



**Australian Government**  
**Australian Industrial Registry**

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Melbourne, VIC 3000  
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Carol Williams  
Branch President  
National Tertiary Education Industry Union  
Monash University Branch  
Room G10A, Building 19  
Monash University, Clayton Campus  
CLAYTON VIC 3800

Dear Ms. Williams

**Re: Schedule 1 of the Workplace Relations Act 1996  
Financial Report for year ended 30 June 2006 [FR2006/289]**

I acknowledge receipt of the above financial report and the amended auditor's report for the Monash University Branch of the National Tertiary Education Industry Union (the reporting unit). The documents were received on 20 August 2007 and 3 December 2007 respectively.

The documents have been filed.

Although the documents have been filed, I would like to remind the reporting unit that the Industrial Registrar places great importance on reporting units satisfying the obligations under Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule) within the appropriate timeframes.

In the event that the documents submitted do not fully comply with the legislative requirements in the RAO Schedule then the report will not be filed and the reporting unit will be required to re-do those aspects that do not comply.

If you have any queries please contact me on (03) 8661 7921 or by e-mail at [tom.tran@air.gov.au](mailto:tom.tran@air.gov.au).

Yours sincerely,

A handwritten signature in cursive script that reads 'Thomas Tran'.

Thomas Tran  
Statutory Services Branch

4 December 2007

## **INDEPENDENT AUDIT REPORT**

### **TO THE MEMBERS OF NATIONAL TERTIARY EDUCATION INDUSTRY UNION MONASH UNIVERSITY BRANCH**

#### **Scope**

##### *The financial report and trustees' responsibility*

The general purpose financial report comprises the income statement, balance sheet, detailed income statement, cash flow statement and accompanying notes to the financial statements and the committee of management statement for the National Tertiary Education Industry Union – Monash University Branch for the year ended 30<sup>th</sup> June 2006.

The trustees of the branch are responsible for the preparation and true and fair presentation of the general purpose financial report in accordance with the Workplace Relations Act 1996. 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 general purpose financial report.

#### **Audit Approach**

We conducted an independent audit in order to express an opinion to the members of the branch. 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 judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996 including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the branch's financial position, and of its performance as represented by the results of its operations and its cash flows.

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

- examining, 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 committee of management.

## INDEPENDENT AUDIT REPORT

### TO THE MEMBERS OF NATIONAL TERTIARY EDUCATION INDUSTRY UNION MONASH UNIVERSITY BRANCH

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on 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 National Tertiary Education Industry Union – Monash University Branch is presented fairly in accordance with:

- (i) applicable Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996, and
- (ii) other mandatory professional reporting requirements.

*Lockwood Wehrens*

LOCKWOOD WEHRENS  
Chartered Accountants  
Camberwell

*A. Wehrens*

ANDREW WEHRENS  
Member of The Institute of Chartered  
Accountants in Australia – 79117, holder  
of a current Certificate of Public Practice  
30<sup>th</sup> October 2006

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
MONASH UNIVERSITY BRANCH  
GENERAL PURPOSE FINANCIAL REPORT  
FOR THE YEAR ENDED  
30th JUNE 2006  
*Full Report***



**CERTIFICATE OF SECRETARY or other Authorised Officer**

*S268 of Schedule 1B Workplace Relations Act 1996*

I, Dr. Carol Williams, being the Branch President of *National Tertiary Education Industry Union – Monash University Branch (the reporting unit)* certify:

- that the documents lodged herewith are copies of the *full report* referred to in s268 of the *RAO Schedule*;
- that the *full report* was provided to members on 18 January 2007; and
- that the *full report* was presented to a General Meeting of Members on six Monash University campuses:  
5 February (Caulfield), 6 February (Berwick), 7 February (Peninsula and Parkville), 8 February (Gippsland) and 9 February (Clayton) 2006, in accordance with section 266 of the *RAO Schedule*. A motion to authorise the accounts was put to each meeting and was carried at all campuses.

Signature:

*Carol Williams*

Date:

*15 March 2007.*

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

**CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER**

I, Dr. Sandra Cockfield, being the Branch Secretary of National Tertiary Education Industry Union – Monash University Branch (the reporting unit) certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule;
- that the full report was provided to members on \_\_\_\_\_ 2006; and
- that the full report was presented to a general meeting of the members of the reporting unit on \_\_\_\_\_ 2006, in accordance with section 266 of the RAO Schedule.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_ 2006

*NB  
Sandra Cockfield is  
no longer the Branch  
Secretary - so it  
would not be appropriate  
to sign or date this  
See loose sheet.*

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

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2006**

**Principal Activities**

The principal activities of the Branch during the financial year were:

- To improve and protect the salaries and conditions of employment of our members;
- To represent our members in approaches to and discussions with their employer;
- To negotiate collective agreements which improve the conditions of employment of our members;
- To enforce existing industrial agreements on behalf of our members; and
- To promote industrial peace through conciliation and arbitration.

**Results of Principal Activities**

The Branch's principal activities resulted in the maintenance and improvement of the salaries and conditions of employment of our members, especially for those members covered by collective agreements negotiated by the Branch.

**Significant Changes in the Nature of Principal Activities**

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

**Significant Changes in the Branch's Financial Affairs**

No matters or circumstances arose during the reporting year which significantly affected the financial affairs of the Branch.

**Trustee or Director of a Trustee Company of a Superannuation Entity or an Exempt Public Sector Superannuation Scheme**

No officer or member of the Branch was a Trustee or Director of a Trustee Company of a Superannuation Entity or an Exempt Public Sector Superannuation Scheme because they are an officer or a member of a registered organisation.

**Number of Members**

The number of persons who, at the end of the financial year, were recorded on the Register of Members was 1696 (2005 - 1785).

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

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2006 (Continued)**

**Number of Employees**

The number of persons who were, at the end of the financial year, employees of the Branch were 1.4 (being two part-time employees) measured on a full-time equivalent basis.

**Members of the Committee of Management**

The persons who held office as members of the Committee of Management of the Branch at the beginning of the financial year were:

Branch President	Dr. Carol WILLIAMS
Vice-President (Academic)	Dr. Phil ANDREWS
Vice-President (General)	Mr. Jeffery BENDER
Branch Secretary	Dr. Sandra COCKFIELD
Branch Treasurer	Vacant
Committee Member	Mr. Andrew BARDEN **
Committee Member	Mr. Alister AIR **
Committee Member	Mr. Joshua BEGGS
Committee Member	Mr. Andrew DIXON
Committee Member	Ms. Susan FETERIS
Committee Member	Mr. Rod HALL
Committee Member	Ms. Dale HALSTEAD
Committee Member	Mr. Ron KING
Committee Member	Dr. Ann MAHARAJ
Committee Member	Ms. Miranda PHELAN
Committee Member	Ms. Jennifer VERO

\*\* Mr Alister Air resigned from the Committee of Management on 22nd September 2005.

\*\* Mr Andrew Barnden was appointed Treasurer on 1st April 2006.

There were no changes to the composition of the Committee of Management during the financial year 1<sup>st</sup> July 2005 to 30<sup>th</sup> June 2006 unless mentioned above.



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

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2006 (Continued)**

**Manner of Resignation** – s254(2)(c)

Members may resign from the organisation in accordance with Rule 11 (Resignation from Membership) which reads as follows:

- 11.1 A member may resign from membership by written notice addressed and delivered to the member's Division Secretary or Branch Secretary provided that:
- (a) Where a written notice of resignation is received by a Division Secretary, he or she shall as soon as practicable forward a copy of the notice of resignation to the appropriate Branch Secretary;
  - (b) Where a written notice of resignation is received by a Branch Secretary, he or she shall as soon as practicable forward a copy of the notice of resignation to the relevant Division Secretary.
- 11.2 A notice of resignation from membership takes effect:
- (a) where the member ceases to be eligible to become a member of the Union
    - (i) on the day on which the notice is received by the Union; or
    - (ii) 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
  - (b) in any other case:
    - (i) at the end of two weeks, or if permitted by law three months after the notice is received by the Union; or
    - (ii) on the day specified in the notice;whichever is later.
- 11.3 Any dues payable but not paid by a former member in relation to a period before the member's resignation 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.
- 11.4 A notice delivered to the Division Secretary or Branch Secretary shall be taken to have been received by the Union when it was delivered.

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

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2006 (Continued)**

- 11.5 A notice of resignation that has been received by the Union is not invalid because it was not addressed and delivered in accordance with sub-rule 1 of this rule.
- 11.6 A resignation from membership is valid even if it is not effected in accordance with this rule if the member is informed in writing by or on behalf of the Union that the resignation has been accepted.
- 11.7 Cessation of payment of any dues, levies and other amounts by a member does not, of itself, terminate membership of the Union.

Name \_\_\_\_\_

Title \_\_\_\_\_

Signature \_\_\_\_\_

Date: \_\_\_ / \_\_\_ / 2006

*Mr. Chairman who  
should have signed  
this. I would  
appreciate your  
help.*

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

**COMMITTEE OF MANAGEMENT STATEMENT**

On October 23 <sup>fw</sup> 2006, the Committee of Management of the National Tertiary Education Industry Union – Monash University Branch (the reporting unit) passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the financial year ended 30th June 2006:

The Committee of Management declares that 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 National Tertiary Education Industry Union, including the Branch rules;
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the National Tertiary Education Industry Union, including the rules concerning Branches of that union;
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations;
  - (iv) 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 National Tertiary Education Industry Union;
  - (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;

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

**COMMITTEE OF MANAGEMENT STATEMENT (Continued)**

- (vi) No orders for the inspection of financial records have been made by the Commission under section 273 of the RAO Schedule;
- (f) in relation to the recovery of wages activity:
- (i) there has been no such activity undertaken by the reporting unit.

**For the Committee of Management:** Dr. Carol Williams

**Title of Office Held:** Branch President

**Signature:** *Carol Williams*

**Date:** 27 October 2006

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

**INCOME STATEMENT  
FOR THE YEAR ENDED 30th JUNE 2006**

	2006	2005
	\$	\$
Profit from Continuing Operations	33,919	8,172
Retained Profits at the beginning of the financial year	39,872	31,700
Retained Profits at the end of the financial year	<u>73,791</u>	<u>39,872</u>

The accompanying notes form part of these accounts.

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

**BALANCE SHEET  
AS AT 30th JUNE 2006**

	Note	2006 \$	2005 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	2	73,333	120,273
Trade and Other Receivables	3	15,708	-
<b>TOTAL CURRENT ASSETS</b>		<u>89,041</u>	<u>120,273</u>
<b>NON CURRENT ASSETS</b>			
Plant & Equipment	4	6,597	4,122
<b>TOTAL NON-CURRENT ASSETS</b>		<u>6,597</u>	<u>4,122</u>
<b>TOTAL ASSETS</b>		<u>95,638</u>	<u>124,395</u>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	5	7,152	57,333
Employee Provisions	6	7,268	12,787
<b>TOTAL CURRENT LIABILITIES</b>		<u>14,420</u>	<u>70,120</u>
<b>NON-CURRENT LIABILITIES</b>			
Employee Provisions	6	7,427	14,403
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>7,427</u>	<u>14,403</u>
<b>TOTAL LIABILITIES</b>		<u>21,847</u>	<u>84,523</u>
<b>NET ASSETS</b>		<u>73,791</u>	<u>39,872</u>
<b>MEMBERS' FUNDS</b>			
Retained Profits		73,791	39,872
<b>TOTAL MEMBERS' FUNDS</b>		<u>73,791</u>	<u>39,872</u>

The accompanying notes form part of these accounts.

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

**DETAILED INCOME STATEMENT  
FOR THE YEAR ENDED 30th JUNE 2006**

	2006	2005
	\$	\$
<b>INCOME</b>		
Gross Member Subscriptions *	326,935	753,864
Less : Capitation Fees National Office *	(74,307)	(297,050)
Equalisation and Adjustment Fund *	(14,670)	(18,090)
Capitation Fees Victorian Division *	(67,938)	(273,538)
Net Member Subscriptions	<u>170,020</u>	<u>165,186</u>
Interest Received	3,623	4,528
Donations Received	-	185
Other Income	341	302
<b>BRANCH INCOME</b>	<u><b>173,984</b></u>	<u><b>170,201</b></u>
 <b>EXPENDITURE</b>		
Audit	3,250	3,100
Bank Charges	37	374
Conferences	3,539	75
Depreciation	2,383	2,463
Donations	-	550
Employee Provisions	(12,495)	9,350
General Office Expenses	1,602	520
Insurance	1,382	2,058
Meetings & Catering	1,444	2,258
Payroll Tax	7,246	6,526
Photocopier Lease & Charges	3,183	4,194
Postage	265	176
PRD Expenses – Monash Uni	374	-
Printing & Stationery	3,003	6,896
Salaries & Wages – Employees	100,252	94,395
Subscriptions	290	379
Sundry Expenses	367	881
Superannuation	11,929	15,082
Telephones, Data, IT, & E-Mail	4,590	4,444
Training	-	435
Travel	5,351	6,347
Workcover	2,073	1,526
<b>BRANCH EXPENDITURE</b>	<u><b>140,065</b></u>	<u><b>162,029</b></u>
<b>PROFIT FROM CONTINUING OPERATIONS</b>	<u><b>33,919</b></u>	<u><b>8,172</b></u>

\* The Branch changed its method of fee collection as of 1<sup>st</sup> October 2005 whereby subscriptions were collected directly by the National Office and the net portion due to the Branch was forwarded direct from the National Office.

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

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30th JUNE 2006**

	2006 \$	2005 \$
	Inflows (Outflows)	Inflows (Outflows)
Cash flows from Operating Activities		
Receipts from members	313,657	753,864
Interest received	3,623	4,528
Other income	341	487
Payments to suppliers & employees	(359,703)	(732,449)
	-----	-----
Net cash provided by / (used in) operating activities -- Note B	(42,082)	26,430
	-----	-----
Cash flows from Investing Activities		
Purchases of fixed assets	(4,858)	(364)
	-----	-----
Net cash (used in) investing activities	(4,858)	(364)
	-----	-----
Cash flows from Financing Activities	-	-
	-----	-----
Net increase / (decrease) in cash and cash equivalents held	(46,940)	26,066
Cash and cash equivalents at the beginning of the financial year	120,273	94,207
	-----	-----
Cash and cash equivalents at the end of the financial year – Note A	73,333	120,273
	=====	=====



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

**CASH FLOW STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30th JUNE 2006**

	2006	2005
	\$	\$
Note A Reconciliation of Cash and Cash Equivalents		
For the purposes of the cash flow statement cash and cash equivalents includes cash on hand and in banks and investments in money markets. Cash at the end of the financial year is shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:		
Cash at Bank	73,083	120,023
Cash on Hand	250	250
	-----	-----
	73,333	120,273
	=====	=====

Note B Reconciliation of net cash provided by operating activities to profit from continuing operations

Profit from continuing operations	33,919	8,172
Non-cash flows in profit from continuing operations:		
Depreciation	2,383	2,463
Changes in Assets & Liabilities:		
(Increase) / decrease in trade and other current receivables	(15,708)	-
Increase / (decrease) in trade and other payables	(50,181)	6,446
Increase / (decrease) in employee provisions	(12,495)	9,349
	-----	-----
	(42,082)	26,430
	=====	=====

The branch has no credit stand-by or financing facilities in place.

There were no non-cash financing or investing activities during the period.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30th JUNE 2006**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Trustees' accountability requirements under the Union's Rules and the requirements under the Workplace Relations Act 1996.

The financial report covers the National Tertiary Education Industry Union – Monash University Branch as an individual entity. The National Tertiary Education Industry Union is a registered organisation registered under the Workplace Relations Act 1996 and domiciled in Australia. The National Tertiary Education Industry Union – Monash University Branch is a branch of that organisation.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where stated, current valuations of non-current assets.

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

(a) Fixed Assets

Depreciation is provided on all fixed assets so as to write off the assets progressively over their estimated economic lives to the Branch. The prime cost method of depreciation is used.

Depreciation rates used for each class of assets are:

Class of asset	Depreciation Rate
Office Furniture and Equipment	9 – 33%

(b) Revenue

Member subscription revenue is recognised when the respective fees have been deducted from the members' wages and salaries.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30th JUNE 2006**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Provision for Employee Entitlements

The provision relates to annual leave and long service leave and has been calculated on the basis of actual entitlements under appropriate awards, based on current wage rates.

(d) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(e) Income Tax

No income tax has been provided, as the Branch is exempt from income tax pursuant to section 50-15 of the Income Tax Assessment Act 1997, as amended.

(f) Information to be provided to members or registrar

In accordance with the requirements of the Workplace Relations Act 1996, as amended, the attention of members is drawn to the provisions of sub-section (1) (2) and (3) of section 272, which reads as follows:

- (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.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under sub-section (1).

Note: This sub-section is a civil penalty provision

(g) Economic Dependency

The Branch is not economically dependent on any other reporting units of the organisation.

(h) Segment Reporting

The reporting entity operates in one business and geographical segment being the provision of trade union services to its members in Victoria.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30th JUNE 2006**

	2006 \$	2005 \$
<b>2. CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	250	250
Cash at Bank	73,083	120,023
	73,333	120,273
<b>3. TRADE AND OTHER RECEIVABLES</b>		
Accrued Member Subscriptions	13,278	-
GST Owed by the ATO	1,800	-
	15,078	-
<b>4. PLANT AND EQUIPMENT</b>		
Office Furniture and Equipment- at cost	28,715	32,212
Less : Accumulated Depreciation	(22,119)	(28,090)
	6,596	4,122
Movements in Carrying Values		
Opening balance at the beginning of the year	4,121	6,220
Additions	4,858	364
Depreciation	(2,383)	(2,463)
Closing balance at the end of the year	6,596	4,121
<b>5. TRADE AND OTHER PAYABLES</b>		
Sundry Creditors And Accruals	7,152	3,100
Capitation Fees Payable	-	48,658
GST Owing to the ATO	-	5,575
	7,152	57,333
<b>6. EMPLOYEE PROVISIONS</b>		
Current		
Annual Leave	7,268	12,787
Non-Current		
Long Service Leave	7,427	14,403
	14,695	27,190

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30th JUNE 2006**

	2006	2005
	\$	\$
<b>7. LEASING COMMITMENTS</b>		
Operating Leases		
Being for lease of photocopier		
Payable – minimum lease payments		
Not later than 12 months	2,000	2,000
Between 12 months and 5 years	3,500	5,500
Greater than 5 years	-	-
	5,500	7,500

The photocopier lease is a non-cancellable lease with a five year term, with rent being payable quarterly in advance. An option exists to acquire the asset at the end of the five year term.

**8. FINANCIAL INSTRUMENTS**

(a) Interest Rate Risk

The reporting 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 assets and liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate	
	2006	2005	2006	2005
Financial Assets				
Cash at bank	3.72%	5.37%	\$73,083	\$120,023

No financial assets are subject to a fixed interest rate.  
No financial liabilities are subject to any interest rate.

(b) Credit Risk

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

(c) Net Fair Values

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30th JUNE 2006**

9. UNION DETAILS

The office of the branch is located at;

Room G02A, Building 19  
Monash University, Clayton Campus  
CLAYTON VIC 3800

**INDEPENDENT AUDIT REPORT**

**TO THE MEMBERS OF  
NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
MONASH UNIVERSITY BRANCH**

**Scope**

*The financial report and trustees' responsibility*

The general purpose financial report comprises the income statement, balance sheet, detailed statement of income and expenditure statement, cash flow statement and accompanying notes to the financial statements and the committee of management statement for the National Tertiary Education Industry Union – Monash University Branch for the year ended 30<sup>th</sup> June 2006.

The trustees of the branch are responsible for the preparation and true and fair presentation of the general purpose financial report in accordance with the Workplace Relations Act 1996. 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 general purpose financial report.

**Audit Approach**

We conducted an independent audit in order to express an opinion to the members of the branch. 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 judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996 including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the branch's financial position, and of its performance as represented by the results of its operations and its cash flows.

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

- examining, 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 committee of management.

## **INDEPENDENT AUDIT REPORT**

### **TO THE MEMBERS OF NATIONAL TERTIARY EDUCATION INDUSTRY UNION MONASH UNIVERSITY BRANCH**

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on 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 National Tertiary Education Industry Union – Monash University Branch is presented fairly in accordance with:

- (i) applicable Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996, and
- (ii) other mandatory professional reporting requirements.

LOCKWOOD WEHRENS  
Chartered Accountants  
Camberwell

ANDREW WEHRENS  
Member of The Institute of Chartered  
Accountants in Australia – 79117, holder  
of a current Certificate of Public Practice  
2006





**Australian Government**

**Australian Industrial Registry**

Level 4, 11 Exhibition Street  
Melbourne, VIC 3000  
GPO Box 1994, Melbourne, VIC 3001  
Telephone: (03) 8661 7921  
Fax: (03) 9655 0410

Dr Carol Williams  
Branch President  
National Tertiary Education Industry Union  
Monash University Branch  
Room G01A, Building 19  
Monash University, Clayton Campus  
CLAYTON, VIC, 3800

Dear Dr Williams

**Re: Financial Report for year ended 30 June 2006 – FR2006/289**

I refer to our conversation on 16 August 2007 regarding the above financial report. As requested, I have enclosed the copy of the financial report for the year ending 30 June 2006 for the National Tertiary Education Industry Union – Monash University Branch, which was lodged in the Registry on 20 March 2007.

Following our conversation, I understand that the wrong financial report was possibly lodged, and that the correct *signed and dated* version will be resubmitted to the Registry as soon as possible.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7921 or by email at [lina.starling@air.gov.au](mailto:lina.starling@air.gov.au).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L. Starling'.

Lina Starling  
Statutory Services Branch, Team 3

16 August 2007

**From:** Carol Williams NTEU [president.nteu@monash.edu.au]

**Sent:** Thursday, 16 August 2007 11:34 AM

**To:** STARLING, Lina

**Cc:** kmcalpine@nteu.org.au

**Subject:** financial report Monash NTEU

Dear Lina,

Re: Financial Report for year ended 30 June 2006 - FR2006/289

Thankyou for passing this matter on to Iain Stewart. Unfortunately, I am no clearer as to how we can rectify the matter, so I am asking for a clarification from you as to a way forward. Mr Stewart instructs that before he can examine the financial report to determine whether or not the report complies with the requirements in the RAO schedule he needs the Branch to submit each relevant document signed and dated. He also states that the documents previously lodged were undated and unsigned. It sounds to me as though we sent on to you the wrong copy and I have already asked that it be sent back to us so that we can forward the correct documents. I am not sure why this has not been done as it would certainly assist us here to work out how we can address the matter.

Let me be clear about what I am asking for:

- 1) the return of the documents
- 2) a clear statement from you about what we need to do [I'm afraid the 18 step flowchart of the diagrammatic summary of financial reporting process and time-limits was completely opaque to me]

Yours sincerely,  
Carol Williams

-----  
For a worker to refuse to belong to a union is not to exercise a democratic freedom;  
it is to accept benefits that others have worked for without contributing to the costs.

Dr. Carol J. Williams  
President,  
NTEU Monash Branch  
61-3-9905 4384  
0425 702 700



**Australian Government**  
**Australian Industrial Registry**

Level 5, 11 Exhibition Street  
Melbourne, VIC 3000  
GPO Box 1994, Melbourne, VIC 3001  
Telephone: (03) 8661 3921  
Fax: (03) 9655 0410

Dr Carol Williams  
Branch President  
National Tertiary Education Industry Union  
Monash University Branch  
Room G01A, Building 19  
Monash University, Clayton Campus  
CLAYTON, VIC, 3800

Dear Dr Williams

**Re: Financial Report for year ended 30 June 2006 – FR2006/289**

I refer to your conversation with Lina Starling of this office on 31 July 2007 regarding the above financial report.

As you know, financial reports should be prepared, audited, supplied to members, presented to a meeting and lodged in the Industrial Registry within a certain timescale and sequence. For your assistance I have enclosed a Diagrammatic Summary of the reporting process.

As you will note from the enclosed diagram, the reporting process begins with the first meeting of the committee of management. At that meeting a resolution is passed authorising the making of a statement by the committee in which it makes certain declarations with respect to the reporting unit's compliance with various aspects of the RAO Schedule and the Industrial Registrar's Guidelines. This Committee of Management Statement, the General Purpose Financial Report and the Operating Report are then audited.

The General Purpose Financial Report, including the Committee of Management Statement and the Operating Report, and the Auditor's Report – known as the full report – are then provided to members. Depending on the rules of the reporting unit, a copy of the full report must be provided to members at least 21 days before they are presented to a general meeting, or, if the rules allow for the full report to be presented to the committee of management, then the documents must be provided within 5 months of the end of the financial year.

The full report, accompanied by a Designated Officer's Certificate, must be lodged with the Registry within 14 days of its presentation to an appropriate meeting.

Before I can examine the financial report to determine whether or not the report complies with the requirements in the RAO Schedule I need the Branch to submit each relevant document signed and dated. The documents previously lodged are undated and unsigned.

If you wish to discuss the above matters please contact Ms Lina Starling of this office on (03) 8661 7921 or by e-mail at [lina.starling@air.gov.au](mailto:lina.starling@air.gov.au)

Yours sincerely,

Iain Stewart  
Manager, Team 3  
Statutory Services Branch  
2 August 2007

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
MONASH UNIVERSITY BRANCH  
GENERAL PURPOSE FINANCIAL REPORT  
FOR THE YEAR ENDED  
30th JUNE 2006  
*Full Report***

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

**CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER**

I, Dr. Sandra Cockfield, being the Branch Secretary of National Tertiary Education Industry Union  
– Monash University Branch (the reporting unit) certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule;
- that the full report was provided to members on \_\_\_\_\_ 2006; and
- that the full report was presented to a general meeting of the members of the reporting unit on \_\_\_\_\_ 2006, in accordance with section 266 of the RAO Schedule.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_ 2006

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

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2006**

**Principal Activities**

The principal activities of the Branch during the financial year were:

- To improve and protect the salaries and conditions of employment of our members;
- To represent our members in approaches to and discussions with their employer;
- To negotiate collective agreements which improve the conditions of employment of our members;
- To enforce existing industrial agreements on behalf of our members; and
- To promote industrial peace through conciliation and arbitration.

**Results of Principal Activities**

The Branch's principal activities resulted in the maintenance and improvement of the salaries and conditions of employment of our members, especially for those members covered by collective agreements negotiated by the Branch.

**Significant Changes in the Nature of Principal Activities**

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

**Significant Changes in the Branch's Financial Affairs**

No matters or circumstances arose during the reporting year which significantly affected the financial affairs of the Branch.

**Trustee or Director of a Trustee Company of a Superannuation Entity or an Exempt Public Sector Superannuation Scheme**

No officer or member of the Branch was a Trustee or Director of a Trustee Company of a Superannuation Entity or an Exempt Public Sector Superannuation Scheme because they are an officer or a member of a registered organisation.

**Number of Members**

The number of persons who, at the end of the financial year, were recorded on the Register of Members was 1696 (2005 - 1785).

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

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2006 (Continued)**

**Number of Employees**

The number of persons who were, at the end of the financial year, employees of the Branch were 1.4 (being two part-time employees) measured on a full-time equivalent basis.

**Members of the Committee of Management**

The persons who held office as members of the Committee of Management of the Branch at the beginning of the financial year were:

Branch President	Dr. Carol WILLIAMS
Vice-President (Academic)	Dr. Phil ANDREWS
Vice-President (General)	Mr. Jeffery BENDER
Branch Secretary	Dr. Sandra COCKFIELD
Branch Treasurer	Vacant
Committee Member	Mr. Andrew BARNDEN **
Committee Member	Mr. Alister AIR **
Committee Member	Mr. Joshua BEGGS
Committee Member	Mr. Andrew DIXON
Committee Member	Ms. Susan FETERIS
Committee Member	Mr. Rod HALL
Committee Member	Ms. Dale HALSTEAD
Committee Member	Mr. Ron KING
Committee Member	Dr. Ann MAHARAJ
Committee Member	Ms. Miranda PHELAN
Committee Member	Ms. Jennifer VERO

\*\* Mr Alister Air resigned from the Committee of Management on 22nd September 2005.

\*\* Mr Andrew Barnden was appointed Treasurer on 1st April 2006.

There were no changes to the composition of the Committee of Management during the financial year 1<sup>st</sup> July 2005 to 30<sup>th</sup> June 2006 unless mentioned above.

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

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2006 (Continued)**

**Manner of Resignation** – s254(2)(c)

Members may resign from the organisation in accordance with Rule 11 (Resignation from Membership) which reads as follows:

- 11.1 A member may resign from membership by written notice addressed and delivered to the member's Division Secretary or Branch Secretary provided that:
- (a) Where a written notice of resignation is received by a Division Secretary, he or she shall as soon as practicable forward a copy of the notice of resignation to the appropriate Branch Secretary;
  - (b) Where a written notice of resignation is received by a Branch Secretary, he or she shall as soon as practicable forward a copy of the notice of resignation to the relevant Division Secretary.
- 11.2 A notice of resignation from membership takes effect:
- (a) where the member ceases to be eligible to become a member of the Union
    - (i) on the day on which the notice is received by the Union; or
    - (ii) 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
  - (b) in any other case:
    - (i) at the end of two weeks, or if permitted by law three months after the notice is received by the Union; or
    - (ii) on the day specified in the notice;whichever is later.
- 11.3 Any dues payable but not paid by a former member in relation to a period before the member's resignation 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.
- 11.4 A notice delivered to the Division Secretary or Branch Secretary shall be taken to have been received by the Union when it was delivered.



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

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2006 (Continued)**

- 11.5 A notice of resignation that has been received by the Union is not invalid because it was not addressed and delivered in accordance with sub-rule 1 of this rule.
- 11.6 A resignation from membership is valid even if it is not effected in accordance with this rule if the member is informed in writing by or on behalf of the Union that the resignation has been accepted.
- 11.7 Cessation of payment of any dues, levies and other amounts by a member does not, of itself, terminate membership of the Union.

Name \_\_\_\_\_

Title \_\_\_\_\_

Signature \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/2006

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

**COMMITTEE OF MANAGEMENT STATEMENT**

On \_\_\_\_\_ 2006, the Committee of Management of the National Tertiary Education Industry Union – Monash University Branch (the reporting unit) passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the financial year ended 30th June 2006:

The Committee of Management declares that 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 National Tertiary Education Industry Union, including the Branch rules;
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the National Tertiary Education Industry Union, including the rules concerning Branches of that union;
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations;
  - (iv) 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 National Tertiary Education Industry Union;
  - (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;

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

**COMMITTEE OF MANAGEMENT STATEMENT (Continued)**

(vi) No orders for the inspection of financial records have been made by the Commission under section 273 of the RAO Schedule;

(f) in relation to the recovery of wages activity:

(i) there has been no such activity undertaken by the reporting unit.

**For the Committee of Management:** Dr. Carol Williams

**Title of Office Held:** Branch President

**Signature:** \_\_\_\_\_

**Date:** 2006

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

**INCOME STATEMENT  
FOR THE YEAR ENDED 30th JUNE 2006**

	2006	2005
	\$	\$
Profit from Continuing Operations	33,919	8,172
Retained Profits at the beginning of the financial year	39,872	31,700
Retained Profits at the end of the financial year	<u>73,791</u>	<u>39,872</u>

The accompanying notes form part of these accounts.

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

**BALANCE SHEET  
AS AT 30th JUNE 2006**

	Note	2006 \$	2005 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	2	73,333	120,273
Trade and Other Receivables	3	15,708	-
<b>TOTAL CURRENT ASSETS</b>		<b>89,041</b>	<b>120,273</b>
<b>NON CURRENT ASSETS</b>			
Plant & Equipment	4	6,597	4,122
<b>TOTAL NON-CURRENT ASSETS</b>		<b>6,597</b>	<b>4,122</b>
<b>TOTAL ASSETS</b>		<b>95,638</b>	<b>124,395</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	5	7,152	57,333
Employee Provisions	6	7,268	12,787
<b>TOTAL CURRENT LIABILITIES</b>		<b>14,420</b>	<b>70,120</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee Provisions	6	7,427	14,403
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>7,427</b>	<b>14,403</b>
<b>TOTAL LIABILITIES</b>		<b>21,847</b>	<b>84,523</b>
<b>NET ASSETS</b>		<b>73,791</b>	<b>39,872</b>
<b>MEMBERS' FUNDS</b>			
Retained Profits		73,791	39,872
<b>TOTAL MEMBERS' FUNDS</b>		<b>73,791</b>	<b>39,872</b>

The accompanying notes form part of these accounts.

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

**DETAILED INCOME STATEMENT  
FOR THE YEAR ENDED 30th JUNE 2006**

	2006	2005
	\$	\$
<b>INCOME</b>		
Gross Member Subscriptions *	326,935	753,864
Less : Capitation Fees National Office *	(74,307)	(297,050)
Equalisation and Adjustment Fund *	(14,670)	(18,090)
Capitation Fees Victorian Division *	(67,938)	(273,538)
Net Member Subscriptions	<u>170,020</u>	<u>165,186</u>
Interest Received	3,623	4,528
Donations Received	-	185
Other Income	341	302
<b>BRANCH INCOME</b>	<u><b>173,984</b></u>	<u><b>170,201</b></u>
<b>EXPENDITURE</b>		
Audit	3,250	3,100
Bank Charges	37	374
Conferences	3,539	75
Depreciation	2,383	2,463
Donations	-	550
Employee Provisions	(12,495)	9,350
General Office Expenses	1,602	520
Insurance	1,382	2,058
Meetings & Catering	1,444	2,258
Payroll Tax	7,246	6,526
Photocopier Lease & Charges	3,183	4,194
Postage	265	176
PRD Expenses – Monash Uni	374	-
Printing & Stationery	3,003	6,896
Salaries & Wages – Employees	100,252	94,395
Subscriptions	290	379
Sundry Expenses	367	881
Superannuation	11,929	15,082
Telephones, Data, IT, & E-Mail	4,590	4,444
Training	-	435
Travel	5,351	6,347
Workcover	2,073	1,526
<b>BRANCH EXPENDITURE</b>	<u><b>140,065</b></u>	<u><b>162,029</b></u>
<b>PROFIT FROM CONTINUING OPERATIONS</b>	<u><b>33,919</b></u>	<u><b>8,172</b></u>

\* The Branch changed its method of fee collection as of 1<sup>st</sup> October 2005 whereby subscriptions were collected directly by the National Office and the net portion due to the Branch was forwarded direct from the National Office.

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

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30th JUNE 2006**

	2006	2005
	\$	\$
	Inflows (Outflows)	Inflows (Outflows)
Cash flows from Operating Activities		
Receipts from members	313,657	753,864
Interest received	3,623	4,528
Other income	341	487
Payments to suppliers & employees	(359,703)	(732,449)
	-----	-----
Net cash provided by / (used in) operating activities – Note B	(42,082)	26,430
	-----	-----
Cash flows from Investing Activities		
Purchases of fixed assets	(4,858)	(364)
	-----	-----
Net cash (used in) investing activities	(4,858)	(364)
	-----	-----
Cash flows from Financing Activities	-	-
	-----	-----
Net increase / (decrease) in cash and cash equivalents held	(46,940)	26,066
Cash and cash equivalents at the beginning of the financial year	120,273	94,207
	-----	-----
Cash and cash equivalents at the end of the financial year -- Note A	73,333	120,273
	=====	=====

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

**CASH FLOW STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30th JUNE 2006**

	2006	2005
	\$	\$
<b>Note A Reconciliation of Cash and Cash Equivalents</b>		
For the purposes of the cash flow statement cash and cash equivalents includes cash on hand and in banks and investments in money markets. Cash at the end of the financial year is shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:		
Cash at Bank	73,083	120,023
Cash on Hand	250	250
	73,333	120,273
	73,333	120,273

**Note B Reconciliation of net cash provided by operating activities to profit from continuing operations**

Profit from continuing operations	33,919	8,172
Non-cash flows in profit from continuing operations:		
Depreciation	2,383	2,463
Changes in Assets & Liabilities:		
(Increase) / decrease in trade and other current receivables	(15,708)	-
Increase / (decrease) in trade and other payables	(50,181)	6,446
Increase / (decrease) in employee provisions	(12,495)	9,349
	(42,082)	26,430
	(42,082)	26,430

The branch has no credit stand-by or financing facilities in place.

There were no non-cash financing or investing activities during the period.



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30th JUNE 2006**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Trustees' accountability requirements under the Union's Rules and the requirements under the Workplace Relations Act 1996.

The financial report covers the National Tertiary Education Industry Union – Monash University Branch as an individual entity. The National Tertiary Education Industry Union is a registered organisation registered under the Workplace Relations Act 1996 and domiciled in Australia. The National Tertiary Education Industry Union – Monash University Branch is a branch of that organisation.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where stated, current valuations of non-current assets.

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

**(a) Fixed Assets**

Depreciation is provided on all fixed assets so as to write off the assets progressively over their estimated economic lives to the Branch. The prime cost method of depreciation is used.

Depreciation rates used for each class of assets are:

Class of asset	Depreciation Rate
Office Furniture and Equipment	9 – 33%

**(b) Revenue**

Member subscription revenue is recognised when the respective fees have been deducted from the members' wages and salaries.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30th JUNE 2006**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**(c) Provision for Employee Entitlements**

The provision relates to annual leave and long service leave and has been calculated on the basis of actual entitlements under appropriate awards, based on current wage rates.

**(d) Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

**(e) Income Tax**

No income tax has been provided, as the Branch is exempt from income tax pursuant to section 50-15 of the Income Tax Assessment Act 1997, as amended.

**(f) Information to be provided to members or registrar**

In accordance with the requirements of the Workplace Relations Act 1996, as amended, the attention of members is drawn to the provisions of sub-section (1) (2) and (3) of section 272, which reads as follows:

- (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.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under sub-section (1).

Note: This sub-section is a civil penalty provision

**(g) Economic Dependency**

The Branch is not economically dependent on any other reporting units of the organisation.

**(h) Segment Reporting**

The reporting entity operates in one business and geographical segment being the provision of trade union services to its members in Victoria.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30th JUNE 2006**

	2006	2005
	\$	\$
<b>2. CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	250	250
Cash at Bank	73,083	120,023
	73,333	120,273
<b>3. TRADE AND OTHER RECEIVABLES</b>		
Accrued Member Subscriptions	13,278	-
GST Owed by the ATO	1,800	-
	15,078	-
<b>4. PLANT AND EQUIPMENT</b>		
Office Furniture and Equipment- at cost	28,715	32,212
Less : Accumulated Depreciation	(22,119)	(28,090)
	6,596	4,122
<b>Movements in Carrying Values</b>		
Opening balance at the beginning of the year	4,121	6,220
Additions	4,858	364
Depreciation	(2,383)	(2,463)
Closing balance at the end of the year	6,596	4,121
<b>5. TRADE AND OTHER PAYABLES</b>		
Sundry Creditors And Accruals	7,152	3,100
Capitation Fees Payable	-	48,658
GST Owing to the ATO	-	5,575
	7,152	57,333
<b>6. EMPLOYEE PROVISIONS</b>		
Current		
Annual Leave	7,268	12,787
Non-Current		
Long Service Leave	7,427	14,403
	14,695	27,190

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30th JUNE 2006**

	2006	2005
	\$	\$
<b>7. LEASING COMMITMENTS</b>		
Operating Leases		
Being for lease of photocopier		
Payable – minimum lease payments		
Not later than 12 months	2,000	2,000
Between 12 months and 5 years	3,500	5,500
Greater than 5 years	-	-
	5,500	7,500

The photocopier lease is a non-cancellable lease with a five year term, with rent being payable quarterly in advance. An option exists to acquire the asset at the end of the five year term.

**8. FINANCIAL INSTRUMENTS**

(a) Interest Rate Risk

The reporting 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 assets and liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate	
	2006	2005	2006	2005
Financial Assets				
Cash at bank	3.72%	5.37%	\$73,083	\$120,023

No financial assets are subject to a fixed interest rate.

No financial liabilities are subject to any interest rate.

(b) Credit Risk

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

(c) Net Fair Values

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

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30th JUNE 2006**

**9. UNION DETAILS**

The office of the branch is located at;

Room G02A, Building 19  
Monash University, Clayton Campus  
CLAYTON VIC 3800



**INDEPENDENT AUDIT REPORT**

**TO THE MEMBERS OF**  
**NATIONAL TERTIARY EDUCATION INDUSTRY UNION**  
**MONASH UNIVERSITY BRANCH**

**Scope**

*The financial report and trustees' responsibility*

The general purpose financial report comprises the income statement, balance sheet, detailed statement of income and expenditure statement, cash flow statement and accompanying notes to the financial statements and the committee of management statement for the National Tertiary Education Industry Union – Monash University Branch for the year ended 30<sup>th</sup> June 2006.

The trustees of the branch are responsible for the preparation and true and fair presentation of the general purpose financial report in accordance with the Workplace Relations Act 1996. 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 general purpose financial report.

**Audit Approach**

We conducted an independent audit in order to express an opinion to the members of the branch. 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 judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996 including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the branch's financial position, and of its performance as represented by the results of its operations and its cash flows.

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

- examining, 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 committee of management.



Chartered Accountants

**INDEPENDENT AUDIT REPORT**

**TO THE MEMBERS OF  
NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
MONASH UNIVERSITY BRANCH**

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on 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 National Tertiary Education Industry Union – Monash University Branch is presented fairly in accordance with:

- (i) applicable Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996, and
- (ii) other mandatory professional reporting requirements.

LOCKWOOD WEHRENS  
Chartered Accountants  
Camberwell

ANDREW WEHRENS  
Member of The Institute of Chartered  
Accountants in Australia – 79117, holder  
of a current Certificate of Public Practice  
2006