



Australian Government

Australian Industrial Registry

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Mr Evan Jones
Branch Secretary
National Tertiary Education Industry Union, QUT Branch
C/- QUT Staff Representatives Office
130 Victoria Park Road
KELVIN GROVE QLD

cc: Alan Lockwood
Principal
Lockwood Wehrens
Chartered Accountants
PO Box 1077
HAWTHORN VIC 3122

Dear Mr Jones

**Re: Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule)
Financial reports for the year ended 30 June 2007 – FR 2007/3350**

I write regarding the financial reports of the QUT Branch of the National Tertiary Education Industry Union for the year ended 30 June 2007. The documents were lodged in the Industrial registry on 7 November 2008.

The financial documents have been filed.

I direct your attention to the following comments regarding the above reports. Please note that these matters are advised for assistance in the preparation of future financial reports; no further action is required in respect of the reports lodged.

1. Timeline requirements

Financial reports should be prepared, audited, supplied to members, presented to a meeting and lodged in the Industrial Registry within certain timeline requirements. In particular subsections 253 (1) and 254 (1) of Schedule 1 (the RAO Schedule) to the Workplace Relations Act require that the general purpose financial report (GPFR) and operating report be prepared as soon as practicable after the end of the financial year. The Committee of Management's resolution regarding the GPFR is dated 9 May 2008. A period of ten months after the end of the financial year does not satisfy the "as soon as practicable" requirement.

Also 265(5)(a) of the RAO Schedule requires that a copy of the financial report be provided to members within six months after the end of the financial year. Section 266 requires that the financial report be presented to a general meeting of members within six months after the end of the financial year. All financial returns are required to be lodged in the Industrial Registry within 14 days of the general meeting (section 268), the consequence of which is that the latest possible date of lodgment is six months and 14 days after the end of the financial year (14 January).

These timelines were not met. In future please ensure that the timeline requirements of the RAO Schedule are satisfied. I have attached a time planner which may assist in the preparation, distribution and lodgment of future financial reports.

2. Statement of cash Flows

The reporting guidelines as determined in accordance with section 253 of RAO Schedule at point 15 state that:

Where another reporting unit of the organisation is the source of a cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit concerned.

The reporting guidelines can be found at: http://www.airc.gov.au/registered/rao/rao_253.pdf

Note 1(j) to the financial reports of the QUT Branch discloses that the Branch is economically dependent on the Queensland Division. It is evident from the income statement that the Branch received \$10,841 from the Queensland Division. However this amount and any other cash inflows or outflows to and from the Division (and any other units of the NTEU) need to be separately disclosed in the notes.

3. Auditor's Qualifications

Regulation 4 of the *Workplace Relations (Registration and Accountability of Organisations) Regulations 2003* (RAO Regulations) 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 Accounts **and** holds a current Public Practice Certificate. 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 auditor.

Should you wish to discuss any of the matters raised in this letter, I can be contacted on (03) 8661 7929 or by email at eve.anderson@airc.gov.au.

Yours sincerely,



Statutory Services Officer
Australian Industrial Registry

Tel: 03 86617929

Email: eve.anderson@airc.gov.au

19 November 2008

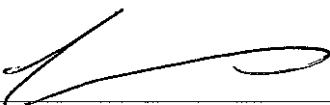
**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH
GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2007
*Full Report***

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER

I, Evan Jones, being the Branch Secretary of National Tertiary Education Industry Union – Queensland University of Technology Branch (the reporting unit or the Branch) certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule;
- that the full report was provided to members on 26 September 2008; and
- that the full report was presented to a general meeting of the members of the reporting unit on 24 October 2008, in accordance with section 266 of the RAO Schedule.

Signature:  _____

Date: 6 November 2008

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2007

Principal Activities

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

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

Results of Principal Activities

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

Significant Changes in the Nature of Principal Activities

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

Significant Changes in the Branch's Financial Affairs

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

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

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

Number of Members

The number of persons who, at the end of the financial year, were recorded on the Register of Members was 518 (2006 – 556).

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2007 (Continued)

Number of Employees

The number of persons who were, at the end of the financial year, employees of the Branch were 1.0 (being one full time employee) measured on a full-time equivalent basis.

Members of the Committee of Management

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

Branch President	Sharon Hynes
Vice-President (Academic)*	Peter Ridley
Vice-President (General)	Sig Vogel
Branch Secretary	Evan Jones
Committee Member (Indigeneous)**	Lesley Fahey
Committee Member (Ordinary)	Carolyn Cope
Committee Member (Ordinary)	Josie Healy
Committee Member (Ordinary)	Ruth Bridgstock
Committee Member (Ordinary)	Carol Windsor

* Resigned effective 31st December 2006

** Resigned effective 8th September 2006

There were no other changes to the composition of the Committee of Management during the financial year 1st July 2006 to 30th June 2007 unless mentioned above.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2007 (Continued)

Manner of Resignation – s254(2)(c)

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

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


**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2007 (Continued)

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

Name Evan Jones

Title Branch Secretary

Signature 

Date: 09 / 05 / 2008

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

COMMITTEE OF MANAGEMENT STATEMENT

On 9th MAY 2008, the Committee of Management of the National Tertiary Education Industry Union – Queensland University of Technology Branch (the reporting unit or the Branch) passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the financial year ended 30 June 2007:

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

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the National Tertiary Education Industry Union, including the Branch rules;
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the National Tertiary Education Industry Union, including the rules concerning Branches of that union;
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations;
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the National Tertiary Education Industry Union;
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar;


**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

COMMITTEE OF MANAGEMENT STATEMENT (Continued)

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

For the Committee of Management: Evan Jones

Title of Office Held: Branch Secretary

Signature:  _____

Date: 9th May 2008

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

**STATEMENT OF RECOGNISED INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2007**

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2005	58,606	58,606
Profit attributable to members	4,726	4,726
Balance at 30 June 2006	<u>63,332</u>	<u>63,332</u>
Profit attributable to members	(13,843)	(13,843)
Balance at 30 June 2007	<u>49,489</u>	<u>49,489</u>

The accompanying notes form part of these accounts.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

**BALANCE SHEET
AS AT 30 JUNE 2007**

	Note	2007 \$	2006 \$
CURRENT ASSETS			
Cash and Cash Equivalents	2	57,934	56,605
Trade Receivables	3	-	5,884
TOTAL CURRENT ASSETS		57,934	62,489
NON CURRENT ASSETS			
Plant & Equipment	4	184	832
TOTAL NON-CURRENT ASSETS		184	832
TOTAL ASSETS		58,118	63,321
CURRENT LIABILITIES			
Trade and Other Payables	5	4,560	(11)
Employee Provisions	6	2,551	-
TOTAL CURRENT LIABILITIES		7,111	(11)
NON-CURRENT LIABILITIES			
Employee Provisions	6	1,518	-
TOTAL NON-CURRENT LIABILITIES		1,518	-
TOTAL LIABILITIES		8,629	(11)
NET ASSETS		49,489	63,332
EQUITY			
Retained Profits		49,489	63,332
TOTAL EQUITY		49,489	63,332

The accompanying notes form part of these accounts.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

**DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
REVENUE		
Member Subscriptions	53,414	56,255
Interest Income	2,896	2,059
Subsidy – Queensland Division	10,841	-
Sundry Income	-	293
TOTAL REVENUE	<u>67,151</u>	<u>58,607</u>
EXPENDITURE		
Audit	1,500	-
Bank Charges	246	13
Catering	764	349
Commission	-	618
Campaign Expenses	425	-
Cleaning Expenses	315	-
Couriers and Postage	208	-
Conference Expenses	619	2,887
Depreciation	648	776
Donations	-	219
Electricity	367	-
Employee Provisions	4,069	-
Labour Day Expenses	-	320
Payroll Tax	3,127	1,843
PRD Fees	983	-
Printing & Photocopy	2,404	2,370
Rent	3,333	-
Salaries & Wages	51,929	36,770
Staff Training	530	-
Stationery	261	1,781
Sundry Expenses	175	296
Superannuation	8,377	5,580
Telephone & Facsimile	396	-
Travelling Expenses	107	59
Workcover	211	-
TOTAL EXPENDITURE	<u>80,994</u>	<u>53,881</u>
(LOSS) / PROFIT FROM CONTINUING OPERATIONS	<u>(13,843)</u>	<u>4,726</u>

The accompanying notes form part of these accounts.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

	Note	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		59,298	58,508
Interest received		2,896	2,059
Payments to suppliers & employees		<u>(60,865)</u>	<u>(58,123)</u>
Net cash provided by operating activities	13	<u>1,329</u>	<u>2,444</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
		<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
		<u>-</u>	<u>-</u>
Net increase in cash held		1,329	2,444
Cash at beginning of the year		<u>56,605</u>	<u>54,161</u>
Cash at end of year	2	<u><u>57,934</u></u>	<u><u>56,605</u></u>

The accompanying notes form part of these accounts.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2007**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The financial report of the National Tertiary Education Industry Union – Queensland University of Technology Branch complies with all International Financial Reporting Requirements in their entirety.

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

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

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

Accounting Policies

(a) Property, Plant and Equipment

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

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

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

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by the committee to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Branch commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of asset	Depreciation Rate
Office Furniture and Equipment	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(b) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Branch, are classified as finance leases.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

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

(b) Leases (cont.)

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

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

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(c) Revenue

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

(d) Income Tax

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

(e) Impairment of Assets

At each reporting date, the Branch reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement. Where it is not possible to estimate the recoverable amount of an individual asset, the Branch estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

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

(f) Employee benefits

Provision is made for the Branch's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. 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.

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(h) 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.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(i) Information to be provided to members or registrar

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

- (1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under sub-section (1).

Note: This sub-section is a civil penalty provision

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

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

(j) Economic Dependency

The Branch is economically dependent on the Queensland Division.

(k) Segment Reporting

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

(l) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Critical Accounting Estimates and Judgements

The committee members evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Branch.

Key Estimates - Impairment

The committee members assess impairment at each reporting date by evaluating conditions specific to the Branch that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key Judgements

The committee members do not believe that there are any key judgements that require separate disclosure.

	2007	2006
	\$	\$
2. CASH AND CASH EQUIVALENTS		
Cash on Hand	50	50
Cash at Bank	7,754	6,425
Term Deposits	50,130	50,130
	<u>57,934</u>	<u>56,605</u>

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
3. TRADE RECEIVABLES		
Fee Receivable	-	5,884
	-	5,884
4. PLANT AND EQUIPMENT		
Office Furniture and Equipment – at cost	3,884	3,884
Less : Accumulated Depreciation	(3,700)	(3,052)
	184	832
Movements in Carrying Values		
Opening balance at the beginning of the year	832	1,608
Depreciation	(648)	(776)
Closing balance at the end of the year	184	832
5. TRADE AND OTHER PAYABLES		
Net GST Payable	43	(11)
Other Payables	333	-
Trade Payable	2,684	-
Accruals	1,500	-
	4,560	(11)
6. EMPLOYEE PROVISIONS		
Current		
Annual Leaves	2,551	-
Non-Current		
Long Service Leave	1,518	-
	4,069	-

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

	2007	2006
	\$	\$
7. LEASING COMMITMENTS		
Operating Leases		
Payable – minimum lease payments		
Not later than 12 months		
Being for lease of photocopier	1,179	1,490
Being for lease of premises	-	1,179
	1,179	2,669
Between 12 months and 5 years		
Being for lease of photocopier	1,000	-
Being for lease of premises	-	1,000
	1,000	1,000
Total payable minimum lease payments	2,179	3,669

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

The lease of the premises is a for a one year term, with rent being payable monthly in advance.

8. KEY MANAGEMENT PERSONNEL COMPENSATION

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

	2007	2006
	\$	\$
9. AUDITOR'S REMUNERATION		
Remuneration of the auditor of the Branch for:		
- auditing or reviewing the financial report	1,500	-
	1,500	-

10. CONTINGENT LIABILITIES OR ASSETS

The Branch does not have any contingent liabilities or assets at year end.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

11. EVENTS AFTER THE BALANCE SHEET DATE

There has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Branch, the results of those operations, or the state of affairs of the Branch in future financial years.

12. RELATED PARTY TRANSACTIONS

During the year, there were no transactions with related parties which require separate disclosure.

13. CASH FLOW INFORMATION

Reconciliation of Cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

	2007 \$	2006 \$
Cash and Cash Equivalents	<u>57,934</u>	<u>56,605</u>
	<u>57,934</u>	<u>56,605</u>

Reconciliation of Cash Flow from Operations with Profit from Continuing Operations:

	2007 \$	2006 \$
(Loss) / Profit from continuing operations	(13,843)	4,726
Non-cash flows in profit from continuing operations		
Depreciation	648	776
Changes in Assets & Liabilities:		
- Decrease in trade and other receivables	5,884	2,210
- Increase / (decrease) in trade and other payables	4,571	(5,268)
- Increase in employee provisions	4,069	-
Net cash provided by operating activities	<u>1,329</u>	<u>2,444</u>

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

2007 2006
\$ \$

14. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The reporting entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities, is as follows:

	Weighted Average Effective Interest Rate		Fixed Interest Rate Maturing						Non-interest Bearing	
			Floating Interest Rate		Within 1 Year		1 to 5 Years			
			2007	2006	2007	2006	2007	2006		
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets:										
Cash and cash equivalents	5.00%	3.64%	\$57,934	\$56,605	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-	-	-	-	\$5,884
Total Financial Assets			\$57,934	\$56,605	-	-	-	-	-	\$5,884
Financial Liabilities:										
Trade and other payables	-	-	-	-	-	-	-	-	4,560	(11)
Total Financial Liabilities			-	-	-	-	-	-	4,560	(11)

(b) Net Fair Values

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

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2007**

15. ACCOUNTING POLICY AMENDMENTS

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

AASB Amendment	Standards Affected	Outline of Amendment	Application Date of Standard	Application Date for Branch
AASB 2005–10: Amendments to Australian Accounting Standards	AASB 1: First time adoption of AIFRS AASB 4: Insurance Contracts AASB 101: Presentation of Financial Statements AASB 114: Segment Reporting AASB 117: Leases AASB 133: Earnings per Share AASB 1023: General Insurance Contracts AASB 1038: Life Insurance Contracts AASB 139: Financial Instruments: Recognition and Measurement	The disclosure requirements of AASB 132: Financial Instruments: Disclosure and Presentation have been replaced due to the issuing of AASB 7: Financial Instruments: Disclosures in August 2005. These amendments will involve changes to financial instrument disclosures within the financial report. However, there will be no direct impact on amounts included in the financial report as it is a disclosure standard.	1 January 2007	1 July 2007
AASB 7: Financial Instruments: Disclosures	AASB 132: Financial Instruments: Disclosure and Presentation	As above.	1 January 2007	1 July 2007

16. BRANCH DETAILS

The registered office and principal place of business of the Branch is:

Staff Representation Office
E111, E Block
QUT Kelvin Grove Campus
KELVIN GROVE QLD 4059



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NATIONAL TERTIARY EDUCATION INDUSTRY UNION QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH

Report on the Financial Report

We have audited the accompanying financial report of National Tertiary Education Industry Union – Queensland University of Technology Branch (the reporting unit or the Branch) which comprises the balance sheet as at 30 June 2007 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

Committee's Responsibility for the Financial Report

The committee of the Branch is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Chartered Accountants
Auditors
Business Services
Financial Planning Services

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NATIONAL TERTIARY EDUCATION INDUSTRY UNION QUEENSLAND UNIVERSITY OF TECHNOLOGY BRANCH

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

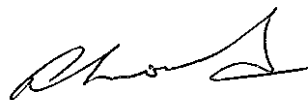
Auditor's Opinion

In our opinion, the financial report of the National Tertiary Education Industry Union – Queensland University of Technology Branch is presented fairly in accordance with the Workplace Relations Act 1996 including:

- i. giving a true and fair view of the Branch's financial position as at 30 June 2007 and of their performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996.



Lockwood Wehrens
Chartered Accountants
Hawthorn



Alan Lockwood
Principal
13th May 2008