



Australian Government
Australian Industrial Registry

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Mr Ron Slee
Secretary
National Tertiary Education Industry Union
Flinders University Branch
NTEU Office, Room 0101
Flinders Plaza, Humanities Building
Flinders University
BEDFORD PARK SA 5042

Dear Mr Slee

Re: Financial Reports for year ended 30 June 2004 - National Tertiary Education Industry Union - Flinders University Branch - FR 2004/483

I have received the financial reports of the National Tertiary Education Industry Union - Flinders University Branch for the year ended 30 June 2004. The documents were lodged in the Industrial Registry on 1 February 2005.

I also refer to previous financial documents lodged in the Registry on 29 November 2004 and the response from Ms Lee of this office on 1 December 2004.

The documents have now been filed.

Although the documents have been filed, I make the following comments to assist you when you next prepare financial reports. You do not need to take any further action in respect of the financial reports already lodged.

1. Operating Report

Rights of members to resign

A reporting unit is required to include in its operating report details of the rights of members to resign as members of the reporting unit (see s254(2)(c) of RAO Schedule). It is our view that this requirement necessitates, as a minimum, the inclusion of a reference to the specific rule in the rules of the reporting unit and/or registered organisation, which make(s) provision for the resignation of members. Of course, if you choose to reproduce the whole of the relevant rule that would clearly satisfy the requirements of that provision. I note Rule 11 "Resignation from Membership" of the organisation's rules requires members to provide a written notice of their resignation from membership to the Divisional or Branch Secretary. The note in the Operating Report is limited to advice on how a member discontinues payment of dues only, it does not inform the member how they resign from membership which is central to the requirement in s254(2)(c).

2. Auditor's Report

Subsection 257(5) of the RAO Schedule now sets out the matters upon which an auditor is required to make an opinion. The following wording would satisfy the requirements of the Schedule:

"In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996."

I note that Ms Lee drew your attention to this matter in her correspondence of 1 December 2004.

Also, I note the Auditor's report does not indicate whether the auditor is an approved auditor. Regulation 4 of the *Workplace Relations (Registration and Accountability of Organisations) Regulations 2003* defines 'approved auditor'. The Auditor's report should clearly state whether or not the auditor is an approved auditor (notwithstanding the auditor may have been the Branch auditor for sometime).

A copy of this letter has also been forwarded to your auditor.

Should you wish to discuss any of the matters raised in this letter, I can be contacted on (03) 8661 7787.

Yours sincerely



Iain Stewart
Statutory Services Branch

10 February 2005

cc Messenger Zerner

NATIONAL TERTIARY EDUCATION INDUSTRY UNION

FLINDERS UNIVERSITY BRANCH

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2004**

CONTENTS

- Operating Report ✓**
- Committee of Management Statement ✓**
- Statement of Financial Performance ✓**
- Statement of Financial Position ✓**
- Statement of Cash Flows ✓**
- Notes to the Financial Statements**
- Auditors' Report**

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY**

COMMITTEE OF MANAGEMENT STATEMENT

On 20th December 2004 the Committee of Management of the National Tertiary Education Industry Union – Flinders University Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2004.

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation .
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

For Committee of Management: Mr John Summers

Title of Office held: Treasurer

MZ & Co.

Signature: *J. Summers*

Date: *20/12/04*

NATIONAL TERTIARY EDUCATION INDUSTRY UNION FLINDERS UNIVERSITY

OPERATING REPORT

I, Associate Professor Ian Hunt, being President of the National Tertiary Education Industry Union, Flinders University Branch, report operations for the year ended 30 June 2004 as follows:

No. of Members

500

No. of Employees

One Branch Executive Officer

Review of Principal Activities

1. Consultation with members re Enterprise Bargaining Award Round 4
2. Negotiation with University on Enterprise Bargaining Award Round 4
3. Consultation with Academic Consultative Committee on academic issues and Enterprise Bargaining Award Round 4 and with Joint Consultative Committee on general staff issues.
4. Consultation with members and University, and response to University, on University policy and procedure.
5. Union representation on University committees.
6. Advice and consultation on personal cases.
7. Provision of services to members (e.g. legal service)
8. Supervision of branch administration, finance and industrial officer activities.
9. Twice monthly branch committee meetings to initiate, authorise, monitor and evaluate activities 1-8.
10. NTEU national participation; conferences, national strike action, national meetings.

Details of significant changes

No significant change.

Details of right of members to resign

Members are advised that they can resign by notifying Flinders University Human Resources in writing to cease payroll deductions for dues, and for other methods of payment to instruct bank/credit card to cease deductions.

Details of superannuation trustees

Not applicable.

Details of membership of Committee of Management

President:	A/Prof. Ian Hunt	Philosophy	ian.hunt@flinders.edu.au
Secretary:	Mr Chris Symes	Law	chris.symes@flinders.edu.au
Vice-President (Academic):	Mr John Summers	Politics	john.summers@flinders.edu.au
Vice-President (General Staff):	Mr Ron Slee	Admissions	ron.slee@flinders.edu.au
Committee:	Mr Michael Brunger	SOCPEs	michael.brunger@flinders.edu.au
	Ms Carol Gibb	Public Health	carol.gibb@flinders.edu.au
	Ms Margaret Hall	Nursing	margaret.m.hall@flinders.edu.au
	Mr Mark King	Services Mgr.	mark.king@flinders.edu.au
	A/Prof. David Powers	Inf. & Eng.	david.powers@flinders.edu.au
	Dr Jane Robbins	Politics	jane.robbins@flinders.edu.au

SIGNATURE: 

Date: 20 December 2004

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2004**

	NOTE	2004	2003
CURRENT ASSETS			
Cash Assets	4	3,555	4,833
Receivables	5	2,236	2,246
TOTAL CURRENT ASSETS		<u>5,791</u>	<u>7,079</u>
NON-CURRENT ASSETS			
Property, Plant & Equipment	6	5,082	6,969
TOTAL NON-CURRENT ASSETS		<u>5,082</u>	<u>6,969</u>
TOTAL ASSETS		<u>10,873</u>	<u>14,048</u>
CURRENT LIABILITIES			
Payables	7	3,678	3,365
Provisions	8	1,229	1,152
TOTAL CURRENT LIABILITIES		<u>4,907</u>	<u>4,517</u>
EQUITY			
Accumulated Surplus	9	5,966	9,531
TOTAL EQUITY		<u>5,966</u>	<u>9,531</u>

MZ & Co.

The accompanying notes form part of these financial statements

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY BRANCH**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2004**

	NOTE	2004	2003
Revenue from ordinary activities	2	200,522	196,087
NTEU SA Division Capitation and Levies	13	(56,708)	(56,345)
NTEU National Office Capitation and Levies	13	(106,709)	(103,094)
Depreciation expense	3	(1,887)	(2,041)
Executive Officer cost		(25,472)	(23,843)
Payroll Tax Liability		(1,539)	-
Staff Leave Liability		(76)	(79)
Accounting Expense	3	(880)	(1,450)
Auditors' Remuneration	3	(800)	(1,320)
Other expenses from ordinary activities		(8,016)	(6,838)
SURPLUS/(DEFICIT) from ordinary activities		(3,555)	1,866
TOTAL CHANGES IN EQUITY		(3,555)	1,866

MZ & Co.

The accompanying notes form part of these financial statements

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY BRANCH**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2004**

	NOTE	2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		200,515	194,613
Payments to suppliers and employees		(201,809)	(192,138)
Interest received		16	17
		<hr/>	<hr/>
Net Cash provided by (used in) operating activities	14b)	(1,278)	2,492
CASHFLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant & equipment		-	(425)
		<hr/>	<hr/>
Net Cash provided by (used in) investing activities		-	(425)
Net increase/(decrease) in cash held		(1,278)	2,067
Cash at beginning of year		4,833	2,766
		<hr/>	<hr/>
Cash at end of year	14a)	3,555	4,833

MZ & Co.

The accompanying notes form part of these financial statements

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004**

Note 1: Statement of Significant Accounting Policies

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996, as amended.

The financial report has been prepared on an accrual basis and is based on historic costs and does not take into account changing money values.

The accounts have been prepared on a going concern basis. Although the financial performance statement shows a net deficit of \$3,565, the Committee of Management are of the opinion that the going concern basis is still appropriate. The main reason for the deficit in 2004 is the increased payment to the NTEU Defence Fund. To alleviate the deficit members have agreed to increase subscriptions from 0.72% to 0.80% of gross salary on 1st March 2005.

The following is a summary of the material accounting policies adopted by the National Tertiary Education Industry Union – Flinders University Branch in the preparation of this financial report.

(a) **Property, Plant & Equipment**

Each class of property, plant and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant and Equipment

Plant and equipment are measured on a cost basis.

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets are depreciated on a diminishing value basis over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate
Office equipment	6.6% - 25%

(b) **Income Tax**

The union is exempt from income tax.

(c) **Revenue**

Membership income and interest income is brought to account when received.

(d) **Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand, at banks and investments on deposit.

MZ & Co.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004 (CONTINUED)**

- (e) 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 Australian Taxation 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.
- (f) Comparatives
Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year information and other disclosures.
- (g) Adoption of Australian Equivalents to International Financial Reporting Standards
Australia is currently preparing for the introduction of International Financial Reporting Standards (IFRS) effective for financial years commencing 1st January 2005. This requires the production of accounting data for future comparative purposes at the end of the current financial year.

The Committee are assessing the significance of these changes and preparing for their implementation. The Committee are of the opinion there are no key differences in the entity's accounting policies from the adoption of IFRS.

Note 2: Revenue

	2004	2003
	\$	\$
Operating activities		
- membership subscriptions	200,506	196,088
- sundry income	-	771
	200,506	196,859
Non- operating activities		
- interest received	16	17
	200,522	196,876

Note 3: Profit from Ordinary Activities

2004

2003

Profit from ordinary activities has been determined after:

Expenses		
Remuneration of auditors		
- audit or review services	800	1,450
- other services	880	1,320
Total remuneration	<u>1,680</u>	<u>2,770</u>
Depreciation of property, plant & equipment	<u>1,887</u>	<u>2,041</u>

MZ & Co.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004 (CONTINUED)**

	2004	2003
Note 4: Cash Assets		
Cash on Hand	18	29
Cash at Bank	<u>3,537</u>	<u>4,804</u>
	<u>3,555</u>	<u>4,833</u>
Note 5: Receivables		
Sundry Debtors	<u>2,236</u>	<u>2,248</u>
Note 6: Property, Plant & Equipment		
Plant & Equipment	13,379	13,379
Less: Accumulated Depreciation	<u>(8,297)</u>	<u>(6,410)</u>
	<u>5,082</u>	<u>6,969</u>
Note 7: Payables		
Trade Creditors	<u>3,678</u>	<u>3,365</u>
Note 8: Provisions		
Provision for Annual Leave	<u>1,229</u>	<u>1,152</u>
Note 9: Accumulated Surplus		
Accumulated surplus /(deficit) at the beginning of the financial year	9,531	7,665
Net surplus / (deficit) attributable to the entity	<u>(3,565)</u>	<u>1,866</u>
Accumulated surplus/(deficit) at the end of the financial year	<u>5,966</u>	<u>9,531</u>

Note 10: Segment Reporting

The entity operates in one geographical and business segment, being a union for the benefit of members of Flinders University.

Note 11: Entity Details

NTEU Flinders University Branch
Room 0101 Plaza
Humanities Building
Flinders University
Bedford Park, S.A. 5042

Note 12: Reporting Guidelines

In accordance with Section 255 of the Workplace Relations Act 1996, as amended, the following information is provided:

- (a) no amount was paid in 2003 or 2004 to Flinders University as consideration for the employer making payroll deductions of membership subscriptions;

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**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004 (CONTINUED)**

- (b) no amount was paid in 2003 or 2004 for legal costs or expenses related to litigation or other legal matters.

Note 13: Related Parties

The names of the members of the Committee during the financial year were:

From October 2002 – September 2004

I. Hunt (President), C. Symes (Secretary), J. Summers (Vice-President Academic), R. Slee (Vice-President General Staff), M. Brunger, C. Gibb, M. Hall, M. King, D. Powers, J. Robbins.

Other Related Party Transactions

(a) NTEU S.A. State Division and NTEU National Office

The NTEU Flinders University Branch has transactions with both the NTEU S.A. State Division and NTEU National Office, all of these transactions are on normal commercial terms and conditions.

Capitation fees are paid to the S.A. Division, the amounts payable are determined by the S.A. Division. In 2004 these totalled \$58,708 (2003 \$56,345).

Capitation fees and Defence fund levy paid to the NTEU National Office totalled \$106,709 in 2004 (2003 \$103,094). These amounts are determined by the NTEU National Office.

(b) Universities' Staff Association of South Australia (USASA)

Transactions with USASA are on normal commercial terms and conditions.

At balance date no amount is payable or receivable from USASA.

	2004	2003
Note 14: Cash Flow Information		
(a) Reconciliation of Cash		
Cash on Hand	17	29
Cash at Bank	<u>3,538</u>	<u>4,804</u>
	<u>3,555</u>	<u>4,833</u>
(b) Reconciliation of net cash provided by operating activities to the surplus/(deficit) from ordinary activities		
Surplus/(deficit) from ordinary activities	(3,565)	1,866
Non-cash flows in surplus/(deficit) from ordinary activities		
Depreciation	1,887	2,041
Changes in assets and liabilities		
(Increase)/Decrease in receivables	10	(2,246)
Increase/(Decrease) in payables	314	751
Increase/(Decrease) in provision	<u>76</u>	<u>80</u>
Net cash provided by (used in) operating activities	<u>(1,278)</u>	<u>2,492</u>

MZ & Co.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2004 (CONTINUED)**

Note 15: Financial Instruments

(a) Interest Rate Risk

The entity'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 liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
	2004	2003	2004	2003	Within 1 year		1 to 5 years	
					2004	2003	2004	2003
FINANCIAL ASSETS	%	%	\$	\$	\$	\$	\$	\$
Cash	.05	.05	3,555	4,833	-	-	-	-
TOTAL FINANCIAL ASSETS	.05	.05	3,555	4,833	-	-	-	-

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognise financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial report.

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

(c) Net Fair Values

Methods and assumptions used in determining net fair value.

For all assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

MZ & Co.



Messenger Zerner

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE NATIONAL TERTIARY EDUCATION INDUSTRY UNION FLINDERS UNIVERSITY BRANCH

SCOPE

We have audited the financial report of the National Tertiary Education Industry Union – Flinders University Branch (NTEU-UF) comprising of the Committee of Management Statement, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and Notes to and forming part of the Financial Statements for the year ended 30 June 2004. The NTEU – UF Committee of Management is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members.

Our audit has been conducted in accordance with the Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, the Workplace Relations Act 1996, as amended, and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with our understanding of the union's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

AUDIT OPINION

In our opinion the financial report of NTEU – UF presents a true and fair view in accordance with applicable Accounting Standards, the Workplace Relations Act 1996, as amended and other mandatory professional reporting requirements in Australia the financial position of NTEU – UF as at 30 June 2004 and the results of its operations and its cash flows for the year then ended.


.....
W G DARTNALL - Partner
Adelaide


.....
MESSENGER ZERNER & CO
Chartered Accountants

6 January 2005



NATIONAL TERTIARY EDUCATION INDUSTRY UNION

FLINDERS UNIVERSITY BRANCH

Room 0101
Plaza
Humanities Building

Tel. (08) 8201 2656
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Email: nteu@post.flinders.edu.au

CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER

S268 of Schedule 1B *Workplace Relations Act 1996*

I Mr Ron Slee being the Secretary of the National Tertiary Education Union – Flinders University Branch certify:

- that the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule; and
- that the full report was provided to members on 10th January 2005
- that the full report was presented to a general meeting of members of the reporting unit on 31st January 2005 in accordance with section 266 of the RAO Schedule.

Signature: Ron Slee

Date: 31/01/05



BRANCH NEWSLETTER

NATIONAL TERTIARY EDUCATION INDUSTRY UNION

FLINDERS UNIVERSITY BRANCH

Room 0101 Flinders Plaza
Humanities Building

Tel: 8201 2656
Fax: 8201 3807
email: nteu@post.flinders.edu.au

No.1/05

10th January 2005

WELCOME TO 2005

2005 will present Universities and their staff with new and major challenges.

The NTEU appreciates your on-going commitment to remaining a member of the Union. We will keep you up to date with any developments which affect the sector through our Branch and National publications.

ADVANCE NOTICE OF SPECIAL GENERAL MEETING

Re-approval of Financial Accounts

A Special General Meeting of members will be held on 31 January, 2005 at 1.10pm. Venue to be advised. Please note this date and time in your Diary. The meeting will cover the following matter which requires membership endorsement.

At last year's Annual General Meeting, members approved the NTEU's Financial Statements for the year ended 30 June, 2004. Unfortunately, the Australian Industrial Registry who oversees the Financial Statements, now requires the Finance records to be presented in a different format as a "General Purpose Financial Report".

Consequently, members are being asked to re-approve the Finances in this new form.

No factual details of the Financial statements have been varied, only the presentation. The Reports are attached to this Newsletter. If you have any questions, please contact our office.

TSUNAMI DISASTER RELIEF

Union Aid Abroad - Apheda - was established in 1984 by the Australian Council of Trade Unions as a means for Australian workers, through their unions, to directly assist international development by supporting projects for workers in developing countries.

Apheda is currently accepting donations to assist with the Tsunami Disaster Relief. If you would like more information please go to Apheda's website at www.apheda.org.au.

Ian Hunt
President