



FAIR WORK  
AUSTRALIA

4 February 2011

Ms Angela Briant  
Secretary  
Independent Education Union of Australia, Tasmania Branch

email: [tceea@tassie.net.au](mailto:tceea@tassie.net.au)

Dear Ms Briant

**Re: Financial Report for the Branch for year ended 30 June 2010 – FR2010/2673**

I acknowledge receipt of the financial report for the Independent Education Union of Australia, Tasmania Branch (the Branch) for the year ended 30 June 2010. The report was lodged with Fair Work Australia on 20 December 2010. I apologise for the delay in processing the report.

The financial report has now been filed.

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

**Going Concern**

I note the reference to going concern in note 17 of the notes to the financial statements and the Audit Report and the comments of the Committee of Management that there are reasonable grounds to believe that the reporting unit will be able to pay its debts when they become due and payable.

**Committee of Management statement**

The Committee of Management statement dated 26 October 2010 did not contain the date of passage of the resolutions of the Committee of Management. Item 26(b) of the Reporting Guidelines of the General Manager indicates that the committee of management statement must specify the date of passage of the resolution of the Committee of Management.

**Timing of Financial Documents - Lodgement of documents with Fair Work Australia**

[Section 268](#) of the Act requires the Branch to lodge its financial documents with Fair Work Australia (FWA) within 14 days of the date of the General Meeting of Members at which they were presented (that is, 9 November 2010). The documents were not lodged with FWA until 20 December 2010. In future years please ensure that financial reports are lodged with FWA within 14 days of the General Meeting of Members.

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

Yours sincerely

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

Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: [kevin.donnellan@fwa.gov.au](mailto:kevin.donnellan@fwa.gov.au)



Larry Powell  
Tribunal Services and Organisations  
Fair Work Australia  
GPO Box 1994  
Melbourne VIC 3001

20<sup>th</sup> December 2010

Dear Larry,

**Designated Officer's Certificate**

*S268 Fair Work (Registered Organisations) Act 2009*

I Angela Briant being the Secretary/Treasurer of the Independent Education Union of Australia, Tasmania Branch certify:

- That the documents lodged herein are copies of the full report, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- That the full report was provided to members on 26<sup>th</sup> October 2010; and
- That the full report was presented to a general meeting of the reporting unit on 26<sup>th</sup> November 2010; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Yours Sincerely

Angela Briant  
Secretary  
IEU Tas.

# **Independent Education Union of Australia - Tasmania**

**Financial Statements**

**For the Year Ended 30 June 2010**

# Independent Education Union of Australia - Tasmania

For the Year Ended 30 June 2010

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# Independent Education Union of Australia - Tasmania

## Operating Report

For the Year Ended 30 June 2010

I, John Waldock, being the designated officer responsible for preparing this report for the financial year ended 30 June 2010 of Independent Education Union of Australia - Tasmania, report as follows:

### Committee Members

The names of Committee of Management in office at any one time during, or since the end of the year are:

<b>Names</b>	<b>Position</b>	<b>Appointed/Resigned</b>
John Waldock	President	Re-elected
Jeremy Oliver	Vice President	Re-elected 2008
Angela Briant	Secretary/Treasurer	Re-elected 2008
Louise Wright	Committee Member	Re-elected 2008
Kate Lakos	Committee Member	Re-elected 2008
John Hood	Committee Member	Re-elected 2008
Ross Wise	Committee Member	Ceased 2009
Catherine Sullivan	Committee Member	Elected 2008
Ty Capach	Committee Member	Elected 2008
Adam Croser	Committee Member	Elected 2008

Committee of Management have been in office since the start of the financial year to the date of this report unless otherwise stated.

Ms Angela Briant, a member of the Committee and Secretary/Treasurer, is a Director of Tasplan Ltd which acts as a trustee for Tasplan Super representing the interest of Unions Tasmania with whom this Union is affiliated.

Under the rules of the Union in accordance with SS230(1)(a) and (2) of the Fair Work (Registered Organisations) Act 2009 a register of members has, during the financial year ended 30 June 2010, been kept and maintained. Membership of the Union including full financial members and those on leave of absence from their work site amounted to 956 at 30 June 2010.

No elections were held during the financial year ended 30 June 2010.

Under the Rules of the Union, number 21, any member has the right to resign by the giving of written notice.

The Union maintains employment for 2.6 employees on a full time equivalent basis as at 30 June 2010. There are 4 employees.

### Principal Activities

The principal activities of Independent Education Union of Australia – Tasmania during the financial year were to protect and advance the professional and industrial interests of staff in the Tasmanian Catholic Schools.

In this regard the Independent Education Union of Australia – Tasmania successfully negotiated a new Enterprise Agreement for staff in Tasmanian Catholic Schools; supported members who had industrial and workers compensation issues; represented members at Australian Curriculum Naplan consultation forums and similar educational forums and offered Professional Learning opportunities for members.

# Independent Education Union of Australia - Tasmania

## Operating Report

For the Year Ended 30 June 2010

### Significant Changes in Financial Affairs

There were no significant changes in financial affairs of the Union during the year.

### Operating Results

The profit from ordinary activities amounted to \$ (44,095) (2009: (\$47,255)).

### After Balance Date Events

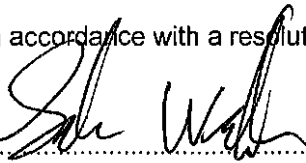
No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations or the state of affairs of the Union in future financial years.

### Members Advice

- (i) Under Section 174 of Fair Work (Registered Organisations) Act 2009, a member may resign from membership by written notice addressed and delivered to the Chairman; and
- (ii) The register of members of the reporting unit was maintained in accordance with the Fair Work (Registered Organisations) Act 2009.

Signed in accordance with a resolution of the Committee of Management:

Name: .....



Angela Briant

Dated this 26<sup>th</sup> day of October

2010.

Secretary/Treasurer

# Independent Education Union of Australia - Tasmania

## Statement by Members of the Committee

On ...../...../2010 the Committee of Management of Independent Education Union of Australia - Tasmania passed the following resolution in relation to the general purpose financial statements (GPFS) of the reporting unit for the period ended 30 June 2010.

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

1. The financial statements and notes comply with the Australian Accounting Standards;
2. The financial statements and notes comply with the reporting guidelines of the General Manager of Fair Work Australia;
3. 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;
4. 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.
5. During the financial year to which the GPFS 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) Regulations 2009*; 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 the General Manager of Fair Work Australia duly made under section 272 of the *Fair Work (Registered Organisations) Act 2009* has been furnished to the member or General Manager; and
  - (vi) no orders have been made by Fair Work Australia under section 273 of the *Fair Work (Registered Organisations) Act 2009* during the period.
6. There was no recover of wages activity for the financial year.

Name: John Wallock

Angela Bricart

For the Committee of Management of Independent Education Union of Australia - Tasmania.

Title of Office held: President

Secretary / Treasurer

Signature: [Signature]

[Signature]

Dated this 26 day of October 2010.



# Independent Education Union of Australia - Tasmania

## Statement of Comprehensive Income

For the Year Ended 30 June 2010

	2010	2009
	\$	\$
<b>Income</b>		
Interest income	3,580	5,704
Member subscriptions	411,493	414,144
Other income	8,598	6,377
<b>Total income</b>	<u>423,671</u>	<u>426,225</u>
<b>Less: Expenses</b>		
Accountancy & audit fees	4,835	4,075
Annual leave expense	(11,048)	6,267
Bank charges	2,817	3,831
Booklets, brochures & magazines	3,247	3,377
Campaigns	1,712	4,962
COM conferences & meetings	4,575	4,815
Consulting fees	1,332	-
Delegate training	2,481	3,983
Depreciation	5,447	5,861
Donations	740	370
Electricity	1,596	1,182
Fringe benefits tax	1,273	1,909
Insurance	19,822	17,833
IT, internet & email	8,288	11,666
Legal fees	-	994
Long service leave expense	4,070	(1,705)
Motor vehicle expenses	2,913	2,740
Movie tickets	1,826	2,207
Office rental - Devonport	2,537	3,731
Office rental	8,145	7,983
Payroll expenses	3,324	3,234
Postage	3,667	6,029
Printing and stationery	23,430	15,255
Registration & affiliation fee	18,792	14,130
Repairs and maintenance	219	-
Staff conferences, meetings & training	31,128	37,609
Superannuation - officers	19,229	18,781
Superannuation - other	18,781	17,660
Sundry expenses	3,813	5,077
Telephone and fax	9,794	12,324
Wages - officers	219,907	216,201
Wages - other	47,411	39,493
Workers compensation insurance	1,661	1,606
<b>Total Expenses</b>	<u>(467,766)</u>	<u>(473,480)</u>
<b>Profit/(loss) for the Year</b>	<u>(44,095)</u>	<u>(47,255)</u>
<b>Other Comprehensive Income</b>	-	-
<b>Total Comprehensive Income Attributable to Members of the Entity</b>	<u>(44,095)</u>	<u>(47,255)</u>

# Independent Education Union of Australia - Tasmania

## Statement of Financial Position

As at 30 June 2010

	Note	2010 \$	2009 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	66,363	107,712
Trade and other receivables	3	12,738	-
Inventories		1,360	760
<b>TOTAL CURRENT ASSETS</b>		<b>80,461</b>	<b>108,472</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	17,287	20,934
<b>TOTAL NON-CURRENT ASSETS</b>		<b>17,287</b>	<b>20,934</b>
<b>TOTAL ASSETS</b>		<b>97,748</b>	<b>129,406</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	5	4,024	4,000
Current tax liabilities		4,765	6,709
Short-term provisions	6	8,010	17,376
Other Liabilities	7	36,393	15,059
<b>TOTAL CURRENT LIABILITIES</b>		<b>53,192</b>	<b>43,144</b>
<b>NON-CURRENT LIABILITIES</b>			
Other long-term provisions	6	33,086	30,698
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>33,086</b>	<b>30,698</b>
<b>TOTAL LIABILITIES</b>		<b>86,278</b>	<b>73,842</b>
<b>NET ASSETS</b>		<b>11,470</b>	<b>55,564</b>
<b>EQUITY</b>			
Retained earnings		11,470	55,564
<b>TOTAL EQUITY</b>		<b>11,470</b>	<b>55,564</b>

# Independent Education Union of Australia - Tasmania

## Statement of Changes in Equity

For the Year Ended 30 June 2010

<b>EQUITY</b>	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Opening balance at 1 July	55,564	102,819
Total comprehensive income	(44,095)	(47,255)
Transfers to/(from) reserves	-	-
<b>Balance at 30 June</b>	<b>11,470</b>	<b>55,564</b>

# Independent Education Union of Australia - Tasmania

## Statement of Cash Flows

For the Year Ended 30 June 2010

	2010	2009
Note	\$	\$
<b>Cash from operating activities:</b>		
Subscriptions	415,575	424,084
Payments to suppliers and employees	(467,302)	(471,663)
Interest received	3,580	5,704
Other receipts	8,598	6,377
Cash flows between other branches/offices of the union	-	-
<b>Net cash provided by (used in) operating activities</b>	8(b) <u>(39,549)</u>	<u>(35,498)</u>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(1,800)	(5,005)
<b>Net cash provided by (used in) investing activities</b>	<u>(1,800)</u>	<u>(5,005)</u>
<b>Net increase (decreases) in cash held</b>	(41,349)	(40,503)
Cash at beginning of financial year	107,712	148,215
<b>Cash at end of financial year</b>	8(a) <u><u>66,363</u></u>	<u><u>107,712</u></u>

# Independent Education Union of Australia - Tasmania

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 1 Summary of Significant Accounting Policies

#### (a) General Information

These financial statements are for Independent Education Union of Australia - Tasmania as an individual entity incorporated and domiciled in Australia. Independent Education Union of Australia - Tasmania is registered employer organisation under the *Fair Work (Registered Organisations) Act 2009*.

#### (b) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (Australian Accounting Interpretations) and the *Fair Work (Registered Organisations) Act 2009*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and is based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### (c) Comparative Figures

Where appropriate comparative figures have been adjusted to conform to changes in presentation for the current financial year. Refer also Note 13.

#### (d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held-at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

#### (e) Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

##### Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the reporting unit commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Motor Vehicles	22.5%
Office Equipment	7.5% - 40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

# Independent Education Union of Australia - Tasmania

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 1 Summary of Significant Accounting Policies continued

#### (f) Critical Accounting Estimates and Judgments

The Committee evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the reporting unit.

#### (g) Financial Instruments

##### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the reporting unit commits itself to either purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

##### Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

##### Impairment

At each reporting date, the reporting unit assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of financial performance.

#### (h) Employee Benefits

Provision is made for the reporting unit's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

Contribution made by the reporting unit to an employee superannuation fund are charged as expenses when incurred.

# Independent Education Union of Australia - Tasmania

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 1 Summary of Significant Accounting Policies continued

#### (h) Employee Benefits

Provision is made for the reporting unit's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at present value of the estimated future cash outflows to be made for those benefits.

Contribution made by the reporting unit to an employee superannuation fund are charged as expenses when incurred.

#### (i) Provisions

Provisions are recognised when the reporting unit has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

#### (j) Revenue and Other Income

Donations are recognised as revenue when received.

Subscription income is recognised over the period to which the subscriptions relate.

Interest revenue is recognised over the period for which the funds are invested.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

#### (k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

#### (l) Income Tax

No provision for income tax has been raised as the reporting unit is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

#### (m) Notes to be Provided to Members or the General Manager of FWA

(i) A member of a reporting unit, or the General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

(ii) 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.

(iii) A reporting unit must comply with an application made under subsection (1).

# Independent Education Union of Australia - Tasmania

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 2 Cash and Cash Equivalents

	2010	2009
	\$	\$
Cash at bank	4,449	13,472
Short-term bank deposits	61,914	93,687
Other cash and cash equivalents	-	553
	<u>66,363</u>	<u>107,712</u>

### 3 Trade and other receivables

	2010	2009
	\$	\$
Other receivables	12,738	-
	<u>12,738</u>	<u>-</u>

### 4 Plant and Equipment

	2010	2009
	\$	\$
Motor vehicles		
At cost	39,397	39,397
Less accumulated depreciation	(31,404)	(29,084)
Total motor vehicles	<u>7,993</u>	<u>10,313</u>
Office equipment		
At cost	68,154	66,354
Less accumulated depreciation	(58,860)	(55,733)
Total office equipment	<u>9,294</u>	<u>10,621</u>
Total plant and equipment	<u>17,287</u>	<u>20,934</u>

### Movements in Carrying Amounts

Movement in the carrying amount for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Motor Vehicles	Office Equipment	Total
	\$	\$	\$
<b>2010</b>			
Balance at the beginning of year	10,313	10,621	20,934
Additions	-	1,800	1,800
Depreciation expense	(2,320)	(3,127)	(5,447)
Carrying amount at the end of 30 June 2010	<u>7,993</u>	<u>9,294</u>	<u>17,287</u>
<b>2009</b>			
Balance at the beginning of year	13,307	8,483	21,790
Additions	-	5,005	5,005
Depreciation expense	(2,994)	(2,867)	(5,861)
Carrying amount at the end of 30 June 2009	<u>10,313</u>	<u>10,621</u>	<u>20,934</u>



# Independent Education Union of Australia - Tasmania

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 5 Trade and other payables

	2010	2009
	\$	\$
Sundry payables and accrued expenses	4,000	4,000
Other payables	24	-
	<u>4,024</u>	<u>4,000</u>

### 6 Provisions

	2010	2009
	\$	\$
Current – annual leave	6,328	17,376
Current – long service leave	1,682	-
Non-current – long service leave	33,086	30,698
	<u>41,096</u>	<u>48,074</u>

### 7 Other Financial Liabilities

	2010	2009
	\$	\$
Payroll Liabilities	8,552	4,038
Income received in advance	27,841	11,021
	<u>36,393</u>	<u>15,059</u>

### 8 Cash Flow Information

#### (a) Reconciliation of cash

	2010	2009
	\$	\$
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	66,363	107,712
	<u>66,363</u>	<u>107,712</u>

#### (b) Reconciliation of Cash Flow from Operations with Profit after Income Tax

	2010	2009
	\$	\$
Net income/loss for the period	(54,035)	(47,255)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation	5,447	5,861
Changes in assets and liabilities		
(Increase)/decrease in trade and term receivables	(12,738)	-
(Increase)/decrease in inventories	(601)	1,386
(Increase)/decrease in income in advance	26,760	359
Increase/(decrease) in trade payables and accruals	2,594	(409)
Increase/(decrease) in provisions	(6,977)	4,562
	<u>(39,549)</u>	<u>(35,498)</u>

# Independent Education Union of Australia - Tasmania

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 9 Financial Instruments

#### Financial Risk Management

The reporting unit's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries, bills, leases, preference shares, and derivatives.

#### Treasury Risk Management

The Committee of the reporting unit meet on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

#### Financial Risk Exposures and Management

The main risks the reporting unit is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk, credit risk and price risk.

##### (i) Interest rate risk

The reporting unit does not have any material Interest rate risk. Any risk arising is managed with a mixture of fixed and floating rate investment.

##### (ii) Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counter parties of contract obligations that could lead to a financial loss to the reporting unit. 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, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Independent Education Union of Australia - Tasmania does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the reporting unit.

##### (iii) Foreign Currency Risk

The reporting unit does not have any exposure to fluctuations in foreign currencies.

##### (iv) Liquidity Risk

Independent Education Union of Australia - Tasmania manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

##### (v) Price Risk

Independent Education Union of Australia - Tasmania is not exposed to any material commodity price risk.

# Independent Education Union of Australia - Tasmania

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 9 Financial Instruments continued

#### Financial instrument composition and maturity analysis

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

	Floating Interest Rate		Non-interest Bearing		Total	
	2010	2009	2010	2009	2010	2009
	\$	\$	\$	\$	\$	\$
<b>Financial Assets:</b>						
Cash and cash equivalents	63,363	107,712	-	-	63,363	107,712
Receivables	-	-	12,738	-	12,738	-
<b>Total Financial Assets</b>	<b>63,363</b>	<b>107,712</b>	<b>12,738</b>	<b>-</b>	<b>76,101</b>	<b>107,712</b>
<b>Financial Liabilities:</b>						
Trade and sundry payables	-	-	(86,278)	(73,842)	(86,278)	(73,842)
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>(86,278)</b>	<b>(73,842)</b>	<b>(86,278)</b>	<b>(73,842)</b>

#### Sensitivity Analysis

Independent Education Union of Australia - Tasmania has performed an assessment of its exposure to interest rate risk, liquidity risk and credit risk at the balance date. Independent Education Union of Australia - Tasmania is not currently subject to any interest rate risk on its financial liabilities, and has assessed that there is also no exposure to liquidity risk required to meet its financial obligations. Independent Education Union of Australia - Tasmania's exposure to credit risk has been assessed as not material, due to the nature, collectability and recoverability of amounts owed.

As a result of the risk assessment performed by the Independent Education Union of Australia - Tasmania, any positive or negative changes in the interest rate risk, liquidity risk or credit risk would not have a material effect on the financial statements. Hence quantitative disclosures are not required.

### 10 Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

### 11 Interests of Key Management Personnel

The totals of remuneration paid to key management personnel of the reporting unit during the year are as follows:

	2010	2009
	\$	\$
Short-term employee benefits	219,907	204,875
Other long-term benefits	-	11,326
	<b>219,907</b>	<b>216,201</b>

#### Loans

There were no loans outstanding at or during the years ended 30 June 2010 to committee members or their related parties.

# Independent Education Union of Australia - Tasmania

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 12 Auditors' Remuneration

	2010	2009
	\$	\$
Remuneration of the auditor of the reporting unit for:		
- Auditing or reviewing the financial report	4,835	4,075

### 13 Restatement of Comparatives

During the preparation of the 2010 financial statements it became apparent that an amount of \$9,940 of subscriptions income receive in advance had not been brought to account as deferred income. The aggregate effect of the change on the annual financial statements for the year ended 30 June 2010 is as follows:

	Previously stated	2010 Adjustments	Restated	Previously stated	2009 Adjustments	Restated
	\$	\$	\$	\$	\$	\$
<b>Statement of Comprehensive Income</b>						
Membership Subscriptions	401,553	9,940	411,493	424,084	(9,940)	414,144
Profit/(loss) for the Year	(54,035)	9,940	(44,095)	(37,315)	(9,940)	(47,255)
<b>Balance Sheet</b>						
Deferred Income	27,841	-	27,841	1,081	9,940	11,021
Total Liabilities	86,278	-	86,278	63,902	9,940	73,842
Net Assets	11,470	-	11,470	65,504	9,940	55,564
Retained Earnings	11,470	-	11,470	65,504	9,940	55,564

### 14 Capital and Leasing Commitments

There are no capital or leasing commitments as at reporting date to be disclosed.

### 15 Contingent Liabilities and Contingent Assets

There are no contingent liabilities or contingent assets as at reporting date to be disclosed.

### 16 Events After the Statement of Financial Position Date

There are no events after the statement of financial position date to be disclosed.

# Independent Education Union of Australia - Tasmania

## Notes to the Financial Statements

For the Year Ended 30 June 2010

### 17 Going Concern

The organisation has incurred net losses over the last few years which has significantly reduced its net asset position, and impacted on the organisation's ability to continue as a going concern.

The Committee of Management is taking serious steps to address the deterioration in the financial position of the union with the intention of putting the union in a more secure financial position.

These measures include:

- Planning for a surplus budget for the 2010/2011 financial year.
- Restructuring staffing to reduce professional staffing from 2.6 FTE to 1.85 FTE for the 2010/2011 financial year. This has resulted in the actual expenses for salaries and related costs matching the projected expenses.
- Not incurring replacement costs when professional staff are on leave
- Maintaining a rigorous control on discretionary expenses
- Entering into a process of 'Due Diligence' in regard to amalgamating with either one of two other branches of the Independent Education Union of Australia. Both these branches initiated discussions with the IEU Tas. with a stated intention of merging the relevant entities to form a stronger whole.
- Continued upgrading of the membership system that has resulted in more accurate membership figures and therefore accurate projected income from member subscriptions than in the past. This has been borne out by the actual income from membership subscription for the first quarter of the 2010/2011 financial year matching the projected income.
- Working with school delegates to increase membership number by recruitment of potential members.

### 18 Union Details

#### Registered office

The registered office of the Union is:

Independent Education Union of Australia - Tasmania  
379 Elizabeth Street  
NORTH HOBART TAS 7002

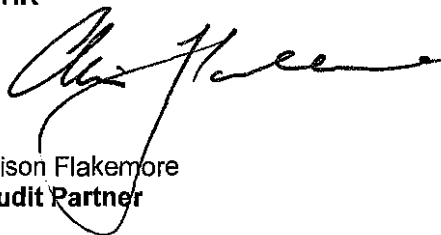
## Independent Education Union of Australia - Tasmania

### Auditors Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2010 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Professional Ethical Standards in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

WHK



Alison Flakemore  
Audit Partner

Dated this 26<sup>th</sup> day of October 2010.

## Independent Education Union of Australia - Tasmania

Independent Audit Report to the members of Independent Education Union of Australia - Tasmania

### *Report on the Financial Statements*

We have audited the accompanying financial statements of Independent Education Union of Australia - Tasmania, which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended that date, a summary of significant accounting policies, other explanatory notes and the statement by members of the committee.

### *Committees' Responsibility for the Financial Statements*

The Committees of the reporting unit are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Fair Work (Registered Organisations) Act 2009*. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are 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 statements 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 statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the reporting unit'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 Committees, as well as evaluating the overall presentation of the financial statements.

The financial statements has been prepared for distribution to members for the purpose of fulfilling the reporting unit' financial reporting requirements under the *Fair Work (Registered Organisations) Act 2009*. We disclaim any assumption of responsibility for any reliance on this audit report or on the financial statements to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

## Independent Education Union of Australia - Tasmania

Independent Audit Report to the members of Independent Education Union of Australia - Tasmania

### Independence

In conducting our audit, we have complied with the Australian Professional Ethical Pronouncements.

### Auditor's Opinion

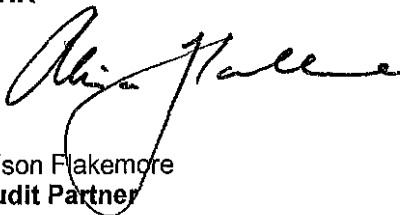
In our opinion the financial statements of Independent Education Union of Australia - Tasmania presents fairly, in all material respects, in accordance with applicable Australian Accounting Standards and the requirements imposed by the *Fair Work (Registered Organisations) Act 2009*, the financial position of Independent Education Union of Australia - Tasmania as at 30 June 2010, and of its performance for the year ended on that date.

### Emphasis of Matter

Without qualification to the opinion expressed above, attention is drawn to the following matter.

Due to the limited equity in Independent Education Union of Australia – Tasmania, there is significant uncertainty whether the entity will be able to continue as a going concern. We draw attention to Note 17 to the financial statements outlining steps taken by the Committee of Management to address this matter.

WHK



Alison Flakemore  
Audit Partner

### Auditor Qualifications

Bachelor of Commerce with Honours  
Registered Company Auditor No. 241220  
Institute of Chartered Accountants Australia No. 96387

Dated this *26<sup>th</sup>* day of *October* 2010.