



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7882
Fax: (03) 9655 0410
Email: sarah.billing@air.gov.au

Mr Chris Watt
Federal Secretary
Independent Education Union of Australia
PO Box 1301
South Melbourne
VIC, 3205

Dear Chris Watt,

Re: Financial report for the year ended 31 December 2007- FR2007/598

I acknowledge receipt of the financial report of the Independent Education Union of Australia for the year ended 31 December 2007. The documents were lodged in the Industrial registry on 10 July 2008.

The financial report has been filed.

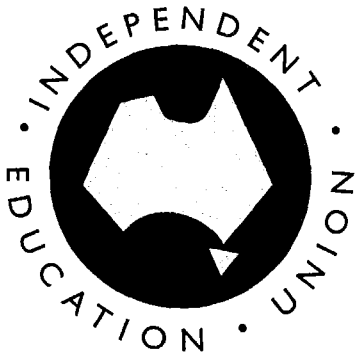
Should you require any further information please do not hesitate to contact me on (03) 8661 7882 or by email on sarah.billing@air.gov.au.

Yours sincerely,

A handwritten signature in cursive script that reads 'S. Billing'.

Sarah Billing

23 July 2008



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

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8 July 2008

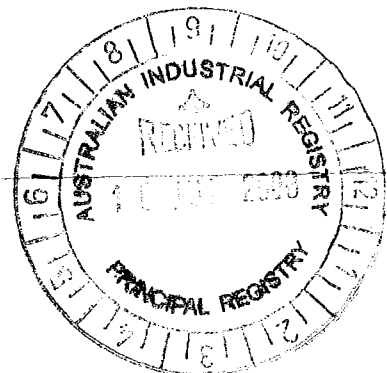
The Registrar
Australian Industrial Registry
GPO Box 1994
Melbourne VIC 3001

Dear Registrar

Please find attached the 2007 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.

Yours sincerely

Chris Watt
Federal Secretary




Designated Officer's Certificate
268 of Schedule 1B Workplace Relations Act 1996

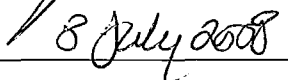
I, Christopher Gerard Watt being the Federal Secretary of the Independent Education Union of Australia certify:

- 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 IEUA website at www.ieu.org.au on the 28th May 2008; and
- That the full report was presented to a meeting of the IEUA Executive on 28th February 2008, to the IEUA Federal Council on 17th April 2008 and a meeting of the IEUA Executive on 4 July 2008 in accordance with section 266 of the RAO Schedule

Signature:



Date:



CPA



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, 2007

INDEPENDENT EDUCATION UNION OF AUSTRALIA
GENERAL PURPOSE FINANCIAL REPORT
YEAR ENDED 31ST DECEMBER, 2007

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INDEPENDENT EDUCATION UNION OF AUSTRALIA

FEDERAL EXECUTIVE'S STATEMENT

On the 28th February, 2008 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, 2007.

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
Title of Office held: Federal President

Chris Watt
Federal Secretary

Signature:

Date:


27/5/08

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 Fair Pay Commission processes.
- (7) **Participation in the national campaign against the WorkChoices legislation which came into effect in March 2006**

RESULT OF THOSE ACTIVITIES

- (1) Sustained membership in the Union's 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

Due to payments to staff arising from resignations and redundancy, the union's reserves were expended and a budget deficit was incurred.

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) DIRECTOR OF A SUPER ENTITY

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

Debra James	Federal Deputy President Council member and Secretary IEU Victorian Branch - Director of Catholic Superannuation Fund
Cathy Hickey	Federal Council member and Director NGS Super Fund
Janet Sherry	IEU Victorian Branch Committee of Management member - Alternate Director NGS Super
John Mildren	Member of Committee of Management IEU Victorian Branch - Director of Catholic Superannuation Fund
Fran Renehan	Member of Committee of Management IEU Victorian Branch - Director of Catholic Superannuation Fund
Terry Burke	Federal Vice President and Secretary IEU QLD Branch - Director of QIEC Pty. Ltd, the Corporate Trustee of QIEC Super.
John Spriggs	Federal Council member and Senior Industrial Officer IEU QLD Branch - Director of QIEC Pty. Ltd, the Corporate Director of QIEC Super.
Chris Seymour	Federal Council member and Organiser IEU QLD Branch - Director of QIEC Pty. Ltd, the Alternate Corporate Director of QIEC Super.
Greg McGhie	Organiser IEU QLD Branch - Director of QIEC Pty. Ltd, the Corporate Trustee of QIEC Super.
Glen Seidel	Federal Executive member and Secretary IEUSA Branch - Director of NGS Super Fund
Barry Morrison	Member IEUSA - Director of NGS Super Fund
Gloria Taylor	Federal Executive member and Deputy Secretary IEUNSWACT Branch - Director of NGS Super Fund
John Quessy	Federal Council member and Assistant Secretary IEUNSWACT Branch - Director NGS Super Fund
Kevin Phillips	NSWACT Executive member and teacher - Director 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
Theresa Howe	Secretary IEUWA and non voting Plan Secretary of Concept One Superannuation Fund
Nigel Briggs	Federal Council member and Assistant Secretary of IEUWA - Director of the Catholic Schools Superannuation and Retirement Fund.
Angela Briant	Secretary IEU TAS Branch - Director of Tasplan Superannuation Fund

THE NUMBER OF PERSONS THAT WERE RECORDED IN THE REGISTER OF MEMBERS ON 31/12/07.

There were 65,062 members on the register of members on 31st December 2007.

THE NUMBER OF PERSONS WHO WERE EMPLOYEES OF THE FEDERAL UNION ON 31/12/07, INCLUDING FULL-TIME OR PART-TIME

As at 31 December 2007, there was one person employed by the Federal Union. This person was employed on a full time basis.

INDEPENDENT EDUCATION UNION OF AUSTRALIA

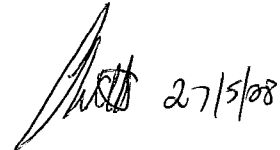
OPERATING REPORT (Cont'd)

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.

Chris Watt	12 months
Lynne Rolley	11 months
Dick Shearman	12 months
Gloria Taylor	12 months
Deb James	12 months
Terry Burke	12 months
Glen Seidel	12 months
Theresa Howe	12 months
Barry McFarlane	12 months
Angela Briant	12 months
Cheryl Salter	8 months



Richard Sherman
Federal President



Chris Watt
Federal Secretary

INDEPENDENT EDUCATION UNION OF AUSTRALIA
Statement of Financial Position as at 31st December, 2007

2006			
\$	MEMBERS FUNDS		
236,882	Balance as at 31st December, 2006		123,478
0	Plus Profit for Year		0
113,404	Less Loss for Year		165,722
<u>\$123,478</u>			<u>(\$42,244)</u>
	CURRENT ASSETS		
200	Cash on Hand	200	
	Commonwealth Bank of Australia		
72,150	- Cheque Account	9,493	
278	- International Account	252	
	AMP Banking		
15,286	- International Account	16,083	
106,098	Members Equity Bank Ltd.	2,692	
27,555	Debtors	109,939	
16,805	Prepayments	10,315	
<u>238,372</u>	Total Current Assets		148,974
	LESS CURRENT LIABILITIES		
17,929	Creditors	33,894	
0	Income Received in Advance	109,091	
15,564	International Clearing Account	16,334	
54,737	Provision for Annual Leave	20,180	
90,896	Provision for Long Service Leave	48,160	
3,272	GST Payable	31,280	
<u>182,398</u>	Total Current Liabilities		258,939
55,974	Working Capital		(109,965)
	PLUS NON CURRENT ASSETS		
	Property, Plant & Equipment		
64,041	Leasehold Improvements	64,041	
(3,643)	Less Accumulated Amortisation	<u>6,205</u>	57,836
47,589	Plant & Equipment (at cost)	38,789	
(42,149)	Less Provision for Depreciation	<u>34,752</u>	4,037
19,273	Office Furniture & Fittings (at cost)	18,262	
(17,888)	Less Provision for Depreciation	<u>12,695</u>	5,567
281	Library	<u>281</u>	
<u>67,504</u>	Total Non Current Assets		67,721
<u>\$123,478</u>	NET ASSETS		<u>(\$42,244)</u>

INDEPENDENT EDUCATION UNION OF AUSTRALIA
Statement of Financial Performance for Year Ended 31st December, 2007

2006	Income	Notes	
\$ 795,798	Capitation Fees Received	3	812,166
8,473	Interest Received		7,603
3,805	Sundry Income		90,000
<u>808,076</u>	Total Income		<u>909,769</u>
	Less Expenditure		
265,382	Affiliation Fees	4	281,302
5,079	Annual Leave Provision		(34,557)
4,300	Audit Fees		4,450
20	Bank Charges & Duties		65
60	Computer Costs		390
61,385	Contributions to Campaigns/Donations	5	73,813
9,308	Depreciation		6,376
1,260	Fringe Benefits Tax		609
4,948	Insurance		2,096
11,480	Internet		10,640
284	Leasing Charges		245
15,712	Legal Fees		0
9,295	Library Fees & Subscriptions		7,729
3,261	Long Service Leave Provision		(42,736)
1,145	Media & Advertising		0
5,035	Meetings & Business Expenses		501
615	Office Requisites		515
16,515	Payroll Tax		22,792
3,539	Postage		3,070
7,779	Printing & Stationery		7,366
40,545	Rent		38,122
901	Renovations		0
244	Repairs & Maintenance		798
0	Research		2,728
204,830	Salaries - Officers		270,251
99,531	Salaries - Administration Staff		177,785
909	Staff Training & Conferences	6	2,729
61,034	Superannuation		146,763
18,182	Subsidy IEU - NT		10,909
815	Sundries		225
4,433	Telephone - Office		5,734
4,513	Telephone - Mobiles/Other		5,132
54,208	Travelling	7	64,004
4,932	Workcover		5,645
<u>921,479</u>	Total Expenditure		<u>1,075,491</u>
<u>(\$113,403)</u>	SURPLUS (DEFICIT) FOR YEAR		<u>(\$165,722)</u>

INDEPENDENT EDUCATION UNION OF AUSTRALIA
Statement of Cash Flows for Year Ended 31st December, 2007

2006			
\$	Cash Flows from Operating Activities		
815,977	Revenue from Operations	928,873	
(895,053)	Payments to Suppliers and Employees	(1,123,183)	
8,473	Interest Received	7,603	
(6,080)	Net GST Collected	<u>28,008</u>	
<u>(76,683)</u>	Net Cash provided by Operating Activities (see Note 2)		(158,699)
	Cash Flows from Investing Activities		
0	Purchase of Plant & Equipment	(4,830)	
0	Proceeds from Sale of Plant & Equipment	<u>(1,763)</u>	
0	Net Cash used in other activities		<u>(6,593)</u>
<u>(76,683)</u>	Net Increase (Decrease) in Cash Held		(165,292)
270,695	Cash at beginning of year		194,012
<u>\$194,012</u>	Cash at end of year		<u>\$28,720</u>

INDEPENDENT EDUCATION UNION OF AUSTRALIA
Statement of Cash Flows for Year Ended 31st December, 2007

2006

\$

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:

	Cash on Hand	200
	Commonwealth Bank of Australia	
72,150	- Cheque Account	9,493
278	- International Account	252
	AMP Banking	
15,286	- International Account	16,083
106,098	Members Equity Bank Ltd.	2,692
<u>\$194,012</u>		<u>\$28,720</u>

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

(113,403)	Operating Surplus for Year	(165,722)
9,308	Depreciation	6,376
0	(Profit)/Loss on Disposal of Plant & Equipment	0
	Changes in Assets and Liabilities	
16,374	(Increase) Decrease in Debtors	(82,384)
(1,141)	(Increase) Decrease in Prepayments	6,490
(29,931)	Increase (Decrease) in Creditors	15,965
0	Increase (Decrease) in Income Received in Advance	109,091
(6,020)	Increase (Decrease) in East Timor Clearing Account	770
(6,080)	Increase (Decrease) in GST Payable	28,008
	Increase (Decrease) in Provision for:	
19,327	Annual Leave	(34,557)
34,883	Long Service Leave	(42,736)
<u>(\$76,683)</u>		<u>(\$158,699)</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)

2006		
\$	Note 3	
	Capitation Fees Received	
331,622	NSW/ACT	337,273
4,009	NT	3,945
172,836	QLD	181,364
45,818	ANGEE	43,273
5,219	TISTA	5,142
9,405	TCEE	11,327
182,216	VIEU	185,170
44,673	WA	44,672
<u>\$795,798</u>		<u>\$812,166</u>

	Note 4	
	Affiliation Fees Paid	
164,268	ACTU	165,371
500	ACTU Organising Centre	500
1,460	APHEDA	1,460
15,020	COPE	15,020
83,248	EI	97,924
750	ICTUR	750
136	NEF	277
<u>\$265,382</u>		<u>\$281,302</u>

	Note 5	
	Contributions to Campaigns/Donations	
61,135	ACTU Industrial Relations Campaign	63,813
0	ACTU Soloman Campaign (Darwin)	10,000
250	Workers Out	0
<u>\$61,385</u>		<u>\$73,813</u>

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

<p>2006 \$</p> <p>273</p> <p>636</p> <hr/> <p>\$909</p> <hr/>	<p>Note 6</p> <p>Staff Training & Conferences</p> <p>ACTU</p> <p>Australian Curriculum Studies Australia</p>	<p>1,563</p> <p>1,166</p> <hr/> <p>\$2,729</p> <hr/>
<p>Note 7</p> <p>Travelling</p>		
<p>953</p> <p>25,648</p> <p>3,613</p> <p>17,167</p> <p>6,827</p> <hr/> <p>\$54,208</p> <hr/>	<p>Accommodation & Meals - International</p> <p>Accommodation & Meals - Interstate</p> <p>Airfares - International</p> <p>Airfares - Interstate</p> <p>Cabcharge Fees</p>	<p>1,817</p> <p>33,368</p> <p>11,033</p> <p>12,051</p> <p>5,735</p> <hr/> <p>\$64,004</p> <hr/>



**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO DIRECTORS OF
INDEPENDENT EDUCATION UNION OF AUSTRALIA**

I declare that, to the best of my knowledge and belief, during the year ended 31st December, 2007 there have been:-

- a. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit, and
- b. assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of the significant accounting estimates made by the committee.

K.L. Paroissien & Associates
Certified Practicing Accountants

Andrew R. Paroissien
Accountant

Dated in Hawthorn on 27th MAY, 2008



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

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, statement of cash flow, the federal executive statement and notes to the financial report for Independent Education Union of Australia for the year ended 31st December, 2007.

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

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

K.L. Paroissien & Associates

A.R. Paroissien PNA
National Institute of Accountants
Member No. 102449

Melbourne, 27th MAY, 2008

INDEPENDENT EDUCATION UNION OF AUSTRALIA
Year Ended 31st December, 2007

DEPRECIATION SCHEDULE

	Original Cost	Value at 31/12/06	Written Off	Sales	Value at 31/12/07
1. Furniture & Fittings					
Workstations	5,469	-	-	-	-
2 Seater Sofa Monaco	1,329	-	-	-	-
Lounge Chairs (4)	1,940	-	-	-	-
Occasional Table	150	-	-	-	-
Office Chair Vogue	475	-	-	-	-
Desk & Return	510	-	-	-	-
Office Chairs (6)	30	-	-	-	-
Desk	70	-	-	-	-
Boardroom Table	200	-	-	-	-
Filing Cabinets (2)	180	-	-	-	-
Amber Executive Chair	495	-	-	-	-
Typist Chair	265	59	13%	34	25
Clerical Chair	274	66	"	36	30
Shelving	2,045	1,260	10%	205	1,055
	13,432	1,385		275	1,110
Additions					
Table & Chairs (28-02-07)	504	504	10%	42	462
Storage Units (27-03-07)	4,326	4,326	"	331	3,995
	\$18,262	\$6,215		\$648	\$5,567
2. Office Machines & Equipment					
Photocopier/Printer/Fax	20,587	-	-	-	-
Computers P4 2.4 Ghz(2)	5,813	-	-	-	-
Computers (2)	5,278	2,480	27%	1,425	1,055
Laptop	2,807	1,519	"	758	761
Laptop	2,541	1,441	"	686	755
	37,026	5,440		2,869	2,571
Additions					
Laptop (17-04-07)	988	988	27%	189	799
Computer (25-06-07)	775	775	"	108	667
	\$38,789	\$7,203		\$3,166	\$4,037
3. Leasehold Improvements					
Office Fit Out	\$64,041	\$60,398	4%	\$2,562	\$57,836
Totals	\$121,092	\$73,816		\$6,376	\$67,440



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7882
Fax: (03) 9655 0410
Email: michelle.baldini@air.gov.au

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

By email: ieu@ieu.org.au

Dear Ms Rolley,

Re: Financial Report for the Year Ended 31 December 2007 - FR2007/598
Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)

Thank you for the financial reports of the Independent Education Union of Australia for the year ended 31 December 2007. The documents were lodged in the Industrial Registry on 23 April 2007.

The financial report has not yet been filed due to the issues raised in the following paragraphs.

General Purpose Financial Reports

Donations, Grants or Loans

I note that contributions to ACTU campaigns totalling \$73,813 were made in the year ending 31 December 2007 in Note 5 of your 'Notes To and Forming Part of Accounts'. Please advise the Registry if these contributions were donations that should be disclosed in a subsection 237(1) statement or compulsory contributions.

Auditor's Report

In order to secure compliance with the organisation's obligations under the RAO Schedule, I require you to amend the Auditor's Report as follows:

Composition of Auditor's Report

I note that paragraph 1 of the Auditor's Report states that "The financial report comprises the statement of financial performance, statement of financial position and statement of cash flow...".

Please note that under section 257(1), the Auditor must audit the financial report of the organisation. Under section 253 of the RAO Schedule and in the Reporting Guidelines for section 253, the Committee of Management statement (in your report called Federal Executive's Statement) and Notes to the Financial Statements are included in the financial report and must be listed with the other documents.

Auditor's Opinion

The term "true and fair view" was used in the superseded legislation. Subsection 257(5) of the RAO Schedule sets out the matters upon which an auditor is required to make an opinion on whether the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and other requirements of the RAO Schedule. The following wording in the auditor's opinion would satisfy the requirements:

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

Auditor’s Qualifications

The Auditor’s Report should be amended so that it provides details of the Auditor’s qualifications to confirm he or she is an ‘approved auditor’ under s256 of the RAO Schedule and Regulation 4 of the RAO Regulations.

Regulation 4 defines an approved auditor as a person who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accountants and holds a current Public Practice Certificate.

Operating Report

Signing of documents

It is noted that the Operating Report was not signed or dated. The Operating Report must be prepared, signed and dated by a member of the Committee of Management or a designated officer – see s254 of the RAO Schedule.

Please provide a signed and dated Operating Report in the full report which is to be distributed to members.

Incorrect Chronology of Events

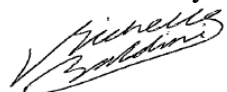
Schedule 1 of the Workplace Relations Act 1996 sets out a particular chronological order in which the financial documents must be prepared, provided to members and presented to a meeting. On the basis of the dates on the documents lodged it is apparent the Branch could not have complied with those requirements. For example, the Auditor’s report is dated 12 March 2008, which clearly post-dates the date the documents were provided to members.

Accordingly, in order to secure compliance with the organisation’s obligations under the RAO Schedule, I require you to:

- Provide all members with the full report, including the amended, signed and dated Auditor’s report and amended Operating Report, prior to the Committee of Management meeting
- Present the full report to the Committee of Management meeting
- Re-file the documents in the Registry within 14 days of the Committee of Management meeting accompanied by the appropriate Designated Officer’s Certificate.

Should you wish to discuss the matters raised in this letter, I can be contacted on (03) 8661 7882 or by email at michelle.baldini@air.gov.au.

Yours sincerely



Michelle Baldini
Statutory Services Branch

1 May 2008



FR 2007/598

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

Email: ieu@ieu.org.au

entered in CMS

18 April 2008

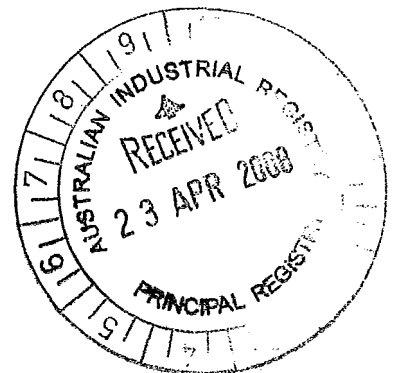
The Registrar
Australian Industrial Registry
GPO Box 1994
Melbourne VIC 3001

Dear Registrar

Please find attached the 2007 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.

Yours sincerely

Chris Watt
Federal Secretary



Designated Officer's Certificate
268 of Schedule 1B Workplace Relations Act 1996

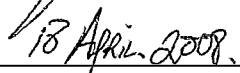
I, Christopher Gerard Watt being the Federal Secretary of the Independent Education Union of Australia certify:

- 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 IEUA website at www.ieu.org.au on the 06th March 2008; and
- That the full report was presented to a meeting of the IEUA Executive on 28th February 2008 and to the IEUA Federal Council on 17th April 2008 in accordance with section 266 of the RAO Schedule

Signature:



Date:



FR2007/598

CPA



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, 2007

INDEPENDENT EDUCATION UNION OF AUSTRALIA
GENERAL PURPOSE FINANCIAL REPORT
YEAR ENDED 31ST DECEMBER, 2007

Item	Page Number
Federal Executive Statement	1
Operating Report	2
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Statement of Financial Performance (Profit & Loss Statement)	7
Statement of Cash Flows	8
Notes to and Forming Part of the Accounts	10
Independence Declaration	13
Auditors Report	14
Depreciation Schedule	15

INDEPENDENT EDUCATION UNION OF AUSTRALIA

FEDERAL EXECUTIVE'S STATEMENT

On the 28th February, 2008 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, 2007.

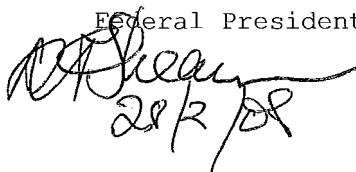
The Federal Executive declares in relation to the GPFR that in its opinion:

- (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
Title of Office held: Federal President

Chris Watt
Federal Secretary

Signature:



28/2/08



28/2/08

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 Fair Pay Commission processes.
- (7) **Participation in the national campaign against the WorkChoices legislation which came into effect in March 2006**

RESULT OF THOSE ACTIVITIES

- (1) Sustained membership in the Union's 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

Due to payments to staff arising from resignations and redundancy, the union's reserves were expended and a budget deficit was incurred.

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

Debra James	Federal Deputy President Council member and Secretary IEU Victorian Branch - Director of Catholic Superannuation Fund
Cathy Hickey	Federal Council member and Director NGS Super Fund
Janet Sherry	IEU Victorian Branch Committee of Management member - Alternate Director NGS Super
John Mildren	Member of Committee of Management IEU Victorian Branch - Director of Catholic Superannuation Fund
Fran Renehan	Member of Committee of Management IEU Victorian Branch - Director of Catholic Superannuation Fund
Terry Burke	Federal Vice President and Secretary IEU QLD Branch - Director of QIEC Pty. Ltd, the Corporate Trustee of QIEC Super.
John Spriggs	Federal Council member and Senior Industrial Officer IEU QLD Branch - Director of QIEC Pty. Ltd, the Corporate Director of QIEC Super.
Chris Seymour	Federal Council member and Organiser IEU QLD Branch - Director of QIEC Pty. Ltd, the Alternate Corporate Director of QIEC Super.
Greg McGhie	Organiser IEU QLD Branch - Director of QIEC Pty. Ltd, the Corporate Trustee of QIEC Super.
Glen Seidel	Federal Executive member and Secretary IEUSA Branch - Director of NGS Super Fund
Barry Morrison	Member IEUSA - Director of NGS Super Fund
Gloria Taylor	Federal Executive member and Deputy Secretary IEUNSWACT Branch - Director of NGS Super Fund
John Quessy	Federal Council member and Assistant Secretary IEUNSWACT Branch - Director NGS Super Fund
Kevin Phillips	NSWACT Executive member and teacher - Director 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
Theresa Howe	Secretary IEUWA and non voting Plan Secretary of Concept One Superannuation Fund
Nigel Briggs	Federal Council member and Assistant Secretary of IEUWA - Director of the Catholic Schools Superannuation and Retirement Fund.
Angela Briant	Secretary IEU TAS Branch - Director of Tasplan Superannuation Fund

THE NUMBER OF PERSONS THAT WERE RECORDED IN THE REGISTER OF MEMBERS ON 31/12/07.
There were 65,062 members on the register of members on 31st December 2007.

THE NUMBER OF PERSONS WHO WERE EMPLOYEES OF THE FEDERAL UNION ON 31/12/07, INCLUDING FULL-TIME OR PART-TIME

As at 31 December 2007, there was one person employed by the Federal Union. This person was employed on a full time basis.

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.

Chris Watt	12 months
Lynne Rolley	11 months
Dick Shearman	12 months
Gloria Taylor	12 months
Deb James	12 months
Terry Burke	12 months
Glen Seidel	12 months
Theresa Howe	12 months
Barry McFarlane	12 months
Angela Briant	12 months
Cheryl Salter	8 months

INDEPENDENT EDUCATION UNION OF AUSTRALIA
Statement of Financial Position as at 31st December, 2007

2006			
\$	MEMBERS FUNDS		
236,882	Balance as at 31st December, 2006		123,478
0	Plus Profit for Year		0
113,404	Less Loss for Year		165,722
<u>\$123,478</u>			<u>(\$42,244)</u>
	CURRENT ASSETS		
200	Cash on Hand	200	
	Commonwealth Bank of Australia		
72,150	- Cheque Account	9,493	
278	- International Account	252	
	AMP Banking		
15,286	- International Account	16,083	
106,098	Members Equity Bank Ltd.	2,692	
27,555	Debtors	109,939	
16,805	Prepayments	10,315	
<u>238,372</u>	Total Current Assets		148,974
	LESS CURRENT LIABILITIES		
17,929	Creditors	33,894	
0	Income Received in Advance	109,091	
15,564	International Clearing Account	16,334	
54,737	Provision for Annual Leave	20,180	
90,896	Provision for Long Service Leave	48,160	
3,272	GST Payable	31,280	
<u>182,398</u>	Total Current Liabilities		258,939
55,974	Working Capital		(109,965)
	PLUS NON CURRENT ASSETS		
	Property, Plant & Equipment		
64,041	Leasehold Improvements	64,041	
(3,643)	Less Accumulated Amortisation	<u>6,205</u>	57,836
	Plant & Equipment (at cost)	38,789	
47,589	Less Provision for Depreciation	<u>34,752</u>	4,037
(42,149)	Office Furniture & Fittings (at cost)	18,262	
	Less Provision for Depreciation	<u>12,695</u>	5,567
19,273	Library	281	
(17,888)		<u>281</u>	
<u>281</u>	Total Non Current Assets		67,721
67,504	NET ASSETS		<u>(\$42,244)</u>
<u>\$123,478</u>			

INDEPENDENT EDUCATION UNION OF AUSTRALIA
Statement of Financial Performance for Year Ended 31st December, 2007

2006	Income	Notes	
\$			
795,798	Capitation Fees Received	3	812,166
8,473	Interest Received		7,603
3,805	Sundry Income		90,000
808,076	Total Income		909,769
	Less Expenditure		
265,382	Affiliation Fees	4	281,302
5,079	Annual Leave Provision		(34,557)
4,300	Audit Fees		4,450
20	Bank Charges & Duties		65
60	Computer Costs		390
61,385	Contributions to Campaigns/Donations	5	73,813
9,308	Depreciation		6,376
1,260	Fringe Benefits Tax		609
4,948	Insurance		2,096
11,480	Internet		10,640
284	Leasing Charges		245
15,712	Legal Fees		0
9,295	Library Fees & Subscriptions		7,729
3,261	Long Service Leave Provision		(42,736)
1,145	Media & Advertising		0
5,035	Meetings & Business Expenses		501
615	Office Requisites		515
16,515	Payroll Tax		22,792
3,539	Postage		3,070
7,779	Printing & Stationery		7,366
40,545	Rent		38,122
901	Renovations		0
244	Repairs & Maintenance		798
0	Research		2,728
204,830	Salaries - Officers		270,251
99,531	Salaries - Administration Staff		177,785
909	Staff Training & Conferences	6	2,729
61,034	Superannuation		146,763
18,182	Subsidy IEU - NT		10,909
815	Sundries		225
4,433	Telephone - Office		5,734
4,513	Telephone - Mobiles/Other		5,132
54,208	Travelling	7	64,004
4,932	Workcover		5,645
921,479	Total Expenditure		1,075,491
(\$113,403)	SURPLUS (DEFICIT) FOR YEAR		(\$165,722)

INDEPENDENT EDUCATION UNION OF AUSTRALIA
Statement of Cash Flows for Year Ended 31st December, 2007

2006			
\$	Cash Flows from Operating Activities		
815,977	Revenue from Operations	928,873	
(895,053)	Payments to Suppliers and Employees	(1,123,183)	
8,473	Interest Received	7,603	
(6,080)	Net GST Collected	<u>28,008</u>	
<u>(76,683)</u>	Net Cash provided by Operating Activities (see Note 2)		(158,699)
	Cash Flows from Investing Activities		
0	Purchase of Plant & Equipment	(4,830)	
0	Proceeds from Sale of Plant & Equipment	<u>(1,763)</u>	
<u>0</u>	Net Cash used in other activities		<u>(6,593)</u>
(76,683)	Net Increase (Decrease) in Cash Held		(165,292)
270,695	Cash at beginning of year		194,012
<u>\$194,012</u>	Cash at end of year		<u>\$28,720</u>

INDEPENDENT EDUCATION UNION OF AUSTRALIA
Statement of Cash Flows for Year Ended 31st December, 2007

2006

\$

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	
72,150	- Cheque Account	9,493
278	- International Account	252
	AMP Banking	
15,286	- International Account	16,083
106,098	Members Equity Bank Ltd.	2,692
<u>\$194,012</u>		<u>\$28,720</u>

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

(113,403)	Operating Surplus for Year	(165,722)
9,308	Depreciation	6,376
0	(Profit)/Loss on Disposal of Plant & Equipment	0
	Changes in Assets and Liabilities	
16,374	(Increase) Decrease in Debtors	(82,384)
(1,141)	(Increase) Decrease in Prepayments	6,490
(29,931)	Increase (Decrease) in Creditors	15,965
0	Increase (Decrease) in Income Received in Advance	109,091
(6,020)	Increase (Decrease) in East Timor Clearing Account	770
(6,080)	Increase (Decrease) in GST Payable	28,008
	Increase (Decrease) in Provision for:	
19,327	Annual Leave	(34,557)
34,883	Long Service Leave	(42,736)
<u>(\$76,683)</u>		<u>(\$158,699)</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)**

2006		
\$	Note 3	
	Capitation Fees Received	
331,622	NSW/ACT	337,273
4,009	NT	3,945
172,836	QLD	181,364
45,818	ANGEE	43,273
5,219	TISTA	5,142
9,405	TCEE	11,327
182,216	VIEU	185,170
44,673	WA	44,672
<u>\$795,798</u>		<u>\$812,166</u>

	Note 4	
	Affiliation Fees Paid	
164,268	ACTU	165,371
500	ACTU Organising Centre	500
1,460	APHEDA	1,460
15,020	COPE	15,020
83,248	EI	97,924
750	ICTUR	750
136	NEF	277
<u>\$265,382</u>		<u>\$281,302</u>

	Note 5	
	Contributions to Campaigns/Donations	
61,135	ACTU Industrial Relations Campaign	63,813
0	ACTU Soloman Campaign (Darwin)	10,000
250	Workers Out	0
<u>\$61,385</u>		<u>\$73,813</u>

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

2006			
\$	Note 6		
	Staff Training & Conferences		
273	ACTU		1,563
636	Australian Curriculum Studies Australia		1,166
<u>909</u>			<u>2,729</u>
	Note 7		
	Travelling		
953	Accommodation & Meals - International		1,817
25,648	Accommodation & Meals - Interstate		33,368
3,613	Airfares - International		11,033
17,167	Airfares - Interstate		12,051
6,827	Cabcharge Fees		5,735
<u>54,208</u>			<u>64,004</u>



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

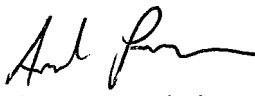
R. G. Paroissien CPA ACIS

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO DIRECTORS OF
INDEPENDENT EDUCATION UNION OF AUSTRALIA**

I declare that, to the best of my knowledge and belief, during the year ended 31st December, 2006 there have been:-

- a. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit, and
- b. assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of the significant accounting estimates made by the committee.

K.L. Paroissien & Associates
Certified Practicing Accountants


Andrew R. Paroissien
Accountant

Dated in Hawthorn on 12TH MARCH, 2008

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, 2007.

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, 2007; 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, 12TH MARCH. 2008

INDEPENDENT EDUCATION UNION OF AUSTRALIA

Year Ended 31st December, 2007

DEPRECIATION SCHEDULE

	Original Cost	Value at 31/12/06	Written Off	Sales	Value at 31/12/07
1. Furniture & Fittings					
Workstations	5,469	-	-	-	-
2 Seater Sofa Monaco	1,329	-	-	-	-
Lounge Chairs (4)	1,940	-	-	-	-
Occasional Table	150	-	-	-	-
Office Chair Vogue	475	-	-	-	-
Desk & Return	510	-	-	-	-
Office Chairs (6)	30	-	-	-	-
Desk	70	-	-	-	-
Boardroom Table	200	-	-	-	-
Filing Cabinets (2)	180	-	-	-	-
Amber Executive Chair	495	-	-	-	-
Typist Chair	265	59	13%	34	25
Clerical Chair	274	66	"	36	30
Shelving	2,045	1,260	10%	205	1,055
	13,432	1,385		275	1,110
Additions					
Table & Chairs (28-02-07)	504	504	10%	42	462
Storage Units (27-03-07)	4,326	4,326	"	331	3,995
	\$18,262	\$6,215		\$648	\$5,567
2. Office Machines & Equipment					
Photocopier/Printer/Fax	20,587	-	-	-	-
Computers P4 2.4 Ghz(2)	5,813	-	-	-	-
Computers (2)	5,278	2,480	27%	1,425	1,055
Laptop	2,807	1,519	"	758	761
Laptop	2,541	1,441	"	686	755
	37,026	5,440		2,869	2,571
Additions					
Laptop (17-04-07)	988	988	27%	189	799
Computer (25-06-07)	775	775	"	108	667
	\$38,789	\$7,203		\$3,166	\$4,037
3. Leasehold Improvements					
Office Fit Out	\$64,041	\$60,398	4%	\$2,562	\$57,836
Totals	\$121,092	\$73,816	\$6,376	\$67,440	\$67,440