



**Australian Government**  
**Australian Industrial Registry**

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Mr B Astbury  
Branch President  
National Tertiary Education Industry Union  
University of Southern Queensland Branch  
NTEU Office  
Room T230 (Business Annex)  
University of Southern Queensland  
West Street  
TOOWOOMBA QLD 4350

Dear Mr Astbury

**Re: Schedule 1B of the Workplace Relations Act 1996 (Schedule 1B)  
Financial reports for year ended 30 June 2005 - FR 2005/393**

Reference is made to the financial reports of the University of Southern Queensland Branch of the National Tertiary Education Industry Union for the year ended 30 June 2005. The documents were lodged in the Industrial Registry on 22 December 2005.

The financial documents have been filed.

I direct your attention to the following comments concerning the above reports and the financial reporting obligations under Schedule 1B. Please note that these matters are advised for assistance in the future preparation of financial reports. No further action is required in respect of the subject documents.

**1. Operating Report**

(a) I note that paragraphs 1 to 4 of the operating report provide information that was previously required to be provided in the accounting officer's certificate by section 273(2) of the *Workplace Relations Act 1996* and regulation 109(1)(a) of the *Workplace Relations Regulations*. There is no requirement under Schedule 1B for such information to be provided in the operating report.

**(b) Right of members to resign:**

Subsection 254(2)(c) of Schedule 1B requires the operating report to "give details" of the right of members to resign from the reporting unit under section 174 of Schedule 1B. The requirement may be met by the inclusion of a statement that a member has the right to resign and a reference to the relevant rule, which makes such provision. Alternatively, the complete text of the relevant resignation rule may be reproduced in the report. I note that the operating report does not provide the complete text of the resignation rule.

**2. Committee of Management Statement**

**Consistency with other reporting units**

This area of the Committee of Management Statement relates to Item 17(e)(iv) of the Registrar's Reporting Guidelines. Your Branch's Committee's statement at paragraph (e)(iv) provides, in part, that: "the organisation consists of only one reporting unit ...". Subsection 242(3) of Schedule 1B provides, in part, that where an organisation is divided into branches, each branch will be a reporting unit.

### **3. Statement of financial performance (profit and loss statement)**

#### **(a) Donations**

The reporting guidelines made under section 255 of the RAO Schedule prescribe certain disclosure requirements in addition to those prescribed by Australian Accounting Standards. In relation to donations item 11(f) of the guidelines reads:

“(f) grants or donations”

I have noted that the statement of financial performance (the profit and loss statement) includes an item shown as “Subscriptions/Donations” as an expense from ordinary activities.

Future financial reports should show separate amounts paid as grants or donations as required by the reporting guidelines.

#### **(b) Salaries**

Items 11(g) and (h) of the guidelines read:

“(g) *employee benefits to holders of office of the reporting unit;*

(h) employee benefits to employees (other than holders of offices) of the reporting unit;”

I have noted that the statement of financial performance includes an item shown as “Wages – BEO/Recruiting” as an expense from ordinary activities.

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

### **4. Notice to members**

I note that the notice to members reproduces 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 Schedule 1B. Would you please ensure those subsections are copied into the General Purpose Financial Report in the next financial report of the Branch.

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

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).

**Electronic Lodgement**

I encourage you to take advantage of the electronic lodgement service provided by the Registry for future lodgements. You may register as a user and then lodge your documents via the Electronic Lodgement page of the AIRC website at [www.airc.gov.au](http://www.airc.gov.au). Alternatively, you may send an email with the documents attached to [riateam3@air.gov.au](mailto:riateam3@air.gov.au)

Yours sincerely,

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

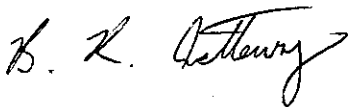
Larry Powell  
Statutory Services Branch

10 March 2006

**Certificate of Secretary or other Authorised Officer'**s268 of Schedule 1B *Workplace Relations Act 1996*

I Bradley Kenneth Astbury being the President of the NTEU USQ 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 23 November 2005; and
- that the full report was presented to a general meeting of members of the reporting unit on 15 December 2005; in accordance with section 266 of the RAO Schedule.



Date: 15 December 2005

**National Tertiary Education Union  
U.S.Q. Branch  
General Purpose Financial Report for the Year Ended  
30 June 2005**

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**National Tertiary Education Union  
U.S.Q. Branch  
Statement of Financial Performance  
For the Year Ended 30 June 2005**

	NOTES	2005 \$	2004 \$
<b>Income</b>			
Branch Capitation Income	1b	16,940.39	15,687.65
Interest		3,513.80	2,657.55
NTEU – National Office Recruiting Grant		0.00	7,289.00
Sundry Income		9.09	45.45
<b>Total Branch Income</b>		<u>20,463.28</u>	<u>25,679.65</u>
<b>Expenditures</b>			
Accounting & Audit Fees		349.95	140.00
Advertising		300.00	0.00
APHEDA	1b	0.00	81.00
Bank Charges and Debits Tax		106.40	86.55
Commission paid to USQ – payroll deductions		415.97	407.26
Conference Attendance		728.73	1,750.91
Meeting & Training Costs		82.85	182.46
Office Expenses (Stationery, Printing, Postage)		452.09	679.40
Promotional / Organising Costs		137.98	667.75
Strike Expenses			802.89
Subscriptions / Donations		440.91	240.91
Sundry		32.83	107.87
Travel			560.90
Wages – BEO / Recruiting		13,085.18	17,744.13
Workload Project		0.00	1,990.91
		<u>16,132.89</u>	<u>25,442.94</u>
<b>SURPLUS OF INCOME OVER EXPENDITURES</b>		<u>4,330.39</u>	<u>236.71</u>

**National Tertiary Education Union  
U.S.Q. Branch  
Statement of Financial Position  
As at 30 June 2005**

	NOTES	2005 \$	2004 \$
<b>Members' Funds</b>			
Accumulated Funds - Beginning of Year		72,624.02	72,387.31
Surplus of Income for the year		4,330.39	236.71
<b>Accumulated Funds Year End</b>		<u>76,954.41</u>	<u>72,624.02</u>
<b>Represented by:</b>			
<b>Current Assets</b>			
Cash	2(a)	72,235.55	64,597.12
Accounts Receivable	3	5,206.95	12,841.19
<b>Total Assets</b>		<u>77,442.50</u>	<u>77,438.31</u>
<b>Less Current Liabilities</b>			
Accounts Payable	4	488.09	4,814.29
Borrowings	5	0.00	0.00
<b>Total Liabilities</b>		<u>488.09</u>	<u>4,814.29</u>
<b>Net Assets</b>		<u>76,954.41</u>	<u>72,624.02</u>

**National Tertiary Education Union  
U.S.Q. Branch  
Statement of Cash Flows  
For Year Ended 30 June 2005**

	NOTES	2005 \$	2004 \$
<b>Cash flows from operating activities:</b>			
Receipts from members & others		27,591.89	35,690.78
Payments to suppliers, affiliated bodies and employees		(23,467.26)	(48,681.25)
Interest received		3,513.80	2,657.55
Net Cash provided (used) by operating activities	2 (b)	<u>7,638.43</u>	<u>(10,332.92)</u>
<b>Cash flows from investing activities:</b>			
Payment for property, plant and equipment			
Proceeds from sale of property, plant and equipment			
Net cash used in investing activities		0.00	0.00
<b>Cash flows from financing activities</b>			
Proceeds from borrowings			
Repayment of borrowings			
Net cash used in financing activities		0.00	0.00
Net increase (decrease) in cash held		<u>7,638.43</u>	<u>(10,332.92)</u>
Cash at the beginning of the financial year		64,597.12	74,930.04
Cash at the end of the financial year	2(a)	<u><u>72,235.55</u></u>	<u><u>64,597.12</u></u>



**National Tertiary Education Union  
U.S.Q. Branch  
Notes to and forming part of the Financial Statements  
For Year Ended 30 June 2005**

**1 Statement of Significant Accounting Policies**

In order to assist in an understanding of the figures presented, the following summarises the significant policies that have been adopted in the preparation of these financial statements.

**a. Basis of Preparation**

The financial statements have been prepared in accordance with the requirements of the Workplace Relations Act, 1996. The accounts have been prepared on the basis of historical costs and do not take into account changing money values, or except where stated, current valuations of non-current assets. The accounts have been prepared on an accrual basis.

**b. Capitation / Membership Dues and the Goods and Services Tax**

During the year further steps were taken towards the centralisation of the administration of the financial affairs of the branch by the national office in Melbourne. In accordance with the *A New Tax System (Goods and Services Tax) Act 1999*, GST is levied on members fees. Under the new financial arrangements, USQ payroll deductions of membership dues are collected by the national office of the NTEU (not by the local branch) and they are responsible for the GST collected each month. As a result of these arrangements, the national office now remits to the branch (and the division office) their share of the membership dues and pays the monthly APHEDA deductions included in some members' payroll deductions. The branch claims any input tax credits it is entitled to from the National Office. As a result of these arrangements, the accounts do not include the usual GST Payable or GST Receivable accounts, but the amount of GST Receivable at the end of the financial year is included in accounts receivable, being shown separately in Note 3.

In the first two months of the year ended June 2004 (the comparative year presented in this financial report) and in financial years prior to this, the USQ Branch of the NTEU received the payroll deductions made at USQ and deposited these amounts to its bank account. The Branch collected the GST on the member fees and this amount, less any input tax credits available to the Branch, was remitted to the National Office of the NTEU each month, which remitted the GST on a monthly basis to the Australian Tax Office. Further, the Branch also remitted the APHEDA payments and the shares of the member fees owing to the National Office and Queensland Division each month. As a result of the changes to the financial arrangements described above, the reported cash flows of the Branch are now significantly lower than in previous financial years. The Branch now receives only its share of member fees and makes payments for expenditures incurred in its operations.

**National Tertiary Education Union  
U.S.Q. Branch  
Notes to and forming part of the Financial Statements (cont.)  
For Year Ended 30 June 2005**

**b. Capitation / Membership Dues and the Goods and Services Tax (cont.)**

The amounts included in the Statement of Financial Performance are shown net of the GST. The amounts included in the Statement of Financial Position as receivables and payables, to which GST applies, are shown at their gross value (i.e. including GST). All other amounts included in the Statement of Financial Position are shown net of the GST. The cash flows included in the cash flows from operating activities section of the Statement of Cash Flows are shown at their gross value.

**c. Income Tax**

No liability exists for income tax as the Association is exempt from income tax under section 23(f) of the Income Tax Assessment Act.

**2 Cash Flow Information****a. Reconciliation of cash**

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

	2005	2004
	\$	\$
Cash on Hand - Petty Cash	100.00	100.00
Cash at Bank	4,422.36	2,497.12
Cash in Short Term Interest Bearing Deposits	67,713.19	62,000.00
	<u>72,235.55</u>	<u>64,597.12</u>

**b. Reconciliation of surplus of income to net cash provided by operating activities**

	2005	2004
	\$	\$
Surplus of Income for the year	4,330.39	236.71
Changes in Assets and Liabilities		
Increase (Decrease) in Payables	(4,326.20)	(4,445.39)
Decrease (Increase) in Receivables	7,634.24	(6,124.24)
Net Cash provided (used) by operating activities	<u>7,638.43</u>	<u>(10,332.92)</u>

**National Tertiary Education Union  
U.S.Q. Branch  
Notes to and forming part of the Financial Statements (cont.)  
For Year Ended 30 June 2005**

**3 Current Assets: Accounts Receivable**

	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
NTEU Qld Division	1,386.56	1,357.77
NTEU National Office	3,412.89	3,610.82
NTEU National Office – GST (input tax credits)	407.50	583.60
NTEU National Office – Recruiting Grant	0.00	7,289.00
<b>Total Accounts Receivable</b>	<b><u>5,206.95</u></b>	<b><u>12,841.19</u></b>

**4 Current Liabilities: Accounts Payable**

	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>
USQ – Commission on payroll	245.08	520.48
NTEU National Office – BEO Conference	0.00	447.53
NTEU National Office – BEO wages	243.01	3,846.28
<b>Total Accounts Payable</b>	<b><u>488.09</u></b>	<b><u>4,814.29</u></b>

**5 Borrowings**

The U.S.Q. Branch of the National Tertiary Education Union has no borrowings of any kind, nor does it have borrowing facilities in place.

**National Tertiary Education Union  
U.S.Q. Branch  
Notes to and forming part of the Financial Statements (cont.)  
For Year Ended 30 June 2005**

**6 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 provisions of Sub-Sections (1), (2) and (3) of Section 272, which read 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 Sub-Section (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is 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 member.

**National Tertiary Education Union  
U.S.Q. Branch  
For Year Ended 30 June 2005**

**Operating Report**

I, Geoff Cockfield, being the Officer responsible for keeping the accounting records of the National Tertiary Education Union, certify that as at 30 June 2005,

1. The attached financial statements show a true and fair view of the financial affairs of the Branch as at 30 June 2005.
2. A record has been kept of all monies paid by, or collected from, members of the Branch and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the Branch.
3. Before any expenditure was incurred by the Branch, approval of the incurring of the expenditure was obtained in accordance with the rules of the Branch.
4. With regard to funds of the Branch raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated.
5. The number of members in the Branch was 223.
6. The Branch Organiser works .5 in the Branch office. The Branch contributes 8/18 of the Organiser's wage with the remaining being paid by the Queensland Division of the NTEU. From January 2005 the administration of the Organisers wages moved from the Queensland to the National offices of the Union. From January 2005, the Branch had its account directly debited to meet wage costs when they are paid. Up until this date the Branch met its wages contribution when it was invoiced by the Division in the month after the payments has been made.
7. No official of the Branch holds the position of superannuation trustee.
8. No loans were granted to persons holding office in the Branch.
9. The branch appoints Mr N.A Hughes of EFM Consultancy Services, as the auditor of the Branch's 2004/5 accounts.

10. The principle activities of the branch continued to be advising and representing members of the NTEU at USQ on industrial matters in individual disputes, improving on members pay and conditions through enterprise bargaining negotiations at USQ and maintaining the Branch's ability to represent members at USQ through Union recruitment activity. There were no significant changes in principle activities from the previous reporting period.

Throughout 2004/5 the Branch was actively negotiating with USQ for a new Enterprise Agreement. A negotiated package was put to members at a general meeting of members on April 7<sup>th</sup> 2005. The package about to go to a ballot of all staff at USQ when the Federal Government announced its Higher Education Workplace Relation Requirements (HEWRR's) which has imposed further conditions on the University in order to access funds. USQ requested further negotiations with the Union in order to meet the HEWRR's. These negotiations were occurring as at the 30 June 2005. While negotiations over the last 2 years have led to significant improvements in conditions these are yet to be in a certified agreement. It is expected a certified agreement will be achieved by November 2005.

The Branch has advised scores of members over the period in relation to their entitlements. The Union has accompanied a number of these members to meetings and assisted them in disputes. The Union has been involved in facilitating Organisational changes at USQ. The Branch also has representatives on appropriate University committees and plays an active role in the development of University programs and policies.

11. The branch committee comprised of Brad Astbury (President), Annette Nanka (Secretary), Caroline Hamlyn (Vice President General), Raymond Hingst (Vice President Academic), Geoff Cockfield (Treasurer), Phillip Dreise (Indigenous Representative) Peter Birnie, Ian Eddington, Simon Fry, Andrea Lamont-Mills, Kevin McDougall, Tony Rossi, Sheila King, Shirley Tyler, Deborah McLachlan and John Searle.
12. Members attention is drawn to rule 11 of the NTEU Rules deals with member resignation from the Union. The rule states:

***11 – Resignation from Membership***

*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.*

13. During the financial year the following changes occurred with the Branches financial affairs

- a. The dues for Branch members rose from .96% to 1% of salary in April 2005 in line with the NTEU National Council resolution.
- b. The Branch's account is now being directly debit at the time of wage payments for the Branch Organiser.

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



Name: Geoff Cockfield

Date: 18 November 2005

**National Tertiary Education Union  
U.S.Q. Branch  
For Year Ended 30 June 2005**

**Committee Of Management Statement**


On 18 November 2005 the Committee of Management of National Tertiary Education Union University of Southern Queensland 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 and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned;
  - (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;
  - (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 organisation consists of only one reporting unit with no requests made under Sections 272 and no orders made under section 273 of the RAO Schedule.

For Committee of Management: Geoff Cockfield

Title of Office held: Treasurer

Signature: 

Date: 18 November 2005



**National Tertiary Education Union  
U.S.Q. Branch**

**Independent Audit Report**

To the members of the National Tertiary Education Union

**SCOPE**

I have audited the financial accounts of the National Education Union U.S.Q. Branch for the year ended 30 June 2005 as set out on pages 2 to 7. The Union's Committee of Management and Accounting Officer are responsible for the preparation and presentation of the financial accounts and the information they contain. I have conducted an independent audit of these financial accounts in order to express an opinion on them to the members of the Union.

My audit has been conducted with Australian Auditing Standards to provide reasonable assurance as to whether the financial accounts are free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial accounts, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial accounts are presented fairly in accordance with Australian accounting concepts and standards and statutory requirements so as to present a view of the National Tertiary Education Union, U.S.Q. Branch, which is consistent with my understanding of its financial position and the results of its operations. No recovery of wages activity was undertaken by the reporting unit.

The audit opinion expressed in this report has been formed on the above basis.

**AUDIT OPINION**

I have received all the information and explanations I required for the purposes of my audit.

In my opinion:

1. There were kept by the Union, in respect of the year under review, satisfactory accounting records detailing the sources and nature of the income of the Union (including income from members) and the nature and purposes of expenditure; and

**National Tertiary Education Union  
U.S.Q. Branch**

**Independent Audit Report  
(Continued)**

2. 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. The accounts set out on pages 2 to 7 have been prepared from the accounting records of the Union and are properly drawn up so as to give a true and fair view of:
- (a) the financial affairs of the Union as at 30 June 2005; and
  - (b) the income and expenditure and surplus of the Union for the year ended on that date,
- and are in accordance with Statements of Accounting Concepts and applicable Accounting Standards.

N. A. Hughes B Com, PhD, CPA  
Principal EFM Consultancy Services  
Auditor

*n. a. Hughes*

23<sup>rd</sup> November 2005