



**Australian Government**

**Australian Industrial Registry**

Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
GPO Box 1994, Melbourne, VIC 3001  
Telephone: (03) 8661 7993  
Fax: (03) 9654 6672

Ms T. McDonald  
National Tertiary Education Industry Union  
Royal Melbourne Institute of Technology Branch  
GPO Box 2476V  
MELBOURNE VIC 3001

Dear Ms. McDonald,

**Re: Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule)  
Financial reports for year ended 30 June 2004 - FR 2004/506**

Thank you for providing further information in relation to the financial reports of the Royal Melbourne Institute of Technology Branch for the year ended 30 June 2004; this has been placed with the documents previously lodged

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L Powell', written in a cursive style.

Larry Powell  
Statutory Services Branch

8 June 2006

**NATIONAL TERTIARY EDUCATION  
INDUSTRY UNION  
RMIT BRANCH**

**GENERAL PURPOSE FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**30th JUNE 2004**

*Full Report*



PO Box 1300  
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Lockwood & Co (Melb) Pty Ltd  
ABN 36 290 638 803  
ACN 101 133 804  
Chartered Accountants / Business Consultants

Lockwood Wehrens  
ABN 74 135 421 190  
Auditors

I certify this document to be a true copy of the  
original which I have sighted.

..... 30 / 06 / 06

**Daniel Bacelic**  
Member of The Institute of  
Chartered Accountants No. 46642

NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH

CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER

I, Neil Robinson, being the Branch Secretary of National Tertiary Education Industry Union – RMIT Branch (the reporting unit) certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule;
- that the full report was provided to members on 29th October 2004 2004; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 30th November 2004, in accordance with section 266 of the RAO Schedule. *(second meeting)*

Signature: *N Robinson*

Date: 30th November 2004

I certify this document to be a true copy of the original which I have sighted.

*Daniel Bacelic* ..... 30 / 11 / 06

**Daniel Bacelic**  
Member of The Institute of  
Chartered Accountants No. 46642

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2004**

**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 of the Branch was a Trustee or Director of a Trustee Company of a Superannuation Entity or an Exempt Public Sector Superannuation Scheme.

**Number of Members**

The number of persons who, at the end of the financial year, were recorded on the Register of Members was 1675.

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**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2004 (Continued)**

**Number of Employees**

The number of persons who were, at the end of the financial year, employees of the Branch was 1.2 (being two part time employees) measured on a full time equivalent basis.

**Members of the Committee of Management**

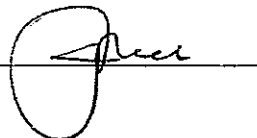
The persons who held office as members of the Committee of Management of the Branch at the beginning of the financial year were:

Branch President	Ms Jeanette Pierce
Vice-President (Academic)	Mr Christopher Vaz
Vice-President (General)	Mr Dave Kinder
Branch Secretary	Mr Neil Robinson
Committee Member	Tony Lad
Committee Member	Derek Henry
Committee Member	Dave Samulenok
Committee Member	Terry Scheikowski
Committee Member	Rebecca Lupton
Committee Member	Geoff Carter
Committee Member	Iouri Belski
Committee Member	Kate Patrick
Committee Member	Cathy Brigden
Committee Member	Mary Toohey

There were no changes to the composition of the Committee of Management during the financial year.

Name Jeanette Pierce

Title Branch President

Signature 

Date: 25 / 10 / 2004

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**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2004 (Continued)**

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

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

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

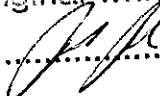
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**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2004 (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.

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**NATIONAL TERTIARY EDUCATION INDUSTRY UNION .  
RMIT BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT**

On \_\_\_\_\_ 2004, the Committee of Management of National Tertiary Education Industry Union – RMIT Branch (the reporting unit) passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the year ended 30th June 2004:

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 this 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 National Tertiary Education Industry Union, including the rules concerning Branches of that union;
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of 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 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;

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**Daniel Bacelic**  
Member of The Institute of  
Chartered Accountants No. 46642

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**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT 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.

**For the Committee of Management:** Ms Jeanette Pierce

**Title of Office Held:** Branch President

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

**Date:** Oct 25<sup>th</sup> 2004

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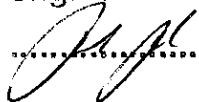
NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH

PROFIT & LOSS STATEMENT  
FOR THE YEAR ENDED 30th JUNE 2004

	2004	2003
	\$	\$
Profit / (Loss) from Ordinary Activities	(28,521)	22,116
Retained Profits at the beginning of the financial year	245,581	223,465
Retained Profits at the end of the financial year	<u>217,060</u>	<u>245,581</u>

The accompanying notes form part of these accounts.

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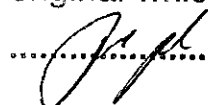
**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**BALANCE SHEET  
AS AT 30th JUNE 2004**

	Note	2004 \$	2003 \$
<b>CURRENT ASSETS</b>			
Cash	2	241,618	248,507
Receivables	3	3,798	2,224
<b>TOTAL CURRENT ASSETS</b>		<b>245,416</b>	<b>250,731</b>
<b>NON CURRENT ASSETS</b>			
Plant & Equipment	4	4,123	5,616
<b>TOTAL NON-CURRENT ASSETS</b>		<b>4,123</b>	<b>5,616</b>
<b>TOTAL ASSETS</b>		<b>249,539</b>	<b>256,347</b>
 <b>CURRENT LIABILITIES</b>			
Payables	5	27,697	5,102
Employee Provisions	6	4,782	5,664
<b>TOTAL CURRENT LIABILITIES</b>		<b>32,479</b>	<b>10,766</b>
<b>TOTAL LIABILITIES</b>		<b>32,479</b>	<b>10,766</b>
 <b>NET ASSETS</b>		 <b>217,060</b>	 <b>245,581</b>
 <b>MEMBERS' FUNDS</b>			
Retained Profits		217,060	245,581
<b>TOTAL MEMBERS' FUNDS</b>		<b>217,060</b>	<b>245,581</b>

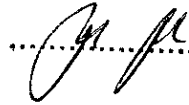
The accompanying notes form part of these accounts.

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**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**DETAILED STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 30th JUNE 2004**

	2004	2003
	\$	\$
<b>INCOME</b>		
Gross Member Subscriptions	444,741	637,832
Less : Capitation Fees National Office	159,697	258,886
Capitation Fees Victoria Division	147,103	243,805
Net Member Subscriptions	<u>137,941</u>	<u>135,141</u>
Interest Received	11,172	9,990
Donations Received	620	2,740
Other Income	(232)	413
<b>BRANCH INCOME</b>	<u>149,501</u>	<u>148,284</u>
<b>EXPENDITURE</b>		
Advertising	-	1,810
Audit – Dec 2003 & June 2004	4,850	2,450
Bank Charges	460	515
Casual Labour – Employees	10,925	134
Conference Expenses	1,493	1,331
Depreciation	1,998	3,638
Donations and Gifts	440	837
Employee Provisions	(882)	947
Equipment Maintenance	1,029	799
Insurance	709	719
Leave Loading - Employees	535	593
Loss on Scrapping of Fixed Assets	163	-
Meetings Expenses	1,551	1,748
Membership Refunds	933	-
Membership Functions	2,957	4,012
Office Expenses	565	840
Payroll Tax	4,563	314
Postage	339	93
Presidents Time Release	36,018	34,620
Printing	7,291	1,827
Professional Services	-	320
Publications	191	182
Recruitment Drive	2,312	1,056
Salaries & Wages – Employees	48,181	48,237
Special Projects - Youth Trade Union Officer	5,000	-
Research Project	5,008	-
Campaigns 2004	22,965	-
Stationery & Supplies	2,158	1,840
Superannuation	7,532	6,746
Telephones & Fax	5,939	6,595

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**DETAILED STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 30th JUNE 2004**

	2004	2003
	\$	\$
EXPENDITURE (cont'd)		
Training & Staff Development	102	180
Travel	2,111	2,620
Workcover	585	1,165
<b>TOTAL BRANCH EXPENDITURE</b>	<b>178,022</b>	<b>126,168</b>
<b>PROFIT / (LOSS) FROM ORDINARY ACTIVITIES</b>	<b>(28,521)</b>	<b>22,116</b>

I certify this document to be a true copy of the original which I have sighted.

..... *[Signature]* ..... 30 / 05 / 04

**Daniel Bacelic**  
Member of The Institute of  
Chartered Accountants No. 46642

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30th JUNE 2004**

	2004	2003
	\$	\$
	Inflows (Outflows)	Inflows (Outflows)
Cash flows from Operating Activities		
Receipts from members	444,741	637,832
Interest received	10,786	7,766
Other income	388	3,153
Payments to suppliers & employees	(462,136)	(682,817)
	<u>                    </u>	<u>                    </u>
Net cash (used in) operating activities – Note B	(6,221)	(34,066)
	<u>                    </u>	<u>                    </u>
Cash flows from Investing Activities		
Purchases of fixed assets	(668)	(1,097)
	<u>                    </u>	<u>                    </u>
Net cash (used in) investing activities	(668)	(1,097)
	<u>                    </u>	<u>                    </u>
Cash flows from Financing Activities	-	-
	<u>                    </u>	<u>                    </u>
Net (decrease) in cash held	(6,889)	(35,163)
Cash at the beginning of the financial year	248,507	283,670
	<u>                    </u>	<u>                    </u>
Cash at the end of the financial year – Note A	<u>241,618</u>	<u>248,507</u>

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**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**STATEMENT OF CASH FLOWS (Continued)  
FOR THE YEAR ENDED 30th JUNE 2004**

	2004	2003
	\$	\$
<b>Note A Reconciliation of Cash</b>		
For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money markets. Cash at the end of the financial year is shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash at Bank	20,168	68,507
Interest Bearing Deposits	221,450	180,000
	241,618	248,507
	241,618	248,507

**Note B Reconciliation of net cash (used in) operating activities to profit / (loss) from ordinary activities**

Profit / (loss) from ordinary activities	(28,521)	22,116
Non-cash flows in profit from ordinary activities:		
Depreciation	1,998	3,638
Loss on scrapping of fixed assets	163	-
Changes in Assets & Liabilities:		
(Increase) / decrease in receivables	(1,574)	(2,224)
Increase / (decrease) in payables	22,595	(58,543)
Increase / (decrease) in provisions	(882)	947
	(6,221)	(34,066)
	(6,221)	(34,066)

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

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

I certify this document to be a true copy of the original which I have sighted.

..... 30 / 6 / 04

**Daniel Bacelic**  
Member of The Institute of  
Chartered Accountants No. 46642

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30th JUNE 2004**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

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

The financial report covers the National Tertiary Education Industry Union – RMIT Branch as an individual entity. The National Tertiary Education Industry Union – RMIT Branch is a trade union, recognised by the Australian Industrial Registry and domiciled in Australia.

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

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

**(a) Fixed Assets**

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

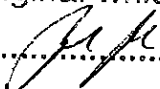
Depreciation rates used for each class of assets are:

Class of asset	Depreciation Rate
Office Furniture and Equipment	12 – 24%

**(b) Revenue**

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

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**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30th JUNE 2004**

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

(c) Provision for Employee Entitlements

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

(d) Leases

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

(e) Income Tax

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

(f) Information to be provided to members or registrar

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

- (1) A member of an organisation or a Registrar may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under subsection (1) by members of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time as prescribed.
- (3) A Registrar may only make an application under sub-section (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the members.

(g) Economic Dependency

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

(h) Segment Reporting

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

I certify this document to be a true copy of the original which I have sighted.

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**Daniel Bacelic**  
Member of The Institute of  
Chartered Accountants No. 46642

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30th JUNE 2004**

	2004	2003
	\$	\$
<b>2. CASH ASSETS</b>		
Cash at Bank	20,168	7,057
Interest Bearing Deposits – ANZ V2	41,450	61,450
Interest Bearing Deposits - Esanda	180,000	180,000
	<u>241,618</u>	<u>248,507</u>
<b>3. RECEIVABLES</b>		
Accrued Interest	2,610	2,224
GST Refund	1,188	-
	<u>3,798</u>	<u>2,224</u>
<b>4. PLANT AND EQUIPMENT</b>		
Office Furniture and Equipment- at cost	26,754	34,134
Less : Accumulated Depreciation	(22,631)	(28,518)
	<u>4,123</u>	<u>5,616</u>
<b>5. PAYABLES</b>		
Sundry Creditors and Accruals	27,697	4,347
PAYG Payable	-	755
	<u>27,697</u>	<u>5,102</u>
<b>6. EMPLOYEE PROVISIONS</b>		
Annual Leave	2,105	3,231
Long Service Leave	2,677	2,433
	<u>4,782</u>	<u>5,664</u>

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**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30th JUNE 2004**

**7. FINANCIAL INSTRUMENTS**

(a) Interest Rate Risk

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

	Weighted Average Effective Interest Rate		Floating Interest Rate	
	2004	2003	2004	2003
Financial Assets				
Cash at bank	4.71%	4.32%	\$241,618	\$248,507

No financial assets are subject to a fixed interest rate.

(b) Credit Risk

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

(c) Net Fair Values

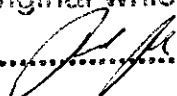
The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

**8. UNION DETAILS**

The registered office of the union is:

Room G02A, Building 19  
124 La Trobe Street  
Melbourne Vic 3000

I certify this document to be a true copy of the original which I have sighted.

.....  ..... 30 / 05 / 06

**Daniel Bacelic**  
Member of The Institute of  
Chartered Accountants No. 46642

## INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF  
 NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
 RMIT BRANCH

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

The financial report comprises the profit and loss statement, balance sheet, detailed statement of income and expenditure statement, statement of cash flows and accompanying notes to the financial statements and the committee of management statement for the National Tertiary Education Industry Union – RMIT Branch for the year ended 30<sup>th</sup> June 2004.

The trustees of the branch 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 conducted an independent audit in order to express an opinion to the members of the branch. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the branch's financial position, and of its performance as represented by the results of its operations and its cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used and described in Note 1, are appropriate for the needs of the members.



PO Box 1300  
 1st Floor, 586 Burke Road  
 Camberwell Vic 3124  
 tel: 03 9882 0566  
 fax: 03 9882 0436  
 email: synergy@lock-wood.com.au  
 web: www.lock-wood.com.au

Lockwood & Co (Melb) Pty Ltd  
 ABN 36 290 638 803  
 ACN 101 133 804  
 Chartered Accountants / Business Consultants

Lockwood Wehrens  
 ABN 74 135 421 190  
 Auditors

I certify this document to be a true copy of the original which I have sighted.

..... 30 / 06 / 06

18

**Daniel Bacelic**  
 Member of The Institute of  
 Chartered Accountants No. 46642

I certify this document to be a true copy of the original which I have sighted.

lockwood & co

*John Jell*  
30 / 05 / 06

Daniel Bacelic  
Member of The Institute of  
Chartered Accountants No. 46642

Member of The Institute of  
Chartered Accountants No. 46642 **INDEPENDENT AUDIT REPORT**

**TO THE MEMBERS OF  
NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

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

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee of management.

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

**Independence**

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

**Audit Opinion**

In our opinion, the financial report of the National Tertiary Education Industry Union – RMIT Branch is in accordance with:

- (a) the requirements imposed by Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996, including
  - (i) giving a true and fair view of the branch's financial position as at 30<sup>th</sup> June 2004 and of its performance for the year ended on that date; and
  - (ii) complying with applicable Accounting Standards in Australia and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
  - (iii) other mandatory professional reporting requirements.

*Lockwood Wehrens*

LOCKWOOD WEHRENS  
Chartered Accountants  
Camberwell

*A. Wehrens*

ANDREW WEHRENS  
Registered Company Auditor 176520  
17<sup>th</sup> December 2004



**Australian Government**

**Australian Industrial Registry**

Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
GPO Box 1994, Melbourne, VIC 3001  
Telephone: (03) 8661 7993  
Fax: (03) 9654 6672

Mr. N. Robinson  
Branch Secretary  
National Tertiary Education Industry Union  
Royal Melbourne Institute of Technology Branch  
GPO Box 2476V  
MELBOURNE VIC 3001

Dear Mr. Robinson,

**Re: Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule)  
Financial reports for year ended 30 June 2004 - FR 2004/506**

Thank you for your letter of 25 May 2006 providing further information in relation to the financial reports of the Royal Melbourne Institute of Technology Branch for the year ended 30 June 2004; this has been placed with the documents previously lodged

The financial documents have now been filed.

In my letter of 25 February 2005 you were requested, among other things, to provide a dated and signed auditor's report for the year ended 30 June 2004. Such document is still outstanding.

I note that Ms. MacDonald of your office advised during our recent telephone conversation that she would arrange the lodgement of such document.

Would you please forward the outstanding document as soon as possible.

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](mailto:larry.powell@air.gov.au).

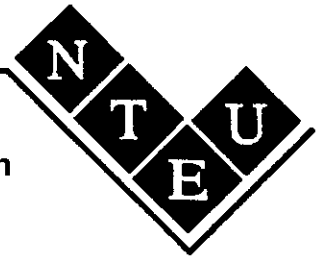
Yours sincerely,

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

Larry Powell  
Statutory Services Branch

1 June 2006

National  
Tertiary  
Education  
Union



RMIT BRANCH

Telephone 9925 2498  
Facsimilie 9925 3192  
E-mail nteu@rmit.edu.au

25.05.06

Australian Industrial Registry  
Level 35  
80 Collins St  
Melbourne VIC 3000

Dear Mr Powell-

RE: 2004 Audited Financial Statements

Please note that the financial documents lodged on by the National Tertiary Education Union (NTEU) RMIT Branch to the Australian Industrial Registry are those supplied, presented and approved by members at the meeting of 29th October 2004, and the general meeting of members 30<sup>th</sup> November 2004 respectively.

Regards-

Neil Robinson  
Secretary

**FAXED**  
29.05.06



**Australian Government**

**Australian Industrial Registry**

Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
GPO Box 1994S, Melbourne, VIC 3001  
Telephone: (03) 8661 7993  
Fax: (03) 9654 6672

Ms. A. Ewenson  
Branch Organiser  
National Tertiary Education Industry Union  
Royal Melbourne Institute of Technology Branch  
GPO Box 2476V  
MELBOURNE VIC 3001

Dear Ms Ewenson,

**Re: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)  
Financial reports for year ended 30 June 2004 - FR 2004/506**

Reference is made to my letter of 25 February 2005 requesting further information in relation to the financial documents of the Royal Melbourne Institute of Technology Branch of the National Tertiary Education Industry Union for the year ended 30 June 2004.

A copy of my letter was forwarded to you in response to your request of 14 September 2005.

No further response has been received in this office in relation to the above financial documents.

Would you please contact me by Wednesday, 26 October 2004 as to where this matter is now at and when lodgment of the outstanding information can be expected.

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](mailto:larry.powell@air.gov.au).

Yours sincerely,

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

Larry Powell  
Statutory Services Branch

18 October 2005





**Australian Government**

**Australian Industrial Registry**

Level 35, Nauru House  
80 Collins Street, Melbourne, VIC 3000  
GPO Box 1994S, Melbourne, VIC 3001  
Telephone: (03) 8661 7993  
Fax: (03) 9654 6672

Mr. N. Robinson  
Branch Secretary  
National Tertiary Education Industry Union  
Royal Melbourne Institute of Technology Branch  
GPO Box 2476V  
MELBOURNE VIC 3001

Dear Mr. Robinson,

**Re: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)  
Financial reports for year ended 30 June 2004 - FR 2004/506**

Reference is made to the financial documents of the Royal Melbourne Institute of Technology Branch of the National Tertiary Education Industry Union for the year ended 30 June 2004. The documents were lodged in the Industrial Registry on 17 December 2004.

I direct your attention to the following comments concerning the above reports and the financial reporting obligations under the RAO Schedule. Please note that these matters are generally advised for assistance in the future preparation of financial reports. With the exception of the comments concerning the item 1 and point (b) in relation to the Auditor's Report, no further action is required in respect of the subject documents.

**1. Supply of financial documents to members and presentation to meeting**

Financial documents lodged with the Registrar are required by subsection 268(c) to be filed under cover of a certificate by a designated officer, in this case, the Branch Secretary, stating that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with section 266.

I note that the financial report was provided to members on 29 October 2004 and presented to a meeting of the committee of management of the reporting unit on 30 November 2004.

As you know section 266 of the RAO Schedule 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 are 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 rules of the organisation do not make such provision.

In these circumstances, the alternatives require the presentation of the relevant documents to a general meeting of members, or at a series of meetings at different locations (this alternative is only available if the rules make provision for such meetings). It should also be noted that the financial reports should be provided to members within certain time periods prior to the meeting - see ss265(5) and 266(1).

**The Registry has advised the Federal Office of the organisation of this gap in the rules and we understand that the matter is being attended to.**

## **2. Auditor's Report**

(a) Subsection 257(5) of the RAO Schedule now sets out the matters upon which an auditor is required to make an opinion on whether the GPFR is presented fairly in accordance with applicable Australian Accounting Standards and other requirements of the RAO Schedule. The following wording would satisfy the requirements:

*"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 1B of the Workplace Relations Act 1996."*

(b) The auditor's report is undated and unsigned.

Subsection 257(9) requires auditors reports to be dated as at the date that the auditor signs that report.

Would you please request the auditor to forward a dated and signed copy of the auditor's report to this office.

(c) I note in the scope of the auditor's report a reference to "The trustees of the union". The rules of the organisation do not appear to provide for such positions.

Also, in both the scope and audit approach a variety of references are made to the reporting unit e.g. branch, union, association. References to the entity for which the financial report relates should be to either reporting unit or branch.

## **3. Notice to members**

I note that the notice to members provides the provisions of section 274 of the Workplace Relations Act 1996. The accounts should set out the provisions of subsections 272(1), (2) and (3) of the RAO Schedule. Would you please ensure those subsections are copied into the GPFR in the next financial report of the Branch.

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](mailto:larry.powell@air.gov.au).

Yours sincerely,

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

Larry Powell  
Statutory Services Branch

25 February 2005

**NATIONAL TERTIARY EDUCATION  
INDUSTRY UNION  
RMIT BRANCH**

**GENERAL PURPOSE FINANCIAL REPORT**

**FOR THE YEAR ENDED**

**30th JUNE 2004**

*Full Report*



PO Box 1300  
1st Floor  
586 Burke Road  
Camberwell Vic 3124

Tel 03 9882 0566  
Fax 03 9882 0436  
Email [synergy@lock-wood.com.au](mailto:synergy@lock-wood.com.au)

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER**

I, Neil Robinson, being the Branch Secretary of National Tertiary Education Industry Union – RMIT Branch (the reporting unit) certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule;
- that the full report was provided to members on 29th October 2004 2004; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 30th November 2004, in *(second meeting)* accordance with section 266 of the RAO Schedule.

Signature: *N Robinson*

Date: 30th November 2004

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2004**

**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 of the Branch was a Trustee or Director of a Trustee Company of a Superannuation Entity or an Exempt Public Sector Superannuation Scheme.

**Number of Members**

The number of persons who, at the end of the financial year, were recorded on the Register of Members was 1675.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2004 (Continued)**

**Number of Employees**

The number of persons who were, at the end of the financial year, employees of the Branch was 1.2 (being two part time employees) measured on a full time equivalent basis.

**Members of the Committee of Management**


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

Branch President	Ms Jeanette Pierce
Vice-President (Academic)	Mr Christopher Vaz
Vice-President (General)	Mr Dave Kinder
Branch Secretary	Mr Neil Robinson
Committee Member	Tony Lad
Committee Member	Derek Henry
Committee Member	Dave Samulenok
Committee Member	Terry Scheikowski
Committee Member	Rebecca Lupton
Committee Member	Geoff Carter
Committee Member	Iouri Belski
Committee Member	Kate Patrick
Committee Member	Cathy Brigden
Committee Member	Mary Toohey

There were no changes to the composition of the Committee of Management during the financial year.

Name Jeanette Pierce.

Title Branch President

Signature 

Date: 25/10 /2004

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2004 (Continued)**

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

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

11.1 A member may resign from membership by written notice addressed and delivered to the member's Division Secretary or Branch Secretary provided that:

- (a) Where a written notice of resignation is received by a Division Secretary, he or she shall as soon as practicable forward a copy of the notice of resignation to the appropriate Branch Secretary;
- (b) Where a written notice of resignation is received by a Branch Secretary, he or she shall as soon as practicable forward a copy of the notice of resignation to the relevant Division Secretary.

11.2 A notice of resignation from membership takes effect :

(a) where the member ceases to be eligible to become a member of the Union

- (i) on the day on which the notice is received by the Union; or
- (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;

whichever is later; or

(b) in any other case:

- (i) at the end of two weeks, or if permitted by law three months after the notice is received by the Union; or
- (ii) on the day specified in the notice;

whichever is later.

11.3 Any dues payable but not paid by a former member in relation to a period before the member's resignation took effect, may be sued for and recovered in the name of the Union in a court of competent jurisdiction, as a debt due to the Union.

11.4 A notice delivered to the Division Secretary or Branch Secretary shall be taken to have been received by the Union when it was delivered.



**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2004 (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.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT**

On Oct 25<sup>th</sup> 2004, the Committee of Management of National Tertiary Education Industry Union – RMIT Branch (the reporting unit) passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the year ended 30th June 2004:

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 this 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 National Tertiary Education Industry Union, including the rules concerning Branches of that union;
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of 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 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  
RMIT 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.

**For the Committee of Management:** Ms Jeanette Pierce

**Title of Office Held:** Branch President

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

**Date:** 25 Oct. 2004

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**PROFIT & LOSS STATEMENT  
FOR THE YEAR ENDED 30th JUNE 2004**

	2004	2003
	\$	\$
Profit / (Loss) from Ordinary Activities	(28,521)	22,116
Retained Profits at the beginning of the financial year	245,581	223,465
Retained Profits at the end of the financial year	<u>217,060</u>	<u>245,581</u>

The accompanying notes form part of these accounts.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**BALANCE SHEET  
AS AT 30th JUNE 2004**

	Note	2004 \$	2003 \$
<b>CURRENT ASSETS</b>			
Cash	2	241,618	248,507
Receivables	3	3,798	2,224
<b>TOTAL CURRENT ASSETS</b>		<b>245,416</b>	<b>250,731</b>
<b>NON CURRENT ASSETS</b>			
Plant & Equipment	4	4,123	5,616
<b>TOTAL NON-CURRENT ASSETS</b>		<b>4,123</b>	<b>5,616</b>
<b>TOTAL ASSETS</b>		<b>249,539</b>	<b>256,347</b>
<b>CURRENT LIABILITIES</b>			
Payables	5	27,697	5,102
Employee Provisions	6	4,782	5,664
<b>TOTAL CURRENT LIABILITIES</b>		<b>32,479</b>	<b>10,766</b>
<b>TOTAL LIABILITIES</b>		<b>32,479</b>	<b>10,766</b>
<b>NET ASSETS</b>		<b>217,060</b>	<b>245,581</b>
<b>MEMBERS' FUNDS</b>			
Retained Profits		217,060	245,581
<b>TOTAL MEMBERS' FUNDS</b>		<b>217,060</b>	<b>245,581</b>

The accompanying notes form part of these accounts.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**DETAILED STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 30th JUNE 2004**

	2004	2003
	\$	\$
<b>INCOME</b>		
Gross Member Subscriptions	444,741	637,832
Less : Capitation Fees National Office	159,697	258,886
Capitation Fees Victoria Division	147,103	243,805
Net Member Subscriptions	<u>137,941</u>	<u>135,141</u>
Interest Received	11,172	9,990
Donations Received	620	2,740
Other Income	(232)	413
<b>BRANCH INCOME</b>	<u>149,501</u>	<u>148,284</u>
<b>EXPENDITURE</b>		
Advertising	-	1,810
Audit – Dec 2003 & June 2004	4,850	2,450
Bank Charges	460	515
Casual Labour – Employees	10,925	134
Conference Expenses	1,493	1,331
Depreciation	1,998	3,638
Donations and Gifts	440	837
Employee Provisions	(882)	947
Equipment Maintenance	1,029	799
Insurance	709	719
Leave Loading - Employees	535	593
Loss on Scrapping of Fixed Assets	163	-
Meetings Expenses	1,551	1,748
Membership Refunds	933	-
Membership Functions	2,957	4,012
Office Expenses	565	840
Payroll Tax	4,563	314
Postage	339	93
Presidents Time Release	36,018	34,620
Printing	7,291	1,827
Professional Services	-	320
Publications	191	182
Recruitment Drive	2,312	1,056
Salaries & Wages – Employees	48,181	48,237
Special Projects - Youth Trade Union Officer	5,000	-
Research Project	5,008	-
Campaigns 2004	22,965	-
Stationery & Supplies	2,158	1,840
Superannuation	7,532	6,746
Telephones & Fax	5,939	6,595

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**DETAILED STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 30th JUNE 2004**

	2004	2003
	\$	\$
EXPENDITURE (cont'd)		
Training & Staff Development	102	180
Travel	2,111	2,620
Workcover	585	1,165
TOTAL BRANCH EXPENDITURE	<u>178,022</u>	<u>126,168</u>
PROFIT / (LOSS) FROM ORDINARY ACTIVITIES	<u>(28,521)</u>	<u>22,116</u>

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30th JUNE 2004**

	2004	2003
	\$	\$
	Inflows (Outflows)	Inflows (Outflows)
Cash flows from Operating Activities		
Receipts from members	444,741	637,832
Interest received	10,786	7,766
Other income	388	3,153
Payments to suppliers & employees	(462,136)	(682,817)
	-----	-----
Net cash (used in) operating activities – Note B	(6,221)	(34,066)
	-----	-----
Cash flows from Investing Activities		
Purchases of fixed assets	(668)	(1,097)
	-----	-----
Net cash (used in) investing activities	(668)	(1,097)
	-----	-----
Cash flows from Financing Activities	-	-
	-----	-----
Net (decrease) in cash held	(6,889)	(35,163)
Cash at the beginning of the financial year	248,507	283,670
	-----	-----
Cash at the end of the financial year – Note A	241,618	248,507
	=====	=====



**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**STATEMENT OF CASH FLOWS (Continued)  
FOR THE YEAR ENDED 30th JUNE 2004**

	2004	2003
	\$	\$
<b>Note A Reconciliation of Cash</b>		
For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money markets. Cash at the end of the financial year is shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash at Bank	20,168	68,507
Interest Bearing Deposits	221,450	180,000
	241,618	248,507
	241,618	248,507

**Note B Reconciliation of net cash (used in) operating activities to profit / (loss) from ordinary activities**

Profit / (loss) from ordinary activities	(28,521)	22,116
Non-cash flows in profit from ordinary activities:		
Depreciation	1,998	3,638
Loss on scrapping of fixed assets	163	-
Changes in Assets & Liabilities:		
(Increase) / decrease in receivables	(1,574)	(2,224)
Increase / (decrease) in payables	22,595	(58,543)
Increase / (decrease) in provisions	(882)	947
	(6,221)	(34,066)
	(6,221)	(34,066)

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

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

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30th JUNE 2004**

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

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

The financial report covers the National Tertiary Education Industry Union – RMIT Branch as an individual entity. The National Tertiary Education Industry Union – RMIT Branch is a trade union, recognised by the Australian Industrial Registry and domiciled in Australia.

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

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

**(a) Fixed Assets**

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

Depreciation rates used for each class of assets are:

Class of asset	Depreciation Rate
Office Furniture and Equipment	12 – 24%

**(b) Revenue**

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

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30th JUNE 2004**

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

(c) Provision for Employee Entitlements

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

(d) Leases

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

(e) Income Tax

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

(f) Information to be provided to members or registrar

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

- (1) A member of an organisation or a Registrar may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under subsection (1) by members of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time as prescribed.
- (3) A Registrar may only make an application under sub-section (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the members.

(g) Economic Dependency

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

(h) Segment Reporting

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

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30th JUNE 2004**

	2004	2003
	\$	\$
<b>2. CASH ASSETS</b>		
Cash at Bank	20,168	7,057
Interest Bearing Deposits – ANZ V2	41,450	61,450
Interest Bearing Deposits - Esanda	180,000	180,000
	241,618	248,507
<b>3. RECEIVABLES</b>		
Accrued Interest	2,610	2,224
GST Refund	1,188	-
	3,798	2,224
<b>4. PLANT AND EQUIPMENT</b>		
Office Furniture and Equipment- at cost	26,754	34,134
Less : Accumulated Depreciation	(22,631)	(28,518)
	4,123	5,616
<b>5. PAYABLES</b>		
Sundry Creditors and Accruals	27,697	4,347
PAYG Payable	-	755
	27,697	5,102
<b>6. EMPLOYEE PROVISIONS</b>		
Annual Leave	2,105	3,231
Long Service Leave	2,677	2,433
	4,782	5,664

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30th JUNE 2004**

**7. FINANCIAL INSTRUMENTS**

**(a) Interest Rate Risk**

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

	Weighted Average Effective Interest Rate		Floating Interest Rate	
	2004	2003	2004	2003
Financial Assets				
Cash at bank	4.71%	4.32%	\$241,618	\$248,507

No financial assets are subject to a fixed interest rate.

**(b) Credit Risk**

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

**(c) Net Fair Values**

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

**8. UNION DETAILS**

The registered office of the union is:

Room 19, Building 22  
124 La Trobe Street  
Melbourne Vic 3000

**INDEPENDENT AUDIT REPORT**  
**TO THE MEMBERS OF**  
**NATIONAL TERTIARY EDUCATION INDUSTRY UNION**  
**RMIT BRANCH**

## Scope

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

The financial report comprises the profit and loss statement, balance sheet, detailed statement of income and expenditure statement, statement of cash flows and accompanying notes to the financial statements and the committee of management statement for the National Tertiary Education Industry Union—RMIT Branch for the year ended 30<sup>th</sup> June 2004.

The trustees of the union 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 conducted an independent audit in order to express an opinion to the members of the associations. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the associations' financial position, and of their performance as represented by the results of their operations and their cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used and described in Note 1, are appropriate for the needs of the members.



PO Box 1300  
1st Floor  
586 Burke Road  
Camberwell Vic 3124

**INDEPENDENT AUDIT REPORT****TO THE MEMBERS OF  
NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
RMIT BRANCH**

Lockwood Wehrens

ABN 74 135 421 190

Chartered Accountants

Auditors

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

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the board of management.

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

**Independence**

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

**Audit Opinion**

In our opinion, the financial report of the National Tertiary Education Industry Union – RMIT Branch is in accordance with:

- (a) the Workplace Relations Act 1996, including
  - (i) giving a true and fair view of the branch's financial position as at 30<sup>th</sup> June 2004 and of its performance for the year ended on that date; and
  - (ii) complying with Accounting Standards in Australia and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
  - (iii) other mandatory professional reporting requirements.

LOCKWOOD WEHRENS  
Chartered Accountants  
Camberwell

ANDREW WEHRENS  
Registered Company Auditor 176520  
2004



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586 Burke Road  
Camberwell Vic 3124