



FAIR WORK
AUSTRALIA

19 July 2011

Mr Richard Shearman
Secretary

Independent Education Union of Australia, New South Wales/Australian Capital Territory Branch

email: ieu@ieu.asn.au

Dear Mr Shearman

Re: Financial Report for the Independent Education Union of Australia, New South Wales/Australian Capital Territory Branch for year ended 31 December 2010 – FR2010/2912

I acknowledge receipt of the financial report for the Independent Education Union of Australia, New South Wales/Australian Capital Territory Branch (the Branch) for the year ended 31 December 2010. The report was lodged with Fair Work Australia on 20 June 2011.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

Committee of Management statement

Fair Work (Registered Organisations) Act 2009

Reference to the 'RAO Schedule' and 'RAO Regulations' appearing in the Committee of Management statement should properly refer to the 'Fair Work (Registered Organisations) Act 2009' (the Act) and the 'Fair Work (Registered Organisations) Regulations 2009' respectively.

Also, the Committee of Management statement was not dated in accordance with item 26(d) of the General Manager's Reporting Guidelines (the guidelines). Item 26 indicates that 'the Committee of Management statement must . . . (d) be dated as at the date the designated officer signs the statement.' Could the Branch ensure that future Committee of Management statements satisfy the requirements of the guidelines.

Capitation Fees to the Independent Education Union of Australia

I note the Branch has not collected any subscriptions from members nor paid any capitation fees to the national office of the Independent Education Union of Australia in accord with rules 7(a) and (g). This needs to be explained in the notes to the financial statements. For example, if capitation fees have not been paid because, pursuant to rule 7(g)(iv) an Associated body (such as the NSW Independent Education Union) has made a payment of an agreed amount, then that should be explained in the notes to the financial statements.

Section 269 of the Act

In the alternative, if the Branch's financial affairs are encompassed by an associated State body and the Officers of the associated State body are the same Officers of the Branch, the Branch may consider a future application under section 269 of the Act. I am happy to discuss the requirements and application of the that section with you.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kevin Donnellan', with a long horizontal flourish extending to the right.

Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

INDEPENDENT EDUCATION UNION OF AUSTRALIA
NEW SOUTH WALES/ACT BRANCH

CERTIFICATE BY SECRETARY

I, RICHARD SHEARMAN, being the Secretary of the **Independent Education Union of Australia, New South Wales/ACT Branch**, certify:

- that the documents lodged herewith are copies of the full report referred to in section 268 of the Fair Work (Registered Organisations) Act 2009; and
- that the full report was provided to members on 15 April 2011 ; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 3 June 2011 ; in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.



.....
RICHARD SHEARMAN

Dated: 3 June 2011

FEDERALLY REGISTERED

**INDEPENDENT EDUCATION UNION OF
AUSTRALIA**

NEW SOUTH WALES/ACT BRANCH

FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2010

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INDEPENDENT EDUCATION UNION OF AUSTRALIA
NEW SOUTH WALES/ACT BRANCH

OPERATING REPORT

The Committee of Management presents its operating report of the Independent Education Union of Australia, New South Wales/ACT Branch.

Principal Activities

The principal activities, performed by the state registered branch, of the organization during the financial year were:

- (i) The provision of services to members
- (ii) The representation of members before the Australian Industrial Relations Commission on award matters and disputes.
- (iii) The provision of support for the Federal Union agenda in education, equity and industrial issues.

The result of these activities were reviewed and conducted to the satisfaction of the members.

There were no significant changes in the nature of the organization in principal activities during the year.

Operating Result

The performance and result of operation for the year was as follows

	31 December 2010	31 December 2009
	\$	\$
<u>Revenue</u>		
Income from Operating Activities	0	0
Surplus (Deficit) for year	0	0

Review of Operation

There is no transaction in the revenue account for the year, it is anticipated that the ensuing year operation will remain the same.

Right of Members to Resign

Members retain the right to resign from the Independent Education Union of Australia, New South Wales/Act Branch in accordance to Rule 21 of the Branch Rules.

Number of Members

The number of members of the Branch at the end of the financial year was 28,800 (New South Wales state branch).

Number of Employees

There were no employees for the federally registered branch for the year ended 31 December 2010.

INDEPENDENT EDUCATION UNION OF AUSTRALIA
NEW SOUTH WALES/ACT BRANCH.

OPERATING REPORT (CONT'D)

COMMITTEE MEMBERS

The names of members of the Committee of Management during the year ended 31 December 2010 are:

Richard Shearman	Branch Secretary
Gloria Taylor	Branch Deputy Secretary
Carol Matthews	Branch Assistant Secretary
John Quessy	Branch Assistant Secretary
Chris Wilkinson	President
Michelle Omeros	Vice President Non-Systemic
Bernadette Baker	Vice President Systemic
Gabrielle Connell	Vice President Early Childhood Services
Francis Mahanay	Vice President – ACT
Marie MacTavish	Financial Officer
Peter Moore	Financial Officer
Michael Davis	General Executive Member (Resigned 31.10.2010)
David Davies	General Executive Member (Resigned 31.10.2010)
Marty Fitzpatrick	General Executive Member
Michael Hagan	General Executive Member
Peter Mullins	General Executive Member
Ralph Hunt	General Executive Member
Denise McHugh	General Executive Member
Kevin Phillips	General Executive Member
Patricia Murnane	General Executive Member
Patrick Devery	General Executive Member
John O'Neill	General Executive Member (Appointed 1.11.2010)
Ann Rogers	General Executive Member (Appointed 1.11.2010)
Carolyn Collins	General Executive Member (Appointed 1.11.2010)

Committee members have been in office since the start of the reporting period unless otherwise stated.

INDEPENDENT EDUCATION UNION OF AUSTRALIA
NEW SOUTH WALES/ACT BRANCH

OPERATING REPORT (CONT'D)

The officers or members of the Branch who are trustees of a super entity, or are directors of a company that is a trustee of a super entity are:-

Richard Shearman	Branch Secretary	NGS Super
Gloria Taylor	Branch Deputy Secretary	NGS Super
John Quessy	Branch Assistant Secretary	NGS Super
Kevin Philips	General Executive Member	NGS Super
Chris Wilkinson	President	NGS Super
Helen Spry	Member	NGS Super
Michael Hagan	General Executive Member	ACSR Fund
Bernadette Baker	General Executive Member	ACSR Fund

Signed in accordance with a resolution of the Committee of Management



RICHARD SHEARMAN



GLORIA TAYLOR

Dated: 8/4/11

Dated: 8/4/11

INDEPENDENT EDUCATION UNION OF AUSTRALIA
NEW SOUTH WALES/ACT BRANCH

INCOME STATEMENT
FOR YEAR ENDED 31 DECEMBER 2010

	2010	2009
	\$	\$
REVENUE		
Interest received	0	0
	-----	-----
TOTAL REVENUE	0	0
Less: EXPENDITURE	0	0
	-----	-----
NET SURPLUS	0	0
	=====	=====

BALANCE SHEET
AS AT 31 DECEMBER 2010

	Notes	2010	2009
		\$	\$
ACCUMULATED FUNDS			
Opening balance		17,175	17,175
Add: surplus for the year		0	0
		-----	-----
		17,175	17,175
		-----	-----
Represented by:			
CURRENT ASSETS			
Cash at Bank	4	17,175	17,175
Receivables		0	0
		-----	-----
		17,175	17,175
		=====	=====

STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 31 DECEMBER 2010

	2010	2009
	\$	\$
Accumulated surplus at beginning of year	17,175	17,175
Surplus attributable to members	0	0
	-----	-----
Balance at 31 December 2010	17,175	17,175
	=====	=====

INDEPENDENT EDUCATION UNION OF AUSTRALIA
NEW SOUTH WALES/ACT BRANCH

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipt from investing activities		0	0
		-----	-----
Net cash provided by operating activities	3 (b)	0	0
		-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrower		0	145
		-----	-----
NET INCREASE(DECREASE) IN CASH HELD			
Cash at beginning of financial year		17,175	17,030
		-----	-----
Cash at end of financial year	3 (a)	17,175	17,175
		-----	-----

The accompanying notes form part of this financial report

INDEPENDENT EDUCATION UNION OF AUSTRALIA
NEW SOUTH WALES/ACT BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

1. STATEMENT OF ACCOUNTING POLICIES

The Accounts have been prepared in accordance with Applicable Accounting Standards, other mandatory professional reporting requirements and the Fair Work (Registered Organisations) Act 2009. The accounts have also been prepared on the basis of historical costs and do not take into account changing money values or except where stated current valuations of non current assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the Branch in the preparation of the accounts.

- (a) Membership contributions are accounted for on cash basic, otherwise the concept of accruals accounting has been adopted in the preparation of the Accounts.
- (b) No provision for Income Tax is necessary as the Branch is exempt from Income Tax under Section 23 f of the Income Tax Assessment Act.
- (c) Property, Plant & Equipment
Each class of property, plant and equipment is at cost carried less, where applicable, any accumulated depreciation and any impairment in value. The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.
- (d) Employee Benefits
Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at amounts expected to be paid when the liability is settled, plus related cost. This results in an amount not materially different to that achieved by discounting future cash flows.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR GENERAL MANAGER

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Sub-Sections [1], [2] and [3] of Section 272 of Schedule 1B which read as follows:

- [1] A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

- [2] The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

- [3] A reporting unit must comply with an application made under subsection (1).

INDEPENDENT EDUCATION UNION OF AUSTRALIA
NEW SOUTH WALES/ACT BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

	2010	2009
	\$	\$
3. Cash Flow Information		
(a) Reconciliation of Cash		
Cash at the end of the financial year as shown in the Statement of Cash Flows is Reconciled to the related items in the Balance Sheet.		
Cash at Bank	17,175	17,175
	-----	-----
(b) Reconciliation of cash flow from ordinary activities		
Surplus from ordinary activities	0	0
	-----	-----
Cash flows from ordinary activities	0	0
	=====	=====

4. Financial Instruments

(a) Interest Rate Risk

The Union's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average		Floating		Non-Interest		Total	
	Effective		Interest Rate		Bearing			
	2010	2009	2010	2009	2010	2009	2010	2009
	%	%						
Financial assets:								
Cash	-	-	17,175	17,175	-	-	17,175	17,175
Receivables	-	-	-	-	-	-		

Total Financial Assets			17,175	17,175	-		17,175	17,175

INDEPENDENT EDUCATION UNION OF AUSTRALIA
NEW SOUTH WALES/ACT BRANCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognized financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the Balance Sheet and Notes to the financial reports.

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

INDEPENDENT EDUCATION UNION OF AUSTRALIA
NEW SOUTH WALES/ACT BRANCH

STATEMENT BY COMMITTEE OF MANAGEMENT

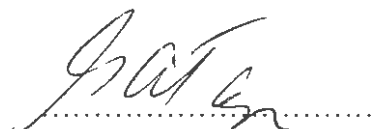
On the 8 April 2011 Committee of Management of the Independent Education Union of Australia, New South Wales/ACT Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 31 December 2010:

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

- a) The financial statement and notes comply with the Australian Accounting Standards;
- b) The financial statement and notes comply with the reporting guidelines of the General Manager of Fairwork Australia;
- c) The financial statement 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 and the rules of the 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 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 organization; and
 - (v) The information sought in any request of a member of the reporting unit or a Registrar under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) No orders have been made by the Commissioner under section 273 of the RAO Schedule during the period.



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RICHARD SHEARMAN



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GLORIA TAYLOR

INDEPENDENT EDUCATION UNION OF AUSTRALIA
NEW SOUTH WALES/ACT BRANCH

INDEPENDENT AUDIT REPORT.

To the members of the Independent Education Union of Australia, New South Wales/ACT Branch.

Scope

The Financial Report is the responsibility of the Committee of Management and Secretary of the Union.

The financial report comprises the Income Statement, Balance Sheet, Statement of Cash Flows, accompanying notes to the financial statements and the Committee of Management's statement for the Independent Education Union of Australia, New South Wales/ACT Branch for the year ended 31 December 2010.

The Committee of Management and the Secretary of the Branch are responsible for the preparation and true and fair presentation of the financial report in accordance with the Fair Work (Registered Organisations) Act 2009. 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 have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Branch. Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, 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 misstatement have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Fair Work (Registered Organisations) Act 2009, including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia a view which is consistent with our understanding of the Branch's financial position and its performance as represented by the results of its operations and cash flows.

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

- examining, 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 Committee of Management and the Secretary of the Branch.

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Fair Work (Registered Organisations) Act 2009.

Audit Opinion

We state that the financial report has been audited and in our opinion the financial report complies with the relevant Australian Accounting Standards.

We report that we have inspected and audited the accounting records of the Independent Education Union of Australia New South Wales/ACT Branch in relation to the financial year ending 31 December 2010 and report that in our opinion satisfactory accounting records were kept by the Branch in relation to the period, including:

- (i) records of the sources and nature of the income of the Branch (including income from members);
- (ii) records of the nature and purposes of the expenditure of the Branch;
- (iii) all information, being information which was reasonably wanted for the purpose of this audit, which was required and sought by us or by any person authorised by us for the purpose of the audit, was provided;
- (iv) in relation to recovery of wages activity;
no activity of recovery occurred in the financial year.

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 Fair Work (Registered Organisations) Act 2009:

- (i) the financial affairs of the Branch as at the end of the financial year, and
- (ii) the income and expenditure, and any surplus or deficit of the Branch for the year.

We also understand that to the extent that there was any deficiency, failure or shortcoming in relation to the matters referred to above, we must report particulars and that those particulars, if any, which form part of this report, are attached.

D W Sutherland & Partners
D W SUTHERLAND & PARTNERS

Timothy Ho

TIMOTHY HO, CPA

Partner.

Registered Company Auditor No. 629

Dated: 10 April 2011