



Fair Work Australia

23 July 2009

Ms Jenny Savage
Finance Coordinator
National Tertiary Education Industry Union

email: jsavage@nteu.org.au

Dear Ms Savage

Re: Financial Reports for the National Tertiary Education Industry Union, Murdoch University Branch for years ended 30 June 2006, 2007 and 2008 – FR2006/290 FR2007/340 & FR2008/420

I acknowledge receipt of the revised financial report for the National Tertiary Education Industry Union, Murdoch University Branch for the year ended 30 June 2006 and the financial reports for years ended 30 June 2007 and 2008. The reports were lodged with Fair Work Australia on 14 July 2009.

The financial reports have now been filed.

I appreciate for the financial year ended 30 June 2009 it is anticipated that, in accordance with the scheme of the organisation's rules, all financial affairs will be administered by the organisation (through its national office) and accounted for accordingly. None the less I draw your attention to a number of matters in the present report which, in the event the Branch was required to again prepare a financial report, it should take into account to achieve full compliance.

You are not required to take any further action in respect of the report lodged.

Presentation of the full report to a general meeting

Section 265(5)(a) of the *Fair Work (Registered Organisations) Act 2009* (the Act) requires that the general meeting of members is to be held within six months of the end of the financial year and that copies of the report are to be provided to members 21 days prior to that meeting. Future reports should be distributed as required by section 265(5)(a) of the Act.

Schedule 1

Reference to Schedule 1B of the *Workplace Relations Act 1996*, should properly refer to Schedule 1 and note that from 1 July 2009 shall be the *Fair Work (Registered Organisations) Act 2009*.

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

Yours sincerely

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

Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

cc. Ms Marian Kemp, President, National Tertiary Education Industry Union, Murdoch University
Branch - nteu@central.murdoch.edu.au

**NATIONAL TERTIARY
EDUCATION INDUSTRY UNION**

MURDOCH UNIVERSITY

BRANCH

*Financial Statements for the year ended
30 June 2008*

Certificate of Secretary or other Authorised Officer

S268 of Schedule 1B Workplace Relations Act 1996

I Marian Elizabeth Frances Kemp being President of the National Tertiary Education Industrial Union Murdoch University Branch certify:

- That the documents lodged herewith are copies of the full report for the year ended 30th June 2008, referred to in s268 of the RAO Schedule ; and
- That the full report, was provided to members on June 15, 2009; and
- That the full report was presented to A GENERAL MEETING OF MEMBERS of the reporting unit on July 7, 2009; in accordance with section 266 of the RAO Schedule.

Marian Kemp

Marian Kemp

07/07/2009

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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

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

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2008**

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 Union's Financial Affairs

Other than the transfer of assets and liabilities to the NTEU Fund as detailed in Note 1 to the financial statements, no other 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 of the Branch was a Trustee or Director of a Trustee Company of a Superannuation Entity or an Exempt Public Sector Superannuation Scheme.

Number of members

The number of persons who, at the end of the financial year, were recorded on the Register of Members was 328 (2007 – 326).

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

**OPERATING REPORT
FOR THE YEAR ENDED 30 JUNE 2008 (Continued)**

Number of employees

The number of persons who were, at the end of the financial year, employees of the Branch was 0.8 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 Union at the beginning of the financial year were:

President	Marian Kemp
Vice-President (Academic)	Janice Dudley
Vice-President (General)	Christina Ballantyne
Branch Secretary	Jen Bradley
Treasurer	David Holloway
Committee Member	Jo Goodie
Committee Member	Julia Hobson
Committee Member	Chris Latham
Committee Member	Craig McGarty
Committee Member	Murray Rosenberg
Committee Member	Steven Ward
Committee Member General Staff	Helen Gibson
Committee Member Indigenous Staff	Ashley Sillifant
National Councillors	David Holloway
National Councillors	Marian Kemp
Alternate National	Sharon Delmege

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

OPERATING REPORT

FOR THE YEAR ENDED 30 JUNE 2008 (Continued)

Manner of resignation – s254(2)(c)

Members may resign from the Branch 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.
- 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: Marian Kemp

Title: Branch President

Signature: *Marian Kemp*

Date: *10.6.2009*

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

COMMITTEE OF MANAGEMENT STATEMENT

FOR THE YEAR ENDED 30 JUNE 2008

On ~~10/06~~ 2009 the Committee of Management of the National Tertiary Education Union – Murdoch 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 2008:

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 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 the 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 two 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.
- (f) during the financial year ended 30 June 2008, the Branch did not participate in any recovery of wages activity.

For Committee of Management: Marian Kemp

Title: Branch President

Signature: *Marian Kemp*

Date: *10.06.2009*

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

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2008

	NOTE	2008 \$	2007 \$
Revenue from ordinary activities:			
Subscriptions	2	81,495	10,449
Other	2	15,621	1
Transfer of net liabilities to NTEU Fund		109,201	-
Total revenue from ordinary activities		206,317	10,780
Expenses from ordinary activities:			
Bank charges		168	452
Committee of management buyout		-	5,500
Interest		2	15
Office costs		1,000	4,918
Employee costs		39,226	4,374
Payroll tax		2,158	-
Affiliate fees		166,105	-
Other		-	258
Total expenses from ordinary activities		208,659	15,517
Net operating (deficit)		(2,342)	(4,737)

The accompanying notes form part of these financial statements.

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

BALANCE SHEET

FOR THE YEAR ENDED 30 JUNE 2008

	NOTE	2008 \$	2007 \$
CURRENT ASSETS			
Cash assets	3	-	3,512
TOTAL CURRENT ASSETS		-	3,512
TOTAL ASSETS		-	3,512
CURRENT LIABILITIES			
Payables	4	-	1,170
TOTAL CURRENT LIABILITIES		-	1,170
TOTAL LIABILITIES		-	1,170
NET ASSETS		-	2,342
EQUITY			
Accumulated surplus	5	-	2,342
TOTAL EQUITY		-	2,342

The accompanying notes form part of these financial statements.

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

STATEMENT OF RECOGNISED INCOME AND EXPENSE

FOR THE YEAR ENDED 30 JUNE 2008

	NOTE	2008 \$	2007 \$
RETAINED EARNINGS			
Balance at start of the period		2,342	7,079
(Deficit) for the period		<u>(2,342)</u>	<u>(4,737)</u>
Balance at end of period	7	<u>-</u>	<u>2,342</u>

The accompanying notes form part of these financial statements.

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

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2008

	NOTE	2008 \$	2007 \$
Cash flows from operating activities			
Receipts			
Capitation fees		206,317	11,949
Interest received		-	1
		<u> </u>	<u>11,950</u>
Payments			
Cash payments in the course of operations		(208,829)	15,517
		<u> </u>	<u> </u>
Net cash flows from operating activities	8	<u>(3,512)</u>	<u>(3,567)</u>
Net (decrease) in cash held		(3,512)	(3,567)
Cash at the beginning of the financial year		<u>3,512</u>	<u>7,079</u>
Cash at the end of the financial year	3	<u> </u>	<u>3,512</u>

The accompanying notes form part of these financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1996.

Basis of Preparation

The financial report has been prepared on an accruals basis and is based on historical costs. It 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 Branch in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Revenue Recognition

(i) Membership Capitation Fee

The dues are collected by the Union and remitted to the Branch by the middle of the month after they fall due and at this point recognised in the Branch's accounts.

(ii) Other Revenue

Other revenue comprises revenue earned from the provision of products or services and interest on monies deposited. These revenues are recognised when the goods or services are provided, or when the fee in respect of services provided is receivable.

(b) Property, Plant & Equipment

Property, plant and equipment are recorded at cost. Depreciation of property, plant, and equipment is calculated on the straight-line basis in order to write the assets off over their estimated useful lives.

(c) Allowance for Doubtful Debts

Allowance for doubtful debts is recognised when collection of trade debtors in full is no longer probable. Collectability of overdue accounts is assessed on an ongoing basis.

(d) Investments

Investments in unlisted companies and unit trusts are carried at the lower of cost and recoverable amount. Loans relating to the investments are offset against the carrying value of the investment to represent the Union's net interest in the investment.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Impairment of Assets

At each reporting date, the Branch reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value-in-use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable value is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Branch estimates the recoverable amount of the cash generating unit to which the asset belongs.

(f) Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and long service leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs.

Liabilities for employee entitlements, which are not expected to be settled within 12 months, are measured at the present value of the estimated future cash outflows to be made for those benefits.

In determining the liability for employee entitlements, consideration has been given to future increases in wage and salary rates, and the economic entity's experience with staff departures. Related on-costs have also been included in the liability.

(g) Income Tax

No provision for Income Tax is necessary as "Trade Unions" are exempt from income tax under Section 50-15 of the Income tax Assessment Act.

(h) Cash Flows

For the purpose of the cash flow statement, cash includes cash on hand and held at call with banks, net of bank overdrafts.

(i) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). 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 are stated with the amount of GST included.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Financial Instruments

Financial Assets

Cheque Account (Note 3)

Term deposits are valued at cost. Interest is recognised as it accrues. Total weighted average interest rate at balance date was nil (2007:0.05%).

Financial Liabilities

Payables (Note 4)

Liabilities are recognised for amounts to be paid in the future for goods or services received as at balance date, whether or not invoices have been received. Payables are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.

(k) Allocation of Current and Non-Current

An Asset or a Liability shall be classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the reporting date; or
- (d) the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities shall be classified as non current.

(l) Economic Dependency

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

(m) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments and bank overdrafts. Bank overdrafts are shown as part of cash and cash equivalents and reduce the amount shown as cash at bank.

(n) Transfer of net assets to NTEU Fund

At 30 June 2008 all assets and liabilities of NTEU branches and divisions were transferred to the NTEU Fund, in accordance with Schedule G of the registered rules. The transfer is a non-reciprocal transfer and has been accounted for as a contribution in accordance with AASB 1004 Contributions.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) New accounting standards and interpretations

Certain new Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2008 reporting year. The entity has not, and does not intend to, adopt the following Standards early:

- Revised AASB 101 'Presentation of Financial Statements', AASB 2007-8 'Amendments to Australian Accounting Standards arising from AASB 101' and AASB 2007-10 'Further Amendments to Australian Accounting Standards arising from AASB 101' which are applicable to financial periods commencing on or after 1 January 2009. These changes will impact the presentation of the Financial Report but are not expected to impact the values disclosed.

In addition to those Accounting Standards listed above, the AASB has also released a number of other Accounting Standards and Australian Interpretations. The application of these Accounting Standards and Australian Interpretations are not applicable to the entity. Consequently, they have not been specifically identified above.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
	\$	\$
2. REVENUE FROM ORDINARY ACTIVITIES		
Subscriptions		
Member	81,495	10,779
Total revenue from subscriptions	<u>81,495</u>	<u>10,779</u>
Other revenue		
Interest received	-	1
Other	15,621	-
Total other revenue	<u>15,621</u>	<u>1</u>
Total revenue from operating activities	<u>97,116</u>	<u>10,780</u>
3. CASH ASSETS		
Cheque account	-	3,512
	<u>-</u>	<u>3,512</u>
4. PAYABLES		
Trade creditors and accruals	-	1,170
	<u>-</u>	<u>1,170</u>
5. ACCUMULATED SURPLUS		
Accumulated surplus at the beginning of the financial year	2,342	7,079
Net operating (deficit) for the year	(2,342)	(4,737)
Accumulated surplus at the end of the financial year	<u>-</u>	<u>2,342</u>
6. CASH FLOW INFORMATION		
Reconciliation of net operating (deficit) to net cash flows from operating activities:		
Net operating (deficit)	(2,432)	(4,737)
Changes in assets and liabilities:		
Increase / (decrease) in payables	1,170	1,170
Net cash flows from operating activities	<u>(3,512)</u>	<u>(3,567)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

9. FINANCIAL INSTRUMENTS

(a) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

(b) Categorisation of financial instruments

Financial assets	Note	Category	Carrying amount 2008	Carrying amount 2007
Cash and cash equivalents	3	N/A	-	3,512
Financial liabilities				
Payables	4	Financial liabilities measured at amortised cost	-	1,170

(c) Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The Branch's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the balance sheet.

Financial assets that are either past due or impaired

Currently the Branch does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

As at the reporting date, there is no event to indicate that any of the financial assets are impaired.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The following table discloses the ageing only of financial assets that are past due but not impaired.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

9. FINANCIAL INSTRUMENTS (continued)

Interest rate exposure and ageing analysis of financial assets									
	<i>Weighted average effective interest rate</i>	<i>Carrying amount</i>	<i>Interest rate exposure</i>			<i>Past due by</i>			
			<i>Fixed interest rate</i>	<i>Variable interest rate</i>	<i>Non- interest bearing</i>	<i>Less than 1 Month</i>	<i>1-3 months</i>	<i>3 months – 1 year</i>	<i>1-5 years</i>
2008	%								
Cash assets	0.05	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
2007									
Cash assets	0.05	3,512	-	3,512	-	-	-	-	-
		3,512	-	3,512	-	-	-	-	-

(d) Liquidity risk

Liquidity risk arises when the Branch is unable to meet its financial obligations as they fall due. The Branch operates under the policy of settling financial obligations within 30 days and in the event of a dispute, make payments within 30 days from the date of resolution. It also continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets and dealing in highly liquid markets. The Branch's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Maximum exposure to liquidity risk is the carrying amounts of financial liabilities.

Interest rate exposure and maturity analysis of financial liabilities									
	<i>Weighted average effective interest rate</i>	<i>Nominal amount</i>	<i>Interest rate exposure</i>			<i>Maturity dates</i>			
			<i>Fixed interest rate</i>	<i>Variable interest rate</i>	<i>Non- interest bearing</i>	<i>Less than 1 month</i>	<i>1-3 months</i>	<i>3 months – 1 year</i>	<i>1-5 years</i>
2008	%								
Payables	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
2007									
Payables	-	1,170	-	-	1,170	-	-	-	-
		1,170	-	-	1,170	-	-	-	-

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008**

9. FINANCIAL INSTRUMENTS (continued)

(e) Market risk

The Branch's exposure to market risk is primarily through interest rate risk and other price risks with no exposure to foreign currency or interest rate risk. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraphs below.

Interest rate risk

Exposure to interest rate risk might arise primarily through the Branch's cash & deposits. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments.

As the Branch does not hold any financial instruments at 30 June 2008, there is no exposure to interest rate risk or other price risks.

(f) Fair value

The fair values and net fair values of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices; and
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The Branch considers that the carrying amount of financial assets and financial liabilities recorded in the financial report to be a fair approximation of their fair values.

10. RELATED PARTY INFORMATION

Remuneration of key management personnel

There are no key management personnel of the Branch whose remuneration requires separate disclosure.

Other related party transactions

During the year, there were no transactions with related parties which require separate disclosure other than the transfer of net assets already disclosed in Note 1.

11. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provision of subsections (1), (2) and (3) of section 272 of Schedule 1B – Registration of accountability of Organisations 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 matter 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 subsection (1)."

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
NATIONAL TERTIARY EDUCATION INDUSTRY UNION
MURDOCH UNIVERSITY BRANCH**

Scope

The general purpose financial report and Executive Committee's responsibility

The general purpose financial report comprises the income statement, balance sheet, cash flow statement, statement of recognised income and expense, accompanying notes to the financial statements, and the committee of management statement of the National Tertiary Education Industry Union- Murdoch University Branch for the year ended 30 June 2008.

The Committee of the Union is responsible for the preparation and fair presentation of the financial report in accordance with the Workplace Relation Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect frauds and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the Union. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatements. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitation 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 Accounting Standards and other mandatory financial reporting requirements in Australia and the Workplace Relations Act 1996, a view which is consistent with our understanding of the Union's financial position, and of its performance as represented by the results of its operations and the cash flows.

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

- 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 executive Committee.

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

Independence

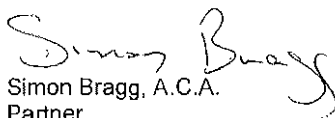
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

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



DFK Collins
Chartered Accountants


Simon Bragg, A.C.A.
Partner

Registered Company Auditor, Registration Number: 291536

Melbourne

Date:

12 June 2009