



Australian Government
Australian Industrial Registry

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Ms Rosslyn O'Grady
Administrative Assistant
National Tertiary Education Industry Union
University of New South Wales Branch
Room G29, Samuels Building
University of New South Wales
SYDNEY NSW 2052

Dear Ms O'Grady

**Re: Schedule 1 of the Workplace Relations Act 1996 (Schedule 1)
Financial reports for year ended 30 June 2006 - FR 2006/295**

Thank you for providing further information in relation to the financial reports of the University of New South Wales Branch of the National Tertiary Education Industry Union for the year ended 30 June 2006: this has been placed with the documents previously lodged.

The financial documents have now been filed.

Please note that the following is advised for assistance in the preparation of future financial reports. No further action is required in respect of the subject documents.

As you know the financial reports should be prepared, audited, supplied to members, presented to a meeting and lodged in the Industrial Registry within certain timescale requirements. My examination of the documentation lodged indicates:

1. the Committee of Management Statement refers to a resolution passed at a meeting on 22 June 2007 and was signed on the same date
2. the Auditor's report is dated 1 June 2007
3. the Operating Report is dated 22 June 2007
4. the documents were circulated to members on 1 June 2007
5. the documents were presented to a General Meeting on 22 June 2007
6. the Designated Officer's Certificate, attesting to the information in points 4 and 5, is signed and dated 22 June 2007

I note that the operating report and committee of management statement are dated after the date of the auditor's report. Also, the resolution in the committee of management statement indicates that the resolution was made after the date of the auditor's report. As the Auditor must take the operating report and committee of management statement into account in the preparation of their report such documents should be prepared before the auditor has made their report.

It should be noted that the Industrial Registrar attaches importance to reporting units both fully satisfying the obligations under Schedule 1 and to those obligations being discharged within the requisite timeframes. Your reporting unit should therefore ensure that future financial returns fully satisfy the above obligations. I have enclosed a Diagrammatic Summary of the legislative timescale requirements for your information.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7993 or by email at larry.powell@air.gov.au

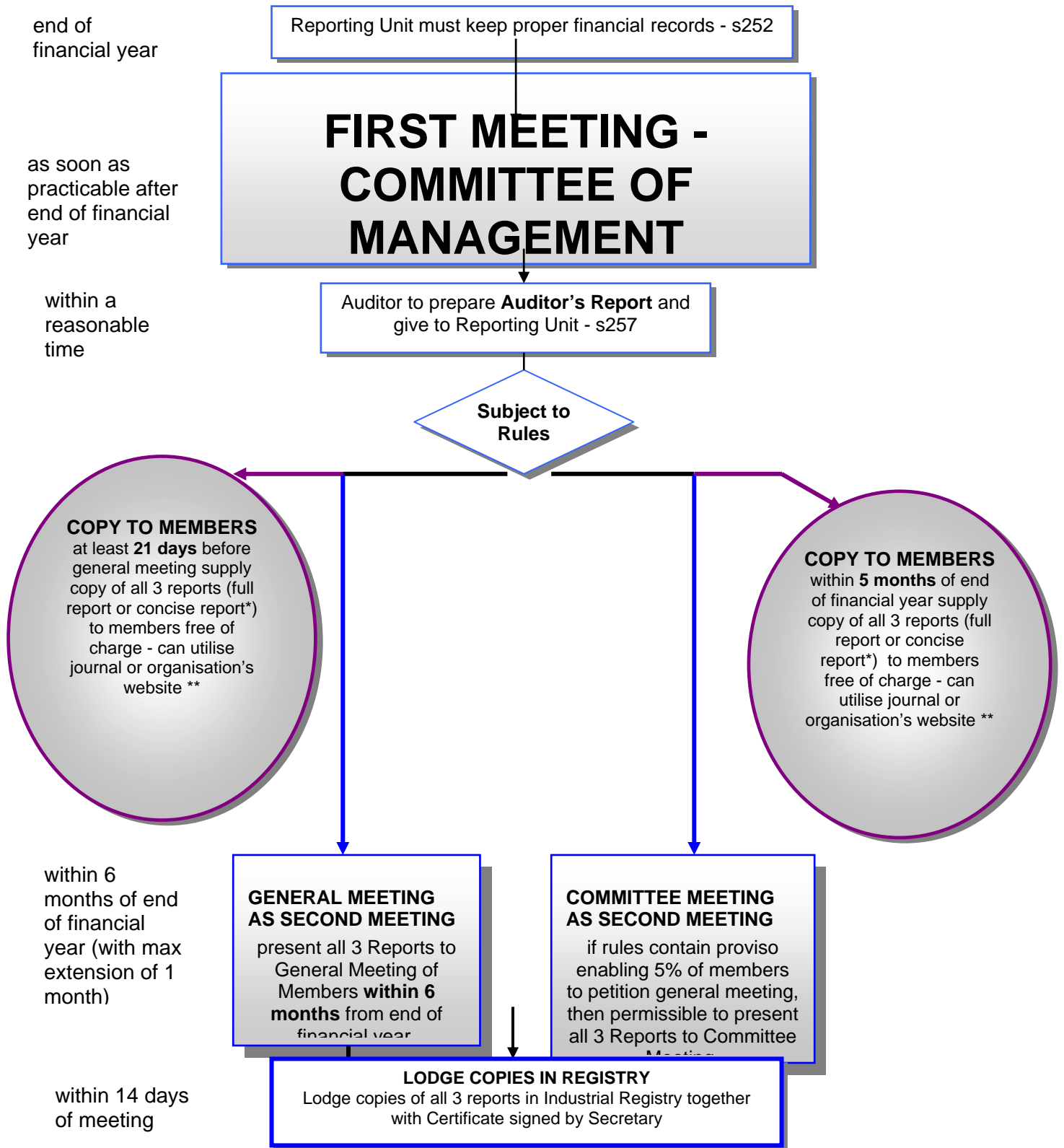
Yours sincerely,

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

Larry Powell
Statutory Services Branch

16 July 2007

Financial Reporting Timeline (RAO Schedule)



* concise report may be provided if s265(1)-(4) complied with. ** report may be supplied through organisation's journal or on organisation's website subject to particular specifications as per RAO regulation 18.

**NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344**

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

**NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344**

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COMMITTEE OF MANAGEMENT STATEMENT – **NTEU UNIVERSITY OF NSW BRANCH**

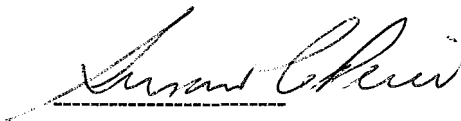
On 22nd June 2007 the Committee of Management of the *National Tertiary Education Industry Union – University of NSW Branch* passed the following resolution in relation to the General Purpose Financial Report (GPFR) for the Branch for the financial year ended *30 June 2006*.

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position, and cash flows of the branch for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the branch 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 the year:
 - i. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the branch including the rules of a branch concerned; and
 - iii. the financial records of the branch have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - iv. where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have 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 ROA Schedule has been furnished to the member of 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.

The Branch declares that there was no recovery of wages activity for the financial year.

For the Committee of Management;

A handwritten signature in black ink, appearing to read "Susan Price", written over a horizontal dashed line.

Susan Price

President

Date: 22nd June 2007

NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006

	Note	2006 \$	2005 \$
INCOME			
Interest Received		6,050.58	6,491.51
Membership Fees		549,578.84	710,904.01
Donations		472.80	-
		<u>556,102.22</u>	<u>717,395.52</u>
EXPENSES			
Auditor's Remuneration		2,700.00	5,850.00
Bank Charges		67.00	65.30
Campaigns		13,106.56	4,292.89
Capitation Fees		432,855.92	526,985.14
Casual Fees		247.50	-
Computer Expenses		2,186.99	210.00
Conference Expenses		4,219.28	597.53
Depreciation		2,268.00	2,623.00
Donations		907.50	200.00
Office Equipment		-	714.50
General Expenses		5,592.34	2,529.94
Hire of Plant & Equipment		6,562.94	4,607.27
Holiday Pay		(1,031.63)	(765.08)
Workers Compensation		695.72	991.68
Internet Expenses		1,101.90	769.81
Legal Costs		500.00	-
Long Service Leave		474.83	1,412.45
Meeting Expenses		11,213.01	5,885.29
Office Supplies		546.73	1,179.96
Payroll Tax		7,057.76	4,935.49
Photocopying		1,138.63	1,205.88
Printing & Stationery		13,672.81	3,342.04
Recruitment		-	(870.00)
Salaries		98,331.30	78,648.89
Staff Training & Welfare		480.91	256.36
Subscriptions		190.91	190.91
Superannuation Contributions		11,709.68	8,974.62
Telephone		1,811.18	2,146.80
Travelling Expenses		1,031.09	337.00
		<u>619,638.86</u>	<u>657,317.67</u>
(Loss) Profit from ordinary activities before income tax		<u>(63,536.64)</u>	<u>60,077.85</u>

The accompanying notes form part of these financial statements.

NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344

BALANCE SHEET
AS AT 30 JUNE 2006

	Note	2006 \$	2005 \$
CURRENT ASSETS			
Cash assets	2	193,230.65	221,002.71
Receivables	3	-	50,537.21
TOTAL CURRENT ASSETS		<u>193,230.65</u>	<u>271,539.92</u>
NON-CURRENT ASSETS			
Fixed Assets			
Plant and equipment	4	8,451.82	7,360.00
		<u>8,451.82</u>	<u>7,360.00</u>
TOTAL NON-CURRENT ASSETS		<u>8,451.82</u>	<u>7,360.00</u>
TOTAL ASSETS		<u>201,682.47</u>	<u>278,899.92</u>
CURRENT LIABILITIES			
Trade Creditors		46,519.69	53,783.23
Other Creditors		1,415.00	1,415.00
Amounts Withheld		-	664.92
Payables		5,633.00	10,828.55
Employee benefits	5	7,066.57	7,623.37
TOTAL CURRENT LIABILITIES		<u>60,634.26</u>	<u>74,315.07</u>
TOTAL LIABILITIES		<u>60,634.26</u>	<u>74,315.07</u>
NET ASSETS		<u>141,048.21</u>	<u>204,584.85</u>
EQUITY			
Issued capital			
Retained profits	6	141,048.21	204,584.85
TOTAL EQUITY		<u>141,048.21</u>	<u>204,584.85</u>

The accompanying notes form part of these financial statements.

NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2006

	2006	2005
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	597,166.43	759,759.62
Payments to suppliers and employees	(543,716.90)	(603,782.86)
Interest received	6,050.58	6,491.51
General administration expenses and direct expenses	(83,912.35)	(101,686.14)
Net cash provided by (used in) operating activities	<u>(24,412.24)</u>	<u>60,782.13</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(3,359.82)	(2,162.00)
Net cash provided by (used in) investing activities	<u>(3,359.82)</u>	<u>(2,162.00)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-	(3,422.42)
Net cash provided by (used in) financing activities	<u>-</u>	<u>(3,422.42)</u>
Net increase (decrease) in cash held	(27,772.06)	55,197.71
Cash at beginning of financial year	221,002.71	165,805.00
Cash at end of year	<u>193,230.65</u>	<u>221,002.71</u>

The accompanying notes form part of these financial statements.

**NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344**

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

1 Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared for use by the director and members of the company. The director has determined that the company is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards:

AAS 4:	Depreciation
AAS 5:	Materiality
AASB 1018:	Profit and Loss Statement

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

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

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

Property, Plant and Equipment

Property, plant and equipment are carried at cost, independent or director's valuation. All assets, excluding freehold land and buildings, are depreciated over their useful lives of the company.

Employee Benefits

Provision is made for the company'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 sick 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. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

**NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344**

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

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344

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

	2006	2005
	\$	\$
2 Cash Assets		
Cash on Hand	300.00	300.00
Short Term Deposits	83,812.13	79,480.44
Staff Entitlement Account	9,534.92	3,798.70
Cash at Bank S1 Account	45,447.61	42,404.72
General Cheque Account	54,135.99	95,018.85
	193,230.65	221,002.71
3 Receivables		
Current		
Trade Debtors	-	47,114.79
NTEU - NSW Division	-	3,422.42
	-	50,537.21
4 Plant and Equipment		
Office Furniture & Equipment	27,707.82	24,348.00
Less: Accumulated Depreciation	(19,256.00)	(16,988.00)
	8,451.82	7,360.00
Total Plant and Equipment	8,451.82	7,360.00
5 Employee Benefits		
Current		
Provision for Holiday Pay	4,343.29	5,374.92
Provision for Long Service Leave	2,723.28	2,248.45
	7,066.57	7,623.37
6 Retained Profits		
Retained profits at the beginning of the financial year	204,584.85	144,507.00
(Net loss) Net profit attributable to members of the company	(63,536.64)	60,077.85
Retained profits at the end of the financial year	141,048.21	204,584.85

NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344

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

	2006	2005
	\$	\$
7 Cash Flow Information		
Reconciliation of cash		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash on Hand	300.00	300.00
Short Term Deposits	83,812.13	79,480.44
Staff Entitlement Account	9,534.92	3,798.70
Cash at Bank S1 Account	45,447.61	42,404.72
General Cheque Account	54,135.99	95,018.85
	<u>193,230.65</u>	<u>221,002.71</u>
Reconciliation of net cash provided by operating activities to profit from ordinary activities after income tax		
Operating profit (loss) after income tax	(63,536.64)	60,077.85
Non-cash flows in profit from ordinary activities:		
Depreciation	2,268.00	2,623.00
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
(Increase) Decrease in current receivables	50,537.21	(22,234.79)
Increase (Decrease) in sundry creditors	(5,860.47)	5,207.47
Increase (Decrease) in trade creditors	(7,263.54)	14,461.23
Increase (Decrease) in current provisions	(1,031.63)	(765.08)
Increase (Decrease) in non-current provisions	474.83	1,412.45
Cash flows from operations	<u>(24,412.24)</u>	<u>60,782.13</u>

INDEPENDENT AUDITOR REPORT

I report that I have inspected and audited the accounting records of **National Tertiary Education Industry Union – University of NSW Branch** in relation to the financial year of the organisation ended 30 June 2006 and report that in my opinion satisfactory accounting records were kept by the organisation in relation to the year, including:

- 1) records of the resources and nature of the income of the organisation (including income from members);
- 2) records of the nature and purposes of the expenditure of the organisation; and


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

All information, being information which was reasonably wanted for the purpose of this audit, which was required and sought by me or by any person authorised by me for the purpose of the audit, was provided.

I also understand that to the extent that there was any deficiency, failure or shortcoming in relation to the matters referred to above, I must report particulars and that those particulars, if any, which form part of this report, are attached

The auditor is an approved auditor under section 6 of the ROA Schedule.
The auditor is a member of the Institute of Chartered Accountants.

Registered Company Auditor Number 730.



Peter. M. Power
Partner
Willoughby & Dunne & Co

Sydney
Date: 1st June 2007

**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTOR OF
NTEU UNIVERSITY OF NSW BRANCH**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2006 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: Willoughby & Dunne & Co
Chartered Accountants

Name of Partner: _____
Peter M Power

Address: Level 1, 521 Pittwater Road, Brookvale NSW 2100

Dated this 1st day of June 2007

COMMITTEE OF MANAGEMENT OPERATING REPORT – NTEU UNIVERSITY OF NSW BRANCH

In accordance with section 254 of the Workplace Relations Act 1996, the Committee of Management present the operating report for the year ended 30 June 2006.

Principal Activities

The principal activity of the Branch was to provide industrial, professional and managerial services to members consistent with the objects of the Union and particularly the object of protecting and improving the interests of the members.

Financial Results

The loss from operating activities for the year was \$63,536.64 (2005 surplus \$60,077.85).

The Union is exempt from paying income tax.

Review of Operations

The result represents an unfavourable variance of \$123,614.49 in comparison to last year. The result for the year was considered satisfactory.

Significant Changes

No significant changes in the state of affairs of the Branch have occurred during the financial year.

Rights of Members

- i. A member of a branch, may apply to the branch for specified information in relation to the branch to be made available to the person making the application.
- ii. 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 branch.
- iii. A branch must comply with an application made under subsection (i).

Rights of Members to Resign

- i. 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.
- ii. 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.
- iii. 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.
- iv. A notice delivered to a Division Secretary or Branch Secretary shall be taken to have been received by the Union when it was delivered.
- v. 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.
- vi. A resignation from membership is valid even if it is not affected 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.
- vii. Cessation of payment of any dues, levies and other amounts by a member does not, of itself, terminate membership of the Union.

To the best of our knowledge and belief,

No officer or member of the branch, by virtue of their office or membership of the National Tertiary Education Industry Union – University of NSW Branch is;

- i. A trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- ii. A director of a company that is the trustee of a superannuation entity or an exempt public sector superannuation scheme; and

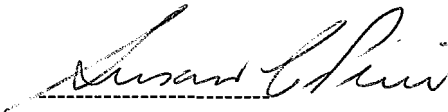
Where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

Prescribed Information

- i. Number of members of the Branch at 30/06/2006: 1,102 (2005: 1,080)
- ii. Employees of the Branch as at 30/06/2006: 3 (2005: 2)
- iii. Members of the Committee of Management as at 30/06/2006:

Susan Price	President
Ralph Hall	Secretary
Anne Junor	Vice President
Diane Fieldes	Ordinary Committee Member
Graham Freeman	Ordinary Committee Member
Chris Hughes	Ordinary Committee Member
Paul Osmond	Ordinary Committee Member
Catherine Welch	Ordinary Committee Member
Liz Tancred	Ordinary Committee Member
Kevin Dunn	Ordinary Committee Member
Bridgett McDermott	Ordinary Committee Member

For and on behalf of the Committee of Management



Susan Price

President

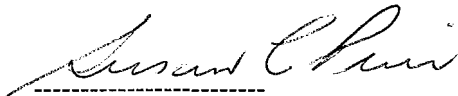
Date: 22nd June 2007

**CERTIFICATE BY SECRETARY OR OTHER
AUTHORISED OFFICER – NTEU UNIVERSITY OF NSW
BRANCH**

s268 of Schedule 1B Workplace Relations Act 1996

I, **Susan Price**, being the *Branch President* of the *National Tertiary Education Industry Union – University of NSW Branch* certify:

- That the documents lodged herewith are copies of the *full report* referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on 1st June 2007 ; and
- That the full report was presented to a *general meeting of members* of the Branch on 22nd June 2007; in accordance with section 266 of the RAO Schedule.



Susan Price

President

Date: 22nd June 2007



Australian Government

Australian Industrial Registry

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11 Exhibition Street
Melbourne, VIC 3000
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Ms Rosslyn O'Grady
Administrative Assistant
National Tertiary Education Industry Union
University of New South Wales Branch
Room G29, Samuels Building
University of New South Wales
SYDNEY NSW 2052

Dear Ms O'Grady

**Re: Schedule 1 of the Workplace Relations Act 1996 (Schedule 1)
Financial reports for year ended 30 June 2006 - FR 2006/295**

I acknowledge receipt of the financial reports of the University of New South Wales Branch of the National Tertiary Education Industry Union for the year ended 30 June 2006. The documents were lodged in the Industrial Registry on 30 March 2007.

I direct your attention to the following comments concerning the above reports and the financial reporting obligations under Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule). Please note that these matters are generally advised for assistance in the preparation of future financial reports. With the exception of the comments concerning item 2 no further action is required in respect of the subject documents.

1. Special Purpose Financial Report

A reporting unit is required by section 253(2) of the RAO Schedule to prepare a general purpose financial report from its financial records. While in some cases, the contents of a special purpose financial report and a general purpose financial report might not be substantially different, the requirement to prepare a general purpose financial report is quite clear.

The committee of management statement and the notes to the financial accounts must indicate that a general purpose financial report was prepared by the reporting unit instead of a special purpose financial report.

2. Timescale Requirements

Financial reports should be prepared, audited, supplied to members, presented to a meeting and lodged in the Industrial Registry within certain timescale requirements.

From the information available, the reports were provided to members on 1 March 2007 and presented to a general meeting of members on 15 March 2007.

Given that the operating report is dated 15 March 2007 and the auditor's report is dated 26 March 2007 it would appear that such documents supplied to members were unsigned and undated.

As you know section 266 makes provision for the methods by which a reporting entity may satisfy its obligation to present the full report to members. The purpose of the financial reporting provisions generally is to ensure disclosure to members and, to offer those members an opportunity to raise any matter that concerns them regarding material disclosed in that information. The vehicle for members to achieve this is either at a general meeting of members or at a meeting of the committee of management. The latter option is only available if the precondition in subsection 266(3), that is the 5% rule, is satisfied.

The organisation's rules do not satisfy the abovementioned precondition in relation to the financial documents of the Branch.

Under these circumstances, I cannot file the report and advise the reporting unit will need to repeat certain of the steps in the reporting process set out below.

First, the reporting unit must supply the operating report and auditor's report to members with the relevant documents. Secondly, the reporting unit must present the appropriate documents to a appropriate meeting. Finally, the reporting unit must prepare a fresh and appropriately signed Designated Officer's Certificate and lodge this with copies of the relevant documents with the Registry for filing.

It should also be noted that the financial reports should be provided to members at least 21 days before the general meeting at which the documents are to be presented [refer s.265(5)(a)].

Also, unless an extension is granted, financial reports should be lodged in the Industrial Registry within 14 days of the meeting at which they were presented [refer s.268].

3. Operating Report

(a) Principal activity and results of principal activities

I refer to the Operating Report, in particular to the "Principal Activities" and the "Review of Operations". I note that s254(2)(a) of Schedule 1 requires the operating report to include a review of the reporting entities' principal activities, the results of those activities and any significant changes in the nature of those activities.

The "Principal Activities" as listed in the operating report may not fully meet the requirements of s254(2)(a). Such requirement may be satisfied by indicating the objects of the reporting unit e.g. "provide industrial, professional and managerial services to members consistent with the objects of the Union and particularly the object of protecting and improving the interests of the members".

Also in relation to the "Review of Operations" I suggest that this requirement contemplates reference in the operating report to results directly related to the principal activities as opposed to the reporting entities financial result, particularly as measured in dollar 'surplus' or 'loss' terms. Although this may not be stated explicitly in the text of the subsection, I think it is reasonable to infer this is what the legislators had in mind given that the subsection is referring primarily to the principal activities and secondly, the actual financial outcome is elaborated elsewhere in the financial documents, such as the Balance Sheet and/or the Profit and Loss statement.

(b) Membership of Committee of Management:

The operating report is required to contain the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position - refer regulation 159(c) of the RAO Regulations.

The operating report should have provided the positions which members of the committee of management held during the reporting period.

(c) Significant Changes in Nature of Principal Activities

I note the statement in relation to "Significant Changes" refers to the state of affairs of "the company". All statements should refer to the reporting unit i.e. the Branch.

4. Committee of Management Statement

It would appear that the committee of management statement only partially complies with the reporting guidelines issued by the Industrial Registrar for the purposes of s253 of the RAO Schedule. Under item 17 of the reporting guidelines, the committee of management statement must include declarations as to whether in the opinion of the committee of management:

- (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; and*
- (e) *during the financial year to which the GPFR relates and since the end of that year:*
 - (i) *meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and*
 - (ii) *the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and*
 - (iii) *the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and*
 - (iv) *where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and*
 - (v) *the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and*
 - (vi) *there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.*

In addition to these requirements, the committee of management statement must be made in accordance with such resolution passed by the committee in relation to the matters requiring declaration. The statement must also specify the date of the resolution.

5. Auditor's Report

It is not clear from the Report whether or not the Auditor is an approved auditor. In this regard I draw your attention to the definition of approved auditor in regulation 4 of the Workplace Relations (Registration and Accountability of Organisation) Regulations 2003 (the RAO Regulations) In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report. I recommend you draw this comment to the attention of your Auditors.

6. Profit and Loss Statement

Salaries

The reporting guidelines prescribe certain disclosure requirements in addition to those prescribed by Australian Accounting Standards. Items 11(g) and (h) of the guidelines reads:

- (g) *employee benefits to holders of office of the reporting unit;*
- (h) *employee benefits to employees (other than holders of offices) of the reporting unit;"*

I have noted that the profit and loss statement includes an item shown as “Salaries” as an expense from ordinary activities.

Future financial reports should show such salaries amounts as having been paid to either holders of office or employees as required by the reporting guidelines.

7. Recovery of Wages Activity

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

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

8. Notice to members

There should be included in the full set of financial documents a notice drawing attention to provisions of the Act that prescribed information is available to members on request and which sets out a copy of subsections 272(1), (2) and (3) - refer subsection 272(5) of the Act and regulation 161(f).

Under these circumstances, I cannot file the report and advise the reporting unit will need to repeat certain of the steps in the reporting process set out below..

First, the reporting unit must prepare and sign a fresh Committee of Management Statement and publish this with the relevant documents, including a signed and dated copy of the Auditor's Report, to its members. Secondly, the reporting unit must present the appropriate documents to a appropriate meeting. Finally, the reporting unit must prepare a fresh and appropriately signed Designated Officer's Certificate and lodge this with copies of the relevant documents with the Registry for filing.

It should be noted that the Industrial Registrar attaches importance to reporting units both fully satisfying the obligations under Schedule 1 and to those obligations being discharged within the requisite timeframes. Your reporting unit should therefore ensure that future financial returns fully satisfy the above obligations

Electronic lodgment

I encourage you to take advantage of the electronic lodgment service provided by the Registry for future lodgments. You may register as a user and then lodge your documents via the Electronic Lodgment page of the AIRC website at www.airc.gov.au Alternatively, you may send an email with the documents attached to: riateam3@air.gov.au. Please note that the Rules of the Commission allow for electronic signatures to be used, other than for statutory declarations (see subrule 74A(1)). Where documents are lodged electronically, there will be no need to forward hard copies of the documents.

Should you wish to discuss this letter or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7993 or by email at larry.powell@air.gov.au

Yours sincerely,

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

Larry Powell
Statutory Services Branch
2 May 2007

**NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344**

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

**NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344**

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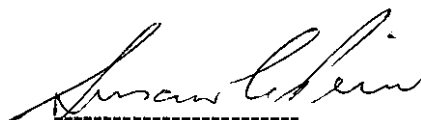
COMMITTEE OF MANAGEMENT STATEMENT –
NTEU UNIVERSITY OF NSW BRANCH

On 28th February 2007 the Committee of Management of the *National Tertiary Education Industry Union – University of NSW Branch* passed the following resolution in relation to the Special Purpose Financial Report (SPFR) for the Branch for the financial year ended *30 June 2006*.

The Committee of Management declares in relation to the SPFR 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 branch for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the branch will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the SPFR relates and since the end of the year:
 - i. meetings of the committee of management were held in accordance with the rules of the organization including the rules of a branch concerned; and
 - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the branch including the rules of a branch concerned; and
 - iii. the financial records of the branch have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations.

For the Committee of Management;



Susan Price

President

Date: 28th February 2007

NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006

	Note	2006 \$	2005 \$
INCOME			
Interest Received		6,050.58	6,491.51
Membership Fees		549,578.84	710,904.01
Donations		472.80	-
		<u>556,102.22</u>	<u>717,395.52</u>
EXPENSES			
Auditor's Remuneration		2,700.00	5,850.00
Bank Charges		67.00	65.30
Campaigns		13,106.56	4,292.89
Capitation Fees		432,855.92	526,985.14
Casual Fees		247.50	-
Computer Expenses		2,186.99	210.00
Conference Expenses		4,219.28	597.53
Depreciation		2,268.00	2,623.00
Donations		907.50	200.00
Office Equipment		-	714.50
General Expenses		5,592.34	2,529.94
Hire of Plant & Equipment		6,562.94	4,607.27
Holiday Pay		(1,031.63)	(765.08)
Workers Compensation		695.72	991.68
Internet Expenses		1,101.90	769.81
Legal Costs		500.00	-
Long Service Leave		474.83	1,412.45
Meeting Expenses		11,213.01	5,885.29
Office Supplies		546.73	1,179.96
Payroll Tax		7,057.76	4,935.49
Photocopying		1,138.63	1,205.88
Printing & Stationery		13,672.81	3,342.04
Recruitment		-	(870.00)
Salaries		98,331.30	78,648.89
Staff Training & Welfare		480.91	256.36
Subscriptions		190.91	190.91
Superannuation Contributions		11,709.68	8,974.62
Telephone		1,811.18	2,146.80
Travelling Expenses		1,031.09	337.00
		<u>619,638.86</u>	<u>657,317.67</u>
(Loss) Profit from ordinary activities before income tax		<u>(63,536.64)</u>	<u>60,077.85</u>

The accompanying notes form part of these financial statements.

NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344

BALANCE SHEET
AS AT 30 JUNE 2006

	Note	2006 \$	2005 \$
CURRENT ASSETS			
Cash assets	2	193,230.65	221,002.71
Receivables	3	-	50,537.21
TOTAL CURRENT ASSETS		<u>193,230.65</u>	<u>271,539.92</u>
NON-CURRENT ASSETS			
Fixed Assets			
Plant and equipment	4	8,451.82	7,360.00
		<u>8,451.82</u>	<u>7,360.00</u>
TOTAL NON-CURRENT ASSETS		<u>8,451.82</u>	<u>7,360.00</u>
TOTAL ASSETS		<u>201,682.47</u>	<u>278,899.92</u>
CURRENT LIABILITIES			
Trade Creditors		46,519.69	53,783.23
Other Creditors		1,415.00	1,415.00
Amounts Withheld		-	664.92
Payables		5,633.00	10,828.55
Employee benefits	5	7,066.57	7,623.37
TOTAL CURRENT LIABILITIES		<u>60,634.26</u>	<u>74,315.07</u>
TOTAL LIABILITIES		<u>60,634.26</u>	<u>74,315.07</u>
NET ASSETS		<u>141,048.21</u>	<u>204,584.85</u>
EQUITY			
Issued capital			
Retained profits	6	141,048.21	204,584.85
TOTAL EQUITY		<u>141,048.21</u>	<u>204,584.85</u>

The accompanying notes form part of these financial statements.

NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2006

	2006	2005
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	597,166.43	759,759.62
Payments to suppliers and employees	(543,716.90)	(603,782.86)
Interest received	6,050.58	6,491.51
General administration expenses and direct expenses	(83,912.35)	(101,686.14)
Net cash provided by (used in) operating activities	(24,412.24)	60,782.13
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(3,359.82)	(2,162.00)
Net cash provided by (used in) investing activities	(3,359.82)	(2,162.00)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-	(3,422.42)
Net cash provided by (used in) financing activities	-	(3,422.42)
Net increase (decrease) in cash held	(27,772.06)	55,197.71
Cash at beginning of financial year	221,002.71	165,805.00
Cash at end of year	193,230.65	221,002.71

The accompanying notes form part of these financial statements.

NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344

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

1 Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared for use by the director and members of the company. The director has determined that the company is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the following Australian Accounting Standards:

AAS 4:	Depreciation
AAS 5:	Materiality
AASB 1018:	Profit and Loss Statement

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

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

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

Property, Plant and Equipment

Property, plant and equipment are carried at cost, independent or director's valuation. All assets, excluding freehold land and buildings, are depreciated over their useful lives of the company.

Employee Benefits

Provision is made for the company'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 sick 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. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

**NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344**

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

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344

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

	2006	2005
	\$	\$
2 Cash Assets		
Cash on Hand	300.00	300.00
Short Term Deposits	83,812.13	79,480.44
Staff Entitlement Account	9,534.92	3,798.70
Cash at Bank S1 Account	45,447.61	42,404.72
General Cheque Account	54,135.99	95,018.85
	<u>193,230.65</u>	<u>221,002.71</u>
3 Receivables		
Current		
Trade Debtors	-	47,114.79
NTEU - NSW Division	-	3,422.42
	<u>-</u>	<u>50,537.21</u>
4 Plant and Equipment		
Office Furniture & Equipment	27,707.82	24,348.00
Less: Accumulated Depreciation	(19,256.00)	(16,988.00)
	<u>8,451.82</u>	<u>7,360.00</u>
Total Plant and Equipment	<u>8,451.82</u>	<u>7,360.00</u>
5 Employee Benefits		
Current		
Provision for Holiday Pay	4,343.29	5,374.92
Provision for Long Service Leave	2,723.28	2,248.45
	<u>7,066.57</u>	<u>7,623.37</u>
6 Retained Profits		
Retained profits at the beginning of the financial year	204,584.85	144,507.00
(Net loss) Net profit attributable to members of the company	(63,536.64)	60,077.85
Retained profits at the end of the financial year	<u>141,048.21</u>	<u>204,584.85</u>

NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344

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

	2006	2005
	\$	\$
7 Cash Flow Information		
Reconciliation of cash		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash on Hand	300.00	300.00
Short Term Deposits	83,812.13	79,480.44
Staff Entitlement Account	9,534.92	3,798.70
Cash at Bank S1 Account	45,447.61	42,404.72
General Cheque Account	54,135.99	95,018.85
	<u>193,230.65</u>	<u>221,002.71</u>
Reconciliation of net cash provided by operating activities to profit from ordinary activities after income tax		
Operating profit (loss) after income tax	(63,536.64)	60,077.85
Non-cash flows in profit from ordinary activities:		
Depreciation	2,268.00	2,623.00
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
(Increase) Decrease in current receivables	50,537.21	(22,234.79)
Increase (Decrease) in sundry creditors	(5,860.47)	5,207.47
Increase (Decrease) in trade creditors	(7,263.54)	14,461.23
Increase (Decrease) in current provisions	(1,031.63)	(765.08)
Increase (Decrease) in non-current provisions	474.83	1,412.45
Cash flows from operations	<u>(24,412.24)</u>	<u>60,782.13</u>

INDEPENDENT AUDITOR REPORT

I report that I have inspected and audited the accounting records of **National Tertiary Education Industry Union – University of NSW Branch** in relation to the financial year of the organisation ended 30 June 2006 and report that in my opinion satisfactory accounting records were kept by the organisation in relation to the year, including:

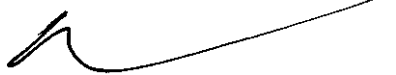
- 1) records of the resources and nature of the income of the organisation (including income from members);
- 2) records of the nature and purposes of the expenditure of the organisation; and

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

All information, being information which was reasonably wanted for the purpose of this audit, which was required and sought by me or by any person authorised by me for the purpose of the audit, was provided.

I also understand that to the extent that there was any deficiency, failure or shortcoming in relation to the matters referred to above, I must report particulars and that those particulars, if any, which form part of this report, are attached

Willoughby & Dunne & Co
Registered Company Auditor Number 730



Peter. M. Power
Partner

Sydney
On this day of

26 . 3 . 07

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF NTEU UNIVERSITY OF NSW BRANCH
A.B.N. 38 579 396 344**

Independence

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

Audit Opinion

In our opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, the financial position of NTEU University of NSW Branch as at 30 June 2006 and the results of its operations and its cash flows for the year then ended.

Name of Firm: Willoughby & Dunne & Co
Chartered Accountants

Name of Partner: _____


Peter M Power

Address: Level 1, 521 Pittwater Road, Brookvale NSW 2100

Dated this day of

26.3.07

COMMITTEE OF MANAGEMENT OPERATING REPORT – NTEU UNIVERSITY OF NSW BRANCH

In accordance with section 254 of the Workplace Relations Act 1996, the Committee of Management present the operating report for the year ended 30 June 2006.

Principal Activities

The principal activity of the Entity was the operation of the Branch of the Union and to provide a range of services to members.

Financial Results

The deficit from operating activities for the year was \$63,536.64 (2005 surplus \$60,077.85).

The Union is exempt from paying income tax.

Review of Operations

The result represents an unfavourable variance of \$123,614.49 in comparison to last year. The result for the year was considered satisfactory.

Significant Changes

No significant changes in the state of affairs of the company have occurred during the financial year.

Rights of Members to Resign

- i. 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.

- ii. 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.
- iii. 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.
- iv. A notice delivered to a Division Secretary or Branch Secretary shall be taken to have been received by the Union when it was delivered.
- v. 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.
- vi. A resignation from membership is valid even if it is not affected 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.
- vii. Cessation of payment of any dues, levies and other amounts by a member does not, of itself, terminate membership of the Union.

To the best of our knowledge and belief,

No officer or member of the organisation, by virtue of their office or membership of the National Tertiary Education Industry Union – University of NSW Branch is;

- i. A trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- ii. A director of a company that is the trustee of a superannuation entity or an exempt public sector superannuation scheme; and

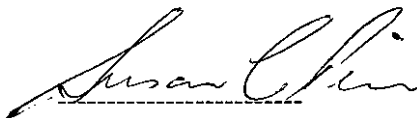
Where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organisation.

Prescribed Information

- i. Number of members of the organisation at 30/06/2006: 1,102 (2005: 1,080)
- ii. Employees of the Branch as at 30/06/2006: 3 (2005: 2)
- iii. Members of the Committee of Management as at 30/06/2006:

Susan Price
Ralph Hall
Diane Fieldes
Graham Freeman
Chris Hughes
Anne Junor
Paul Osmond
Catherine Welch
Liz Tancred
Kevin Dunn
Bridgett McDermott

For and on behalf of the Committee of Management



Susan Price

President

Date:

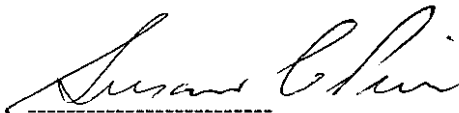
15/3/07

CERTIFICATE BY SECRETARY OR OTHER
AUTHORISED OFFICER – NTEU UNIVERSITY OF NSW
BRANCH

s268 of Schedule 1B Workplace Relations Act 1996

I, **Susan Price**, being the *Branch President* of the *National Tertiary Education Industry Union – University of NSW Branch* certify:

- That the documents lodged herewith are copies of the *full report* referred to in s268 of the RAO Schedule; and
- That the full report was provided to members on 1st March 2007 ; and
- That the full report was presented to a *general meeting of members* of the Branch on 15th March 2007; in accordance with section 266 of the RAO Schedule.



.....
Susan Price

President

Date:

15/3/07