



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 M. McGowan
Division Secretary
National Tertiary Education Industry Union
Victorian Division
PO Box 1324
SOUTH MELBOURNE VIC 3205

Dear Mr. McGowan

**Re: Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule)
Financial reports for year ended 30 June 2005 - FR 2005/395**

Reference is made to the financial reports of the Victorian Division of the National Tertiary Education Industry Union for the year ended 30 June 2005. The documents were lodged in the Industrial Registry on 8 May 2006.

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 1. 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. Timescale Requirements

Financial reports should be prepared, audited, supplied to members, presented to a meeting and lodged in the Industrial Registry within certain timescale requirements.

From the information available, the reports were supplied to members on 30 March 2006 and presented to a Division Executive Committee meeting on 20 April 2006. Where the reports have been presented to a committee of management meeting such reports should be supplied to members of the reporting unit within 5 months after the end of the financial year – refer s265(5) of Schedule 1 and presented to the committee of management meeting within 6 months of the end of the financial year – refer s266(3).

2. Auditor's Report

It is not clear from the Report whether or not the Auditor is an approved auditor. In this regard I draw your attention to the definition of approved auditor in regulation 4 of the RAO Regulations. In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report. I recommend you draw this comment to the attention of your Auditors.

3. 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 1. Would you please ensure those subsections are copied into the General Purpose Financial Report in the next financial report of the Division.

Electronic Lodgement

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

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.

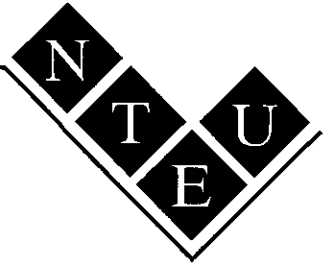
Yours sincerely,

A handwritten signature in black ink, appearing to read 'L Powell', with a large, stylized initial 'L'.

Larry Powell
Statutory Services Branch

18 May 2006

National
Tertiary
Education
Industry
Union



VICTORIAN DIVISION

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

Secretary's Certificate

I, Matthew McGowan, Victorian Division Secretary of the National Tertiary Education Industry Union certify that:

1. The auditor's report, the accounts and statements, and the certificates of the accounting officer and of the Branch Committee for the financial year ending 30 June 2005 were:
 - distributed to members free of charge on the web site 30 March 2006.
 - forwarded to members by Email on 30 March 2006.
2. The enclosed documents are copies of the auditor's report, the accounts and statements, the certificates of the accounting officer and of the Branch Committee, prepared for the Division in accordance with the Act for the financial year ending 30 June 2005 and are as presented to a meeting of the members of the Victorian Division Executive Committee on Thursday 20 April 2006.

Signed:

**Matthew McGowan
DIVISION SECRETARY**

Date: Tuesday 4 May 2006.

R:\Division\Committees\Executive\2006\April 2006\SECRETARY'S CERTIFICATE 30_06_2005.doc

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER

I, Mr Matthew McGowan, being the Division Secretary of National Tertiary Education Industry Union – Victorian Division (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 30th March 2006; and
- that the full report was presented to a meeting of the Committee of Management of the reporting unit on 23rd February 2006, in accordance with section 266 of the RAO Schedule.

Signature: 

Date: 01 March 2006

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2005

Principal Activities

The principal activities of the Division 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 Division'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 Division.

Significant Changes in the Nature of Principal Activities

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

Significant Changes in the Division's Financial Affairs

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

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

No officer of the Division 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 9,786.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

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

Number of Employees

The number of persons who were, at the end of the financial year, employees of the Division was 18.6 (including four 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 Division at the beginning of the financial year were:

Division President	Jeannie Rea
Division Vice-President (Academic)	Carol Williams
Division Vice-President (General)	Christine Holmes
Division Secretary	Matthew McGowan
Assistant Secretary	Glenis Davey
Committee Member	Phil Andrews
Committee Member	Michael Barry
Committee Member	Andrea Brown
Committee Member	Sean Cooney
Committee Member	Bill Deller
Committee Member	Jamie Doughney
Committee Member (General)	Brian Hughes
Committee Member	David Kinder
Committee Member	Geoff Leonard
Committee Member (Indigenous)	Celeste Liddle
Committee Member	Neville Millen
Committee Member	Kate Patrick
Committee Member	Jeanette Pierce
Committee Member	Neil Robinson
Committee Member (Academic)	Jeremy Smith

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

Name Matthew McGowan

Title Victorian Division Secretary

Signature 

Date: 07/03/2006

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

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

Manner of Resignation – s254(2)(c)

Members may resign from the Division 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
VICTORIAN DIVISION**

OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2005 (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
VICTORIAN DIVISION**

COMMITTEE OF MANAGEMENT STATEMENT

On 23rd February 2006, the Committee of Management of National Tertiary Education Industry Union – Victorian Division (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 2005:

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 Divisions 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 Divisions 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
VICTORIAN DIVISION**

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: Mr Matthew McGowan

Title of Office Held: Division Secretary

Signature:  _____

Date: 01 April 2006

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

**PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 30th JUNE 2005**

	2005	2004
	\$	\$
Profit / (Loss) from Ordinary Activities	1,008,575	(76,367)
Retained Profits at the beginning of the financial year	210,681	287,048
Retained Profits at the end of the financial year	<u>1,219,256</u>	<u>210,681</u>

The accompanying notes form part of these accounts.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

**BALANCE SHEET
AS AT 30th JUNE 2005**

	Note	2005 \$	2004 \$
CURRENT ASSETS			
Cash	2	380,000	394,570
Receivables	3	191,596	196,333
Other	4	33,112	12,602
TOTAL CURRENT ASSETS		604,708	603,505
NON CURRENT ASSETS			
Plant & Equipment	5	186,227	123,071
Investments	6	1,135,312	109
TOTAL NON-CURRENT ASSETS		1,321,539	123,180
TOTAL ASSETS		1,926,247	726,685
CURRENT LIABILITIES			
Creditors & Borrowings	7	481,704	296,819
Provisions	8	225,287	219,185
TOTAL CURRENT LIABILITIES		706,991	516,004
TOTAL LIABILITIES		706,991	516,004
NET ASSETS		1,219,256	210,681
MEMBERS' FUNDS			
Retained Profits		1,219,256	210,681
TOTAL MEMBERS' FUNDS		1,219,256	210,681

The accompanying notes form part of these accounts.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

**DETAILED STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30th JUNE 2005**

	Note	2005 \$	2004 \$
INCOME			
Membership Subscriptions		1,646,600	1,555,258
Interest Received		17,347	20,280
Rent Received		82,589	75,596
Other Income		8,131	48,791
Gain on revaluation of investment in the FEU Unit Trust	1(f)	1,135,203	-
		<u>2,889,870</u>	<u>1,699,925</u>
EXPENDITURE			
Accounting Fees		18,775	21,440
Affiliation Fees		37,191	39,024
Audit Fees		8,500	9,043
Bank Charges		1,033	1,445
Building Maintenance & Outgoings		147,516	93,639
Computer Expenses		765	11,073
Conference Expenses		28,702	23,784
Depreciation		31,542	37,905
Donations		-	1,074
FEU Library		11,376	16,678
FEU Outgoings -- Previous year		111,718	-
FEU Outgoings – This year		(18,404)	-
Fringe Benefits Tax		20,579	15,839
Insurance		6,079	13,591
Legal Fees		21,203	22,717
Meeting Expenses		5,687	10,078
Motor Vehicle Expenses		52,466	52,382
Payroll Tax		51,907	50,762
Postage & Couriers		7,139	7,385
Printing & Stationery		19,818	26,307
Provision for Annual Leave		9,634	14,402
Provision for Long Service Leave		(3,532)	199
Publications		21,693	25,757
Publicity		6,802	7,610
Repairs & Maintenance		170	851
Salaries - Elected Officials		76,433	67,464
Salaries - Employees		935,479	973,929
Staff Appointments		9,891	1,872
Sundry Expenses		24,240	20,376
Superannuation		189,314	146,447
Telephone & Internet		29,108	30,134
Time Release		2,219	15,023
Training		4,468	8,637
Workcover		11,784	9,425
		<u>1,881,295</u>	<u>1,776,292</u>
PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		<u>1,008,575</u>	<u>(76,367)</u>

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30th JUNE 2005**

	2005	2004
	\$	\$
	Inflows (Outflows)	Inflows (Outflows)
Cash flows from Operating Activities		
Receipts from members	1,631,450	1,479,291
Interest received	17,347	20,280
Rent Received	82,589	75,596
Other income	8,131	48,791
Payments to suppliers & employees	(1,659,280)	(1,799,344)
	-----	-----
Net cash provided by / (used in) operating activities - Note B	80,237	(175,386)
	-----	-----
Cash flows from Investing Activities		
Purchases of fixed assets	(94,807)	(12,124)
	-----	-----
Net cash (used in) investing activities	(94,807)	(12,124)
	-----	-----
Cash flows from Financing Activities	-	-
	-----	-----
Net (decrease) in cash held	(14,570)	(187,510)
	-----	-----
Cash at the beginning of the financial year	394,570	582,080
	-----	-----
Cash at the end of the financial year – Note A	380,000	394,570
	=====	=====

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

**STATEMENT OF CASH FLOWS (Continued)
FOR THE YEAR ENDED 30th JUNE 2005**

	2005	2004
	\$	\$
Note 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 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 on Hand	500	500
Cash at Bank	43,427	19,737
Interest Bearing Deposits	336,073	374,333
	380,000	394,570
	380,000	394,570

Note B Reconciliation of net cash provided by operating activities to profit / (loss) from ordinary activities

Profit / (Loss) from ordinary activities	1,008,575	(76,367)
Non-cash flows in (loss) from ordinary activities:		
Depreciation	31,542	37,905
Gain on revaluation of investment	(1,135,203)	-
Changes in Assets & Liabilities:		
(Increase) / decrease in other current assets	(15,773)	(75,967)
(Increase) / decrease in other non-current assets	109	-
Increase / (decrease) in payables	184,885	(89,208)
Increase / (decrease) in provisions	6,102	28,251
	80,237	(175,386)
	80,237	(175,386)

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
VICTORIAN DIVISION**

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

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 – Victorian Division as an individual entity. The National Tertiary Education Industry Union – Victorian Division 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 Division. The prime cost method of depreciation is used for all assets with the exception of motor vehicles, which are depreciated using the diminishing balance method.

Depreciation rates used for each class of assets are:

Class of asset	Depreciation Rate
Office Furniture and Equipment	7.5 – 50.0%
Leasehold Improvements	10.0%
Motor Vehicles	22.5%

(b) Revenue

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

(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.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

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

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

(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 Division is exempt from income tax pursuant to section 50-15 of the Income Tax Assessment Act 1997, as amended.

(f) Change in Accounting Policy

The Division changed its accounting policy in the financial year ending 30 June 2005 relating to its investment in the Federation of Education Unions Unit Trust (FEU). The Division will now value its investments at fair value rather than cost. In order to comply with AASB 1001: Accounting Policies, the financial effect of this change in accounting policy has been to recognise the investment in the FEU at fair value, which required recognising an extraordinary revenue amount of \$1,135,203.

(g) 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 Division 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
VICTORIAN DIVISION**

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

	2005	2004
	\$	\$
2. CASH ASSETS		
Cash on Hand	500	500
Cash at Bank	43,427	19,737
Interest Bearing Deposits	336,073	374,333
	380,000	394,570
3. RECEIVABLES		
Capitation Fees Accrued	189,348	179,245
Sundry Debtors	2,248	17,088
	191,596	196,333
4. OTHER		
Prepayments	2,880	3,433
GST Recoverable	30,232	9,169
	33,112	12,602
5. PLANT & EQUIPMENT		
Office Furniture & Equipment – at Cost	209,629	195,425
Less Accumulated Depreciation	184,062	(175,491)
	25,567	19,934
Leasehold Improvements – at Cost	80,730	61,207
Less Accumulated Depreciation	-	(61,207)
	80,730	-
Motor Vehicles – at Cost	217,508	217,508
Less Accumulated Depreciation	137,578	(114,371)
	79,930	103,137
	186,227	123,071

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

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

	2005 \$	2004 \$
6. INVESTMENTS		
Units in the FEU Unit Trust – At Cost	-	109
Units in the FEU Unit Trust – At Fair Value	1,135,312	-
	<u>1,135,312</u>	<u>109</u>
7. CREDITORS AND BORROWINGS		
Sundry Creditors & Accruals	220,208	132,494
FEU At Call Account	229,862	136,548
TAFE Sub-Branch Funds Held in Trust:		
Box Hill	4,593	4,106
Brit	435	218
Central Gippsland	1,375	1,112
Chis olm	6,272	5,612
Council of Adult Education	5,324	4,859
East Gippsland	903	828
Eastern	417	417
Gordon	953	600
Goulburn Ovens	1,047	889
Holmesglen	1,236	1,041
Kangan Batman	3,392	2,950
Northern Melbourne	2,393	2,183
South West	718	753
Sunraysia	405	203
William Angliss Institute	1,397	1,232
Wodonga	774	774
	<u>481,704</u>	<u>296,819</u>
8. PROVISIONS		
Annual Leave	115,975	106,341
Long Service Leave	109,312	112,844
	<u>225,287</u>	<u>219,185</u>

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

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

9. 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	
	2005	2004	2005	2004
Financial Assets				
Cash at Bank	0.7%	0.6%	\$43,427	\$19,737
Interest Bearing Deposits	4.2%	4.6%	\$336,073	\$374,333
			<u>\$379,500</u>	<u>\$394,070</u>
	Effective Interest Rate		Fixed Interest Rate	
	2005	2004	2005	2004
Lease Liability	-	-	-	-

(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.

10. UNION DETAILS

The registered office of the union is:

Level 1, 120 Clarendon Street
South Melbourne
Victoria 3205

INDEPENDENT AUDIT REPORT

**TO THE MEMBERS OF
NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

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 - Victorian Division for the year ended 30th June 2005.

The trustees of the Division 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 Division. 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 Divisions' 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

INDEPENDENT AUDIT REPORT

**TO THE MEMBERS OF
NATIONAL TERTIARY EDUCATION INDUSTRY UNION
VICTORIAN DIVISION**

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 general purpose financial report of the National Tertiary Education Industry Union – Victorian Division is presented fairly in accordance with:

- (a) the requirements imposed by Part 3 of Chapter 8 of Schedule 1B Workplace Relations Act 1996, including
 - (i) giving a true and fair view of the Division's financial position as at 30th June 2005 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
16th March 2006



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 M McGowan
Division Secretary
National Tertiary Education Industry Union
Victorian Division
PO Box 1324
SOUTH MELBOURNE VIC 3205

Dear Mr McGowan,

**Re: Schedule 1B of the Workplace Relations Act 1996 (the RAO Schedule)
Financial reports for year ended 30 June 2005 - FR 2005/395**

Thank you for your letter of 28 February 2006 advising as to when lodgment of the financial reports of the Victorian Division of the National Tertiary Education Industry Union for the year ended 30 June 2005 can be expected.

Your comments have been noted.

Yours sincerely,

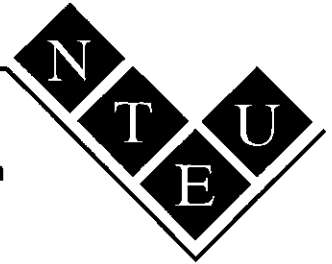
A handwritten signature in black ink, appearing to read 'L Powell'.

Larry Powell
Statutory Services Branch

7 March 2006

28 February 2006

National
Tertiary
Education
Industry
Union



VICTORIAN DIVISION

Mr Larry Powell
Australian Industrial Registry
GPO Box 1994S
Melbourne Vic 3001

Dear Mr Powell,

Your Ref: FR2005/395 – [283V-VICD]

Re: NTEU, Victorian Division Financial Return – year ending 30 June 2005

Further to your telephone conversation on 9 February with our Administrative Coordinator Marieke Zwartjes, we advise that in accordance with our letter dated 12 December 05 we are now in receipt of the Federation of Education Unions audited accounts which have been provided to our auditors.

The General Purpose Financial has been presented and approved by the NTEU Victorian Division Executive meeting on Thursday 23 February 2006.

This will unable us to meet the timelines proposed as per the attached timeline/planner.

We apologise for delay in lodging this document for the reasons explained in our letter dated 8 November 2005.

If you require any further information please do not hesitate to contact me on 9254 1930.

Yours sincerely,

Matthew McGowan
Division Secretary

Encl. (1)

TIMELINE/ PLANNER

Financial reporting period ending:	30/06/05	
FIRST MEETING: Prepare General Purpose Financial Report (including Committee of Management Statement in accordance with C of M resolution) and Operating Report - s253(1), s254(1)	23/02/06	as soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	28/02/06	within a reasonable time of having received the GPF
Provide full report free of charge to members. (a) if the report is to be presented before a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting, or (b) in any other case including where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of end of financial year. <i>(obligation to provide full report may be discharged by provision of a concise report s265(1))</i>	/ / / /	
SECOND MEETING: Present full report to: (a) General Meeting of Members - s266 (1),(2), or (b) where rules of organisation allow, a Committee of Management meeting - s266 (3)	/ / 30/04/06	within 6 months of end of financial year within 6 months of end of financial year
Lodge full report (including any concise report) in the Industrial Registry together with secretary's certificate (or other officer authorised by the rules of the organisation) - s268	12/05/06	within 14 days of meeting

Note: The legislation makes limited provision for extensions of time concerning the provision of the full report to members and the presentation of the full report to a general meeting etc however the maximum extra time allowed can be no more than one month.

12 December 2005



Mr T Nassios
Deputy Industrial Registrar
Australian Industrial Registry
GPO Box 1994S
Melbourne Vic 3001

Att: Mr Larry Powell

Dear Mr Nassios,

Re: NTEU, Victorian Division Financial Return – year ending 30 June 2005

Further to my letter dated 10 November 2005 I have enclosed a proposed timeline in support of our request for an extension to the required timelines under the act.

Our auditors have advised that they require the audited accounts for the Federation of Education Unions to enable them to finalise our audit. We envisage this to be completed before the end of this year.

If you require any further information please do not hesitate to contact me on 9254 1930.

Yours sincerely,

Matthew McGowan
Division Secretary

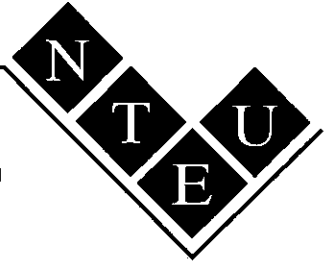
Encl. (1)

TIMELINE/ PLANNER

Financial reporting period ending:	30/06/05	
FIRST MEETING: Prepare General Purpose Financial Report (including Committee of Management Statement in accordance with C of M resolution) and Operating Report - s253(1), s254(1)	16/02/06	as soon as practicable after end of financial year
Auditor's Report prepared and signed and given to the Reporting Unit - s257	16/02/06	within a reasonable time of having received the GPFR
Provide full report free of charge to members. (a) if the report is to be presented before a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting, or (b) in any other case including where the report is presented to a Committee of Management meeting, the report must be provided to members within 5 months of end of financial year. <i>(obligation to provide full report may be discharged by provision of a concise report s265(1))</i>	1/1 13/03/06	
SECOND MEETING: Present full report to: (a) General Meeting of Members - s266 (1),(2), or (b) where rules of organisation allow, a Committee of Management meeting - s266 (3)	1/1 20/04/06	within 6 months of end of financial year within 6 months of end of financial year
Lodge full report (including any concise report) in the Industrial Registry together with secretary's certificate (or other officer authorised by the rules of the organisation) - s268	10/05/06	within 14 days of meeting

Note: The legislation makes limited provision for extensions of time concerning the provision of the full report to members and the presentation of the full report to a general meeting etc however the maximum extra time allowed can be no more than one month.

National
Tertiary
Education
Industry
Union



VICTORIAN DIVISION

8 November 2005

Mr Larry Powell
Australian Industrial Registry
GPO Box 1994S
Melbourne VIC 3001

Dear Mr Powell,

Re: Victorian Division Financial Return – year ending 30 June 2005

As discussed with you by telephone today, the Division office has undergone many changes over the past year including renovation of the entire building requiring relocation for several months. Now that we are finally back in our office we have organised our audit to commence on Thursday 10 November 2005.

Unfortunately this means that the lodgement of our return is delayed and we are unable to comply with the financial reporting timelines. Once we have a clear idea of when the audit will be finished we can determine the dates of the meetings at which the reports will be presented. As soon as we know these dates we will write to you requesting an extension of time.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Matthew McGowan', written over a horizontal line.

Matthew McGowan
Division Secretary

