



19 August 2014

Ms Debra James
General Secretary
Independent Education Union of Australia, Victoria Tasmania Branch
Ground Floor, 120 Clarendon Street
SOUTHBANK VIC 3006

Dear Ms James

Independent Education Union of Australia Victoria Tasmania Branch Financial Report for the year ended 31 January 2014 - [FR2014/52]

I acknowledge receipt of the financial report of the Independent Education Union of Australia Victoria Tasmania Branch (IEU Vic/Tas). The documents were lodged with the Fair Work Commission (FWC) on 26 June 2014. I also acknowledge the supplementary information I received on 09 September 2014 which address the issues identified in last year's financial report.

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 January 2015 may be subject to an advanced compliance review.

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. The FWC will confirm these concerns have been addressed prior to filing next year's report.

Reference to incorrect legislation

In the Certificate of Secretary or other Authorised Officer reference is made to the *RAO Schedule*. Such references should now be the *Fair Work (Registered Organisations) Act 2009*.

In the Committee of Management Statement reference is made to the *Fair Work (Registered Organisations) Regulations 2009*. Such reference should be the *Fair Work (Registered Organisations) Act 2009*. Please also note reference to the 'Industrial Registrar' and also to a 'Registrar' should now be 'General Manager'.

Please ensure that the Certificate of Secretary or other Authorised Officer and the Committee of Management Statement is updated accordingly.

Financial statements prepared in accordance with the Australian Accounting Standards

Australian Accounting Standard *AASB 1054 Australian Additional Disclosures* paragraph 7 requires an entity whose financial statements comply with the Australian Accounting Standards to make an explicit and unreserved statement of such compliance in the notes. Note 4 of the IEU

Vic/Tas financial statements for the year ended 31 January 2014 states that 'the General Purpose Financial Report has been prepared in accordance with Accounting Standards'.

In future years please ensure that it is stated that the General Purpose Financial Report (GPFR) has been prepared in accordance with Australian Accounting Standards.

Auditor's Statement must be signed before full report provided to members

One of the key requirements of the RO Act is that a reporting unit must provide members with a full or concise report (section 265(1)). A full report must contain the signed Auditor's Statement.

The Certificate of Secretary or other Authorised Officer states that the full report was provided to members on 12 May 2014 however the Auditor's Statement was signed on 13 May 2014. I note that on the IEU Vic/Tas website that a copy of the Auditor's Statement is included in the full report.

Please ensure that in future years the dates contained in the Designated Officer's Certificate are a true reflection of the event they relate to.

Auditor's report: declaration regarding going concern

Paragraph 45 of the reporting guidelines requires an auditor to include in the auditor's statement a declaration that as part of the audit of the financial statement they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate. This declaration was not included in the auditor's statements.

Disclosure of capitation fees to another reporting unit and affiliation fees

Reporting guideline 17(b) requires that where capitation fees to another reporting unit are paid, the amount and the name of each reporting unit are to be disclosed in either the Statement of Comprehensive Income or the notes. Also, reporting guideline 25 requires that where another reporting unit of the organisation is the source of a cash inflow or the application of cash outflow, such cash flow should be separately disclosed and that the name of the other reporting unit be shown in the notes.

In order to satisfy item 17(c) of the reporting guidelines separate disclosure of affiliation fees paid to political parties and industrial bodies need to be made.

I note that in the GPFR capitation fees are included under affiliation fees. In future years please ensure that this expense is disclosed in accordance with the reporting guidelines.

Disclosure of employee expenses to office holders and other employees

The Statement of Comprehensive Income has disclosed wages and salaries, superannuation and leave and other entitlements separately for officer holders and employees, but does not disclose separation and redundancies and other employee expenses provided for officers and employees.

The reporting guidelines require that all employee and office holder expenses be detailed separately (refer to items 17(f) and 17(g)).

Please note that reporting guideline 18 states that if the activities identified in item 17 have not occurred in the reporting period, a statement of this effect must be included in the notes to the GPFR.

Disclosure of employee provisions to office holders and other employees

The Statement of Financial Position has disclosed annual leave and long service leave provisions separately for officer holders and employees, but does not disclose separation and redundancies and other employee provisions for officers and employees.

The reporting guidelines require that all employee and office holder expenses be detailed separately (refer to items 21(c) and 21(d)).

Please note that reporting guideline 22 states that if the activities identified in item 21 have not occurred in the reporting period, a statement of this effect must be included in the notes to the GPFR.

Changes to the reporting guidelines and model financial statement

A fourth edition of the General Manager's s.253 Reporting Guidelines was gazetted on 13 June 2014. These guidelines will apply to all financial reports that end on or after 30 June 2014. A model set of financial statements for the 2013-2014 financial year is also available on the FWC website. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards.

The Reporting Guidelines and Model Financial Statements are available on the website here:
<https://www.fwc.gov.au/registered-organisations/compliance-governance/financial-reporting>

If you have any queries regarding this letter, please contact me on (03) 8661 7886 or via email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

OAD2802

23 June 2014

The Registrar
Fair Work Australia
GPO Box 1994
Melbourne Vic 3001



Attention: Robert Pfeiffer

Dear Registrar

Please find attached copies of the documents required to fulfil our financial reporting obligations for the year ending 31st January 2014. They were all prepared in accordance with the Fair Work (Registered Organisations) Act 2009 and the regulations.

Attached are:-

1. Committee of Management Statement
2. Operating Report
3. Statement of Financial Position (Balance Sheet)
4. Income Statement (Profit & Loss Statement)
5. Statement of Cash Flows
6. Notes to and forming Part of the Accounts
7. Auditor's Report
8. Depreciation Schedule
9. Certificate of Secretary

Please do not hesitate to contact me if you require anything further.

Yours sincerely

Loretta Cotter
Acting General Secretary

Certificate of Secretary or other Authorised Officer

s268 of Fair Work (Registered Organisation) Act 2009

I, Loretta Cotter, being the Acting General Secretary of the Independent Education Union Victoria Tasmania certify that:

- the documents lodged herewith are copies of the full report referred to in section 268 of the RAO Schedule; and
- the union's magazine The Point Volume 4 No 2 May 2014 edition published a notice of the report with a link to the union's website. The full report was available on the website from the 12 May 2014 onwards.
- the full report was presented to a meeting of the Committee of Management of the reporting unit on 13 June 2014, in accordance with section 266 of the RAO schedule.

Signed:



Date:

23 June 2014

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

YEAR ENDED 31ST JANUARY, 2014

Item	Page Number
Committee of Management Statement	1
Operating Report	2
Comprehensive Income Statement	6
Statement of Financial Position	8
Statement of Change in Equity	10
Statement of Cash Flows	11
Notes to and Forming Part of the Accounts	12
Auditors Report	16
Depreciation Schedule	17

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

COMMITTEE OF MANAGEMENT'S STATEMENT

On the 9th May, 2014 the Committee of Management of The Independent Education Union of Australia Victoria Tasmania Branch passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the financial year ended 31st January, 2014.

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Regulations Act 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 a Registrar duly made under Fair Work (Registered Organisations) Regulations Act 2009 has been furnished to the member or Registrar; and
 - (vi) No orders have been made by the Commission under Fair Work (Registered Organisations) Regulations Act 2009 during the period.
 - (vii) There were no recovery of wages activities during the financial year.


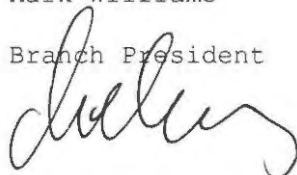
For Committee of Management: Mark Williams'

Debra James

Title of Office held: Branch President

Branch Secretary

Signature:



Date:

12/5/2014

12/5/2014

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

OPERATING REPORT

PRINCIPAL ACTIVITIES FOR THE YEAR

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

RESULT OF THOSE ACTIVITIES

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

SIGNIFICANT CHANGES IN THE NATURE OF THESE ACTIVITIES

There have been no significant changes in the nature of these activities over the past year.

SIGNIFICANT CHANGES IN THE BRANCH FINANCIAL AFFAIRS DURING THE YEAR

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

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

OPERATING REPORT (Cont'd)

DETAILS OF THE RIGHT OF MEMBERS TO RESIGN

A member may resign from the Union in accord with Federal Rule 21 which states:

21 - RESIGNATION FROM MEMBERSHIP

- (a) A member of the Union may resign from membership by written notice addressed and delivered to the relevant Branch Secretary.
- (b) A notice of resignation from membership takes effect:
 - (i) Where the member ceases to be eligible to become a member of the Union.
 - (A) on the day on which the notice is received by the Union; or
 - (B) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member; whichever is later; or
 - (ii) in any other case:
 - (A) at the end of two weeks after the notice is received by the organisation; or
 - (B) on the day specified in the notice;whichever is the later.
- (c) Any dues payable and not paid by a former member in relation to a period before the member's resignation from the organisation took effect, may be sued for and recovered in the name of the Union, in a court of competent jurisdiction, as a debt due to the Union.
- (d) A notice delivered to the person mentioned in subclause (a) shall be taken to have been received by the Union when it was delivered.
- (e) A notice of resignation that has been received by the Union is not invalid because it was not addressed and delivered in accordance with Subclause (a).
- (f) A resignation from membership of the Union is valid even if it is not effected in accordance with this section if the member is informed in writing by or on behalf of the Union that the resignation has been accepted.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

OPERATING REPORT (Cont'd)

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

(1) TRUSTEE OF A SUPERANNUATION ENTITY

(2) A DIRECTOR OF A COMPANY THAT IS A TRUSTEE OF A SUPERANNUATION ENTITY

Cathy Hickey	Trustee of Non-Government Schools Superannuation Fund Pty. Ltd.
Debra James	Trustee of Catholic Superannuation Fund
John Connors	Trustee of Catholic Superannuation Fund
Angela Briant	Trustee of Tas Plan Superannuation Fund

OFFICERS & EMPLOYEES WHO ARE DIRECTORS OF A COMPANY OR A MEMBER OF A BOARD

Debra James Director - Teacher Learning Network

Principal Activity - Teacher professional development

This officer does not hold the position because they are an officer or employee of the reporting unit or were nominated for the position by the reporting unit or by the peak council.

Director - Federation Education Union

Principal Activity - Administer the common properties and the assets for the benefit of the owners.

This officer does not hold the position because they are an officer or employee of the reporting unit or were nominated for the position by the reporting unit or by the peak council.

Loretta Cotter Director - Teacher Learning Network

Principal Activity - Teacher professional development

This officer does not hold the position because they are an officer or employee of the reporting unit or were nominated for the position by the reporting unit or by the peak council.

Angela Briant Director - Tasmanian Growth and Development Fund Pty. Ltd.

Principal Activity - Financial Investments

This officer does not hold the position because they are an officer or employee of the reporting unit or were nominated for the position by the reporting unit or by the peak council.

Director - The Children's Book Council of Australia

Principal Activity - Promoting children's literature

This officer does not hold the position because they are an officer or employee of the reporting unit or were nominated for the position by the reporting unit or by the peak council.

Director - Lu Rees Archives of Australian Children's Literature Inc

Principal Activity - Enhance appreciation of Australian children's literature

This officer does not hold the position because they are an officer or employee of the reporting unit or were nominated for the position by the reporting unit or by the peak council.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

OPERATING REPORT (Cont'd)

THE NUMBER OF PERSONS THAT WERE RECORDED IN THE REGISTER OF MEMBERS ON 31/01/14

There were 19,230 members on the register of members on 31st January, 2014.

THE NUMBER OF PERSONS WHO WERE EMPLOYEES OF THE FEDERAL UNION ON 31/01/14, INCLUDING FULL-TIME OR PART-TIME

On 31st January, 2014 there were thirty six persons employed full time and ten persons employed part time by the IEU Victoria Tasmania Branch.

THE NAMES OF EACH PERSON WHO HAS BEEN A MEMBER OF THE COMMITTEE OF MANAGEMENT AT ANY TIME DURING THE REPORTING PERIOD AND THE PERIOD FOR WHICH HE OR SHE HELD THE POSITION

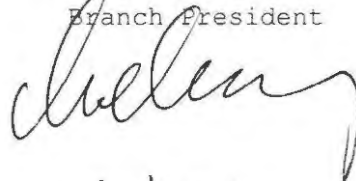
The following persons were on the IEU Victoria Tasmania Branch Committee of Management during the following months of the reporting period:

Duncan Arendse for February 2013 - January 2014.
Patrick Bennett for February 2013 - January 2014.
Angela Briant for February 2013 - January 2014.
Elisabeth Buckley for February 2013 - January 2014.
Margot Clark for February 2013 - January 2014.
John Connors for February 2013 - January 2014.
Loretta Cotter for February 2013 - January 2014.
Andrew J. Dunne for February 2013 - January 2014.
Gregory Hawkins for February 2013 - June 2013.
Stephen Hobday for February 2013 - January 2014.
Debra James for February 2013 - January 2014.
Cara Maxworthy for February 2013 - January 2014.
Jeremy Oliver for February 2013 - January 2014.
Ruth Pendavingh for February 2013 - January 2014.
Christine Scott for February 2013 - January 2014.
Maureen Shembrey for February 2013 - January 2014.
Maree Shields for February 2013 - January 2014.
Coralie Taranto for February 2013 - January 2014.
Emma Wakeling for February 2013 - January 2014.
John Waldock for February 2013 - January 2014.
Mark Williams for February 2013 - January 2014.

Mark Williams
Branch President

Debra James
Branch Secretary

Signature:



Date:

12/5/2014

12/5/2014

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

Statement of Comprehensive Income for Year Ended 31st January, 2014

2013	Income	Notes	2014
\$			\$
7,317,850	Members Subscriptions		7,919,962
46,920	Advertising		11,010
110,292	Directors Fees		89,204
4,458	Interest Received		5,569
56,580	Training Programs		42,768
25,591	Unrealised Gain on Investments		(3,981)
89,494	Sundry Income		248,101
<u>7,651,185</u>	Total Income		<u>8,312,633</u>
	Less Expenditure		
600,776	Administrative & General		683,697
498,942	Affiliation Fees	6	478,476
	Annual Leave Provision		
(6,759)	- General Secretary		7,845
3,065	- Deputy Secretary		3,799
7,370	- Assistant Secretary		5,856
34,065	- Employees		140,753
10,000	Audit Fees		10,500
35,196	Bank Charges & Duties		50,252
42,351	Building Expenses		45,025
100,404	Computer Costs		139,662
6,209	Conferences & Meetings	7	12,868
90,516	Depreciation		67,203
91,756	Fringe Benefits Tax		68,199
138,531	Insurance		145,664
8,672	Interest Paid		2,317
33,913	Legal Fees	8	174,420
(50,000)	Legal Fees Provision		0
	Long Service Leave Provision		
3,661	- General Secretary		4,916
3,321	- Deputy Secretary		4,345
2,994	- Assistant Secretary		3,791
300,830	- Employees		59,715
49,817	Meeting of Members	9	59,434
277,061	Members Campaign		116,797
(100,000)	Members Campaign Provision		0
2,000	Members Loans	10	0
8,897	Membership Development		46,955
(50,000)	Membership System Upgrade Provision		0
100,418	Motor Vehicle Expenses		120,627
299,891	Motor Vehicle Leasing		336,239
180,643	Payroll Tax		211,663
<u>2,724,540</u>		forward	<u>3,001,018</u>
			<u>8,312,633</u>

These financial statements should be read in conjunction with the attached notes.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

Statement of Comprehensive Income for Year Ended 31st January, 2014 (Cont'd)

2013		Notes	2014
\$			\$
2,724,540		forward	\$3,001,018
			8,312,633
	Less Expenditure (Cont'd)		
239,113	Postage		201,149
84,306	Printing & Stationery		50,292
154,994	Publications		213,797
3,306	Repairs & Maintenance		4,169
389,062	Salaries - Holders of Office		430,914
3,319,620	Salaries - Employees		3,799,029
27,010	Subscriptions		21,379
47,660	Superannuation - Holders of Office		53,475
383,580	Superannuation - Employees		484,100
50,000	Teacher Learning Network		50,000
120,843	Telephone & Fax		107,844
381,192	Work Partners Project		5,510
50,964	Workcover		27,337
<u>7,976,190</u>	Total Expenditure		<u>8,450,013</u>
(\$325,005)	OPERATING SURPLUS (DEFICIT) FOR YEAR		(\$137,380)
	PLUS NON-OPERATING INCOME		
0	Revaluation of Investment		570,156
<u>(\$325,005)</u>	SURPLUS (DEFICIT) FOR YEAR		<u>\$432,776</u>

These financial statements should be read in conjunction with the attached notes.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

Statement of Financial Position as at 31st January, 2014

2013		2014
\$	MEMBERS FUNDS	\$
1,554,427	Balance as at 31st January, 2013	1,229,422
(325,005)	Plus Surplus (Deficit) for Year	432,776
\$1,229,422		\$1,662,198
CURRENT ASSETS		
	Commonwealth Bank of Australia	
249,366	- Cheque Account	336,696
80,701	- Long Service Leave Account	86,210
100,000	- Long Service Leave Term Deposit	100,000
256,187	Debtors	348,987
686,254	Total Current Assets	871,893
LESS CURRENT LIABILITIES		
49,998	Creditors	74,034
409,663	G.S.T. Payable	457,171
827,163	Members Subs in Advance	818,408
253,995	Leasing Charges Due	249,119
(23,452)	Less Unexpired Charges	31,545
	Provision for Annual Leave	
13,349	- General Secretary	21,194
24,871	- Deputy Secretary	28,670
15,408	- Assistant Secretary	21,264
381,042	- Employees	517,902
0	Provision for Legal Fees	589,030
	Provision for Long Service Leave	
45,989	- General Secretary	50,905
35,636	- Deputy Secretary	39,980
27,314	- Assistant Secretary	31,106
563,169	- Employees	618,904
37,600	Provision for Professional Development	740,895
2,661,745	Total Current Liabilities	2,934,712
(1,975,491)	Working Capital (Deficiency)	(2,062,819)
	Forward	

These financial statements should be read in conjunction with the attached notes.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

Statement of Financial Position as at 31st January, 2014 (Cont'd)

2013		2014
\$	Forward	\$
(1,975,491)	Working Capital (Deficiency)	(2,062,819)
	PLUS NON CURRENT ASSETS	
	Property, Plant & Equipment	
760,719	Motor Vehicle Under Lease	752,084
(320,050)	Less Provision for Depreciation	<u>203,858</u>
		548,226
55,867	Equipment Under Lease	55,867
(27,961)	Less Provision for Depreciation	<u>42,060</u>
		13,807
144,280	Office Equipment	109,569
(121,404)	Less Provision for Depreciation	<u>86,785</u>
		22,784
595,943	Office Furniture & Fittings	601,334
(326,667)	Less Provision for Depreciation	<u>373,155</u>
		228,179
6,660	Library	6,660
	Investments	
	Trust Units	
2,480,045	- Federation Union of Aust.	3,050,200
203,601	- JB Were Cash Trust	<u>199,620</u>
		<u>3,249,820</u>
<u>3,451,033</u>	Total Non Current Assets	<u>4,069,476</u>
<u>1,475,542</u>		<u>2,006,657</u>
	LESS NON-CURRENT LIABILITIES	
8,087	Commonwealth Financial Services	0
252,865	Leasing Charges Due	365,179
(14,832)	Less Unexpired Charges	<u>20,720</u>
		<u>344,459</u>
<u>246,120</u>	Total Non Current Liabilities	<u>344,459</u>
<u><u>\$1,229,422</u></u>	NET ASSETS	<u><u>\$1,662,198</u></u>

These financial statements should be read in conjunction with the attached notes.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

Statement of Change in Equity for Year Ended 31st January, 2014

	2014
	\$
Balance as at 1st February, 2012	1,554,427
Less (Deficit) for Year	<u>(325,005)</u>
Balance as at 31st January, 2013	1,229,422
Less (Deficit) for Year	<u>432,776</u>
Balance as at 31st January, 2014	<u><u>\$1,662,198</u></u>

These financial statements should be read in conjunction with the attached notes.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

Statement of Cash Flows for Year Ended 31st January, 2014

2013		2014
\$		\$
7,350,944 (7,536,442) 328,877 4,458 <hr/> 147,837	Cash Flows from Operating Activities Revenue from Operations Payments to Suppliers and Employees Revenue from Other Operations Interest Received Net Cash provided by Operating Activities (see Note 2)	7,818,407 (8,190,212) 387,102 5,569 <hr/> 20,866
(2,268) (16,501) <hr/> (18,769)	Cash Flows from Investing Activities Purchase of Furniture & Fittings Purchase of Computer Equipment Net Cash used in other activities	(9,442) (16,572) <hr/> (26,014)
(85,987) 0 (25,591) (98,837) <hr/> (210,415) (81,347)	Cash Flows from Financing Activities Repayment of Loan - C.F.S. Trust Units - Federation Education Union (see Note 3) - JB Were Cash Trust Repayment of Lease Creditor Net Cash used in other activities Net Increase (Decrease) in Cash Held	(8,087) 0 3,981 102,093 <hr/> 97,987 <hr/> 92,839
511,414 <hr/> \$430,067	Cash at beginning of year Cash at end of year (see Note 1)	430,067 <hr/> \$522,906

These financial statements should be read in conjunction with the attached notes.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

**Notes to and Forming Part of the Financial Statements
for the Year Ended 31st January, 2014**

2013		2014
\$	NOTES TO THE STATEMENT OF CASH FLOWS	\$
	1. Reconciliation of Cash	
	For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments. Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the financial statements as follows:	
	Commonwealth Bank of Australia	
249,366	- Cheque Account	336,696
80,701	- Long Service Leave Account	86,210
100,000	- Long Service Leave Term Deposit	100,000
<u>\$430,067</u>		<u>\$522,906</u>
	2. Reconciliation of Net Cash provided by Operating Activities to Operating Profit after Income Tax	
(325,005)	Operating Surplus (Deficit) for Year	(137,380)
0	Depreciation	67,203
82,933	Depreciation of Motor Vehicle Under Lease	(116,192)
15,902	Depreciation of Equipment Under Lease	14,099
	Changes in Assets and Liabilities	
55,406	(Increase) Decrease in Debtors	(92,800)
355,000	(Increase) Decrease in Prepayments	0
(210,624)	Increase (Decrease) in Creditors	24,036
(34,478)	Increase (Decrease) in G.S.T. Payable	47,508
(22,312)	Increase (Decrease) in Members Subs in Advance	(8,755)
	Increase (Decrease) in Provision for:	
29,692	Annual Leave	154,360
(50,000)	Legal Fees	0
310,807	Long Service Leave	68,787
(100,000)	Members Campaign	0
(50,000)	Membership System Upgrade	0
0	Professional Development	0
<u>\$57,321</u>		<u>\$20,866</u>
	3. Cash Flow from another Reporting Unit	
	Federation Education Union	
2,480,045	Balance as at 1st February	2,480,045
0	Revaluation of Asset during year	570,155
<u>\$2,480,045</u>	Balance as at 31st January	<u>\$3,050,200</u>

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

**Notes to and Forming Part of the Financial Statements
For the Year Ended 31st January, 2014 (Cont'd)**

NOTE 4

The General Purpose Financial Report has been prepared in accordance with Accounting Standards, other mandatory professional reporting requirements and the Fair Work (Registered Organisation) Act 2009 and associated Regulations 2009.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Union in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Income Tax

The Union is exempt from income tax under division 50 of the Income Tax Assessment Act 1997. The ongoing applicability of this ruling is at the discretion of the Australian Taxation Office.

(b) Depreciation

Depreciation is calculated on a straight line basis so as to write off the full net cost of each fixed asset during its effective working life.

The principal annual rates are:-

Office Fit Out	7.5%
Office Furniture & Fittings	10%-20%
Computer & Office Equipment	33.3%

(c) Employee Entitlements

Provisions for employee long service leave and annual leave have been made for the estimated accrued entitlements of all employees on the basis of their terms of employment.

(d) Cash

For the purpose of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and are used in the cash management function on a day to day basis, net of outstanding bank overdrafts.

(e) Goods and Services Tax

Business expenses and assets are recognised net of the amount of GST except where the amount of GST accrued is not recoverable from the Australian Taxation Office.

**INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

**Notes to and Forming Part of the Financial Statements
For the Year Ended 31st January, 2014 (Cont'd)**

NOTE 5

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 which reads as follow:

- (1) A member of an reporting unit, or a General Manager, may apply to the reporting unit for specified prescribed information in relation to the reporting unit and it is 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 be not less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under sub-section (1).

Civil penalty provision applies for non compliance.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH**

**Notes to and Forming Part of the Financial Statements
for the Year Ended 31st January, 2014**

2013		2014
\$	Note 6	\$
	Affiliation Fees Paid	
4,800	Australian Catholic Primary Principals Association	5,600
8,430	Australian Primary Principal Association Inc.	8,430
1,710	Ballarat Trades Hall Council	2,850
672	Geelong Trades Hall Council	507
1,677	Gippsland Trades & Labour Council	2,509
504	Goulburn Valley Trades Hall Council	641
9,800	Incorporated Association of Registered Teachers of Victoria	9,300
390,882	Independent Education Union of Australia	358,755
582	North East Trades & Labour Council	582
527	South West Trades & Labour Council	527
175	Sunraysia Trades & Labour Council	175
79,183	Victorian Trades Hall Council	88,600
<u>\$498,942</u>		<u>\$478,476</u>
	 Note 7	
	Conferences & Meetings	
<u>\$6,209</u>	IEUA Representation, Federal Executive & Council	<u>\$12,868</u>
	 Note 8	
	Legal Fees	
33,913	Litigation	171,646
0	Other Legal Matters	2,774
<u>\$33,913</u>		<u>\$174,420</u>
	 Note 9	
	Meeting of Members	
26,477	IEU Victoria Tasmania Committee of Management	40,436
20,825	IEU Victoria Tasmania Councils	14,626
2,515	IEU Victoria Tasmania Annual Conference	4,372
<u>\$49,817</u>		<u>\$59,434</u>
	 Note 10	
	Members Loans	
<u>\$2,000</u>	Loans to Members	<u>\$0</u>

Paroissien Accountants Pty Ltd

A.B.N. 39 144 478 026

Incorporating K.L. Paroissien & Associates

Business and Taxation Advisors

A. R. Paroissien FIPA Director

AUDITORS REPORT TO THE MEMBERS OF

THE INDEPENDENT EDUCATION UNION OF AUSTRALIA VICTORIA TASMANIA BRANCH

The Financial Report and Directors' Responsibility

The financial report comprises the statement of financial performance, statement of financial position, statement in changes in equity, statement of cash flow, a summary of significant accounting policies and other explanatory notes and branch committee of management's statement for The Independent Education Union of Australia Victoria Tasmania Branch for the year ended 31st January, 2014.

The committee is responsible for the preparation and true and fair presentation of the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We conducted an independent audit in order to express an opinion to the members of the Union. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We perform procedures to assess whether in all material respects the financial report presents fairly Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Union's financial position, and of their performances as represented by the results of their operations and cash flows.

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

- examine on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

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

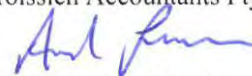
Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion the general purpose financial report of The Independent Education Union of Australia Victoria Tasmania Branch is presented fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements imposed by Part 3 of Chapter 8 of Fair Work (Registered Organisations) Act 2009.

Paroissien Accountants Pty. Ltd.



A.R. Paroissien FIPA
Institute of Public Accountants
Member No. 102449

Ringwood, 13th MAY, 2014

Level 1, 154 Maroondah Highway, (P.O. Box 377) Ringwood, 3134
Telephone 9847 0300 Fax 9847 0277 Mobile 0413 604 799
email: andrew@paro.com.au

THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH
Year Ended 31st January, 2014

DEPRECIATION SCHEDULE

	Original Cost	Value at 30/01/13		Written Off	Value at 30/01/14
1. Furniture & Fittings					
Building Fit Out Costs	505,290	228,279	7.5%	37,897	190,382
Additional Building Fit Out	22,466	10,815	"	1,685	9,130
Desk	1455	34	"	34	-
Office Furniture	748	17	"	17	-
Desk	1,805	303	20%	303	-
Chairs (11)	4,908	865	"	865	-
Office Furniture	15,680	4,803	"	3,136	1,667
Cabinets (2)	7,660	2,665	"	1,532	1,133
Refrigerator	1,086	398	"	217	181
Carpet	8,580	3,512	"	1,716	1,796
Workstation Area	3,750	2,648	10%	375	2,273
Workstation	3,200	2,278	"	320	1,958
Office Chairs (2)	1,096	490	20%	219	271
Workstations (2)	7,070	5,822	10%	707	5,115
Workstation & Shelving	4,830	4,144	"	483	3,661
Chairs	2,268	2,203	20%	454	1,749
	<u>591,892</u>	<u>269,276</u>		<u>49,960</u>	<u>219,316</u>
Additions					
Workstation (04-03-13)	2,580	2,580	10%	236	2,344
Round Table & Chairs (09-05-13)	464	464	"	34	430
Workstation (06-07-13)	2,580	2,580	"	148	2,432
Chairs (2) (23-08-13)	1,134	1,134	"	50	1,084
Maxi Black Chairs (3) (02-09-13)	1,550	1,550	"	65	1,485
Chairs (2) (05-09-13)	1,134	1,134	"	46	1,088
	<u>\$601,334</u>	<u>\$278,718</u>		<u>\$50,539</u>	<u>\$228,179</u>

THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
VICTORIA TASMANIA BRANCH
Year Ended 31st January, 2014

DEPRECIATION SCHEDULE (Cont'd)

	Original Cost	Value at 30/01/13		Written Off	Value at 30/01/14
2. Office Machines & Equipment					
SBS Computer Server	43,787	670	33.3%	670	-
Computer	4,280	167	"	167	-
Printer	2,337	185	"	185	-
Notebook	1,955	178	"	178	-
Computer	3,285	498	"	498	-
Monitors (8)	1,811	526	"	526	-
Computers (3)	6,874	2,353	"	2,292	61
Monitors (3)	905	322	"	302	20
Laptop	1,288	498	"	429	69
iPads (2)	2,888	1,202	"	963	239
Computers (2)	2,514	1,113	"	838	275
Mac-Air Notebook	1,434	716	"	478	238
Laser Printers (2)	1,844	1,088	"	615	473
Printer & Tray	1,294	802	"	431	371
iPads (3)	3,183	2,206	"	1,061	1,145
Printer	4,165	3,008	"	1,389	1,619
HP Laserjet Printer	3,800	2,852	"	1,267	1,585
LCD Rack Mount	1,552	1,165	"	517	648
Lenovo Monitor	1,413	1,061	"	471	590
Computer	1,354	1,251	"	451	800
Computer	1,034	1,015	"	345	670
	92,997	22,876		14,073	8,803
Additions					
Server Monitor (17-05-13)	1,325	1,325	33.3%	315	1,010
Laptop (17-05-13)	1,910	1,910	"	454	1,456
Monitors (4) (17-05-13)	1,791	1,791	"	425	1,366
Laptops (2) (22-07-13)	3,837	3,837	"	680	3,157
Computer (22-07-13)	1,251	1,251	"	222	1,029
Kyocrea FS2100DN Printer (21-08-13)	1,208	1,208	"	181	1,027
Sound System (05-09-13)	1,435	1,435	"	195	1,240
Epson Dot Matric Printer (18-09-13)	869	869	"	108	761
Computers (2) (28-01-14)	2,946	2,946	"	11	2,935
	\$109,569	\$39,448		\$16,664	\$22,784
Totals	\$710,903	\$318,166		\$67,203	\$250,963

DECLARATION

I, Debra James, General Secretary of the Independent Education Union Victoria Tasmania, declare in respect to the financial report lodged with the Fair Work Commission (FWC) for the year ending 31 January 2014:

1. Recognition of Revenue

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

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

Interest revenue is recognised on an accrual basis using effective interest method.

Other revenue comprises revenue earned from the provision of products or services, donations, advertising, training programs and unrealised gains on investments. These revenues are recognised when the goods or services are provided, or when the fee in respect of services provided is receivable.

2. Related Parties

Federation of Education Union Unit Trust (FEU)

The Union is a tenant of the building owned by the FEU, of which the Union holds 20.20% of the unit trust. Outgoings of \$45,025.00 (2013: \$42,351.00) in connection with the occupancy are paid to the FEU in the ordinary course of business and on normal commercial terms and conditions and at market rates.

Teacher Learning Network (TLN)

TLN is an organisation which provides professional development programs and services. A payment of \$50,000 (2013: \$50,000) was paid to the TLN.

3. Key Management Personnel

The key management personnel are the General Secretary Debra James and the Deputy General Secretary Loretta Cotter.

.../2

Remuneration

	2014	2013
Short Term Employee Benefits		
- Salary	301,479	272,297
- Annual Leave Accrued	11,644	(3,694)
- Performance Bonus	<u>0</u>	<u>0</u>
Total Short Term Employee Benefits	<u>313,123</u>	<u>268,603</u>
Post-Employment Benefits		
- Superannuation	<u>37,247</u>	<u>32,676</u>
Total Post-Employment Benefits	<u>37,247</u>	<u>32,676</u>
Other Long Term Benefits		
- Long Service Leave Accrued	<u>9,261</u>	<u>6,982</u>
Total Other Long Term Benefits	<u>9,261</u>	<u>6,982</u>
Termination Benefits	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
TOTAL:	<u>359,631</u>	<u>308,261</u>

Declared at South Melbourne:

On 9th September 2014


Debra James
General Secretary