2 Seater Sofa Monaco	1,329	-	-		-
Lounge Chairs (4)	1,940	-	-		-
Occasional Table	150	-	-		-
Office Chair Vogue	475	-	-		-
Desk & Return	510	-	-		-
Filing Cabinet	90	-	-		-
Desk	60	-	-		-
Filing Cabinet	90	-	-		-
Filing Cabinet	90	-	-		-
Grey Pinboard 1200 x 900	25	-	-		-
Filing Cabinet	35	-	-		-
Office Chairs (6)	30	-	-		-
Bookcase	35	-	-		-
Bookcase	35	-	-		-
Bookcase	35	-	-		-
Filing Cabinet	90	-	-		-
Filing Cabinet	90	-	-		-
Computer Trolley (2)	150	-	-		-
Desk	70	-	-		-
1500L Credenza	35	-	-		-
1500L Credenza	35	-	-		-
Bookcase 1800H x 900W	55	-	-		-
Terminal Trolleys (2)	45	-	-		-
Boardroom Table	200	-	-		-
Filing Cabinets (2)	180	-	-		-
Bookcase	190	5	10%	5	-
Bookcase 900 x 2400	454	50	"	45	5
Bookcase 1800 x 900	222	26	"	22	4
Bookcase (2) 900 x 1500	350	39	"	35	4
Amber Executive Chair	495	68	13%	64	4
Typist Chair	265	127	"	34	93
Clerical Chair	274	138	"	36	102
Shelving	2,045	1,574	10%	157	1,417
	<u>\$19,273</u>	<u>\$2,027</u>		<u>\$398</u>	<u>\$1,629</u>

INDEPENDENT EDUCATION UNION OF AUSTRALIA

Year Ended 31st December, 2005

DEPRECIATION SCHEDULE

	Original Cost	Value at 31/12/04		Written Off	Sales	Value at 31/12/05
2. Office Machines & Equipment						
Telephones (6)	2,160	-		-		-
Mobile Phone (4) Nokia	139	32	20%	28		4
Laptop	1,953	521	"	391		130
Photocopier/Printer/Fax	20,587	6,216	"	4,117		2,099
Computer P3 1.4 Ghz	3,373	1,107	"	1,107		-
Computer P4 1.7 Ghz	2,938	591	27%	591		-
Computers P4 2.4 Ghz(2)	5,813	2,970	"	1,570		1,400
Laptop	2,608	2,023	"	-318	2,341	-
	<u>39,571</u>	<u>13,460</u>		<u>7,486</u>	<u>2,341</u>	<u>3,633</u>
Additions						
Computers (2) (21/01/05)	5,278	5,278	27%	1,373		3,905
Laptop (20/04/05)	2,807	2,807	"	530		2,277
Laptop (25/05/05)	2,541	2,541	"	414		2,127
	<u>\$50,197</u>	<u>\$24,086</u>		<u>\$9,803</u>	<u>\$2,341</u>	<u>\$11,942</u>
3. Leasehold Improvements						
Additions						
Office Fit Out (31-07-2005)	\$64,041	\$64,041	4%	\$1,081		\$62,960
	<u>\$133,511</u>	<u>\$90,154</u>		<u>\$11,282</u>	<u>\$2,341</u>	<u>\$76,531</u>