



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

By email: nteu@post.flinders.edu.au

Dear Mr Slee

Re: Financial Reports for year ended 30 June 2006 – National Tertiary Education Industry Union – Flinders University Branch – FR2006/277

I have received the financial reports of the National Tertiary Education Industry Union – Flinders University Branch for the year ended 30 June 2006. The documents were lodged in the Industrial Registry on 4 December 2006.

The documents have been filed.

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

1. Authorised Officer's or Secretary's Certificate

I note in the Authorised Officer's Certificate dated 28 November 2006, the Certificate states that the full report was provided to the branch members on 28 November 2006 and was presented to a general meeting of members on 25 October 2006.

Section 265(1) of Schedule 1 of the *Workplace Relations Act 1996* (RAO Schedule) requires a reporting unit to provide free of charge to its members a full report.

Section 265(5)(a) of RAO Schedule states:

"The copies referred to in subsection (1) must be provided within:

- (a) if a general meeting of members of the reporting unit to consider the reports is held within 6 months after the end of the financial year – the period starting at the end of the financial year and ending 21 days before that meeting ..."*

Therefore, the full report should have been provided to the members of the branch at least 21 days prior to the presentation of the full report at the general meeting. According to the information contained in the Authorised Officer's Certificate, the full report was provided 34 days *after* the general meeting. The rationale of the s.265(5) is to provide members with the opportunity to ask questions at the general meeting of any issues are raised in the full reports.

Please ensure that in future financial reports the provision of the full report to members and the presentation of the full report to the general meeting of members are done in the correct order and that s.265(5)(a) is complied with.

2. Auditor's Report

In future financial years please ensure the Auditor's Report provide *details of the Auditor's qualifications* to confirm he or she is an approved auditor as defined by s.256 of RAO Schedule and Regulation 4 of the *Workplace Relations (Registration and Accountability of Organisations) Regulations 2003* (RAO Regulations).

Regulation 4 defines an approved auditor as a person who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accountants *and* holds a current Public Practice Certificate. The individual auditor signing off on the report should provide details of which professional body he or she is a member of and whether he or she holds a current Public Practice Certificate.

You should provide a copy of this letter to your auditor.

3. Operating Report

(a) Right of members to resign

It is preferable that the operating report should include a reference to the specific rule of the organisation which makes provision for the resignation of members. According to the rules of the National Tertiary Education Industry Union the relevant rule is Rule 11.

4. Income Statement

(a) Capitation and Levies

The Reporting Guidelines of the Industrial Registrar made under s.255 of the RAO Schedule prescribe certain disclosure requirements in addition to those prescribed by Australian Accounting Standards.

I note in the Income Statement for the year ended 30 June 2006 there are disclosures for "NTEU SA Division Capitation and Levies" and "NTEU National Office Capitation and Levies". I further note that note 13 to the financial documents provides, among other things, disclosures of Capitation Fees and Defence Fund Levy paid to the NTEU National Office.

Items 11(b) and (e) of the Reporting Guidelines requires that balances for expenditures in relation to capitation fees and levies be itemised separately.

This issue was brought to the branch's attention last year in our letter dated 20 December 2005. Please ensure this is addressed in preparation of future financial reports.

5. Recovery of Wages Activity

I note the accounts do not provide any information in relation to any recovery of wages activity.

Where the reporting unit has not undertaken any recovery of wages activity for the financial year a statement by the auditor or a statement by the committee of management to the effect that there was no recovery of wages activity for the financial year would be sufficient.

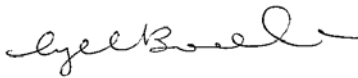
Please refer to Items 16 to 23, and Item 25(f) of the Reporting Guidelines for the requisite information that must be provided if there was recovery of wages activity.

6. Electronic Lodgement

I encourage you to take advantage of the electronic lodgement service provided by the Registry for future lodgements. You may register as a user and then lodge your documents via the Electronic Lodgement page of the AIRC website at www.airc.gov.au . Alternatively, you may send an email with the documents attached to RIATeam3@air.gov.au . Please note that the Rules of the Commission allow for electronic signatures to be used, other than for statutory declarations (see sub rule 74A(1)). Where documents are lodged electronically, there will be no need to forward hard copies of the documents.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I can be contacted on (03) 8661 7989 (Wednesday and Thursday).

Yours sincerely,



Cynthia Lo-Booth
Statutory Services Branch

20 December 2006

FR2006/277



NATIONAL TERTIARY EDUCATION INDUSTRY UNION

FLINDERS UNIVERSITY BRANCH

Room 0101
Plaza
Humanities Building

Tel. (08) 8201 2656
Fax. (08) 8201 3807
Email: nteu@post.flinders.edu.au

29th November 2006

Australian Industrial Registry
Principal Registry
Box 1994S, GPO
MELBOURNE VIC 3001

Dear Sir

Financial Returns for year ended 30 June 2006 – NTEU Flinders University Branch

Enclosed please find:

- General Purpose Financial Report for the year ended 30 June 2006.
- Secretary's Certificate signed by Mr Ron Slee, Secretary of the Branch.

A copy of the General Purpose Financial Report was distributed to each member with the notice of the Annual General Meeting by Newsletter No. 11/06 dated 3rd November 2006.

Yours sincerely

A handwritten signature in cursive script that reads 'Ron Slee'.

Ron Slee
Secretary

Enc



NATIONAL TERTIARY EDUCATION INDUSTRY UNION

FLINDERS UNIVERSITY BRANCH

Room 0101
Plaza
Humanities Building

Tel. (08) 8201 2656
Fax. (08) 8201 3807
Email: nteu@flinders.edu.au

CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER

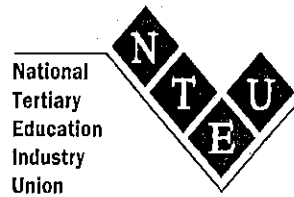
S268 of Schedule 1B *Workplace Relations Act 1996*

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 28th November 2006
- that the full report was presented to a general meeting of members of the reporting unit on 25th October 2006 in accordance with section 266 of the RAO Schedule.

Signature: Ron Slee

Date: 28/11/06



NATIONAL TERTIARY EDUCATION INDUSTRY UNION

FLINDERS UNIVERSITY

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2006**

CONTENTS

Operating Report
Committee of Management Statement
Income Statement
Balance Sheet
Statement of Changes in Equity
Cash Flow Statement
Notes to the Financial Statements
Auditor's Report

**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 2006 as follows:

No. of Members
543

No. of Employees
One Branch Organiser

Review of Principal Activities

1. Consultation with members re University Enterprise Bargaining
2. Negotiation with University on Enterprise Bargaining
3. Negotiation and certification of a new Enterprise Agreement in the S.A. Industrial Relations Commission with the Postgraduate Students Association of Flinders University
4. Consultation with Academic Consultative Committee on academic issues and with Joint Consultative Committee on general staff issues.
5. Consultation with members and University, and response to University, on University policy and procedure
6. Union representation on University committees
7. Advice and consultation on personal cases
8. Provision of services to members (e.g. legal service)
9. Supervision of branch administration, finance and industrial officer activities
10. Twice monthly Branch Committee meetings to initiate, authorise, monitor and evaluate activities 1-9
11. NTEU Branch participation in National NTEU conferences and meetings, and South Australian NTEU Division meetings

Results of Principal activities

1. A new Collective Agreement for 2006-2008 has been agreed in principle with Flinders University, with a proposed starting date no later than 31st August 2006.
2. Revised policies in relation to Outside Studies Program, Overseas Conference Leave, Promotion and General Staff Classification Criteria, as a result of the NTEU's participation on the Academic Consultative Committee and Joint Consultative Committee.
3. The NTEU has undertaken legal action in the Australian Industrial Relations Commission on behalf of a member in relation to their employment.
4. Negotiation and finalisation of redundancy packages for staff in the Postgraduate Students Association of Flinders University.
5. Participation in National and State Campaigns concerning industrial relations issues.
6. Regular Branch Committee meetings have occurred.
7. Occasional General Meetings of members have occurred, dealing with issues such as Enterprise Bargaining, Superannuation and the Annual General Meeting.

Significant changes in nature of Principal Activities

There were no significant changes in the nature of the Association's Principal activities during the financial year.

Significant changes in Association's Financial Affairs

Significant additional costs were incurred by the NTEU Branch due to the obligations imposed by the Higher Education Workplace Relations Requirements (HEWRRs), e.g. rent on office accommodation and commission charge by University on payroll deductions of union fees.

In order to offset these increased costs, National NTEU reimbursed the Branch from the National NTEU Equalisation & Adjustment Fund. In addition, the membership fee was increased.

Details of right of members to resign

Members are advised in writing on the NTEU Membership Application form which they are required to sign in order to join NTEU that

"You may resign by written notice to the Division or Branch Secretary. Where you cease to be eligible to become a member, resignation shall take effect on the date the notice is received or on the day specified in your notice, whichever is later. In any other case, you must give at least two weeks notice. Members are required to pay dues and levies as set out by the Union from time to time in accordance with NTEU rules. Further information on financial obligations, including a copy of the rules, is available from your Branch."

Details of superannuation trustees

Not applicable.

Details of membership of Committee of Management

October 2004-September 2006

President:	A/Prof. Ian Hunt	Philosophy	ian.hunt@flinders.edu.au
Secretary:	Mr Ron Slec	Admissions	ron.slec@flinders.edu.au
Vice-President (Academic):	Mr John Summers	Politics	john.summers@flinders.edu.au
Vice-President (General Staff):	Ms Carol Gibb	Public Health	carol.gibb@flinders.edu.au
Committee:	A/Prof. Tracey Bunda	Yunggorendi	tracey.bunda@flinders.edu.au
	A/Prof. Michael Brunger	SoCPES	michael.brunger@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: ... 23/10/06 ...

NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY

NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY

COMMITTEE OF MANAGEMENT STATEMENT

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006

On 25th October 2006 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 2006.

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 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 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.

	NOTE	2006	2005
Revenue	2	254,191	217,757
NTEU SA Division Capitation & Levies	13	(55,159)	(60,809)
NTEU National Office Capitation & Levies	13	(131,439)	(113,951)
Depreciation expense	3	(1,460)	(1,250)
Executive Officer Cost		0	(34,901)
National EAF Payroll Contribution		(36,441)	0
Payroll Tax Liability		(1,233)	(3,694)
Staff Leave Liability		0	217
Accounting Expense	4	(1,830)	(840)
Auditors' Remuneration	4	(1,350)	(1,770)
Other expenses		(24,504)	(10,324)
PROFIT/(LOSS) Operations		775	(9,565)

For Committee of Management: Michael Brunger

Title of Office held: Treasurer

Signature: M.G. Brunger

Date: 25/10/06

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The accompanying notes form part of these financial statements

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NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY

BALANCE SHEET
AS AT 30 JUNE 2006

	NOTE	2006	2005
CURRENT ASSETS			
Cash and Cash Equivalents	5	5,737	132
Trade and Other Receivables	6	4,253	10,834
TOTAL CURRENT ASSETS		<u>9,990</u>	<u>10,966</u>
NON-CURRENT ASSETS			
Property, Plant & Equipment	7	6,525	5,371
TOTAL NON-CURRENT ASSETS		<u>6,525</u>	<u>5,371</u>
TOTAL ASSETS		<u>16,515</u>	<u>16,337</u>
CURRENT LIABILITIES			
Trade and Other Payables	8	19,339	8,178
Short-Term borrowing	9	0	11,758
TOTAL CURRENT LIABILITIES		<u>19,339</u>	<u>19,936</u>
TOTAL LIABILITIES		<u>19,339</u>	<u>19,936</u>
NET ASSETS		<u>(2,824)</u>	<u>(3,599)</u>
EQUITY			
Retained Earnings/(Deficit)	10	(2,824)	(3,599)
TOTAL EQUITY		<u>(2,824)</u>	<u>(3,599)</u>

The accompanying notes form part of these financial statements

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NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2006

	Retained Earnings	Total
Balance 1 July 2004	5,966	5,966
Profit/(Loss) attributable to members	(9,565)	(9,565)
Balance at 30 June 2005	(3,599)	(3,599)
Profit attributable to members	775	775
Balance at 30 June 2006	(2,824)	(2,824)

The accompanying notes form part of these financial statements

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NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006

	NOTE	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		276,749	238,679
Payments to suppliers and employees		(256,934)	(252,332)
Interest received		12	11
Net Cash provided by operating activities	14	19,827	(13,642)
CASHFLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant & equipment		(2,614)	(1,539)
Proceeds from sale of property, plant & equipment		150	0
Net Cash provided by (used in) investing activities		(2,464)	(1,539)
Net increase/(decrease) in cash held		17,363	(15,181)
Cash at beginning of year		(11,626)	3,555
CASH AT END OF FINANCIAL YEAR	5	5,737	(11,626)

The accompanying notes form part of these financial statements

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NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

Note 1: Statement of Significant Accounting Policies

The financial report is a General Purpose Financial Report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Workplace Relations Act 1996, as amended.

The financial report covers the National Tertiary Education Industry Union - Flinders University Branch.

The financial report of the National Tertiary Education Industry Union - Flinders University Branch as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

Basis of Preparation

First-time adoption of Australian Equivalents to International Financial Reporting Standards.

National Tertiary Education Industry Union - Flinders University Branch has prepared financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (AIFRS) from 1 July 2005.

In accordance with the requirements of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, adjustments to the accounts resulting from the introduction of AIFRS have been applied retrospectively to 2005 comparative figures excluding cases where optional exemptions available under AASB 1 have been applied.

These accounts are the first financial statements of National Tertiary Education Industry Union - Flinders University Branch to be prepared in accordance with AIFRS.

The accounting policies set out below have been consistently applied to all years presented. The entity has however elected to adopt the exemptions available under AASB 1 relating to AASB 132: Financial Instruments: Disclosure and Presentation, and AASB 139: Financial Instruments: Recognition and Measurement. Refer Note 16 Change in Accounting Policy for further details.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The accounts have been prepared on a going concern basis. Although the financial statements show a net surplus of \$775, the Committee of Management are of the opinion that the going concern basis is still appropriate. To offset increased costs such as rent for office accommodation and commission charge by Flinders University for payroll deductions, National NTEU reimbursed the Branch from the National NTEU Equalisation & Adjustment Fund.

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 is carried at cost or fair value less, where applicable, any accumulated depreciation.

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NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (continued)

Plant and Equipment

Plant and equipment are measured on a cost basis less depreciation.

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 and Cash Equivalents

Cash and cash equivalents include cash on hand, at banks and on deposit. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(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 Balance Sheet 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) Workplace Relations Act 1996 (as amended)

The attention of members is drawn to the Workplace Relations Act 1996 (as amended) in particular to Subsections 272(1), (2) and (3) set out below.

272(1) A member of a reporting unit, or a Registrar, 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.

272(2) The application must be made 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.

272(3) A reporting unit must comply with an application made under subsection (1).

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NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (continued)

Note 2: Revenue

	2006 \$	2005 \$
Operating activities		
- membership subscriptions	221,543	208,933
- sundry income	21,444	-
	<u>242,987</u>	<u>208,933</u>
Non-operating activities		
- interest received	12	11
- transfer from USASA	11,192	8,813
	<u>11,204</u>	<u>8,824</u>
Total Revenue:	<u>254,191</u>	<u>217,757</u>

Note 3: Profit

Expenses		
Depreciation of property, plant & equipment	1,460	1,250

Note 4: Auditors' Remuneration

Remuneration of the auditors for		
- audit or review services	1,350	1,012
- other services	1,830	1,760
Total remuneration	<u>3,180</u>	<u>2,772</u>

	2006	2005
Note 5: Cash and Cash Equivalents		
Cash on Hand	12	132
Cash at Bank	<u>5,725</u>	-
	<u>5,737</u>	<u>132</u>

Note 6: Trade and Other Receivables		
Sundry Debtors	4,253	3,233
Other Debtors-NTEU National	-	<u>7,601</u>
	<u>4,253</u>	<u>10,834</u>

Note 7: Property, Plant & Equipment		
Plant & Equipment	14,648	14,918
Less: Accumulated Depreciation	<u>(8,123)</u>	<u>(9,547)</u>
	<u>6,525</u>	<u>5,371</u>

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

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NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (continued)

	Plant & Equipment	Total
		\$
Balance at the beginning of year	5,371	5,371
Additions	2,614	2,614
Disposals	0	0
Depreciation Expense	(1,460)	(1,460)
Carrying amount at the end of year	<u>6,525</u>	<u>6,525</u>
Note 8: Trade and Other Payables		
Trade Creditors	6,159	7,167
Provision for Annual Leave	1,011	1,011
Income in Advance	<u>12,169</u>	<u>0</u>
	<u>19,339</u>	<u>8,178</u>
Note 9: Short Term Borrowings		
Bank Overdraft	—	<u>11,758</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:

- no amount was paid in 2005 but \$8,398 was paid in 2006 to Flinders University as consideration for the employer making payroll deductions of membership subscriptions;
- no amount was paid in 2005 and 2006 for legal costs or expenses related to litigation or other legal matters.

Note 13: Related Party Transactions

The names of the members of the Committee during the financial year were:
From October 2004 – September 2006
I. Hunt (President), R. Slee (Secretary), J. Summers (Vice-President Academic), C. Gibb (Vice-President General Staff), T. Bunda, M. Brunger, M. Hall, M. King, D. Powers, J. Robbins.

NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (continued)

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 2006 these totalled \$55,159 (2005 \$60,809).

Capitation fees and Defence fund levy paid to the NTEU National Office totalled \$131,439 in 2006 (2005 \$113,951). Again 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.

	2006	2005
Note 14: Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit/(Loss) from Ordinary Activities		
Profit/(deficit)	775	(9,565)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit/(deficit)		
Depreciation	1,460	1,250
Net gain on disposal of property, plant & equipment	(150)	-
Changes in assets and liabilities		
Increase/(Decrease) in receivables	6,581	(9,598)
Increase/(Decrease) in payables	(1,008)	3,489
Increase/(Decrease) in provision	<u>12,169</u>	<u>(218)</u>

Note 15: Financial Instruments

(a) Financial Risk Management

The Union's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The Union does not have any derivative instruments at 30 June 2006.

(i) Treasury Risk Management

A committee meets 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.

(ii) Financial Risks

The main risks the association is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

Interest rate risk is managed with floating rate debt.

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NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (continued)

Foreign currency risk

The Union is not exposed to fluctuations in foreign currencies.

Liquidity risk

The Union manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit risk

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 balance sheet and notes to the financial statements.

The Union does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Union.

Price risk

The Union is not exposed to any material commodity price risk.

(b) *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			
	2006	2005	2006	2005	Within 1 year		1 to 5 years	
					2006	2005	2006	2005
FINANCIAL ASSETS	%	%	\$	\$	\$	\$	\$	\$
Cash	.05	.05	5725		-	-	-	-
TOTAL FINANCIAL ASSETS	.05	.05	5725		-	-	-	-
FINANCIAL LIABILITIES								
Bank Overdraft	-	-	-	11,758	-	-	-	-
TOTAL FINANCIAL LIABILITIES	-	-	-	11,758	-	-	-	-

(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.

Note 16: Change in Accounting Policy

(a) The Union has adopted the following accounting standards for application on or after 1 January 2005:

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NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (continued)

- AASB 132: Financial instruments: Disclosure and Presentation.
- AASB 139: Financial instruments: Recognition and Measurement

The changes resulting from the adoption of AASB 132 relate primarily to increased disclosures required under the Standard and do not affect the value of amounts reported in the financial statements.

The adoption of AASB 139 has not resulted in any differences in the recognition and measurement of the Union's financial instruments.

- (b) The following Australian Accounting Standards issued or amended and are applicable to the Union but not yet effective and have not been adopted in preparation of the financial statements at reporting date.

AASB Amendment	AASB Standard Affected	Nature of change in Accounting Policy & impact	Application Date of the Standard	Application Date for the Union
2005-5	AASB 1: First-time Adoption of AIFRS	No change, no impact	1 January 2006	1 July 2006
	AASB 139: Financial Instruments: Recognition and Measurement	No change, no impact	1 January 2006	1 July 2006
2005-10	AASB 139: Financial Instruments: Recognition and Measurement	No change, no impact	1 January 2007	1 July 2007
	AASB 101: Presentation of Financial Statements	No change, no impact	1 January 2007	1 July 2007
	AASB 114: Segment Reporting	No change, no impact	1 January 2007	1 July 2007
	AASB 132: Financial Instruments: Disclosure and Presentation	No change, No impact	1 January 2007	1 July 2007
	AASB 1: First-time Adoption of AIFRS	No change, no impact	1 January 2007	1 July 2007
	AASB 4: Insurance Contracts	No change, no impact	1 January 2007	1 July 2007
	AASB 1023: General Insurance Contracts	No change, no impact	1 January 2007	1 July 2007
New Standard	AASB 7: Financial Instruments: Disclosure	No change, no impact	1 January 2007	1 July 2007

All other pending Standards issued between the previous financial report and the current reporting dates have no application to the association.

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NATIONAL TERTIARY EDUCATION INDUSTRY UNION
FLINDERS UNIVERSITY

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006 (continued)

AASB Amendment	AASB Standard Affected
2004-3	AASB 1: First-time Adoption of AIFRS AASB 101: Presentation of Financial Statements AASB 124: Related Party Disclosures
2005-1	AASB 139: Financial Instruments: Recognition and Measurement
2005-2	AASB 1023: General Insurance Contracts
2005-4	AASB 139: Financial Instruments: Recognition and Measurement AASB 132: Financial Instruments: Disclosure and Presentation
2005-9	AASB 4: Insurance Contracts AASB 1023: General Insurance Contracts AASB 139: Financial Instruments: Recognition and Measurement AASB 132: Financial Instruments: Disclosure and Presentation
2006-1	AASB 121: The Effects of Changes in Foreign Exchange Rates New Standard
New Standard	AASB 119: Employee Benefits: December 2004

MZ



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-FU) comprising of the Committee of Management Statement, Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to and forming part of the Financial Statements for the year ended 30 June 2006. The NTEU – FU 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.

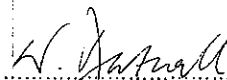
I am an approved auditor for the purposes of the Registration and Accountability of Organisations Schedule (Schedule 1B to the Workplace Relations Act 1996) [the RAO Schedule].

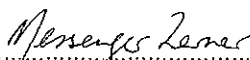
Our audit has been conducted in accordance with the Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial 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 – FU presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the RAO Schedule, the financial position of NTEU – FU as at 30 June 2006 and the results of its operations and its cash flows for the year then ended.


W G DARTNALL
Adelaide


MESSENGER ZERNER PTY LTD
Chartered Accountants

25 October 2006

UNIVERSITIES' STAFF ASSOCIATION OF SOUTH AUSTRALIA
FLINDERS UNIVERSITY BRANCH

INCOME STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2006

<u>2005</u>	<u>2006</u>
<u>INCOME</u>	
Interest Received	
- Australian Central Credit Union	1,834.31
2,259.71	
<u>2,259.71</u>	<u>1,834.31</u>
8,813.13 Transfer to NTEU	11,191.61
<u>8,813.13</u>	<u>11,191.61</u>
<u>NET SURPLUS/(DEFICIT) FOR THE PERIOD</u>	<u>(9,357.30)</u>
(6,553.42)	

UNIVERSITIES' STAFF ASSOCIATION OF SOUTH AUSTRALIA
FLINDERS UNIVERSITY BRANCH

BALANCE SHEET
FOR THE YEAR ENDED 30TH JUNE 2006

<u>2005</u>	<u>MEMBERS FUNDS</u>	<u>2006</u>
46,089.84	Balance at Beginning of Year	39,536.42
6,553.42	Deficit	9,357.30
<u>39,536.42</u>		<u>30,179.12</u>
 <u>REPRESENTED BY:</u>		
<u>CURRENT ASSETS</u>		
2.00	ACCU Shares	2.00
39,534.42	Australian Central Credit Union	30,177.12
<u>39,536.42</u>		<u>30,179.12</u>
<u>FIXED ASSETS</u>		

The accompanying notes form part of these financial statements.

The accompanying notes form part of these financial statements.

UNIVERSITIES' STAFF ASSOCIATION OF SOUTH AUSTRALIA
FLINDERS UNIVERSITY BRANCH

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 1 : STATEMENT OF ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act 1985 (SA) (as amended). The Committee has determined that the Branch is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act 1985 (SA) (as amended) and the following Australian Accounting Standards:

AASB 112: Income Taxes
AASB 1031: Materiality
AASB 110: Events After Balance Sheet Date

No other applicable Australian Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

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.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Income Tax

The Branch is an endorsed exempt organization under Section 23(f) of the Income Tax Assessment Act, and has no liability to pay income tax.

2.

(b) Administration Expenses

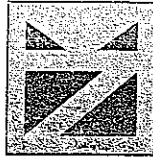
Administration expenses of Universities' Staff Association of South Australia are now being paid by National Tertiary Education Industry Union.

The Committee of both organisations have agreed that the accumulated funds of Universities' Staff Association of South Australia will be used as required to fund the ongoing operating activities of the National Tertiary Education Industry Union.

NOTE 2 : OPERATING ACTIVITIES

In accordance with a resolution of the Committee, the activities of the organization have been transferred to the National Tertiary Education Industry Union (NTEIU) – Flinders Branch effective 30 June 2002.

The only asset to be retained by the Branch is its cash reserves which are on deposit with Australian Central Credit Union.



Messenger Zerner

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF UNIVERSITIES STAFF ASSOCIATION OF SOUTH AUSTRALIA FLINDERS UNIVERSITY BRANCH

SCOPE

We have audited the financial report, being a special purpose financial report comprising the Statement by Members of the Committee, Income Statement, Balance Sheet and Notes to and forming part of the accounts of Universities Staff Association of South Australia, Flinders University Branch, for the year ended 30 June 2006. The committee is responsible for the financial statements and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the needs of the members of the Union. We have conducted an independent audit of these financial statements in order to express an opinion on them to the members. No opinion is expressed as to whether the accounting policies used as described in Note 1, are appropriate to the needs of the members.

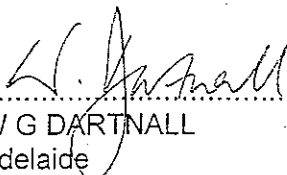
The financial statements have been prepared for the use of members. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial statements are presented fairly in accordance with the accounting policies described in Note 1 to the financial statements. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

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

Audit Opinion

In our opinion the financial report presents fairly in accordance with the accounting policies described in Note 1 to the financial statements the financial position of Universities Staff Association of South Australia, Flinders University Branch as at 30 June 2006 and the results of its operations for the year then ended.


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W G DARTNALL
Adelaide
25 October 2006


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MESSENGER ZERNER PTY LTD
Chartered Accountants