



14 June 2016

Mr Terence Burke
Secretary, Queensland and Northern Territory Branch
Independent Education Union of Australia

Sent via email: tburke@qieu.asn.au

Dear Mr Burke,

Re: Lodgement of Financial Report - Fair Work (Registered Organisations) Act 2009 (the RO Act) – Independent Education Union of Australia, Queensland and Northern Territory Branch [FR2015/398]

I refer to the financial report of the Independent Education Union of Australia, Queensland and Northern Territory Branch. The documents were lodged with the Fair Work Commission (FWC) on 29 May 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.

Please note that the financial report for the year ending 31 December 2016 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged, but I make the following comments to assist you when you next prepare a financial report. The FWC will confirm this matter is addressed prior to filing next year's report.

Key management personnel compensation

Note 13 did not disclose remuneration to key management personnel in strict accordance with the categories set out in paragraph 17 of Australian Accounting Standard *AASB 124 Related Party Disclosures*.¹

This normally includes a listing of the key management personnel for the organisation, the total amount of compensation paid to all key management personnel, and then totals for each of the following categories:

- Short term employee benefits
- Post-employment benefits
- Other long term employee benefits
- Termination benefits
- Any share based payments.

The definition for these categories can be found within accounting standard *AASB 119: Employee Benefits*.

¹ The disclosures at Note 13 replicated the category expense balances required by Reporting Guideline 16(f). Although the total figure of compensation might be identical, the presentation by particular AASB categories may differ.

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

Certificate by Prescribed Designated Officer
for the period ended 31 December 2015

I, Terence Burke, being the Branch Secretary of the Independent Education Union of Australia – Queensland and Northern Territory Branch certify:

- that the documents lodged herewith are copies of the full report for the Independent Education Union of Australia – Queensland and Northern Territory Branch for the period ended 31 December 2015 referred to in s.268 of the Fair Work (Registered Organisation) Act 2009; and
- that the full report was provided to members of the reporting unit on 22 April 2016; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 22 May 2016 in accordance with s.266 of the Fair Work (Registered Organisations) Act 2009.



Terence Burke, Branch Secretary.

23 May 2016



**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**FINANCIAL REPORT TO MEMBERS
FOR THE YEAR ENDING 31 DECEMBER 2015**

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

CONTENTS

Operating Report	Page i
Committee of Management Report	Page iv
Index to Financial Statements	Page 1

THE INDEPENDENT EDUCATION UNION OF AUSTRALIA QUEENSLAND AND NORTHERN TERRITORY BRANCH

OPERATING REPORT

The Branch Executive (Committee of Management) of the Independent Education Union of Australia – Queensland and Northern Territory Branch presents its report for the period ended 31 December 2015.

Review of Principal Activities and Results

The principal activity of the Branch during the year was that of a branch of a registered union of employees. Those activities included, but were not limited to:

- Recruitment and retention of members;
- Provision of support and advice to members;
- Provision of support for overseas activities such as ongoing support for the Council of Pacific Education and the Shanghai Union Relationship;
- Provision of support for the federal union agenda in education, equity and industrial issues.

The Branch's principal activities resulted in:

- Maintenance and improvement of wages and conditions of employment for our members, especially those covered by collective bargaining agreements negotiated by our union;
- Growth of our solid membership base in Queensland and the Northern Territory, demonstrating member satisfaction of the support and advice currently provided to them; and
- Enhancement of our developing relationship with overseas organisations.

There were no significant changes to the nature of the Branch's activities during the year.

Significant Changes in Financial Affairs

On 1 September 2015 the Branch assumed responsibility for all expenses in relation to providing services to members and for collecting membership subscription revenue.

Right of Members to Resign

In accordance with Rule 21 of the Independent Education Union of Australia, a member may resign from membership by written notice addressed and delivered to the Branch Secretary.

Officers and Employees who are Superannuation Fund Trustees or are Directors of a Company that is a Superannuation Fund Trustee are:

Terence Burke	Branch Secretary	Director of QIEC Pty Ltd, the Corporate Trustee of QIEC Super
John Spriggs	Senior Industrial Officer	Director of QIEC Pty Ltd, the Corporate Trustee of QIEC Super
Chris Seymour	Industrial Services Co-ordinator	Alternate Director of QIEC Pty Ltd, the Corporate Trustee of QIEC Super

Number of Members

The number of members recorded at the end of the financial year was 17,395.

Number of Employees

The number of employees (on a full time equivalent basis) at the end of the financial year was 63.

Names of Committee of Management Members and the Periods Held During the Financial Year

Queensland Division:

The following persons held positions on the Committee of Management during the reporting period:

Andrew Elphinstone	President	Full year
Terence Burke	Branch Secretary	Full year
Paul Giles	Assistant Branch Secretary/Treasurer	Full year
Bradley Hayes	Assistant Branch Secretary	Full year
Rebecca Sisson	Assistant Branch Secretary	Full year
Aleisha Connellan	Senior Vice-President (Queensland Division)	Full year
Des McGovern	Junior Vice-President	Full year
Bryce Goldberg	Branch Executive Member	Full year
Denis Kettle	Branch Executive Member	1/1/15 – 30/11/15
Robert Amedee	Branch Executive Member	1/1/15 – 20/1/15
Peter Butler-Wood	Branch Executive Member	Full year
Lynette Byrnes	Branch Executive Member	Full year
Christopher Chapman	Branch Executive Member	Full year
Beverley Day	Branch Executive Member	Full year
David Frazer	Branch Executive Member	1/1/15 – 8/9/15
Colin Grant	Branch Executive Member	Full year
John Kennedy	Branch Executive Member	Full year
Kerry Laws	Branch Executive Member	Full year
Lea Martin	Branch Executive Member	Full year
Mary Osterio	Branch Executive Member	Full year
Andrew Stein	Branch Executive Member	1/1/15 – 27/8/15
Andrew Street	Branch Executive Member	Full year
Janine Colwell	Branch Executive Member	Full year
Jodie Dern	Branch Executive Member	Full year
Ian Hughes	Branch Executive Member	Full year
Rebecca Sisson	Branch Executive Member	Full year
Jessica Prouten	Branch Executive Member	Full year
Jennifer Finlay	Branch Executive Member	Full year
Victoria McTaggart	Branch Executive Member	Full year
Karyl Young	Branch Executive Member	30/10/15 – 31/12/15

Northern Territory Division:

The following persons held positions on the Committee of Management during the reporting period:

Erica Schultz	Senior Vice-President (NT Division)	Full year
Louise Lenzo	Branch Executive Member	Full year
Sam Typuszak	Branch Executive Member	Full year
Alana Emerick	Branch Executive Member	1/1/15 – 20/1/15

Date: 14 March 2016

Signature of designated officer:

A handwritten signature in black ink, appearing to read 'T. P. Burke', is written over a horizontal line.

Name of designated officer: Terence P Burke – Branch Secretary

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

COMMITTEE OF MANAGEMENT STATEMENT

On 13 March 2016, the Committee of Management (Branch Executive) of the Independent Education Union of Australia – Queensland and Northern Territory Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2015.

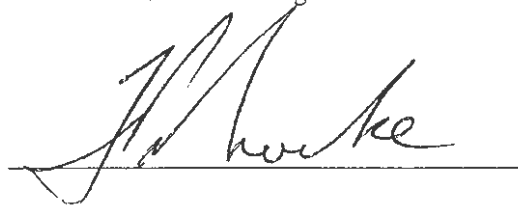
The IEUA-QNT Branch Executive declares that in its opinion:

- (a) the financial statements and notes comply with Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager of the Fair Work Commission;
- (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 and the rules of the Branch; 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; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act ; and
 - (iv) 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 RO Act, that information 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 RO Act, 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.

Date: 14 March 2016

Signature of prescribed designated officer:

A handwritten signature in black ink, appearing to read 'Terry Burke', is written over a horizontal line.

Name of prescribed designated officer: Terry Burke – Branch Secretary

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

FINANCIAL STATEMENTS – 31 DECEMBER 2015

Statement of Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Recovery of Wages Activity	6
Notes to and forming part of the Financial Statements	7
Independent Audit Report	22

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015	2014
REVENUE		\$	\$
Membership Subscriptions		3,457,349	346,223
Affiliation Fees	2A	266,900	400,350
Levies	2C	-	-
Interest	2D	25,707	26,935
Grants and/or Donations	2E	-	-
Other Revenue		38,684	-
		<hr/>	<hr/>
Total Revenue		3,788,640	773,508
		<hr/>	<hr/>
 EXPENSES			
Employee Expenses	3A	2,313,696	118,056
Capitation Fees	3B	249,105	250,364
Affiliation Fees	3C	60,794	61,154
Administration Expenses	3D	886,562	162,268
Grants or Donations	3E	8,350	6,000
Depreciation and Amortisation	3F	14,764	449
Legal Costs	3G	23,708	6,000
Audit Fees	10	6,000	5,000
Other Expenses	3H	195,158	69,548
		<hr/>	<hr/>
Total Expenses		3,758,137	678,839
		<hr/>	<hr/>
Surplus for the Year		30,503	94,669
		<hr/>	<hr/>
Total Comprehensive Income for the Year		30,503	94,669
		<hr/>	<hr/>

The above statement should be read in conjunction with the notes

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

	Note	2015 \$	2014 \$
CURRENT ASSETS			
Cash and Equivalents	4A	2,233,258	1,063,366
Trade & Other Receivables	4B	1,990,865	11,844
Other Current Assets	4C	<u>181,895</u>	<u>2,422</u>
		4,406,018	1,077,632
NON-CURRENT ASSETS			
Office Furniture, Equipment & Vehicles	5	<u>194,038</u>	<u>1,799</u>
TOTAL ASSETS		<u>4,600,056</u>	<u>1,079,431</u>
CURRENT LIABILITIES			
Trade Payables	6A	314,207	7,187
Other Payables	6B	1,589,477	29,840
Employee Provisions	7	<u>789,827</u>	
TOTAL CURRENT LIABILITIES		<u>2,693,511</u>	<u>37,027</u>
NON CURRENT LIABILITIES			
Employee Provisions	7	<u>833,638</u>	-
TOTAL NON CURRENT LIABILITIES		<u>833,638</u>	-
TOTAL LIABILITIES		<u>3,527,149</u>	<u>37,027</u>
NET ASSETS		<u>1,072,907</u>	<u>1,042,404</u>
Represented By:			
EQUITY - MEMBERS' FUNDS			
Retained Earnings		<u>1,072,907</u>	<u>1,042,404</u>
TOTAL EQUITY		<u>1,072,907</u>	<u>1,042,404</u>

The above statement should be read in conjunction with the notes

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Retained Earnings	Total Equity
Balance as at 1 January 2014	947,735	947,735
Surplus for Year	<u>94,669</u>	<u>94,669</u>
Closing Balance as at 31 December 2014	1,042,404	1,042,404
Surplus for Year	<u>30,503</u>	<u>30,503</u>
Closing Balance as at 31 December 2015	<u>1,072,907</u>	<u>1,072,907</u>

No fund or account was operated during the financial year in respect of compulsory levies or voluntary contributions collected from members.

The above statement should be read in conjunction with the notes

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

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

	Note	2015 \$	2014 \$
OPERATING ACTIVITIES			
Cash Received			
Receipts from Other Reporting Units/Related Parties	8B	1,817,570	400,350
Interest		25,707	26,935
Membership		3,848,305	334,841
Other		38,684	-
		<u>5,730,266</u>	<u>762,126</u>
Cash Used			
Suppliers, Employees & Members		3,561,790	75,992
Payment to Other Reporting Units/Related Parties	8B	791,581	619,366
Net Cash from (used by) Operating Activities	8A	<u>1,376,895</u>	<u>66,768</u>
INVESTING ACTIVITIES			
Cash Received			
		-	-
Cash Used			
Purchase of Plant and Equipment		(207,003)	-
Net Cash from (used by) Investing Activities		<u>(207,003)</u>	<u>-</u>
FINANCING ACTIVITIES			
Cash Received			
		-	-
Cash Used			
		-	-
Net Cash from (used by) Financing Activities		<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash held		<u>1,169,892</u>	<u>66,768</u>
Cash & Cash equivalents at the beginning of the reporting period		<u>1,063,366</u>	<u>996,598</u>
Cash & Cash Equivalents at the end of the reporting period	4A	<u>2,233,258</u>	<u>1,063,366</u>

The above should be read in conjunction with the accompanying notes

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015 \$	2014 \$
Cash Assets in respect of recovered money at beginning of year	-	-
Receipts	-	-
Payments	<u>-</u>	<u>-</u>
Cash Assets in respect of recovered money at end of year	<u>-</u>	<u>-</u>

The above statement should be read in conjunction with the notes

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

NOTE 1 SUMMARY OF SIGNIFICANT 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 Queensland and Northern Territory 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 is 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 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 Accounting Judgements and Estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical Accounting Estimates and Assumptions

The Branch makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

(b) Critical Judgements in applying the Branch's Accounting Principles

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

1.4 New Australian Accounting Standards

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.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1.4 New Australian Accounting Standards (cont'd)

Accounting Standards Issued But Not Yet Effective

There have been no accounting standards issued which will have a financial impact on the financial report in future periods and which are not yet effective.

1.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Donation income is recognised when it is received.

Interest revenue is recognised as received.

1.6 Affiliations, Capitation Fees and Levies

Affiliations, Capitation Fees and Levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which they relate.

1.7 Employee Benefits

As outlined in Note 9 the Queensland Independent Education Union provided staff and administrative services to the Independent Education Union of Australia - Queensland and Northern Territory Branch for the period 1/1/15 - 30/6/15. These costs were reimbursed by the Branch as incurred.

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

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits which are expected to be settled beyond twelve months are measured as the present value of the estimated future cash outflows to be made by the branch in respect of services provided by employees up to reporting date.

1.8 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 4 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1.9 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.10 Office Furniture, Equipment and Vehicles

Asset Recognition Threshold

Purchases of office furniture, equipment & vehicles are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Depreciation

Depreciable office furniture, equipment & vehicles are written off to their estimated residual values over their estimated useful life. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2015	2014
Office Furniture and Equipment	5 to 10 years	5 to 10 years
Motor Vehicles	5 years	-

Derecognition

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

1.11 Impairment of Financial and Non-Financial Assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Branch were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

For certain categories of financial assets such as trade receivables where there is impairment noted the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectable it is written off against the allowance account.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1.12 Taxation

The Union is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997, however still has obligation for Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

NOTE 2 INCOME	2015	2014
	\$	\$
Note 2A: Affiliation Fees		
Queensland Independent Education Union	<u>266,900</u>	<u>400,350</u>
Note 2B: Capitation Fees	-	-
Note 2C: Levies	<u>-</u>	<u>-</u>
Note 2D: Interest		
Deposits	<u>25,707</u>	<u>26,935</u>
Total Interest	<u>25,707</u>	<u>26,935</u>
Note 2E: Grants or Donations	<u>-</u>	<u>-</u>
NOTE 3 EXPENSES		
Note 3A: Employee Expenses		
Holders of Office:		
Wages and Salaries	210,962	-
Superannuation	29,052	-
Leave and Other Entitlements	39,223	-
Separation and Redundancies	-	-
Other Employee Expenses	<u>18,095</u>	<u>-</u>
	<u>297,332</u>	<u>-</u>
Employees other than Office Holders:		
Wages and Salaries	1,604,148	96,408
Superannuation	210,254	11,482
Leave and Other Entitlements	66,934	-
Separation and Redundancies	18,545	-
Other Employee Expenses	<u>116,483</u>	<u>10,166</u>
Subtotal Employee Expenses other than Office Holders	<u>2,016,364</u>	<u>118,056</u>
Total Employee Expenses	<u>2,313,696</u>	<u>118,056</u>

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

Note 3A: Employee Expenses (cont'd)

Employee expenses for the period 1/1/15 - 30/6/15 relate to the cost of staff provided by the Queensland Independent Education Union (QIEU). These costs were reimbursed by the Branch as they were incurred. From 1/7/15 staff of QIEU were administratively transferred to IEUA - QNT Branch. Refer Note 9A.

	2015	2014
	\$	\$
Note 3B: Capitation Fees		
Independent Education Union of Australia	<u>249,105</u>	<u>250,364</u>

Note 3C: Affiliation Fees

Independent Education Union of Australia - ACTU Affiliation	59,193	57,878
Union Shopper	-	247
NT Trades & Labour Council	<u>1,601</u>	<u>3,029</u>
	<u>60,794</u>	<u>61,154</u>

Note 3D: Administration Expenses

Consideration to Employers for Payroll Deductions	3658	-
Compulsory Levies:		
Independent Education Union of Australia - IR Levy	31,918	32,400
Travel & Allowances - Meeting and Conferences	45,837	68,844
Conference and Meeting Expenses	6,840	9,174
Property Expenses	205,686	6,545
Office Expenses	213,583	18,644
Operating Lease Rentals	5,352	-
Information Communications Technology	105,528	13,477
Other	<u>268,160</u>	<u>13,184</u>
Total Administration Expenses	<u>886,562</u>	<u>162,268</u>

Note 3E: Grants or Donations

Grants:		
Total paid that were \$1,000 or less	1,000	-
Total paid that exceeded \$1,000	<u>6,000</u>	<u>6,000</u>
	<u>7,000</u>	<u>6,000</u>
Donations:		
Total paid that were \$1,000 or less	1,350	-
Total paid that exceeded \$1,000	<u>-</u>	<u>-</u>
	<u>1,350</u>	<u>-</u>
Total Grants and Donations	<u>8,350</u>	<u>6,000</u>

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015	2014
	\$	\$
Note 3F: Depreciation and Amortisation		
Depreciation		
Office Furniture, Equipment and Vehicles	14,764	449
Total Depreciation	<u>14,764</u>	<u>449</u>
Note 3G: Legal Costs		
Litigation	2,397	-
Other Legal Matters	21,311	6,000
Total Legal Costs	<u>23,708</u>	<u>6,000</u>
Note 3H: Other Expenses		
Penalties - via RO Act or RO Regulations	-	-
Branch Expenditure	10,199	5,051
Bursary and Sponsorship	7,383	-
Industrial Campaign Expenditure:		
- Independent Education Union of Australia		
Equal Remuneration Campaign	-	16,729
- Other	108,318	20,000
Membership Monitoring	5,000	-
Shanghai Relationship	3,129	7,793
Building Union Strength	59,824	19,975
Research	1,305	-
Total Other Expenses	<u>195,158</u>	<u>69,548</u>
NOTE 4 CURRENT ASSETS		
Note 4A: Cash and Cash Equivalents		
Cash at Bank	1,433,258	256,308
Cash on Hand	-	-
Short Term Deposits	800,000	807,058
Other	-	-
Total Cash and Cash Equivalents	<u>2,233,258</u>	<u>1,063,366</u>
Note 4B: Trade and Other Receivables		
Receivables from Other Reporting Units:		
Independent Education Union of Australia	932	-
Less Provision for Doubtful Debts	-	-
Receivable from Other Reporting Units (net)	<u>932</u>	<u>-</u>

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

Note 4B: Trade and Other Receivables (cont'd)	2015	2014
Other Receivables	\$	\$
Membership Subscriptions	424	1,122
Other Trade Receivables - Queensland Independent Education Union	1,989,509	10,722
Total Other Receivables	<u>1,989,933</u>	<u>11,844</u>
Total Trade and Other Receivables (Net)	<u>1,990,865</u>	<u>11,844</u>

Note 4C: Other Current Assets

Prepayments	181,895	2,422
Total Other Current Assets	<u>181,895</u>	<u>2,422</u>

NOTE 5 NON-CURRENT ASSETS

Office Furniture, Equipment and Vehicles

At Cost	211,978	4,975
Accumulated Depreciation	17,940	3,176
Total Plant and Equipment	<u>194,038</u>	<u>1,799</u>

Reconciliation of the Opening and Closing Balances of Office Furniture, Equipment and Vehicles

As at 1 January

Gross Book Value	4,975	4,975
Accumulated Depreciation and Impairment	3,176	2,727
Net Book Value 1 January	<u>1,799</u>	<u>2,248</u>

Additions:

By Purchase	207,003	-
Depreciation Expense	(14,764)	(449)
Net Book Value 31 December	<u>194,038</u>	<u>1,799</u>

Net Book Value as of 31 December represented by:

Gross Book Value	211,978	4,975
Accumulated Depreciation and Impairment	17,940	3,176
Net Book Value 31 December	<u>194,038</u>	<u>1,799</u>

NOTE 6 CURRENT LIABILITIES

Note 6A: Trade Payables

Trade Creditors and Accruals	314,207	6,134
	<u>314,207</u>	<u>6,134</u>

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

Note 6A: Trade Payables (cont'd)	Note	2015	2014
		\$	\$
Payables to Other Reporting Units			
NSW/ACT Independent Education Union		-	1,053
Total Trade Payables		<u>314,207</u>	<u>7,187</u>

Settlement is usually made within 30 days

Note 6B: Other Payables

Consideration to Employers for Payroll Deductions		34	-
Legal Costs		-	-
Subscription in Advance		1,259,923	9,534
GST Payable		271,363	2,820
Other - Queensland Independent Education Union		58,157	17,486
Total Other Payables		<u>1,589,477</u>	<u>29,840</u>

Total Other Payables are expected to be settled in:

No more than 12 months		1,589,477	29,840
More than 12 months		-	-
Total Other Payables		<u>1,589,477</u>	<u>29,840</u>

NOTE 7 EMPLOYEE PROVISIONS

Office Holders:	1.7		
Annual Leave		316,286	-
Long Service Leave		211,812	-
		<u>528,098</u>	<u>-</u>
Employees other than Office Holders:	1.7		
Annual Leave		462,392	-
Long Service Leave		632,975	-
		<u>1,095,367</u>	<u>-</u>
		<u>1,623,465</u>	<u>-</u>
Current		789,827	-
Non Current		833,638	-
		<u>1,623,465</u>	<u>-</u>

NOTE 8 CASH FLOW

Note 8A: Cash Flow Reconciliation

**Reconciliation of Cash and Cash Equivalents as per
Balance Sheet to Cash Flow Statement:**

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

Note 8A: Cash Flow Reconciliation (cont'd)	2015	2014
	\$	\$
Cash and Cash Equivalents as per:		
Cash Flow Statement	2,233,258	1,063,366
Balance Sheet	<u>2,233,258</u>	<u>1,063,366</u>
Difference	<u>-</u>	<u>-</u>
Reconciliation of Surplus for Year to Net Cash from Operating Activities:		
Surplus/(Deficit) for the Year	30,503	94,669
Adjustments for Non-Cash Items		
Depreciation/Amortisation	14,764	449
Changes in Assets/Liabilities		
(Increase)/Decrease in Net Receivables	(1,979,021)	17,519
(Increase)/Decrease in Prepayments	(179,473)	(2,182)
Increase/(Decrease) in Supplier Payables	307,054	(32,111)
Increase/(Decrease) in Other Payables	1,559,603	(11,576)
Increase/(Decrease) in Employee Provisions	<u>1,623,465</u>	<u>-</u>
Net Cash from (used by) Operating Activities	<u>1,376,895</u>	<u>66,768</u>
Note 8B: Cash Flow Information		
Cash Inflows		
Queensland Independent Education Union	<u>1,817,570</u>	<u>400,350</u>
Total Cash Inflows	<u>1,817,570</u>	<u>400,350</u>
Cash Outflows		
Queensland Independent Education Union	384,081	229,595
Independent Education Union of Australia	374,239	389,771
NSW/ACT Independent Education Union	<u>33,261</u>	<u>-</u>
Total Cash Outflows	<u>791,581</u>	<u>619,366</u>

NOTE 9A RELATED PARTY DISCLOSURES

- (i) Under the Rules of the Independent Education Union of Australia, QIEU is an Associated Body. Rule 7(e) provides for the payment of an approved amount by an Associated Body to the union or branch of the union designated by the Federal Council or Federal Executive. This is calculated by reference to the total number of members of the Associated Body who have applied for membership of the union in the Branch designated by the Federal Council or Federal Executive.

The Queensland Independent Education Union (QIEU) also provided staff and administrative services to the Independent Education Union - Queensland & Northern Territory Branch for the period 1/1/15 - 30/6/15. A collaborative relationship exists between QIEU and IEUA and it is noted and endorsed at Branch executive that QIEU provides staffing and other support to members of the Queensland and Northern Territory Division at an appropriate and agreed cost to the IEUA - QNT.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

NOTE 9A RELATED PARTY DISCLOSURES (Cont'd)

The councillors and the executive of the Queensland Independent Education Union are all members of the Independent Education Union - Queensland and Northern Territory Branch, Branch Executive and Management Committee respectively.

- (ii) During the year, QIEU Council and IEUA-QNT Branch Executive determined that the industrial operations of the Queensland Independent Education Union (QIEU) should transition to the federally registered Branch of the Independent Education Union of Australia – Queensland and the Northern Territory Branch (IEUA-QNT) prior to the Fair Work Commission’s withdrawal of transitional recognition provisions on 1 January 2017. As a consequence, staff of QIEU were administratively transferred to IEUA-QNT effective 1 July 2015 and membership fees became payable to IEUA-QNT from 1 September 2015. This operational change has been effected at this time to enable an orderly and efficient transition of services and financial management prior to the legislated end of transitional recognition of QIEU.

This transition has necessitated the transfer of certain income and expenditure from QIEU to IEUA-QNT. To this end the following financial transactions should be noted:

- On 1 July 2015 QIEU transferred employee liabilities of \$1,517,307.67 to IEUA-QNT together with a cash payment of \$1,517,307.67 for those liabilities.
- QIEU acknowledged a liability to IEUA-QNT of \$1,129,378.39 for employee salaries, wages and other expenses for the period 1 July 2015 to 31 August 2015 to be settled post balance date.
- QIEU acknowledged a liability to IEUA-QNT of \$860,130.91 representing prepaid and unearned membership revenue covering fees applicable for the period 1 September 2015 to 31 December 2015 to be settled post balance date.

NOTE 9B: RELATED PARTY TRANSACTIONS FOR THE REPORTING PERIOD

In addition to disclosures outlined in Note 9A the following table provides details of transactions that have been entered into with related parties for the relevant year.

	2015	2014
	\$	\$
Queensland Independent Education Union		
Revenue		
Affiliation Fees	266,900	400,350
Employee Expenses		
Other Employees:		
- Salaries	49,873	96,408
- Superannuation	5,985	11,482
- Leave and Other Entitlements	-	-
- Other Employee Expenses	-	-
Property Expenses	194,764	-
Office Expenses	27,045	-
Administration Expenses	71,497	-

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

NOTE 9B: RELATED PARTY TRANSACTIONS FOR THE REPORTING PERIOD (Cont'd)

	2015	2014
	\$	\$
Amounts Owed By		
Other Trade Receivables	1,989,509	10,722
Amounts Owed To		
Other Payables	58,157	17,486
Independent Education Union of Australia expenses		
Affiliation - ACTU	59,193	57,878
Capitation Fee	249,105	250,364
IR Levy	31,918	32,400

Terms and Conditions of Transactions with Related Parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2015, the Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2014: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTE 10: REMUNERATION OF AUDITORS

Value of the Services Provided

Financial Statement Audit Services	6,000	5,000
Other Services	-	-
Total Remuneration of Auditors	<u>6,000</u>	<u>5,000</u>

NOTE 11 FINANCIAL RISK MANAGEMENT

(a) General Objectives, Policies and Processes

The Branch is exposed to risks that arise from its use of financial instruments. This note describes the Branch's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the Branch's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Branch's financial instruments consist mainly of deposits with banks and receivables. The main risks the Branch is exposed to through its financial instruments are interest rate risk (see section (e) below), liquidity risk and credit risk.

The Committee of Management has overall responsibility for the determination of the Branch's risk management objectives and policies.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

NOTE 11 FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit Risk

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Branch incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Branch.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts, as disclosed below:-

	2015	2014
	\$	\$
Cash and Cash Equivalents	2,233,258	1,063,366
The cash and cash equivalents are held in a high quality Australian financial institution.		
Trade & Other Receivables	1,990,865	11,844
Total receivables	1,990,865	11,844

There has been no history of default and all receivables are expected to be repaid within the arranged terms.

(c) Liquidity Risk

Liquidity risk is the risk that the Branch may encounter difficulties raising funds to meet commitments associated with financial instruments. The Branch is not significantly exposed to this risk; as at 31 December 2015 \$2,233,258 of cash and cash equivalents were held to meet these obligations as they fall due. Financial liabilities at 31 December 2015 totalled \$1,903,684. The Branch manages liquidity risk by monitoring cash flows.

(d) Market Risk

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

(e) (i) Interest Rate Risk

The Branch's 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 and the effective weighted average interest rates on those financial assets and liabilities are summarised below:

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

NOTE 11 FINANCIAL RISK MANAGEMENT (CONT'D)

(e) (i) Interest Rate Risk (Cont'd)

31 December 2015	Floating Interest Rate \$	Non Interest Bearing \$	Total \$
Financial Assets			
Cash and cash equivalents	1,433,258	-	1,433,258
Receivables	-	1,990,865	1,990,865
	<u>1,433,258</u>	<u>1,990,865</u>	<u>3,424,123</u>
Weighted average interest rate	.005%		
Financial Liabilities			
Payables	-	1,903,684	1,903,684
Net Financial Assets (Liabilities)	<u>1,433,258</u>	<u>87,181</u>	<u>1,520,439</u>
31 December 2014	Floating Interest Rate \$	Non Interest Bearing \$	Total \$
Financial Assets			
Cash and cash equivalents	256,308	-	256,308
Receivables	-	11,844	11,844
	<u>256,308</u>	<u>11,844</u>	<u>268,152</u>
Weighted average interest rate	.005%		
Financial Liabilities			
Payables	-	37,027	37,027
Net Financial Assets (Liabilities)	<u>256,308</u>	<u>(25,183)</u>	<u>231,125</u>
Sensitivity Analysis			
	Carrying Amount	+50% (50 basis points) Profit	-50% (50 basis points) Loss
2015	\$	\$	\$
Cash Assets	<u>1,433,258</u>	<u>3,580</u>	<u>3,580</u>
2014			
Cash Assets	<u>256,308</u>	<u>640</u>	<u>640</u>

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

NOTE 11 FINANCIAL RISK MANAGEMENT (CONT'D)

(ii) Other Price Risks

The Branch does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

(iii) Foreign Exchange Risk

The Branch is not directly exposed to foreign exchange rate risk.

NOTE 12 GOING CONCERN

These financial statements are prepared on a going concern basis. During the financial year the branch has not relied upon the financial support of another reporting unit nor has it provided financial support to another reporting unit.

NOTE 13 KEY MANAGEMENT PERSONNEL REMUNERATION

	2015	2014
	\$	\$
Salary	210,962	-
Leave and other Entitlements	39,223	-
Superannuation	29,052	-
Other	18,095	-
Total	<u>297,332</u>	<u>-</u>

NOTE 14 OPERATING LEASE COMMITMENTS - AS LESSEE

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:-

Within one year	16,056	-
After one year but not more than five years	66,900	-

NOTE 15 OTHER ACQUISITIONS OF ASSETS OR LIABILITIES

During the financial year the Branch has not acquired an asset or liability as a result of:-

- (a) An amalgamation under Part 2 of Chapter 3 of the RO Act.
- (b) A restructure of branches of the organisation.
- (c) A determination by the General Manager under subsection 245(1) of the RO Act of an alternative reporting structure for the organisation.
- (d) A revocation by the General Manager under subsection 249(1) of the RO Act of a certificate issued to an organisation under subsection 245 (1).
- (e) A business combination.

NOTE 16 SUBSEQUENT EVENTS

There are no subsequent events that have occurred or are likely to occur that require disclosure.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

**NOTE 17 INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL MANAGER
OF FAIR WORK AUSTRALIA**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Section 272 of Fair Work (Registered Organisations) Act 2009 which read as follows:-

- 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).

NOTE 18 CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS

There were no contingent liabilities, assets or commitments at 31 December 2015.

NOTE 19 ADDITIONAL BRANCH INFORMATION

The registered office of the Branch is situated at:

346 Turbot Street
SPRING HILL QLD 4000

The Divisional Office of the Branch is situated at:

38 Wood Street
DARWIN NT 0800

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

INDEPENDENT AUDIT REPORT

To the members of the Independent Education Union of Australia Queensland and Northern Territory Branch.

We have audited the general purpose financial report of the Independent Education Union of Australia Queensland and Northern Territory Branch, which comprises the statement of financial position as at 31 December 2015, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes and branch committee of management's statement for the year then ended.

Branch Committee of Management and the Branch Secretary's Responsibility for the Financial Report

The branch committee of management and the branch secretary of the Branch are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009. This responsibility also includes establishing and maintaining internal control 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. 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 judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 the accounting policies used and the reasonableness of accounting estimates made by the branch committee of management and branch secretary, as well as evaluating the overall presentation of the financial report.

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

THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH

INDEPENDENT AUDIT REPORT

Independence

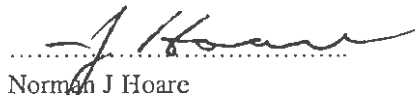
In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the Fair Work (Registered Organisations) Act 2009.

Audit Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Independent Education Union of Australia Queensland and Northern Territory Branch as at 31 December 2015, and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

As part of our audit of the financial statements we have concluded that Management's use of the going concern basis of accounting in the preparation of the financial statements for the year ended 31 December 2015 is appropriate.

MORRIS & BATZLOFF
Chartered Accountants


.....
Norman J Hoare
Partner
Registered Company Auditor
Member of Institute of Chartered Accountants in Australia
and Holder of Current Public Practice Certificate

96 Lytton Road
EAST BRISBANE QLD 4169

22nd March 2016



13 January 2016

Mr Terence Burke

Secretary

Independent Education Union of Australia-Queensland and Northern Territory Branch

Sent via email: tburke@qieu.asn.au

Dear Mr Burke,

**Re: Lodgement of Financial Report - [FR2015/398]
Fair Work (Registered Organisations) Act 2009 (the RO Act)**

The financial year of the Independent Education Union of Australia-Queensland and Northern 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.