



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9654 6672

Ms Cheryl Salter
Branch Secretary
Independent Education Union of Australia
Northern Territory Branch
2 Gardiner Street
DARWIN NT 0800

By facsimile: (08) 8981 1935

Dear Ms Salter,

Re: Financial Reports for year ending 31 December 2004 - FR 2004/653

Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)

I acknowledge receipt of the financial report for the Northern Territory Branch of the Independent Education Union of Australia for the year ended 31 December 2004. The documents were lodged in the Industrial Registry on 23 May 2005.

As you would be aware, this is the first lodgment by the branch of its audited financial report under Schedule 1B (Registration and Accountability of Organisations (RAO) Schedule) which commenced on 12 May 2003. A chronological summary of the RAO provisions is set out in the enclosed *Timeline*.

The documents have been filed.

The following comments may assist you when you next prepare financial reports. No further action is required regarding these issues with respect to the lodged documents.

Presentation of documents to meeting

It is noted that the financial documents were presented to a Committee of Management meeting rather than a general meeting of members. This may not be in accord with the RAO Schedule.

Under the RAO Schedule the standard obligation is for the full financial report to be presented to a general meeting of members within 6½ months of the end of the financial year. The documents may only be presented directly to a Committee of Management meeting where the rules of the organisation (or branch) contain a provision that allows up to 5% of members to call a general meeting to be held to consider the report - see s266(3).

It would appear that the rules of the branch do not currently contain a provision to this effect. Therefore, if the branch wishes to present its financial documents for year ending 31 December 2005 and later financial years to a Committee of Management meeting it will be necessary for the branch to amend its rules in accordance with the requirements of s266(3).

The Registry can provide advice and/or assistance regarding any draft rules the branch may wish to submit with respect to this issue. For example, I note that the Victorian Branch of the IEUA has inserted Rule 23 into its Branch Rules to address the requirements of s266. You may view a full copy of the IEUA Rules at <http://www.airc.gov.au/organisations/list/130n.htm>.

Conversely, if the branch intends to present future financial reports to general meetings rather than Committee meetings, then no alteration to the branch rules will be required.

Auditor's Report

The Auditor's Report should be revised so that it specifically confirms whether, in the Auditor's opinion, the accounts are presented fairly in accordance with the *Australian Accounting Standards* and the requirements of the RAO Schedule – see s257(5) of the RAO Schedule.

In addition, the auditor's report should indicate whether the auditor is an *approved auditor*. Regulation 4 of the RAO Regulations 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. Accordingly, the auditor should provide sufficient information in the audit report to enable users of the accounts to be satisfied that the auditor is an approved auditor as defined in Regulation 4.

Signing of documents - Operating Report

It is noted that the Operating Report was not signed or dated. In future financial years please ensure that the Operating Report is prepared, signed and dated by a member of the Committee of Management or a designated officer – see s254 of the RAO Schedule.

Further information

For your assistance in future financial years, we recommend that you and your accountant/auditor refer to the following documents on the Commission's website at www.airc.gov.au:

- RAO Schedule
- RAO Regulations
- Registrar's Reporting Guidelines - All General Purpose Financial Reports must comply with these Guidelines. Please note that the Guidelines set out requirements that are *in addition* to those required by the Australian Accounting Standards.
- RAO Fact Sheets - These Fact Sheets explain the requirements of the RAO Schedule - many of them deal with financial reporting matters.

If you have any queries, please contact me by email at andrew.schultz@air.gov.au or by phone on (03) 8661 7799.

Yours faithfully,

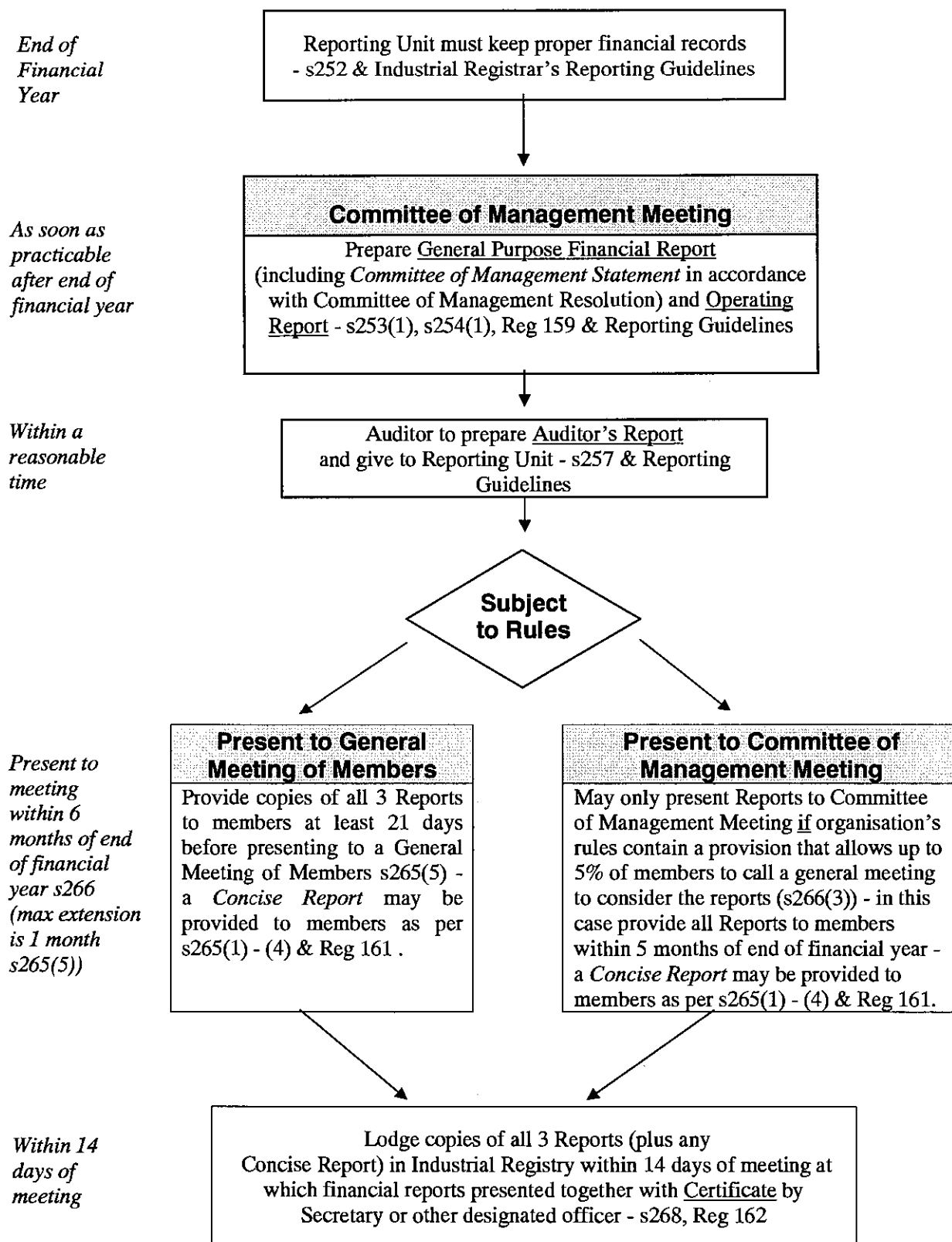


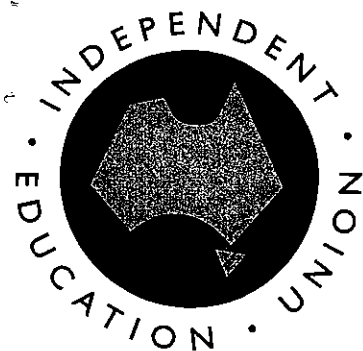
Andrew Schultz
Statutory Services Branch

16 September 2005

Financial Reporting Timeline (RAO Schedule)

Lodge financial reports within 6½ months of end of financial year by completing the following steps:





INDEPENDENT EDUCATION UNION of Australia

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R2004/653

20 May 2005

Rec'd 23/5/05
48

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

Dear Registrar,

Please find attached the 2004 Audit for the Independent Education Union NT Branch of Australia together with the Designated Officer's Certificate in accordance with Section 268 of the Workplace Relations Act.

Yours sincerely,

Lynne Rolley
Federal Secretary

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

I Cheryl Salter being the Secretary of the Independent Education Union NT Branch certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- that the full report was provided to members via its publication on the IEU NT website at www.ieu.org.au/nt on the 6th April 2005; and
- that the full report was presented to a meeting of the NT Executive on 3 March 2005 and on the 6 May 2005 in accordance with section 266 of the RAO Schedule.

Signature: Cheryl Salter

Date: 9th May 2005



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
NORTHERN TERRITORY BRANCH**

Year Ended 31st December, 2004

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NORTHERN TERRITORY BRANCH**

GENERAL PURPOSE FINANCIAL REPORT

YEAR ENDED 31ST DECEMBER, 2004

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**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NORTHERN TERRITORY BRANCH**

COMMITTEE OF MANAGEMENT'S STATEMENT

On the 3rd March, 2005 the Committee of Management 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, 2004.

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation; 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) where the organisation consists of 2 or more reporting units, 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 Committee of Management: John Gaulke

Cheryl Salter

Title of Office held: Branch President

Branch Secretary

Signature:



Date:

3/3/2005

3/3/2005

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NORTHERN TERRITORY BRANCH**

OPERATING REPORT

PRINCIPAL ACTIVITIES FOR THE YEAR

- (1) **Design**, implementation and co-ordination of campaigns and programs regarding membership organising, industrial and professional agendas.
- (2) **Representation** of the industrial and professional interests of the members in a broad range of Federal and Territory government committees, the Australian Industrial Relations Commission and various statutory bodies and community organisations concerned with educational, industrial and other relevant concerns.
- (3) **Provision** of political, industrial, legal and professional advice to members and chapters of the union on various educational and industrial issues.
- (4) **Development of submissions** to national inquiries on school funding, educational and industrial rights issues relevant to the membership and the broader union movement and community. Participation on behalf of the union and its membership in the public debate on these matters.
- (5) **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 NT branch, union movement and national union movement policy development.
- (6) **Protection and carriage** of the NT Branch Rules.
- (7) **Negotiation and prosecution** of claims for improved salaries and conditions for members in NT non-government schools.

RESULT OF THOSE ACTIVITIES

- (1) Continued growth of the NT Branch's membership in all non-government schools in the NT.
- (2) A proactive membership industrially and professionally.
- (3) Continued public profile of the NT Branch on behalf of teachers and support staff in non government education.
- (4) Improvements in the industrial and professional conditions of the membership.
- (5) Successful completion of negotiated Awards and Certified Agreements on behalf of members in non-government in the NT.

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 BRANCH FINANCIAL AFFAIRS DURING THE YEAR

There have been no significant changes in the financial affairs of the Union during the past year.

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NORTHERN TERRITORY BRANCH**

OPERATING REPORT (Cont'd)

DETAILS OF THE RIGHT OF MEMBERS TO RESIGN

A member may resign from the Union in accord with Federal 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.

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

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

There are no officers or members in the IEUNT Branch holding such positions.

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NORTHERN TERRITORY BRANCH**

OPERATING REPORT (Cont'd)

THE NUMBER OF PERSONS THAT WERE RECORDED IN THE REGISTER OF MEMBERS ON 31/12/04

There were 300 members on the register of members on 31 December 2004.

THE NUMBER OF PERSONS WHO WERE EMPLOYEES OF THE FEDERAL UNION ON 31/12/04, INCLUDING FULL-TIME OR PART-TIME

In 2004, there were two persons employed by the NT Branch. The branch organiser was employed on a 0.6 basis. The branch administration officers was employed from January 2004 to April 2004.

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 were on the NT Branch Committee of Management during the following months of the reporting period:

John Gaulke for January - December 2004
Jim Stanley for January - December 2004
Elsabe Bott for January - December 2004
Cheryl Salter for January - December 2004
John Cooper for January - October 2004
Joanne Watkins for January - October 2004
Terry Cullen for January - October 2004
Brian Clancy for January - October 2004
Sue Wait for January - October 2004
Andrew Foster for November - December 2004
Nuala Cullen for November - December 2004
Erica Schultz for November - December 2004

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NORTHERN TERRITORY BRANCH**

Statement of Financial Position as at 31st December, 2004

2003			
\$	MEMBERS FUNDS		
43,553	Balance as at 31st December, 2003		47,388
3,835	Plus Profit for Year		<u>10,976</u>
<u>\$47,388</u>			<u>\$58,364</u>
	CURRENT ASSETS		
	Commonwealth Bank of Australia		
4,186	Cheque Account	9,220	
40,826	AMP Banking	56,912	
1,500	Debtors	0	
3,346	Prepayments	<u>2,547</u>	
<u>49,858</u>	Total Current Assets		68,679
	LESS CURRENT LIABILITIES		
6,719	Creditors	4,274	
949	G.S.T. Payable	2,935	
0	Provision for Annual Leave	2,326	
0	Provision for Long Service Leave	<u>4,913</u>	
<u>7,668</u>	Total Current Liabilities		14,448
42,190	Working Capital		<u>54,231</u>
	PLUS NON CURRENT ASSETS		
	Property, Plant & Equipment		
5,000	Motor Vehicle	5,000	
(2,164)	Less Provision for Depreciation	<u>2,589</u>	2,411
8,902	Office Equipment (at cost)	8,901	
(6,540)	Less Provision for Depreciation	<u>7,179</u>	<u>1,722</u>
<u>5,198</u>	Total Non Current Assets		4,133
<u>\$47,388</u>	NET ASSETS		<u>\$58,364</u>

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NORTHERN TERRITORY BRANCH**
Statement of Financial Performance for Year Ended 31st December, 2004

2003	Income	Notes	
\$			
85,598	Members Subscriptions		89,094
1,968	Interest Received		2,135
107	Motor Vehicle Reimbursement		0
661	Sundry Income		83
<u>11,500</u>	Subsidy - Independent Education Union of Australia		<u>18,636</u>
<u>99,834</u>	Total Income		<u>109,948</u>
	Less Expenditure		
0	Advertising & Marketing		801
5,242	Affiliation Fees	3	5,224
0	Annual leave Provision		2,326
1,000	Audit Fees		1,025
771	Bank Charges & Duties		853
0	Computer Costs		1,499
0	Conference & Seminar Costs		150
718	Depreciation		1,065
546	Donations	4	492
313	Fringe Benefits Tax - Officers Car		967
2,944	Insurance		3,615
2,221	Legal Fees		716
0	Long Service Leave Provision		4,913
0	Membership Promotions		2,725
1,589	Member Meetings & Functions		1,274
3,368	Motor Vehicle Expenses		1,782
4,054	Office Requisites & Amenities		3,824
2,923	Payroll Tax		2,215
430	Postage & Courier		386
1,316	Printing & Stationery		530
50	Publications		(98)
3,805	Rent		3,250
375	Repairs & Maintenance		0
37,654	Salaries - Officers		37,602
4,900	Salaries - Administration Staff		2,893
3,439	Superannuation		3,606
604	Sundry Expenses		0
4,729	Telephone		3,636
11,959	Travelling & Accommodation		9,266
1,049	Workcover		2,435
<u>95,999</u>	Total Expenditure		<u>98,972</u>
<u>\$3,835</u>	SURPLUS FOR YEAR		<u>\$10,976</u>

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NORTHERN TERRITORY BRANCH
Statement of Cash Flows for Year Ended 31st December, 2004**

2003			
\$	Cash Flows from Operating Activities		
96,366	Revenue from Operations	109,313	
(90,746)	Payments to Suppliers and Employees	(92,314)	
1,968	Interest Received	2,135	
449	Net GST Collected	<u>1,986</u>	
<u>8,037</u>	Net Cash provided by Operating Activities (see Note 2)		21,120
	Cash Flows from Investing Activities		
(2,179)	Purchase of Furniture & Equipment	<u>0</u>	
(2,179)	Net Cash used in other activities		<u>0</u>
5,858	Net Increase (Decrease) in Cash Held		21,120
39,154	Cash at beginning of year		45,012
<u>\$45,012</u>	Cash at end of year		<u>\$66,132</u>

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:

	Commonwealth Bank of Australia		
4,186	- Cheque Account		9,220
40,826	AMP Banking		<u>56,912</u>
<u>\$45,012</u>			<u>\$66,132</u>

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

	Operating Surplus (Deficit) for Year		10,976
3,835	Depreciation		1,065
718	Changes in Assets and Liabilities		
(1,500)	(Increase) Decrease in Debtors		1,500
758	(Increase) Decrease in Prepayments		799
4,226	Increase (Decrease) in Creditors		(2,445)
0	Increase (Decrease) in G.S.T. Payable		1,986
0	Increase (Decrease) in Provisions		
0	- Annual Leave		2,326
0	- Long Service Leave		<u>4,913</u>
<u>\$8,037</u>			<u>\$21,120</u>

Cash Outflows shown in brackets

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NORTHERN TERRITORY BRANCH
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:-

Office Furniture & Fittings	15%
Motor Vehicles	15%

(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 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
NORTHERN TERRITORY BRANCH
NOTES TO AND FORMING PART OF ACCOUNTS (CONT'D)**

2003			
\$	Note 3		
	Affiliation Fees Paid		
3,563	IEUA		3,818
275	NT Joint Council of Professional Teaching		0
1,330	NT Trades & Labour Council		1,330
74	Union Shopper		76
<u>5,242</u>			<u>5,224</u>

	Note 4		
	Donations		
9	Burma Human Rights		0
0	ICTUR/TURC Indonesian Projects		9
273	May Day Celebrations		0
0	May Day T-Shirts		227
14	Peace Advertisement		0
0	SDA 20th Anniversary Posters		56
0	Special Children's Christmas Parties		200
250	The Essington School Darwin		0
<u>546</u>			<u>492</u>

**AUDITORS REPORT TO THE MEMBERS OF
INDEPENDENT EDUCATION UNION OF AUSTRALIA
NORTHERN TERRITORY BRANCH**

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 Northern Territory Branch for the year ended 31st December, 2004.

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 Certificate of the Committee of Management Statement, are prepared in accordance with Section 253 of the Workplace Relations Act, 1996. The accounts set out on page 5 to 10 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, 2004; 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.

K.L. Paroissien & Associates



A.R. Paroissien PNA

Melbourne, 6th April, 2005

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
NORTHERN TERRITORY BRANCH
Year Ended 31st December, 2004**

DEPRECIATION SCHEDULE

	Original Cost	Value at 31/12/03	Written Off	Value at 31/12/04
1. Furniture & Fittings				
Plant & Equipment	6,512	340	15%	51
G80 Medium Back Chair	209	-		-
Computer P4 2.4 Ghz	2,180	2,022	27%	589
	<u>\$8,901</u>	<u>\$2,362</u>		<u>\$640</u>
				<u>\$1,722</u>
2. Motor Vehicle				
Toyota Starlet (581-768)	\$5,000	\$2,836	15%	\$425
				<u>\$2,411</u>
Totals	<u>\$13,901</u>	<u>\$5,198</u>		<u>\$1,065</u>
				<u>\$4,133</u>