



FAIR WORK  
AUSTRALIA

2 March 2010

Jenny Savage  
National Finance Coordinator, National Tertiary Education Industry Union  
PO Box 1323, South Melbourne VIC 3205  
By email: [jsavage@nteu.org.au](mailto:jsavage@nteu.org.au)

cc: Michael Thompson  
President, National Tertiary Education Industry Union Sydney University Branch  
By email: [nteu@nteu.usyd.edu.au](mailto:nteu@nteu.usyd.edu.au)

Dear Ms Savage

**Financial reports of the National Tertiary Education Industry Union Sydney University Branch for the financial years ended 30 June 2005, 2006, 2007 and 2008 (FR2005/388, FR2006/309, FR2007/359 & FR2008/439)**

I acknowledge receipt of the financial reports of the Sydney University Branch of the National Tertiary Education Industry Union for the financial years ended 30 June 2005, 2006, 2007 and 2008. The documents were lodged in the Industrial Registry on 26 June 2009. I acknowledge receipt of the revised auditor's opinion for each of the reports lodged with Fair Work Australia on 9 July 2009. I also acknowledge receipt of the lists of the Committees of Management for each of the reporting periods lodged with Fair Work Australia on 27 February 2010.

The financial reports have been filed.

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

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

**1. Timescale Requirements**

As you are aware, reporting units are required to undertake their financial reporting obligations in accordance with specified timelines. As the 2005, 2006, 2007 and 2008 reports have been completed, the relevant timelines are incapable of being remedied. However it should be noted that the timelines have not changed under the *Fair Work (Registered Organisations) Act 2009* (RO Act) and the preparation and lodgment of future financial reports must occur within these timelines.

In particular, [sections 253 and 254](#) of the RO Act require that a general purpose financial report (GPFR) and an operating report be prepared as soon as practicable after the end of the financial year. Further, [section 266](#) requires that the financial report be presented to a general meeting of members or a committee of management meeting within six months after the end of the financial year. In the absence of an extension of time for holding a general meeting [see [section 265\(5\)](#)] the latest possible date of lodgment with Fair Work Australia is six months and 14 days after the end of the financial year. I have attached a document which sets out the timelines in diagrammatical form.

In future years the financial reports need to be prepared in sufficient time to enable presentation to a meeting within six months after the end of the financial year and lodged with Fair Work Australia no later than 14 days after that meeting.

## **2. Operating Report**

### *Membership of Committee of Management*

Please note the operating report is required to contain the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position ([regulation 159\(c\) Fair Work \(Registered Organisations\) Regulations 2009](#)).

## **3. Required disclosures: contributions to and from another reporting unit of the organisation**

Item 10(b) of the [reporting guidelines](#) requires that where contributions from another reporting unit are received, the amount and the name of each reporting unit are to be disclosed in either the profit and loss statement or the notes. Item 11(b) requires the disclosure of the amounts and names of other reporting units to which payments are made. The notes to the GPFRs for 2005, 2006 and 2007 state that membership fees were 'collected by the Branches and remitted to the Branch' and the 2008 GPFR states that fees were 'collected by the Union and remitted to the Branch.' The amounts and names of the reporting units from which revenue was received were not disclosed in any of the financial reports. In future years, if contributions are made to or received from another reporting unit, please ensure that the amounts and the names of the reporting units are disclosed.

Also, item 15 of the [reporting guidelines](#) requires that where another reporting unit of the organisation is the source of a cash inflow or the application of cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and should show the name of the other reporting unit. In the financial reports, neither the cash flow statement nor the notes disclose cash flows between reporting units. In future years, if another reporting unit is the source of cash inflow or cash outflow, please ensure that such cash flow and the name(s) of the reporting unit(s) are disclosed.

## **4. Required disclosures: audit**

Australian Accounting Standard 101 requires an entity to disclose the amounts paid (or payable to) the auditor for the audit and to separately disclose the nature and amount of non-audit services provided by the auditor. The income statement discloses an aggregate amount for accounting and audit fees. In future financial reports please ensure that the amount and nature of non-audit fees are disclosed separately from audit fees.

## **5. Material disclosures**

I note that the 2005 Income Statement discloses \$19,068 as other unidentified expenses, which represents over 11% of total expenses and a nine-fold increase from 2004. This would appear to be a material item (AASB 1031). In future years please ensure that material items are disclosed either in the income statement or the notes (AASB 101).

## **6. Comparative Information**

Australian Accounting Standard 101 requires that when comparative amounts are reclassified the nature of the reclassification, the amount of each item or class of each item reclassified and the reason for the reclassification be disclosed. I note that the income statement in the 2005 financial report reclassifies items of income and expenditure, but the nature of the reclassification, the amount of each item or class of items and the reason for the reclassification have not been disclosed. If comparative amounts are reclassified in future financial reports please ensure that these disclosures are made.

## 7. Employee Benefits

Australian Accounting Standard 119 requires entities to recognise short-term employee benefits (such as annual leave), long-term benefits (such as long service leave) and post employment benefits (such as retirement benefits). The financial reports for the years 2005, 2006 and 2007 do not contain a policy regarding employee benefits, however I note that the 2008 financial report does set out such a policy. In future reports please ensure that the notes contain an employee benefits policy.

Also, the [reporting guidelines](#) require reporting units to disclose in the income statement or in the notes employee benefits to *holders of office* (item 11(g)) separately from employee benefits to *other employees* (item 11(h)). The reporting guidelines also require either the balance sheet or the notes to disclose any liability for employee benefits in respect of *office holders* separately from *other employees* (items 14(c) and 14 (d)).

I note that the income statement and the provisions for superannuation in the notes do not distinguish between benefits for *office holders* and *other employees*. Provisions for *office holders* and *other employees* should be separately disclosed.

## 8. References to Schedule 1B

The Designated Officer's Certificate and notes to the GPFRs contain references to Schedule 1B of the *Workplace Relations Act 1996*. Since 2006 such references should have been to Schedule 1 of the *Workplace Relations Act 1996*. Please note that for actions on or after 1 July 2009 documents should refer to the *Fair Work (Registered Organisations) Act 2009*.

If you wish to discuss any matters further, I can be contacted on 03 8661 7929 or via email [eve.anderson@fwa.gov.au](mailto:eve.anderson@fwa.gov.au).

Yours sincerely



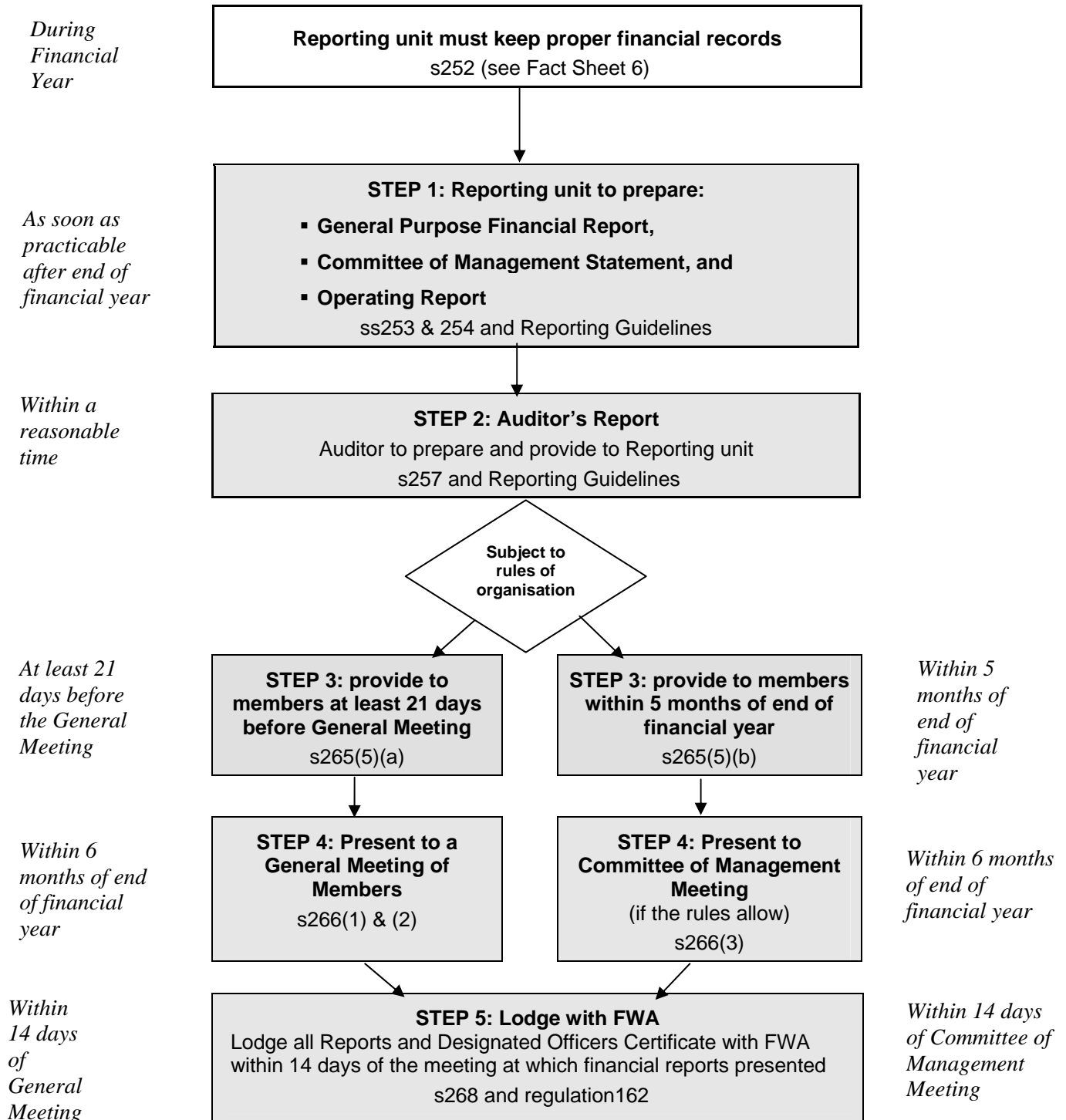
Eve Anderson  
Tribunal Services and Organisations  
Fair Work Australia  
Tel: 03 86617929  
Email: [eve.anderson@fwa.gov.au](mailto:eve.anderson@fwa.gov.au)

## Fair Work (Registered Organisations) Act 2009 Legislation Fact Sheet

### Diagrammatic Summary of Financial Reporting Time-lines

Financial reports are to be lodged with FWA within 6½ months of end of financial year by completing the steps as outlined below.

See Fact Sheet 8 for an explanation of each of these steps.



**Certificate of Secretary or other Authorised Officer**

**S268 of Schedule 1B Workplace Relations Act 1996**

I Michael Thomson being President of the University of Sydney NTEU Branch certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the RAO Schedule ; and
- That the full report, was provided to members on 3 June 2009; and
- That the full report was presented to a general meeting of members of the reporting unit on 25 June 2009; in accordance with section 266 of the RAO Schedule.

Signature

*Michael Thomson*

Date

25 June 2009

***NATIONAL TERTIARY  
EDUCATION INDUSTRY UNION***

***UNIVERSITY OF SYDNEY***

***BRANCH***

***Financial Statements for the year ended  
30 June 2005***

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2005**

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**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**OPERATING REPORT  
FOR THE YEAR ENDED 30 JUNE 2005**

**Principal Activities**

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

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

**Results of Principal Activities**

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

**Significant Changes in the Nature of Principal Activities**

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

**Significant Changes in the Union's Financial Affairs**

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 1,732 (2004 – 1,683).



**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**OPERATING REPORT  
FOR THE YEAR ENDED 30 JUNE 2005 (Continued)**

**Number of employees**

The number of persons who were, at the end of the financial year, employees of the Branch was 1.6 employees measured on a full time equivalent basis.

**Members of the committee of management**

The persons who held office as members of the Committee of Management of the Union at the end of the 2008 financial year were:

President	Michael Thomson
Vice-President (Academic)	Suzanne Jamieson
Vice-President (General)	Martin Hesse
Branch Secretary	Rachel Moerman
Committee Member	Marian Baird
Committee Member	Donna Baker
Committee Member	Richard Black
Committee Member	Mel de Silva
Committee Member	Charlotte Long
Committee Member	Stuart Rosewarne
Committee Member	Toni Schofield
Committee Member	Murray Thomson
Committee Member	Ariadne Vromen
Committee Member	Richard White
Committee Member	Leona Oliver

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**OPERATING REPORT  
FOR THE YEAR ENDED 30 JUNE 2005 (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 Branch Secretary or Branch Secretary provided that:
- (a) 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 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 Branch 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 Branch
    - (i) on the day on which the notice is received by the Branch; 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 Branch; 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 Branch in a court of competent jurisdiction, as a debt due to the Branch.
- 11.4 A notice delivered to the Branch Secretary or Branch Secretary shall be taken to have been received by the Union when it was delivered.
- 11.5 A notice of resignation that has been received by the Branch 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 affected in accordance with this rule if the member is informed in writing by or on behalf of the Branch 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 Branch.

Name: Michael Thomson

Title: Branch President

Signature:

*Michael Thomson*

Date:

*1/6/09*

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT**

**FOR THE YEAR ENDED 30 JUNE 2005**

On 1/6/2009 the Committee of Management of the National Tertiary Education Industry Union University of Sydney 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 2005:

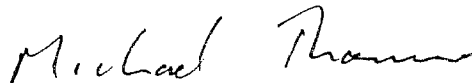
The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - i. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of the Branch concerned; and
  - ii. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a Branch concerned: and
  - iii. the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - iv. where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
  - v. the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
  - vi. there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
- (f) during the financial year, the Branch did not partake in any recovery of wages activity.

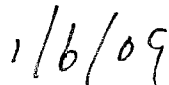
Name: Michael Thomson

Title: Branch President

Signature:



Date:



**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**INCOME STATEMENT**

**FOR THE YEAR ENDED 30 JUNE 2005**

	NOTE	2005 \$	2004 \$
<b>Revenue from ordinary activities:</b>			
Subscriptions		297,256	224,931
Other	2	<u>23,830</u>	<u>15,489</u>
<b>Total revenue from ordinary activities</b>		<u>321,086</u>	<u>240,420</u>
<b>Expenses from ordinary activities:</b>			
Accounting and audit fees		12,250	6,780
Bank charges		289	268
Catering		1,926	4,172
Depreciation		2,201	3,477
Insurance		1,844	1,337
Leases		496	4,263
NSW Division		-	7,300
Printing and stationery		13,492	14,311
Repairs and maintenance		-	317
Telephone		1,007	5,605
Time Release		321	12,889
Travel		6,769	6,612
Employment costs		110,873	131,700
Other		<u>19,068</u>	<u>2,079</u>
<b>Total expenses from ordinary activities</b>		<u>170,536</u>	<u>201,110</u>
<b>Net operating surplus</b>		<u>150,550</u>	<u>39,310</u>

The accompanying notes form part of these financial statements.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**BALANCE SHEET**

**FOR THE YEAR ENDED 30 JUNE 2005**

	NOTE	2005 \$	2004 \$
<b>CURRENT ASSETS</b>			
Cash assets	3	504,093	337,516
Receivables	4	1,530	8,340
Investments	5	<u>13,000</u>	<u>13,000</u>
<b>TOTAL CURRENT ASSETS</b>		<u>518,623</u>	<u>358,856</u>
<b>NON CURRENT ASSETS</b>			
Plant & Equipment	6	<u>-</u>	<u>6,469</u>
<b>TOTAL NON CURRENT ASSETS</b>		<u>-</u>	<u>6,469</u>
<b>TOTAL ASSETS</b>		<u>518,623</u>	<u>365,325</u>
<b>CURRENT LIABILITIES</b>			
Payables & accruals	7	19,569	14,139
Provisions	8	<u>7,269</u>	<u>9,950</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>26,838</u>	<u>24,089</u>
<b>TOTAL LIABILITIES</b>		<u>26,838</u>	<u>24,089</u>
<b>NET ASSETS</b>		<u>491,785</u>	<u>341,235</u>
<b>EQUITY</b>			
Accumulated surplus	9	<u>491,785</u>	<u>341,235</u>
<b>TOTAL SURPLUS</b>		<u>491,785</u>	<u>341,235</u>

The accompanying notes form part of these financial statements.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**STATEMENT OF RECOGNISED INCOME AND EXPENSE**

**FOR THE YEAR ENDED 30 JUNE 2005**

	NOTE	2005 \$	2004 \$
<b>ACCUMULATED SURPLUS</b>			
Balance at start of the period		341,235	301,925
Surplus for the period		<u>150,550</u>	<u>39,310</u>
Balance at end of period	9	<u><u>491,785</u></u>	<u><u>341,235</u></u>

The accompanying notes form part of these financial statements.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 30 JUNE 2005**

	NOTE	2005 \$	2004 \$
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Capitation fees		304,651	310,999
Interest received		23,245	15,429
Other income		-	60
		<hr/>	<hr/>
<b>Payments</b>			
Cash payments in the course of operations		161,319	259,856
Interest paid		-	4,531
		<hr/>	<hr/>
<b>Net cash flows from operating activities</b>	10	<hr/> 166,577	<hr/> 62,101
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		-	12,244
		<hr/>	<hr/>
<b>Net cash flows from financing activities</b>		-	12,244
		<hr/>	<hr/>
<b>Net increase in cash held</b>		166,577	74,345
<b>Cash at the beginning of the financial year</b>		<hr/> 337,516	<hr/> 263,171
<b>Cash at the end of the financial year</b>	3	<hr/> <u>504,093</u>	<hr/> <u>337,516</u>

The accompanying notes form part of these financial statements.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2005**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Basis of Preparation**

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

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

**(a) Revenue Recognition**

**(i) Membership Capitation Fee**

The membership capitation fee revenue represents 0.23% of members' salary. The dues are collected by the Branches and remitted to the Branch by the middle of the month after they fall due and at this point recognised in the Branch's accounts.

**(ii) Other Revenue**

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

**(b) Income Tax**

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

**(c) Cash Flows**

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

**(d) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Payables are stated with the amount of GST included.



**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2005**

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

**(e) Allocation of Current and Non-Current**

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

(a) it is expected to be settled in the entity's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within twelve months after the reporting date; or

(d) the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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

	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
<b>2. REVENUE FROM ORDINARY ACTIVITIES</b>		
<b>Other revenue</b>		
Interest received	23,245	15,429
Other Revenue	585	60
Total revenue from operating activities	<u>23,830</u>	<u>15,489</u>
<b>3. CASH ASSETS</b>		
Cash on hand	236	301
Cash at bank	161,360	185,556
Term deposit	342,497	151,659
	<u>504,093</u>	<u>337,516</u>
<b>4. RECEIVABLES</b>		
Debtors	-	1,541
Loan- Solidarity Fund	1,530	6,799
	<u>1,530</u>	<u>8,340</u>
<b>5. INVESTMENTS</b>		
Reserve bank stock	13,000	13,000
	<u>13,000</u>	<u>13,000</u>
<b>6. PLANT &amp; EQUIPMENT</b>		
Office furniture and equipment	-	46,981
Less accumulated depreciation	-	(40,512)
Total Plant & Equipment	<u>-</u>	<u>4,649</u>
<b>7. PAYABLES &amp; ACCRUALS</b>		
GST payable	5,511	4,632
Accruals	14,058	9,507
	<u>19,569</u>	<u>14,139</u>

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2005**

**8. PROVISIONS**

Provision for payroll tax	610	1,353
Provision for superannuation	7,264	9,202
Provision for income tax	(605)	(605)
	<u>7,269</u>	<u>9,950</u>

**9. ACCUMULATED SURPLUS**

Balance at beginning of period	341,235	301,925
Surplus for period	150,550	39,310
Balance at end of period	<u>491,785</u>	<u>341,235</u>

**10. CASH FLOW INFORMATION**

Reconciliation of net operating surplus to net cash flows from operating activities:

Net operating surplus	<u>150,550</u>	<u>39,310</u>
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Non-cash flows in profit from Ordinary Activities:

Depreciation	2,201	3,477
Changes in assets and liabilities:		
Increase / (decrease) in payables	5,430	10,915
Increase / (decrease) in provision	(2,681)	8,095
(Increase) / decrease in receivables	6,810	304
(Increase) / decrease in plant & equipment	4,267	-
Net cash flows from operating activities	<u>166,577</u>	<u>62,101</u>

**11. RELATED PARTY INFORMATION**

**Remuneration of key management personnel**

Income received or due and receivable by key management personnel of the Branch

<u>-</u>	<u>-</u>
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**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2005**

**12. FINANCIAL INSTRUMENTS**

**12.1 Terms, conditions and accounting policy**

**12.1.1 Financial Assets**

Recognised Financial Instruments	Note	Accounting Policy	Terms and Conditions
Cheque Account	3	Valued at cost. Interest recognised as it accrues.	The rate at balance date was 0.5%.
Payables	7	Liabilities are recognised for amounts to be paid in the future for goods received and services provided to the branch as at balance date whether or not invoices have been received	General creditors are unsecured, not subject to interest charges and are normally settled within 30 days on invoice

**12.2 Interest Rate Risk**

The Branch's exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities at balance date are as follows:

	Note	2005		Non Interest Bearing	Carrying Amount \$	Weighted Average Interest Rate %
		Fixed Interest Rate \$	Floating Interest Rate \$	\$		
<b>Financial assets</b>						
Cash assets	3	342,497	161,360	236	504,093	3.84%
Receivables	4	-	-	1,530	1,530	
<b>Total</b>		<b>342,497</b>	<b>161,360</b>	<b>1,766</b>	<b>505,623</b>	
<b>Financial Liabilities</b>						
Payables	7	-	-	19,569	19,569	
<b>Total</b>		<b>-</b>	<b>-</b>	<b>19,569</b>	<b>19,569</b>	

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2005**

**12. FINANCIAL INSTRUMENTS (CONT'D...)**

**12.2 Interest Rate Risk (Cont'd...)**

	Note	Fixed Interest Rate \$	2004 Floating Interest Rate \$	Non Interest Bearing \$	Carrying Amount \$	Weighted Average Interest Rate %
<b>Financial assets</b>						
Cash assets	3	151,659	185,556	301	337,516	2.97%
Receivables	4	-	-	8,340	8,340	
<b>Total</b>		<b>151,659</b>	<b>185,556</b>	<b>8,641</b>	<b>345,856</b>	
<b>Financial Liabilities</b>						
Payables	7	-	-	14,139	14,139	
<b>Total</b>		<b>-</b>	<b>-</b>	<b>14,139</b>	<b>14,139</b>	

**12.3 Net Fair Value**

The aggregate fair values of financial assets and liabilities as at balance date are as follows:

	Note	Total Carrying Amount as per Balance sheet \$	Aggregate Net Fair Value \$
<b>2005</b>			
<b>Financial Assets</b>			
Cash assets	3	504,093	504,093
Receivables	4	1,530	1,530
<b>Total Financial Assets</b>		<b>505,623</b>	<b>505,623</b>
<b>Financial Liabilities</b>			
Payables	7	19,569	19,569
<b>Total Financial Liabilities</b>		<b>19,569</b>	<b>19,569</b>

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
UNIVERSITY OF SYDNEY BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2005**

**12. FINANCIAL INSTRUMENTS (CONT'D...)**

**12.3 Net Fair Value (Cont'd...)**

	2004		
	Note	Total Carrying Amount as per Balance sheet \$	Aggregate Net Fair Value \$
<b>Financial Assets</b>			
Cash assets	3	337,516	337,516
Receivables	4	8,340	8,340
<b>Total Financial Assets</b>		<b>345,856</b>	<b>345,856</b>
<b>Financial Liabilities</b>			
Payables	7	14,139	14,139
<b>Total Financial Liabilities</b>		<b>14,139</b>	<b>14,139</b>

**13. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provision of subsections (1), (2) and (3) of section 272 of Schedule 1B – Registration of accountability of Organisations which reads as follows:

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

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

Level 5, 30 Collins Street  
Melbourne Victoria 3000  
TELEPHONE +61 3 9654 0100  
FACSIMILE +61 3 9654 0122  
www.dfkcollins.com.au

**Scope**

*The financial report and Executive Committee's responsibility*

The financial report comprises the income statement, balance sheet, cash flow statement, statement of changes in equity, accompanying notes to the financial statements, and the Executive Committee's statement of the National Tertiary Education Industry Union- University of Sydney Branch for the year ended 30 June 2005.

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

*Audit approach*

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

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia and the Workplace Relations Act 1996, a view which is consistent with our understanding of the Union's financial position, and of its performance as represented by the results of its operations and the cash flows.

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

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

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


**Independence**

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

**Audit Opinion**

In our opinion, the financial report of National Tertiary Education Industry Union- University of Sydney Branch presents a true and fair view in accordance with applicable Accounting Standards and other mandatory professional requirements in Australia and the Workplace Relations Act 1996 the financial position of National Tertiary Education Industry Union- University of Sydney Branch as at 30 June 2005, and the results of its operation and its cash flows for the year then ended.

  
DFK Collins  
Chartered Accountants

  
Simon Bragg, A.C.A.  
Partner  
Registered Company Auditor, Registration Number: 291536

Melbourne

Date 2 June 2005



# Fair Work Australia

6 July 2009

Grahame McCulloch  
General Secretary, National Tertiary Education Industry Union  
PO Box 1323  
South Melbourne VIC 3205  
By email: [nteunat@nteu.org.au](mailto:nteunat@nteu.org.au)

cc: Jenny Savage  
National Finance Coordinator, National Tertiary Education Industry Union  
By email: [jsavage@nteu.org.au](mailto:jsavage@nteu.org.au)

cc: Michael Thompson  
President, National Tertiary Education Industry Union Sydney University Branch  
By email: [nteu@nteu.usyd.edu.au](mailto:nteu@nteu.usyd.edu.au)

Dear Mr McCulloch

## **Financial reports of the NTEU Sydney University branch for the financial years ended 30 June for 2005, 2006, 2007 and 2008 (FR2005/388, FR2006/309, FR2007/359 & FR2008/439)**

I acknowledge receipt of the financial reports of the Sydney University Branch of the National Tertiary Education Industry Union for the financial years ended 30 June 2005, 30 June 2006, 30 June 2007 and 30 June 2008. The documents were lodged in the Industrial Registry on 29 June 2009.

I have examined the financial reports and two matters need to be addressed before the reports can be filed.

### **Auditor's Opinion**

As advised in the email from Kevin Donnellan of this office, sent 2 July 2009, section 257(5) of the RAO Schedule required the auditor to express an opinion as to whether the reports are presented fairly. As advised, new audit reports need to be prepared and lodged.

This requirement has not changed under the *Fair Work (Registered Organisations) Act 2009* (RO Act) and in future years auditors are required to express an opinion as to whether the reports have been presented fairly.

### **Operating Report: Committee of Management lists**

Regulation 159 of the RAO Schedule to the WR Act required that the Operating Report provide the name of each person who was a member of the committee of management at any time during the reporting period, and the period for which he or she held office.

I note that Operating Reports for the financial years ended 30 June 2005, 2006 and 2007 disclose the names of the members of the Committee of Management at the end of the 2008 financial year. I also note that the Operating Report for 2008 discloses the names of the committee members at the start of the financial year, but does not disclose the names of other committee members elected or appointed during the financial year nor the periods for which the offices were held. Instead the names of the Committee members during each financial year and the period for which each person held office are required to be disclosed.

For the financial years ended 30 June 2005, 2006, 2007 and 2008 please provide the name of each person who was a member of the committee of management of the Sydney University branch of the NTEU at any time during the relevant financial year and identify for each person the period for which he or she held office.

This and other requirements regarding Operating Reports have not changed under the RO Act and its regulations and need to be satisfied in future years.

If you have any queries, I can be contacted on 03 8661 7929 or by email on:

[eve.anderson@fwa.gov.au](mailto:eve.anderson@fwa.gov.au)

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Eve Anderson', followed by a long horizontal line extending to the right.

Eve Anderson  
Tribunal Services and Organisations  
Fair Work Australia  
Tel: 03 86617929  
Email: [eve.anderson@fwa.gov.au](mailto:eve.anderson@fwa.gov.au)



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

**Scope**

***The general purpose financial report and Executive Committee's responsibility***

The general purpose financial report comprises the income statement, balance sheet, cash flow statement, statement of changes in equity, accompanying notes to the financial statements, and the Executive Committee's statement of the National Tertiary Education Industry Union- University of Sydney Branch for the year ended 30 June 2005.

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

***Audit approach***

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

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia and the Workplace Relations Act 1996, a view which is consistent with our understanding of the Union's financial position, and of its performance as represented by the results of its operations and the cash flows.

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

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

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

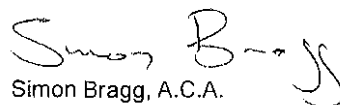
**Independence**

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

**Audit Opinion**

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

  
DFK Collins  
Chartered Accountants

  
Simon Bragg, A.C.A.  
Partner  
Registered Company Auditor, Registration Number: 291536

Melbourne

8 July 2009

**University of Sydney Branch Committee June 30 2004**

<b>NAME</b>	<b>POSITION</b>
Michael Thomson	President
VACANT	Secretary
Ian Maxwell	Vice-President Academic
VACANT	Vice-President General
Leona Charles	Ordinary Committee Member (Indigenous)
Christine Mumbulla	Ordinary Committee Member (Indigenous)
VACANT	Ordinary Committee Member (Academic)
Melissa Slee	Ordinary Committee Member (General)
Richard Lynn Black	Ordinary Committee Member
Barbara Chmielewski	Ordinary Committee Member
Rae Cooper	Ordinary Committee Member
Jacklin E. Fisher	Ordinary Committee Member
Stuart Rosewarne	Ordinary Committee Member
Ros Bohringer	Ordinary Committee Member

**University of Sydney Branch Committee (elected as of October 2004)**

<b>NAME</b>	<b>POSITION</b>
Michael Thomson	President
Kathleen Howard	Secretary (resigned 31/07/2005)
Marian Pam Baird	Vice-President Academic
Melissa Mary Slee	Vice-President General
Leona Charles	Ordinary Committee Member (Indigenous)
Christine Mumbulla	Ordinary Committee Member (Indigenous)
Rachel Moerman	Ordinary Committee Member (General)
Richard Lynn Black	Ordinary Committee Member
Isabel Ann Karpin	Ordinary Committee Member
Raymond Hilton Kennedy	Ordinary Committee Member
Rebecca Angela Plumbe	Ordinary Committee Member
Stuart Rosewarne	Ordinary Committee Member
Kathleen Scott	Ordinary Committee Member
Richard White	Ordinary Committee Member