



13 July 2016

Mr John Quessy
General Secretary, New South Wales/Australian Capital Territory Branch
Independent Education Union of Australia

Sent via email: industrial@ieu.asn.au

Dear Mr Quessy,

Re: Lodgement of Financial Report - Fair Work (Registered Organisations) Act 2009 – Independent Education Union of Australia, New South Wales/Australian Capital Territory Branch [FR2015/415]

I refer to the financial report of the Independent Education Union of Australia, New South Wales/Australian Capital Territory Branch. The documents were lodged with the Fair Work Commission (FWC) on 17 June 2016. An amended Designated Officer's certificate was received on 12 July 2016. The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and Reporting Guidelines have been complied with. A primary review does not examine all disclosure requirements.

You are not required to take any further action in relation to the report lodged but I make the following comments to assist you when preparing next year's report. Please note that the financial report for the year ending 31 December 2016 may be subject to an advanced compliance review.

Disclosure of capitation fees to another reporting unit

I acknowledge your advice that the amount disclosed for "Affiliation & Capitation Fees" at Note 4.1 was solely for capitation to the Federal Office. I take this opportunity to draw your attention to the requirement of Reporting Guideline 16(b) that where capitation fees to another reporting unit are paid, the name of the recipient reporting unit is also to be disclosed, that is, in addition to the amount. I also confirm my advice that capitation expense must be disclosed separately to any external affiliation fee expense, in accordance with Reporting Guideline 16(c).

Presentation of full reports to the committee of management

I also confirm my advice to you that where the Branch presents its full report to a second meeting of the committee of management, it is not necessary to observe a 21 day period between providing the full report to the members and holding the second committee meeting. The second committee meeting may be held as soon as convenient after providing the report to the members, so long as it is held no later than 6 months after the end of the financial year (i.e. by 30 June).

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you wish to discuss this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on [REDACTED] or by email at stephen.kellett@fwc.gov.au.

Yours sincerely,

A handwritten signature in black ink that reads "Stephen Kellett". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Stephen Kellett
Senior Adviser
Regulatory Compliance Branch

12 July 2016

JQ:81/16

Mr Stephen Kellett
Regulatory Compliance Branch
Fair Work Commission
80 William Street
EAST SYDNEY NSW 2011
stephen.kellett@fwc.gov.au

Dear Stephen

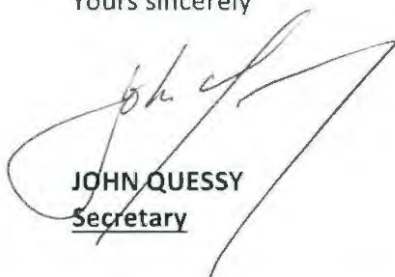
Further to our conversations yesterday, I attach an amended Designated Officer Certificate dated 12 July 2016.

In regards to your query relating to note 4.1 in the Notes to the Financial Statements, I can confirm that the amount listed as "Affiliated and Capitation Fees" (\$556,364) represents capitation fees paid to the Independent Education Union of Australia. There were no affiliation fees paid.

This change from previous years where capitation fees have been paid by the Associated Body (NSW Independent Education Union) is part of a staged transition of the operations from the State registered organisation to the NSW/ACT Branch. The final part of that transition will be reflected in the accounts for the current reporting year.

My thanks for bringing these issues to my attention and for your helpful guidance yesterday.

Yours sincerely



JOHN QUESSY
Secretary

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NSW/ACT BRANCH**

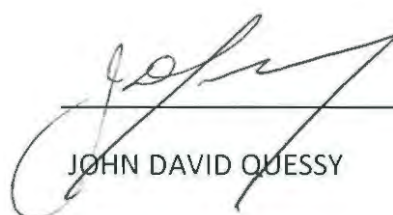
s. 268 Fair Work (Registered Organisations) Act 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER (AMENDED)

Certificate for the period ended 31 December 2015

I, JOHN DAVID QUESSY, being the Branch Secretary of Independent Education Union of Australia NSW/ ACT Branch, hereby certify:

- that the documents lodged herewith are copies of the full report for the Independent Education Union of Australia NSW/ACT Branch for the period ended 31 December 2015 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to the members of the reporting unit on 2nd May 2016; and
- that the full report was presented to the committee of management meeting held on 17th June 2016 in accordance with s.266 of *Fair Work (Registered Organisations) Act 2009*.



JOHN DAVID QUESSY

Branch Secretary

Date: 12th July 2016

FEDERALLY REGISTERED

**INDEPENDENT EDUCATION UNION OF
AUSTRALIA**

NSW/ACT BRANCH

**FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2015**

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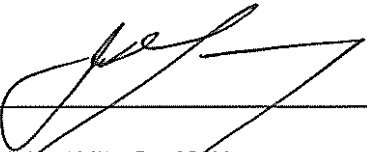
**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NSW/ACT BRANCH**
s. 268 Fair Work (Registered Organisations) Act 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 31 December 2015

I, JOHN DAVID QUESSY, being the Branch Secretary of Independent Education Union of Australia NSW/ ACT Branch, hereby certify:

- that the documents lodged herewith are copies of the full report for the Independent Education Union of Australia NSW/ACT Branch for the period ended 31 December 2015 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to the members of the reporting unit on 8th April 2016; and
- that the full report was presented to the committee of management meeting held on 17th June 2016 in accordance with s.266 of *Fair Work (Registered Organisations) Act 2009*.



JOHN DAVID QUESSY

Branch Secretary

Date: 17th June 2016

INDEPENDENT EDUCATION UNION OF AUSTRALIA NSW/ACT BRANCH

OPERATING REPORT

for the period ended 31 December 2015

The committee presents its report on the reporting unit for the financial year ended 31 December 2015

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The principal activities, performed by the state registered branch New South Wales Independent Education Union, of the organization during the financial year were;

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

The performance and result of these activities as review and conducted to the satisfaction of the members was as follows:

	31 December 2015	31 December 2014
	\$	\$
Revenue		
Income from operating activities	615,764	-
Expenses from operating activities	(615,764)	(1,980)
Surplus / (Deficit) for year	-	(1,980)

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

Significant changes in financial affairs

There were significant changes in the financial affairs during the year. The operation revenue went from nil in 2013/2014 to \$615,000 in 2014/2015.

The reporting unit continued to engaged in its principal activities, the result of which are disclosed in the attached financial statements. It is anticipated that the ensuring year operating will remain the same.

Right of members to resign

Members retain the right to resign from the Independent Education Union of Australia NSW/ACT Branch in accordance to Rule 21 of the Branch Rules.

Officers and employees who are superannuation fund trustee(s) or director of a company that is superannuation fund trustee

Name	Position held	Name of Super
John Quessy	Branch Secretary	NGS Super (Alternate Director)
Gloria Taylor	Branch Deputy Secretary	NGS Super (Director)
Chris Wilkinson	President	NGS Super (Director)
Bernadette Baker	Vice President Systemic	ACSRF (Director) – till 30 June 2015

The criterion for being a trustee or director is that the officer or employee is an officer or employee of the organisation.

Number of members

The number of members of the reporting unit at the end of the financial year was 32,386 (NSW/ACT Branch).

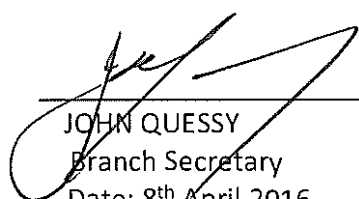
Number of employees

There were no employees for the reporting unit for the year ended 31 December 2015.

Names of Committee of Management Members and period positions held during the financial year

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

Name	Position Held
John Quessy	Branch Secretary
Gloria Taylor	Branch Deputy Secretary
Carol Matthews	Branch Assistant Secretary
Mark Northam	Branch Assistant Secretary
Chris Wilkinson	President
Louise Glase	Vice President Non-Systemic
Bernadette Baker	Vice President Systemic
Gabrielle Connell	Vice President Early Childhood Services
Carolyn Collins	Vice President Support Staff
Leah Godfrey	Vice President ACT
Marie MacTavish	Financial Officer
Peter Moore	Financial Officer
Marty Fitzpatrick	General Executive Member
Michael Hagan	General Executive Member
Ralph Hunt	General Executive Member
Denise McHugh	General Executive Member
Patricia Murnane	General Executive Member
Patrick Devery	General Executive Member
John O'Neill	General Executive Member
Ann Rogers	General Executive Member
James Jenkins – Flint	General Executive Member
Tina Ruello	General Executive Member



 JOHN QUESSY
 Branch Secretary
 Date: 8th April 2016



 GLORIA TAYLOR
 Branch Deputy Secretary
 Date: 8th April 2016

INDEPENDENT EDUCATION UNION OF AUSTRALIA NSW/ACT BRANCH

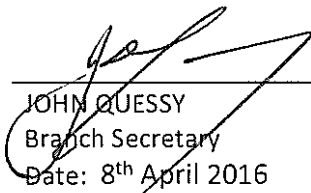
COMMITTEE OF MANAGEMENT STATEMENT for the period ended 31 December 2015

On the 8th April 2016 the Committee of Management of the Independent Education Union of Australia NSW/ACT Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2015:

The committee of Management declares 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 General Manager;
- (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; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the Fair Work (Registered Organisations) Act 2009, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

This declaration is made in accordance with a resolution of the Committee of Management.



JOHN QUESSY
Branch Secretary
Date: 8th April 2016



GLORIA TAYLOR
Branch Deputy Secretary
Date: 8th April 2016

INDEPENDENT EDUCATION UNION OF AUSTRALIA

NSW/ACT BRANCH

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	NOTES	2015 \$	2014 \$
Income			
Service fees received	3	615,764	-
Interest received		-	-
Total Income		<u>615,764</u>	<u>-</u>
Expenses			
Affiliations & Capitation Fees	4	(556,364)	-
ACTU IR LEVY		(57,600)	-
Audit and related charges		(1,800)	(1,980)
Total Expenses		<u>(615,764)</u>	<u>(1,980)</u>
Profit / (loss) for the year		<u>-</u>	<u>(1,980)</u>
Other comprehensive income			
Other comprehensive income		-	-
Total comprehensive income for the year		<u>-</u>	<u>(1,980)</u>

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

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NSW/ACT BRANCH**

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	NOTES	2015 \$	2014 \$
		<u> </u>	<u> </u>
ASSETS			
Current Assets			
Cash at bank	5	11,142	11,142
Others		-	-
Total current assets		<u>11,142</u>	<u>11,142</u>
Total non-financial assets		<u>-</u>	<u>-</u>
Total assets		<u>11,142</u>	<u>11,142</u>
LIABILITIES			
Total current liabilities	6	<u>-</u>	<u>-</u>
Total non-current liabilities		<u>-</u>	<u>-</u>
Total Liabilities		<u>-</u>	<u>-</u>
Net assets		<u>11,142</u>	<u>11,142</u>
MEMBERS' FUNDS			
Accumulated surplus		11,142	11,142
Total Members' Funds		<u>11,142</u>	<u>11,142</u>

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

INDEPENDENT EDUCATION UNION OF AUSTRALIA

NSW/ACT BRANCH

STATEMENT OF CHANGES IN ACCUMULATED FUNDS (LOSSES)

FOR THE YEAR ENDED 31 DECEMBER 2015

	NOTES	Accumulated funds \$
Balance as at 1 January 2014		13,122
Total Comprehensive income for the year		<u>(1,980)</u>
Balance as at 31 December 2014		<u>11,142</u>
Total Comprehensive income for the year		<u>-</u>
Balance as at 31 December 2015	7	<u>11,142</u>

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

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NSW/ACT BRANCH**

**STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2015**

	NOTES	2015 \$	2014 \$
		<u> </u>	<u> </u>
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from other reporting units		553,716	-
Payment to other reporting units		(553,716)	(1,980)
Net Cash provided by operating activities	8b	<u> -</u>	<u> (1,980)</u>
NET INCREASE/(DECREASE) IN CASH HELD		<u> -</u>	<u> (1,980)</u>
Cash & cash equivalents at the beginning of the reporting period		11,142	13,122
Cash & cash equivalents at the end of the reporting period	8a	<u> 11,142</u>	<u> 11,142</u>

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

INDEPENDENT EDUCATION UNION OF AUSTRALIA NSW/ACT BRANCH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1. STATEMENT OF ACCOUNTING POLICIES

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Independent Education Union of Australia NSW/ACT Branch is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities at measured at fair value, as explained in the accounting policies below. Historical cost generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Basis Comparative amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1.3 Significant accounting judgments and estimates

The following is a summary of the significant accounting policies adopted by the Independent Education Union of Australia NSW/ACT Branch in preparation of the accounts:

- (a) Income from membership contribution is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

No contributions were received during the year.

- (b) No provision for income tax is necessary as the Independent Education Union of Australia NSW/ACT Branch is exempt from income tax under section 50.1 of the Income Tax Assessment ACT 1997.

- (c) Property, plant and equipment. Each class of property, plant and equipment is at cost carried less, where applicable, any accumulated depreciation and any impairment is value. The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

The Branch has no property, plant or equipment during and at the end of the year.

- (d) Employee benefits. A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

There were no employees during the year.

- (e) Capitation fees. These fees are recognised on an accruals basis, and recorded as an expense in the year to which they relate.

There were no employees during the year.

1.4 New Australian Accounting Standards

- (a) Adoption of New Australian Accounting Standard requirements.

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year except for the following standards, which have been adopted for the first time this financial year:

- AASB 10 *Consolidated Financial Statements* redefines the concept of control. AASB 10 replaces the consolidation requirements of SIC-12 Consolidation—Special Purpose Entities and AASB 127 Consolidated and Separate Financial Statements and is effective for not-for-profit entities with annual periods beginning on or after 1 January 2014. This Standard did not have an impact on the Union.
- AASB 11 *Joint Arrangements* sets out a new framework for the accounting for joint ventures, including removal of the option to use proportionate consolidation. The adoption of this Standard did not have an impact on the Union.
- AASB 12 *Disclosures of Interests in Other Entities* is a disclosure standard that includes all of the disclosure requirements for subsidiaries, joint arrangements, associates and consolidated and unconsolidated structured entities. . The adoption of this Standard did not have an impact on the Union.

- (b) Future Australian Accounting Standards Requirements

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective and that any impact on the initial application is not known or cannot be reasonably estimated:

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
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AASB 2014-1 'Amendments to Australian Accounting Standards' - Part D: 'Consequential Amendments arising from AASB 14'	1 January 2016	30 June 2017
AASB 2014-1 'Amendments to Australian Accounting Standards' - Part E: 'Financial Instruments'	1 January 2015	30 June 2016
AASB 14 'Regulatory Deferral Accounts'	1 January 2016	30 June 2017
AASB 2014-3 'Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations'	1 January 2016	30 June 2017
AASB 2014-4 'Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation'	1 January 2016	30 June 2017

2. Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or the General Manager of Fair Work Australia:

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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).

3. INCOME

None of the following activities occurred during the reporting period:

- a) Entrance fees or periodic subscriptions in respect of membership of the Organisation.
- b) Capitation fee received.
- c) Compulsory levies raised from members.
- d) Donations or grants received.

3.1 SERVICES FEE

	2015 \$	2014 \$
Service fees received – NSW/ACT IEU	615,764	-
	615,764	-

3.2 INTEREST INCOME

	2015 \$	2014 \$
Interest received	-	-
	-	-

4. EXPENSES

None of the following activities occurred during the reporting period:

- a) Employee related expenses as there were no employees.
- b) Grants or donations paid.
- c) Fees or allowances paid to persons in respect of their attendance as representatives of the reporting unit at conferences or other meetings.
- d) Expenses incurred in connection with holding of any meeting.
- e) Legal costs or other expenses related to litigation or other legal matters.
- f) Penalties imposed by any statutory body with respect to conduct of the reporting unit.

4.1 AFFILIATION & CAPITATION FEES

	2015 \$	2014 \$
Affiliation & Capitation fees	556,364	-
	556,364	-

4.2 ACTU IR LEVY

	2015 \$	2014 \$
ACTU IR Levy	57,600	-
	57,600	-

4.3 AUDIT AND RELATED CHARGES

	2015 \$	2014 \$
Auditor's fee	1,800	1,980
	1,800	1,980

5. CURRENT ASSETS

5.1 CASH AT BANK

	2015 \$	2014 \$
Westpac cheque account	11,142	11,142
	11,142	11,142

5.2 Others

	2015 \$	2014 \$
GST Adjustment	-	-
	-	-

5.3 FINANCIAL INSTRUMENTS

The committee of management meets on a regular basis to analyse the financial risk exposure with respect to most recent economic conditions and forecasts and to minimise the potential adverse effects on the financial performance of the Branch. Risk management policies including credit risk, liquidity risk are reviewed regularly. Majority of the Branch's surplus funds is invested in term deposits in a bank with high credit rating. Term deposits held-to-maturity are re-invested upon maturity. The carrying amount of the financial assets is reviewed annually to identify any impairment of financial assets.

a) Interest rate risk

The Branch exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

The Branch does not have any material interest risk exposure to any assets and liabilities under financial instruments entered into by the Branch.

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

Categories of Financial Instruments

	2015 \$	2014 \$
Financial Assets		
Cash at bank	11,142	11,142
Total	<u>11,142</u>	<u>11,142</u>

5.4 ASSETS AND LIABILITIES ACQUISITIONS

There were no acquisition of assets or liabilities during the year as there were no business combination or

- a) any amalgamation under Part 2 of Chapter 3, of the Fair Work (Registered Organisations) Act 2009; or
- b) a restructure of branches of the organization; or

- c) a determination by the General Manager under subsection 245 (1) of the Fair Work (Registered Organisations) Act 2009 of an alternative reporting structure for the organisation; or
- d) a revocation by the General Manager under subsection 249 (1) of the Fair Work (Registered Organisations) Act 2009 of a certificate issued to an organisation under subsection 245 (1).

6. LIABILITIES

- a) There were no employee related liabilities during the year. The organisation has no employees.
- b) There were no payables in respect of legal costs or other expenses related to litigation or other legal matters.

7. CHANGES IN EQUITY

There was no movement whether of transfers or withdrawals in the equity account during the year.

	2015 \$	2014 \$
Opening balance 1 January 2015	11,142	13,122
Deficit attributable to members	-	(1,980)
Closing balance at 31 December 2015	11,142	11,142

8. CASH FLOW INFORMATION

	2015 \$	2014 \$
a) Reconciliation of cash		
Cash at the end of the financial year as shown in the Statement of Cash Flow is reconciled to the related items in the Balance Sheet		
Cash at bank	11,142	11,142

b) Reconciliation of cash flow from ordinary activities		
Surplus/(deficit) from ordinary activities	-	(1,980)
	<hr/>	<hr/>
Cash flow from ordinary activities	-	(1,980)
	<hr/>	<hr/>

9. RECOVERY OF WAGES ACTIVITY

There was no recovery of wages activity during the year as the organisation has no employees.

10. SUBSEQUENT EVENTS

There were no events that occurred after 31 December 2015, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Independent Education Union of Australia NSW/ACT Branch.

The IEUA has members in non government education institutions in every state and territory. In order to organise and serve the industrial and professional rights of the members, from 1st July 2016, members of the Independent Education Union NSW/ACT Branch will be members of the Independent Education Union of Australia NSW/ACT Branch. The result of the changes will increase the importance of federal council as a governing body.

11. GOING CONCERN

The management has used the going concern basis of accounting in the preparation of the financial statements.

Independent Education Union of Australia NSW/ACT Branch is not reliant on any financial support from any unit for its ability to continue as a going concern. However, all its services are carried out by the New South Wales Independent Education Union as and when required.

Independent Education Union of Australia NSW/ACT Branch has not provided or has it agreed to provide any financial support to ensure any other reporting unit the ability to continue as a going concern.

12. RELATED PARTY DISCLOSURES

Under Rule 7(f) of the Rules of the Independent Education Union of Australia, the New South Wales Independent Education Union is an Associated Body.

The officeholders received no 'non cash' benefits (2014: \$nil). No officeholder or officer of the Branch (this year or last year) received any remuneration.

Pursuant to rules, the Committee of Management confirms that the following receipts occurred in relation to related parties and / or declared parties for the year ended 31 December 2015:

Party	Type of Transaction	Amount \$
NSW/ACT IEU	Service fees	615,764

13. FINANCIAL ASSETS AND LIABILITIES

Management of the reporting unit assessed that cash, trade receivables, trade payables, and other current liabilities, if any approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair value:

- Fair values of the reporting unit's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 31 December 2015 was assessed to be insignificant.
- Fair value of available-for-sale financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 31 December 2015 there were no such item to report.

The following table contains the carrying amounts and related fair values of the reporting unit's financial assets and there were no liabilities for the reporting year:

	Carrying amount 2015 \$	Fair value 2015 \$	Carrying amount 2014 \$	Fair value 2014 \$
Financial Assets				
Cash at Bank	11,142	11,142	11,142	11,142
Total	11,142	11,142	11,142	11,142

INDEPENDENT AUDITOR'S REPORT

To the members of Independent Education Union of Australia NSW/ACT Branch

Report on the Financial Report

We have audited the accompanying financial report of Independent Education Union of Australia NSW/ACT Branch which comprises the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows, accompanying notes to these financial statements and the Committee of Management Statement for the year ended 31 December 2015.

Responsibility for the Financial Report

The Committee of Management and the General Secretary of the Independent Education Union of Australia NSW/ACT Branch are responsible for the preparation and fair presentation of the financial reports in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009 and other mandatory financial reporting requirements in Australia.

This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards and with reference to the Fair Work (Registered Organisations) Act 2009. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management and the General Secretary, as well as evaluating the overall presentation of the financial statements.

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

Independence

In conduct our audit, we have complied with the independence requirement of Australian professional ethical pronouncement and the Fair Work (Registered Organisations) Act 2009.

Auditor's Opinion

We state that the financial report has been audited and in our opinion, under the Fair Work (Registered Organisations) Act 2009, the financial report of Independent Education Union of Australia NSW/ACT Branch 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 NSW/ACT Branch in relation to the financial year ending 31 December 2015 and report that in our opinion satisfactorily accounting records were kept by the Branch in relation to the period, including:

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

In our opinion the financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 Chapter 8 of the Fair Work (Registered Organisation) Act 2009;

- 1) the financial affairs of the Branch as at the end of the financial year; and
- 2) The income and expenditure, and any surplus/(deficit) of the Branch for the year;

And that the management's use of the going concern basis of accounting in the preparation of the Branch's financial statements is appropriate.

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

We declare that the auditor is an approved auditor as provided in the Fair Work (Registered Organisation) Act 2009 and is a fellow of The Institute of Chartered Accountants in Australia with a current Public Practice Certificate.

Sutherland & Company
Chartered Accountants and
Registered Company Auditor 3835



D W Sutherland, AM JP BA FCA FGIA
Date: 2nd May 2016



9 June 2016

Mr John Quessy
General Secretary

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

Sent via email: industrial@ieu.asn.au

Dear Mr Quessy,

Lodgement of Financial Report - Reminder to lodge on or before 15 July 2016

The Fair Work Commission's (the Commission) records disclose that the financial year of the Independent Education Union of Australia-New South Wales/Australian Capital Territory Branch (the reporting unit) ended on the 31 December 2015.

As you would be aware, the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires that a reporting unit prepare a financial report in accordance with the RO Act, make it available to the members and then must lodge the financial report within 14 days after the general meeting of members, or if the rules of the reporting unit allow, the Committee of Management meeting (s.268).

The maximum period of time allowed under the RO Act for the completion of the financial reporting process is six months and 14 days after the expiry date of its financial year (s.253, s254, s265, s.266, s.268). For your reporting unit that requires lodgement of its financial report on or before **15 July 2016, and in any event no later than 14 days after the relevant meeting.**

The Commission encourages your reporting unit to lodge its financial report at the earliest opportunity in order to ensure compliance with its obligations. Failure of a reporting unit to lodge its financial report is a breach of a civil penalty provision of the RO Act. This can result in the General Manager instituting an inquiry or investigation into a reporting unit's non-compliance under Chapter 11, Part 4 of the RO Act. The actions available to the General Manager following an investigation include issuing Federal Court legal proceedings for breach of a civil penalty provision. The orders available to the Federal Court include imposition of a pecuniary penalty on the organisation or individual officer, whose conduct led to the contravention, of up to \$54,000 per contravention on the organisation and up to \$10,800 per contravention on an officer whose conduct led to the contravention.

Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

We encourage you to lodge the full financial report directly to orgs@fwc.gov.au. That is the official email address for electronic lodgements of material related to registered organisations matters.

Should you seek any clarification in relation to the above, please contact me on (03) 8656 4699 or via email at Sam.Gallichio@fwc.gov.au.

Yours sincerely,

Sam Gallichio
Adviser
Regulatory Compliance Branch

11 Exhibition Street
Melbourne VIC 3000
GPO Box 1994
Melbourne VIC 3001

Telephone : (03) 8661 7777
Email : orgs@fwc.gov.au
Internet : www.fwc.gov.au



15 January 2016

Mr John Quessy
General Secretary
Independent Education Union of Australia-New South Wales/Australian Capital Territory Branch
Sent via email: industrial@ieu.asn.au

Dear Mr Quessy,

**Re: Lodgement of Financial Report - [FR2015/415]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Independent Education Union of Australia-New South Wales/Australian Capital Territory Branch (the reporting unit) ended on 31 December 2015.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date under s.268 of the RO Act, namely 15 July 2016 (being the expiry date of 6 months and 14 days from the end of the financial year).

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. Further, the General Manager's updated Reporting Guidelines that apply to all financial reports prepared on or after 30 June 2014 are also available on the website supported by a webinar presentation.

The Fair Work Commission has developed a model set of financial statements. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards. The model statement and other resources can be accessed through our website under [Financial Reporting](#) in the Compliance and Governance section.

I request that the financial report and any statement of loans, grants or donations made during the financial year (statement must be lodged within 90 days of end of financial year) be emailed, rather than posted, to orgs@fwc.gov.au. A sample statement of loans, grants or donations is available at [sample documents](#).

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$51,000 for a body corporate and \$10,200 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you wish to seek any clarification in relation to the above, please contact me on (03) 8656 4699 or via email at Sam.Gallichio@fwc.gov.au.

Yours sincerely,

Sam Gallichio
Adviser
Regulatory Compliance Branch

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
<p>(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.</p> <p>(b) A # designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).</p>	/ /	As soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	<p>Within a reasonable time of having received the GPFR</p> <p>(NB: Auditor's report must be dated on or after date of Committee of Management Statement</p>
<p>Provide full report free of charge to members – s265</p> <p>The full report includes:</p> <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	/ /	<p>(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting,</p> <p>or</p> <p>(b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.</p>
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.