



Ms Barbara Williams
Executive Officer
National Tertiary Education Industry Union
Queensland Division
Room 3, 1st Floor
Murri Mura Building
27 Cordelia Street
SOUTH BRISBANE QLD 4101

By email: b.williams@qld.nteu.org.au

Dear Ms Williams

Re: Financial Reports for year ended 30 June 2005 – National Tertiary Education Industry Union – Queensland Division – FR2005/378

I acknowledge receipt of the financial reports of the National Tertiary Education Industry Union – Queensland Division for the year ended 30 June 2005 and the subsequent correspondences dated 24 August and 21 September 2006 containing the amended Committee of Management Statement, the Secretary's Certificate and the Auditor's Report. The documents were lodged in the Industrial Registry on 26 July, 24 August and 21 September 2006 respectively.

The documents have been filed.

Although the documents have been filed, I like to make some comments in addition to the comments contained in our correspondence dated 3 August 2006 (copy enclosed). I make these comments to assist you when you next prepare the financial reports. You *do not* need to take any further action in respect of the financial reports already lodged.

Operating Report

The requirements of the Operating Report are found under section 254 of the RAO Schedule and Regulation 159(c) of the RAO Regulations. Regulation 159(c) require the name of each person who has been a member of the Committee of Management of the branch at any time during the reporting period, *and* the period for which he or she held such a position be provided. In the Operating Report for the year ended 30 June 2005 only the former part of this requirement was met.

The Operating Report also requires the reporting unit to state whether any officer **or member** of the branch is a trustee of a superannuation entity (or a director of a company that is a trustee of a superannuation entity) – see s.254(2)(d) of the RAO Schedule. The Operating Report for the year ended 30 June 2005 only addressed 'officers of the branch'.

Auditor's Report

In future financial years the Auditor's Report should provide *details of the Auditor's qualifications* to confirm he or she is an approved auditor under s.256 of RAO Schedule and Regulation 4 of the RAO Regulations.

Regulation 4 defines an approved auditor as a person who is a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accountants **and** holds a

current Public Practice Certificate. The individual auditor signing off on the report should provide details of which professional body he or she is a member of and whether he or she holds a current Public Practice Certificate.

Furthermore, both the original and the amended auditor's reports were undated. Please ensure in future financial years the Auditor's Report is dated.

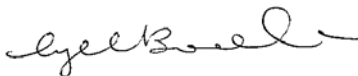
Please bring this to the reporting unit's auditor's attention.

Electronic Lodgement

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

If you have any queries regarding the above matters please do not hesitate to contact me on (03) 8661 7787 (Wednesday and Thursday).

Yours sincerely,



Cynthia Lo-Booth
Statutory Services Branch

4 October 2006

Encl.



Ms Barbara Williams
Executive Officer
National Tertiary Education Industry Union
Queensland Division
Room 3, 1st Floor
Murri Mura Building
27 Cordelia Street
SOUTH BRISBANE QLD 4101

By email: b.williams@qld.nteu.org.au

Dear Ms Williams

Re: Financial Reports for year ended 30 June 2005 – National Tertiary Education Industry Union – Queensland Division – FR2005/378

I have received the financial reports of the National Tertiary Education Industry Union – Queensland Division for the year ended 30 June 2005. The documents were lodged in the Industrial Registry on 26 July 2006.

The documents have not yet been filed.

There are a number of issues that require attention before the documents can be filed.

1. Secretary's Certificate

[Section 266\(3\) of the RAO Schedule](#) states:

"If the rules of the reporting unit provide for a specified percentage (not exceeding 5%) of members to be able to call a general meeting of the reporting unit for the purpose of considering the auditor's report, the general purpose financial report and the operating report, the full report may instead be presented to a meeting of the committee of management of the reporting unit that is held within the period mentioned in subsection (1)."

Rule 53A.2 of the organisation rules provides for the specified percentage of 5% of members to consider the financial reports of the Division, therefore the full report may be presented to a meeting of the committee of management. In my view the Division Executive is the committee of management of the Division as this is the body that has the power to *manage the business* of the Division.

The Secretary's Certificate already lodged state that the financial reports were presented to a meeting of the members of the Division Council rather than the Division Executive. In keeping with the abovementioned provision the Division should present a full report to the Division Executive. Subsequently, a further Secretary's Certificate reflecting this action should be lodged with the Registry as soon as possible thereafter.

2. Committee of Management Statement

The Division is required to provide a Committee of Management Statement in accordance with the resolution passed by the Committee and provide the date of the resolution. The wording of the

statement should reflect the requirements in Items 24 to 26 of the [Reporting Guidelines](#) as appropriate.

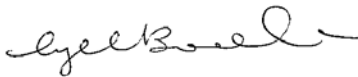
3. Auditor's Report

It has previously been brought to your auditor's attention that [section 257\(5\) of the RAO Schedule](#) sets out the matters on which an auditor is required to state an opinion. Section 257(5) requires the auditor to state, among other things, whether in the auditor's opinion the general purpose financial report is presented fairly. The words 'true and fair view' were requirements of the previous legislative regime and are no longer relevant. The changed legislative prescription applies in relation to financial reports for the first full financial year commencing after 8 May 2003.

Your prompt attention to the above requests will facilitate the expedient filing of the financial reports for the year ended 30 June 2005.

If you wish to discuss any these matters I can be contacted on (03) 8661 7989 (Wednesday and Thursday).

Yours sincerely,



Cynthia Lo-Booth
Statutory Services Branch

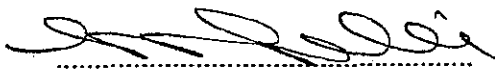
3 August 2006


NATIONAL TERTIARY EDUCATION UNION
QUEENSLAND DIVISION

CERTIFICATE OF COMMITTEE OF MANAGEMENT
FOR THE YEAR ENDED 30 JUNE 2005

We, being two members of the National Tertiary Education Union Queensland Division, do state on behalf of the Executive and in accordance with a resolution passed by the Executive, *on 14 August 2006* that:

- (A) The Financial Statements and Notes comply with 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 Division for the financial year to which they relate;
- (D) There are reasonable grounds to believe that the Division will be able to pay its debts as and when they become due and payable; and
- (E) During the financial year ended 30 June 2005 and since the end of that year:
 - (i) Meetings of the committee of management were held in accordance with the rules of the Division; and
 - (ii) The financial affairs of the Division have been managed in accordance with the rules of the Division; and
 - (iii) The financial records of the Division have been kept and maintained in accordance with schedule 1B of the Workplace Relations Act 1996 and the Regulations; and
 - (iv) The information sought in any request of a member of the Division or a Registrar duly made under section 272 of schedule 1B of the Workplace Relations Act 1996 has been furnished to the member or Registrar; and
 - (v) There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the schedule 1B of the Workplace Relations Act 1996.


Howard Guille


Gina Yarrow
14 | 8 | , 2006

NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION
SECRETARY'S CERTIFICATE

I, Howard Guille, Division Secretary of the Queensland Division of the National Tertiary Education Industry Union certify that:

- 1 the auditors report, the accounts and statements, and the certificates of the accounting officer and of the Division Committee for the financial year ending 30 June 2005 were circulated to members free of charge
- 2 the enclosed documents are copies of the auditors report, the accounts and statements, the certificates of the accounting officer and of the Division Committee prepared for the Division in accordance with the act for the financial year ending 30 June 2005 and are as presented to a meeting comprising members of the Division Council and Division Executive on July 21st2006.
- 3 the information contained in the accounts and statement is correct

Signed:



Dated:

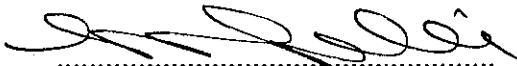
14/8/06

**NATIONAL TERTIARY EDUCATION UNION
QUEENSLAND DIVISION**

**CERTIFICATE OF COMMITTEE OF MANAGEMENT
FOR THE YEAR ENDED 30 JUNE 2005**

We, being two members of the National Tertiary Education Union Queensland Division, do state on behalf of the Executive and in accordance with a resolution passed by the Executive, that:

- (A) The Financial Statements and Notes comply with 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 Division for the financial year to which they relate;
- (D) There are reasonable grounds to believe that the Division will be able to pay its debts as and when they become due and payable; and
- (E) During the financial year ended 30 June 2005 and since the end of that year:
 - (i) Meetings of the committee of management were held in accordance with the rules of the Division; and
 - (ii) The financial affairs of the Division have been managed in accordance with the rules of the Division; and
 - (iii) The financial records of the Division have been kept and maintained in accordance with schedule 1B of the Workplace Relations Act 1996 and the Regulations; and
 - (iv) The information sought in any request of a member of the Division or a Registrar duly made under section 272 of schedule 1B of the Workplace Relations Act 1996 has been furnished to the member or Registrar; and
 - (v) There has been compliance with any order for inspection of financial records made by the Commission under section 273 of the schedule 1B of the Workplace Relations Act 1996.



Howard Guille


Gina Yarrow

, 2006

NATIONAL TERTIARY EDUCATION UNION
QUEENSLAND DIVISION

INDEPENDENT AUDIT REPORT (Cont'd)
FOR THE YEAR ENDED 30 JUNE 2005

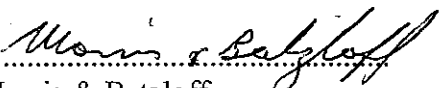
Independence

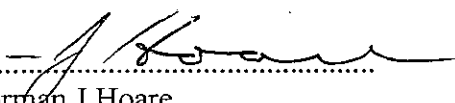
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996.

Audit Opinion

In our opinion the financial report of the National Tertiary Education Union Queensland Division is in accordance with:

- (a) The Workplace Relations Act 1996, including:
 - (i) presenting fairly the Division's financial position as at 30 June 2005 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards; and
 - (iii) complying with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of Schedule 1B of the Act; and
- (b) Other mandatory professional reporting requirements in Australia.


.....
Morris & Batzloff
Chartered Accountants


.....
Norman J Hoare
Registered Company Auditor
96 Lytton Road, East Brisbane

, 2006

**NATIONAL TERTIARY EDUCATION UNION
QUEENSLAND DIVISION**

**INDEPENDENT AUDIT REPORT
FOR THE YEAR ENDED 30 JUNE 2005**

To the members of the National Tertiary Education Union Queensland Division

Scope

The Financial Report and the Responsibility of Committee of Management and Division Secretary.

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements and the Certificate of Committee of Management for the National Tertiary Education Union Queensland Division, for the year ended 30 June 2005.

The committee of management and branch secretary are responsible for the preparation and true and fair presentation of the 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 financial report.

Audit Approach

We have conducted an independent audit in order to express an opinion to the members of the Division. Our Audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, 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 professional reporting requirements in Australia a view which is consistent with our understanding of the Division's financial position and its performance as represented by the results of its operations and cash flows.

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

- (a) examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- (b) assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Division and its secretary.

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.



Ms Barbara Williams
Executive Officer
National Tertiary Education Industry Union
Queensland Division
Room 3, 1st Floor
Murri Mura Building
27 Cordelia Street
SOUTH BRISBANE QLD 4101

By email: b.williams@qld.nteu.org.au

Dear Ms Williams

Re: Financial Reports for year ended 30 June 2005 – National Tertiary Education Industry Union – Queensland Division – FR2005/378

I have received the financial reports of the National Tertiary Education Industry Union – Queensland Division for the year ended 30 June 2005. The documents were lodged in the Industrial Registry on 26 July 2006.

The documents have not yet been filed.

There are a number of issues that require attention before the documents can be filed.

1. Secretary's Certificate

[Section 266\(3\) of the RAO Schedule](#) states:

"If the rules of the reporting unit provide for a specified percentage (not exceeding 5%) of members to be able to call a general meeting of the reporting unit for the purpose of considering the auditor's report, the general purpose financial report and the operating report, the full report may instead be presented to a meeting of the committee of management of the reporting unit that is held within the period mentioned in subsection (1)."

Rule 53A.2 of the organisation rules provides for the specified percentage of 5% of members to consider the financial reports of the Division, therefore the full report may be presented to a meeting of the committee of management. In my view the Division Executive is the committee of management of the Division as this is the body that has the power to *manage the business* of the Division.

The Secretary's Certificate already lodged state that the financial reports were presented to a meeting of the members of the Division Council rather than the Division Executive. In keeping with the abovementioned provision the Division should present a full report to the Division Executive. Subsequently, a further Secretary's Certificate reflecting this action should be lodged with the Registry as soon as possible thereafter.

2. Committee of Management Statement

The Division is required to provide a Committee of Management Statement in accordance with the resolution passed by the Committee and provide the date of the resolution. The wording of the

statement should reflect the requirements in Items 24 to 26 of the [Reporting Guidelines](#) as appropriate.

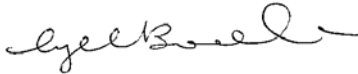
3. Auditor's Report

It has previously been brought to your auditor's attention that [section 257\(5\) of the RAO Schedule](#) sets out the matters on which an auditor is required to state an opinion. Section 257(5) requires the auditor to state, among other things, whether in the auditor's opinion the general purpose financial report is *presented fairly*. The words 'true and fair view' were requirements of the previous legislative regime and are no longer relevant. The changed legislative prescription applies in relation to financial reports for the first full financial year commencing after 8 May 2003.

Your prompt attention to the above requests will facilitate the expedient filing of the financial reports for the year ended 30 June 2005.

If you wish to discuss any these matters I can be contacted on (03) 8661 7989 (Wednesday and Thursday).

Yours sincerely,



Cynthia Lo-Booth
Statutory Services Branch

3 August 2006

NATIONAL TERTIARY EDUCATION UNION

QUEENSLAND DIVISION

**FINANCIAL ACCOUNTS FOR THE YEAR ENDED
30 JUNE 2005**

2. Statement of Financial Performance
3. Statement of Financial Position
4. Statement of Cash Flows
5. Notes to the Accounts
9. Independent Audit Report

**NATIONAL TERTIARY EDUCATION UNION
QUEENSLAND DIVISION**

**STATEMENT OF FINANCIAL PERFORMANCE
YEAR ENDED 30 JUNE 2005**

	2005	2004
	\$	\$
<u>INCOME</u>		
Branch Capitation	811,554	767,021
Branch Reimbursement		
- Salary and Employment Costs	127,349	145,483
Interest Received	11,293	7,859
Other Income	<u>1,790</u>	<u>1,256</u>
	951,986	921,619
<u>EXPENDITURE</u>		
Administration Expenses	46,506	39,428
Affiliation Fees	15,880	15,089
Bank Charges	578	767
Campaign and Recruitment Expenses	7,694	2,950
Donations	91	-
Depreciation	5,200	4,428
Indigenous Network	66	1,326
Womens Caucus	-	2,817
Insurance	1,164	1,036
Labour Day	657	1,156
Meeting and Travel Expenses		
- Executive and Council	14,869	7,677
- Industrial	38,338	43,773
Payroll Tax	28,283	31,846
Professional Fees		
- Audit	1,990	1,990
- Legal	10	30
Provision for Employee Entitlements	29,950	35,000
Publication and Subscriptions	2,757	2,182
Rent	23,378	21,430
Salaries – Employees	596,000	583,080
Superannuation	85,018	86,053
Staff Development	1,658	2,236
Work Cover	<u>1,861</u>	<u>2,945</u>
	<u>901,948</u>	<u>887,239</u>
Net Surplus (Deficit) from Ordinary Operations	<u>50,038</u>	<u>34,380</u>

**NATIONAL TERTIARY EDUCATION UNION
QUEENSLAND DIVISION**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005**

	2005	2004
	\$	\$
<u>MEMBERS FUNDS</u>		
Accumulated Funds at beginning of year	226,018	191,638
Surplus/(Deficit) for year	<u>50,038</u>	<u>34,380</u>
	<u>276,056</u>	<u>226,018</u>
<u>CURRENT ASSETS</u>		
Cash at Bank		
- Operating	199,688	126,719
- Term Deposits	172,227	122,227
GST Receivable	<u>2,645</u>	<u>1,477</u>
	374,560	250,423
<u>NON-CURRENT ASSETS</u>		
Office Equipment – at cost	49,476	49,476
Less Accumulated Depreciation	<u>(38,745)</u>	<u>(33,869)</u>
	<u>10,731</u>	<u>15,607</u>
Furniture and Fittings – at cost	11,098	11,098
Less Accumulated Depreciation	<u>(5,018)</u>	<u>(4,694)</u>
	<u>6,080</u>	<u>6,404</u>
TOTAL ASSETS	391,371	272,434
<u>CURRENT LIABILITIES</u>		
Sundry Creditors	50,365	11,416
Provision for Employee Entitlements	<u>64,950</u>	<u>35,000</u>
	<u>115,315</u>	<u>46,416</u>
NET ASSETS	<u>276,056</u>	<u>226,018</u>

**NATIONAL TERTIARY EDUCATION UNION
QUEENSLAND DIVISION**

**STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2005**

	Notes	2005 \$	2004 \$
Cash flows from operating activities:			
Receipt from members & others		940,840	912,158
Payments to suppliers, affiliated bodies and employees		(829,164)	(848,742)
Interest Received		<u>11,293</u>	<u>7,859</u>
Net cash used in operating activities		122,969	71,275
Cash flows from investing activities:			
Payment for property, plant & equipment		-	(8,200)
Net Cash used in investing activities		-	(8,200)
Net increase/(decrease) in cash held		122,969	63,075
Cash at beginning of the financial year		248,946	185,871
Cash at the end of the financial year	(2)	371,915	248,946
Reconciliation of net cash from operating Activities with net surplus/(deficit) for year:			
Net surplus/(deficit) for year		50,038	34,380
Add non cash expenses			
- depreciation		5,200	4,428
- provision for employee entitlements		29,950	35,000
- increase in creditors		38,949	(2,079)
- increase in receivables		<u>(1,168)</u>	<u>(454)</u>
Net cash from operating activities		<u>122,969</u>	<u>71,275</u>

**NATIONAL TERTIARY EDUCATION UNION
QUEENSLAND DIVISION**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2005**

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial report covers the National Tertiary Education Union Queensland Division as an individual entity. The National Tertiary Education Union Queensland Division is a union operating in Queensland under the Workplace Relations Act 1996.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values, or except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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

(a) Property, Plant and Equipment

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

Plant and Equipment

Plant and equipment are measured on the cost basis.

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

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight line basis over the useful lives of the assets to the union commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

**NATIONAL TERTIARY EDUCATION UNION
QUEENSLAND DIVISION**

**NOTES TO THE FINANCIAL STATEMENTS (cont'd)
YEAR ENDED 30 JUNE 2005**

(b) Employee Benefits

Provision is made for the entity's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

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

(c) Cash

For the purposes of the statement of cash flows, cash includes cash on hand, at banks and on deposit.

(d) Revenue

Revenue from the rendering of a service is recognised upon delivery of the service to the members. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial asset.

All revenue is stated net of the amount of Goods and Services Tax (GST).

(e) Income Tax

Income of unions is exempt from income tax due to the provisions of Section 50-15 of the Income Tax Assessment Act 1997 (as amended).

(f) Comparative Figures

Where necessary, comparative figures have been adjusted to conform with the changes in the presentation in the current year.

(g) 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 statement of financial position are shown inclusive of GST.

**NATIONAL TERTIARY EDUCATION UNION
QUEENSLAND DIVISION**

**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
YEAR ENDED 30 JUNE 2005**

NOTE 2. CASH FLOW INFORMATION

Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	2005	2004
	\$	\$
Cash at Bank	<u>371,915</u>	<u>248,946</u>
	\$ <u>371,915</u>	\$ <u>248,946</u>

NOTE 3. NOTICE REQUIRED UNDER SECTION 272 OF THE RAO SCHEDULE

In accordance with the requirements of the RAO Schedule, the attention of members is drawn to the provisions of Sub-Section (1), (2) and (3) of Section 272 which reads as follows:

- (a) 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.
- (b) 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.
- (c) A reporting unit must comply with an application made under subsection (1)

NOTE 4. SEGMENT REPORTING

The entity operates as a Union for tertiary education employees within Queensland.

NOTE 5. UNION DETAILS

The principal place of business of the union is:

National Tertiary Education Union
Queensland Division

27 Cordelia Street
South Brisbane
Queensland

**NATIONAL TERTIARY EDUCATION UNION
QUEENSLAND DIVISION**

**NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
YEAR ENDED 30 JUNE 2005**

**NOTE 6. IMPACT OF ADOPTION OF AUSTRALIAN EQUIVALENTS TO
INTERNATIONAL FINANCIAL REPORTING STANDARDS.**

The Executive is preparing and managing transition to Australian equivalents to International Financial Reporting Standards (AIFRSs). The adoption of AIFRSs will be reflected in the Union's financial statements for the year ending 30 June 2006.

The Executive is of the opinion that there are no material differences in the Union's accounting policies on conversion to AIFRSs.

**NATIONAL TERTIARY EDUCATION UNION
QUEENSLAND DIVISION**

**INDEPENDENT AUDIT REPORT
FOR THE YEAR ENDED 30 JUNE 2005**

To the members of the National Tertiary Education Union Queensland Division

Scope

The Financial Report and the Responsibility of Committee of Management and Division Secretary.

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements and the Certificate of Committee of Management for the National Tertiary Education Union Queensland Division, for the year ended 30 June 2005.

The committee of management and branch secretary are responsible for the preparation and true and fair presentation of the 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 financial report.

Audit Approach

We have conducted an independent audit in order to express an opinion to the members of the Division. Our Audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, 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 professional reporting requirements in Australia a view which is consistent with our understanding of the Division's financial position and its performance as represented by the results of its operations and cash flows.

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

- (a) examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- (b) assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Division and its secretary.

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.

**NATIONAL TERTIARY EDUCATION UNION
QUEENSLAND DIVISION**

**INDEPENDENT AUDIT REPORT (Cont'd)
FOR THE YEAR ENDED 30 JUNE 2005**

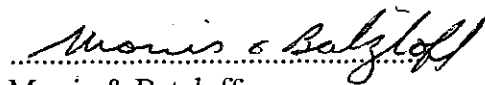
Independence

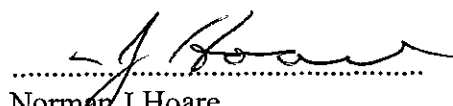
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996.

Audit Opinion

In our opinion the financial report of the National Tertiary Education Union Queensland Division is in accordance with:

- (a) The Workplace Relations Act 1996, including:
 - (i) giving a true and fair view of the Division's financial position as at 30 June 2005 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards; and
 - (iii) complying with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of Schedule 1B of the Act; and
- (b) Other mandatory professional reporting requirements in Australia.


.....
Morris & Batzloff
Chartered Accountants


.....
Norman J Hoare
Registered Company Auditor
96 Lytton Road, East Brisbane

, 2006

**National Tertiary Education Industry Union
Queensland Division**

For year ended 30 June 2005

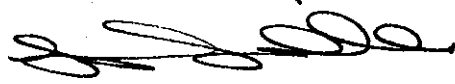
Operating Report

I, Howard Guille, being the officer responsible for keeping the accounting records of the Queensland Division of the National Tertiary Education Union, certify that as at 30 June 2005,

- a) The attached financial statements show a true and fair view of the financial affairs of the Division as at 30 June 2005;
- b) A record has been kept of all monies paid by, or collected from members of QLD Branches and all monies so paid or collected have been credited to the bank account to which those monies are to be credited in accordance with the rules of the Division;
- c) Before any expenditure was incurred by the Division, approval of the incurring of the expenditure was obtained in accordance with the rules of the Division;
- d) With regards to funds of the Branch raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with these rules, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- e) The number of members in the Division was 3,548;
- f) The number of staff employed in the Division was 12;
- g) No official of the Division holds the position of superannuation trustee;
- h) No loans were granted to persons holding office in the Division;
- i) The Division appoints Mr Norm Hoare of Morris Batzloff Chartered Accountants, as the auditor of the Divisions 2004/2005 accounts;
- j) The principle activities of the Division continued to be advising and representing members of the NTEU in individual disputes, negotiating and improving on members pay and conditions through collective agreements.
- k) The Division Executive comprised Gina Yarrow (President), Howard Guille (Secretary), Chris Butler (Assistant Secretary), Robin Fisher, Bradley Astbury, Margaret Lee, Sharon Hynes, Dan Coughlan, Sue Albanus, Dianne Paez, Paul Reser, Helen Ester, John Doyle, and Maureen Ah Sam;

- 1) A member may resign from NTEU membership by written notice addressed and delivered to the Division Secretary, in accordance with NTEU Rule 11 (Resignation from Membership)

Signature:



Name:

Howard Guille

Date:

2/7/06

NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION
SECRETARY'S CERTIFICATE

I, Howard Guille, Division Secretary of the Queensland Division of the National Tertiary Education Industry Union certify that:

- 1 the auditors report, the accounts and statements, and the certificates of the accounting officer and of the Division Committee for the financial year ending 30 June 2005 were circulated to members free of charge
- 2 the enclosed documents are copies of the auditors report, the accounts and statements, the certificates of the accounting officer and of the Division Committee prepared for the Division in accordance with the act for the financial year ending 30 June 2005 and are as presented to a meeting of the members of the Division Council on July 21st2006.
- 3 the information contained in the accounts and statement is correct

Signed:



Dated:

21 / July / 2006

NTEU Qld Branch

Murri Mura Centre
27 Cordelia Street
South Brisbane Q 4101

Balance Sheet

As of June 2005

29/06/2006
1:40:35 PM

Assets

Cheque Account - Uni Credit		\$189,885.02	
Visa Debit Acc - Uni Credit		\$7,362.40	
Savings Funds			
Special Savings	\$20,000.00		
Long Service Leave Account	\$152,227.41		
Total Savings Funds		\$172,227.41	
Plant & Equipment			
Office Furniture 2001-2002			
Office Furniture at Cost	\$11,098.01		
Furniture Accum Depn	-\$4,289.00		
Total Office Furniture 2001-2002		\$6,809.01	
Equipment 2001-2002			
Equipment at Cost	\$33,725.00		
Equipment Accum Depn	-\$29,846.00		
Total Equipment 2001-2002		\$3,879.00	
Total Plant & Equipment		\$10,688.01	
Cap Purchases Fund			
Cap Equipment 2002-3		\$7,842.50	
Total Assets			\$388,005.34

Liabilities

GST Header Account			
GST Collected	\$1,256.96		
GST Paid	-\$67,709.62		
GST Payable	\$64,257.79		
Superannuation Payable			
Super - D Westerhuis	\$31.45		
Super - R.Gwyther	-\$337.64		
Super - T.MacDonald	\$21.21		
Total Superannuation Payable		-\$284.98	
Union Fees Payable		\$61.89	
APHEDA - Donation		\$148.00	
Trade Creditors		\$2,436.47	
Total Liabilities			\$166.51

Net Assets

\$387,838.83

Equity

Retained Earnings	\$254,638.63		
Current Earnings	\$133,200.20		
Total Equity		\$387,838.83	

NTEU Qld Branch

Murri Mura Centre
27 Cordelia Street
South Brisbane Q 4101

Profit & Loss Statement

1/07/2004 through 30/06/2005

29/06/2006
1:41:20 PM

Income

Branch Capitation	
ACU	\$18,668.47
CQU	\$82,078.70
GRI	\$196,181.61
JCU	\$94,837.10
USQ	\$55,857.12
UQ	\$200,434.67
Bond	\$5,246.59
QUT	\$130,141.27
USC	\$25,779.22
Other	
Other - Branch Income	\$2,329.29
Total Branch Capitation	<u>\$811,554.04</u>
Reimbursements	\$4,335.64
Donations - External	-\$209.03
Parking Refund	\$652.10
Branch Sal Reimbursements	
USQ - reimburse salary	\$11,101.29
JCU - reimburse salary	\$14,379.25
CQU - reimburse salary	\$7,561.11
QUT - reimburse salary	\$31,012.77
GRI - reimburse salary	\$35,261.21
UQ - Reimburse Salary	\$23,697.33
Total Branch Sal Reimbursements	<u>\$123,012.96</u>
Total Income	<u>\$939,345.71</u>

Expenses

Office Expenses	
Photocopier	\$8,296.52
Office Rent	\$23,377.80
Electricity	\$1,318.09
Total Office Expenses	<u>\$32,992.41</u>
Phone & Fax	
Phone Call Charges	\$23,852.94
Total Phone & Fax	<u>\$23,852.94</u>
Consumables & Charges	
Water Cooler Service	\$212.72
Insurance	\$1,164.14
Folding Machine	\$1,810.92
Records Storage	\$1,908.52
Bank Charges	\$578.15
Consumables& Pubs & Subs	\$2,757.06
Courier Charges	\$138.36
Stationery	\$3,805.56
Equipment R & M	\$833.54
Total Consumables & Charges	<u>\$13,208.97</u>
Postage	\$1,569.74
Professional Fees	
Audit	\$1,990.00
Legal Fees	\$9.52
Union Programs	
Donations	\$90.91
Publications& Campaigns -Print	\$8,905.22
QIN	\$66.00
Extra Ord	
Save George	\$2,128.78
Total Extra Ord	<u>\$2,128.78</u>

NTEU Qld Branch

Profit & Loss Statement

1/07/2004 through 30/06/2005

29/06/2006
1:41:21 PM

Affiliations		
QCU	\$12,309.09	
Union Shopper	\$3,570.78	
Labour Day	\$75.02	
Total Affiliations	<u>\$15,954.89</u>	
Total Union Programs		<u>\$27,145.80</u>
Superannuation		
Super - Division Employees	\$56,793.63	
Super - Branch Employees	\$20,831.64	
Total Superannuation		<u>\$77,625.27</u>
Wages		
Wages - Division Employees	\$434,588.16	
Wages - Branch Employees	\$119,446.17	
WorkCover	\$1,861.29	
Training	\$1,658.06	
PayrollTax	\$28,282.92	
Total Wages		<u>\$585,836.60</u>
Travel Expenses		
Industrial		
Cabcharge	\$5,821.20	
Travel/Accomodation	\$16,913.08	
Auto Reimbursed	\$12,692.62	
Car Rental	\$2,911.39	
Total Industrial	<u>\$38,338.29</u>	
Total Travel Expenses		<u>\$38,338.29</u>
Council Travel		
Council Meetings	\$13,908.38	
President Travel & Release		\$960.97
Total Expenses		<u>\$817,438.89</u>
Operating Profit		<u>\$121,906.82</u>
Other Income		
Interest Income	\$11,293.38	
Total Other Income		<u>\$11,293.38</u>
Net Profit/(Loss)		<u>\$133,200.20</u>