



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

23 January 2009

Mr Tom Clark  
Branch Secretary  
National Tertiary Education Industry Union, Victoria University of Technology Branch

By email: [tom.clark@vu.edu.au](mailto:tom.clark@vu.edu.au)

Dear Mr Clark

**Re: Financial Report for the National Tertiary Education Industry Union, Victoria University of Technology Branch for year ended 30 June 2007 – FR2007/367**

I acknowledge receipt of the revised financial report for the year ended 30 June 2007 in response to correspondence from the Registry dated 6 March 2008. The revised report was lodged with the Registry on 30 December 2008.

In ordinary circumstances the Branch would be required to provide a further Auditor's Report, providing an appropriately worded opinion. However, as the documents have now been presented to members twice, and because of the consequent delay in finalising this matter I do not intend asking you to repeat the exercise again. In the event the report for the year ended 30 June 2008 does not fully comply it will not be filed and the Branch will be required to achieve full compliance.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged.

***Audit Report***

*Auditor's Opinion*

The Audit Report lodged contained the following Auditor's Opinion:

*"In our opinion, the financial report of the National Tertiary Education Industry Union - Victoria University of Technology Branch is in accordance with:*

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

The term "true and fair view" was used in the superseded legislation. Subsection 257(5) of the RAO Schedule sets out the matters upon which an auditor is required to make an opinion on whether the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and other requirements of the RAO Schedule. The following wording in the auditor's opinion would satisfy the requirements:

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

I note that the opinion in the Auditor's Report for the last financial year was in accordance with the current legislative requirements.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kevin Donnellan', with a long horizontal flourish extending to the right.

Kevin Donnellan  
Statutory Services Branch  
Principal Registry  
Email: [kevin.donnellan@airc.gov.au](mailto:kevin.donnellan@airc.gov.au)

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

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

**CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER**

I, Tom Clark, being the Branch Secretary of National Tertiary Education Industry Union – Victoria University of Technology Branch (the reporting unit) certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule;
- that the full report was provided to members on 24/11 2008; and
- that the full report was presented to a general meeting of the members of the reporting unit on 16/12 2008, in accordance with section 266 of the RAO Schedule.

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

Date: 16/12 2008

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

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2007**

**Principal Activities**

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

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

**Results of Principal Activities**

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

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

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

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

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

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

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

**Number of Members**

The number of persons who, at the end of the financial year, were recorded on the Register of Members was 855 (2006 - 924).

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

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

**Number of Employees**

The number of persons who were, at the end of the financial year, employees of the Branch were 0.6 (being one part-time employee) measured on a full-time equivalent basis.

**Members of the Committee of Management**

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

Branch President	Dr Jamie DOUGHNEY
Vice-President (Academic)	Dr Susan BEVAN
Vice-President (General)	Mr Michael ZAAR
Branch Secretary	Ms Andrea BROWN
Committee Member	Ms Marian BURFORD
Committee Member	Dr Alison DUNCAN
Committee Member	Dr Paul ADAMS
Committee Member	Mr Richard GOUGH
Committee Member	Ms Bronwyn BETTS
Committee Member	Ms Jeannie REA
Committee Member	Ms Judith-Ann ROBERTSON
Committee Member	Mr Jessie SINGH
Committee Member	Ms Pam MILONAS
Committee Member	Mr John VERNON
Indigenous Representative	Ms Karen JACKSON

During the financial year the following people left the Committee of Management; Alison Duncan in August 2006, Bronwyn Betts in August 2006, Jeannie Rea in August 2006, Pam Milonas in August 2006, John Vernon in August 2006, Jamie Doughney in February 2007, George Hawkins in April 2007, Robyn Sinclair in April 2007, Tony Vlahandreas in May 2007 and Mark Minchinton in July 2007.

During the financial year the following people changed positions within the Committee of Management; Andrea Brown moved from Branch Secretary to Committee Member in October 2006, Jamie Doughney moved from Branch President to Committee Member in March 2007, Richard Gough moved from Committee Member to Branch President in March 2007.

During the financial year the following people were elected to the Committee of Management; Richard Gough in April 2007 as Branch President, Tom Clarke in September 2006 as Branch Secretary, David Deal in September 2006 as Committee Member, Helen Madden-Hallet in September 2006 as Committee Member, Joanne Williams in September 2006 as Committee Member, Natalie Zirngast in September 2006, George Hawkins in September 2006 as Committee Member, Robyn Sinclair in September 2006 as Committee Member, Mark Minchinton in September 2006 as Committee Member and Tony Vlahandreas in September 2006 as Committee Member.

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

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

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

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

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

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

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

11.2 A notice of resignation from membership takes effect:

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

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

whichever is later; or

(b) in any other case:

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

whichever is later.

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

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

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

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

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

Name RICHARD GOUGH

Title President VU NTEU Branch

Signature Richard Gough

Date: 2/12/2007



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

**COMMITTEE OF MANAGEMENT STATEMENT**

On 21 November 2007, the Committee of Management of the National Tertiary Education Industry Union – Victoria University of Technology Branch (the reporting unit) passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the financial year ended 30th June 2007:

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

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

*Richard Saye*

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

**COMMITTEE OF MANAGEMENT STATEMENT (Continued)**

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

**For the Committee of Management:** Mr. Richard Gough

**Title of Office Held:** Branch President

**Signature:** Richard Gough

**Date:** 2<sup>nd</sup> December 2007

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

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

	Note	2007 \$	2006 \$
Profit / (Loss) after income tax	1(e)	(7,879)	(15,625)
Retained Profits at the beginning of the financial year		8,970	24,595
Retained Profits at the end of the financial year		<u>1,091</u>	<u>8,970</u>

The accompanying notes form part of these financial statements.

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

**BALANCE SHEET  
AS AT 30th JUNE 2007**

	Note	2007 \$	2006 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	2	53,867	14,477
Other Financial Assets	3	7,727	5
<b>TOTAL CURRENT ASSETS</b>		<b>61,594</b>	<b>14,482</b>
<b>NON CURRENT ASSETS</b>			
Plant & Equipment	4	220	313
<b>TOTAL NON-CURRENT ASSETS</b>		<b>220</b>	<b>313</b>
<b>TOTAL ASSETS</b>		<b>61,814</b>	<b>14,795</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	5	58,442	4,260
Employee Provisions	6	2,281	1,565
<b>TOTAL CURRENT LIABILITIES</b>		<b>60,723</b>	<b>5,825</b>
<b>TOTAL LIABILITIES</b>		<b>60,723</b>	<b>5,825</b>
<b>NET ASSETS</b>		<b>1,091</b>	<b>8,970</b>
<b>MEMBERS' FUNDS</b>			
Retained Profits		1,091	8,970
<b>TOTAL MEMBERS' FUNDS</b>		<b>1,091</b>	<b>8,970</b>

The accompanying notes form part of these financial statements.

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

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

	<b>2007</b>	<b>2006</b>
	\$	\$
<b>INCOME</b>		
Gross Member Subscriptions	378,553	406,036
Less : Capitation Fees National Office	(169,948)	(185,843)
Capitation Fees Victorian Division	(126,741)	(138,526)
Net Member Subscriptions	81,864	81,667
Interest Received	2,389	3,410
Other Income	-	1
<b>BRANCH INCOME</b>	<b>84,253</b>	<b>85,078</b>
<b>EXPENDITURE</b>		
Audit	2,454	2,100
Bad Debts	-	-
Bank Charges	87	60
Depreciation	93	93
Employee Provisions	716	(10,763)
Functions - Branch	124	372
Industrial Activity	100	224
Insurance	48	676
Lease of Photocopier	-	3,282
Office Expenses	771	1,770
Office Rent	5,400	2,700
Payroll Deduction Service Fee - VUT	2,436	5,765
Payroll Tax	4,117	4,142
Printing & Publicity	-	-
Salaries & Wages – Employees	63,488	75,823
Stationery Expenses	78	196
Sundry Expenses	-	125
Superannuation	9,584	12,590
Telephones, Postage & Courier	45	443
Travel	1,155	11
Workcover	-	1,094
Workcover Expenses	1,436	-
<b>BRANCH EXPENDITURE</b>	<b>92,132</b>	<b>100,703</b>
<b>PROFIT / (LOSS) AFTER INCOME TAX</b>	<b>(7,879)</b>	<b>(15,625)</b>

The accompanying notes form part of these financial statements

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

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

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from Operating Activities</b>		
Receipts from members	378,553	406,036
Interest received	2,389	3,410
Other income	-	1
Payments to suppliers & employees	<u>(341,552)</u>	<u>(440,519)</u>
<b>Net cash provided by / (used in) operating activities – Note B</b>	<b>39,390</b>	<b>(31,072)</b>
<b>Cash flows from Investing Activities</b>		
Purchases of fixed assets	<u>-</u>	<u>-</u>
<b>Net cash (used in) investing activities</b>	<b>-</b>	<b>-</b>
<b>Cash flows from Financing Activities</b>	<u>-</u>	<u>-</u>
<b>Net increase / (decrease) in cash and cash equivalents held</b>	<b>39,390</b>	<b>(31,072)</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<u>14,477</u>	<u>45,549</u>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>53,867</b>	<b>14,477</b>
<b>– Note A</b>	<u><u>53,867</u></u>	<u><u>14,477</u></u>

The accompanying notes form part of these financial statements.

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

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

	2007	2006
	\$	\$
Note A Reconciliation of Cash and Cash Equivalents		
For the purposes of the cash flow statement cash and cash equivalents includes cash on hand and in banks and investments in money markets. Cash at the end of the financial year is shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:		
Cash at Bank – (Overdraft)	30,972	(26,481)
Interest Bearing Deposit	22,831	40,894
Cash on Hand	64	64
	-----	-----
	<b>53,867</b>	<b>14,477</b>
	=====	=====
Note B Reconciliation of net cash provided by operating activities to profit / (loss) after income tax		
Profit / (Loss) after income tax	(7,879)	(15,625)
Non-cash flows in profit / (loss) after income tax:		
Depreciation	93	92
Bad Debts	-	-
Changes in Assets & Liabilities:		
(Increase) / decrease in trade and other current receivables	(7,272)	-
(Increase) / decrease in prepayments	(450)	-
Increase / (decrease) in trade and other payables	54,182	(4,776)
Increase / (decrease) in employee provisions	716	(10,763)
	-----	-----
	<b>39,390</b>	<b>(31,072)</b>
	=====	=====

The branch 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  
VICTORIA UNIVERSITY OF TECHNOLOGY BRANCH**

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

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

**(a) Fixed Assets**

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

Depreciation rates used for each class of assets are:

Class of asset	Depreciation Rate
Office Furniture and Equipment	20%

**(b) Revenue**

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



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

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

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

**(c) Provision for Employee Entitlements**

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

**(d) Leases**

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

**(e) Income Tax**

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

**(f) Information to be provided to members or registrar**

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

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

Note: This sub-section is a civil penalty provision

**(g) Economic Dependency**

The Branch will be economically dependent on the Victorian Division and National office units of the organisation in the future.

**(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  
VICTORIA UNIVERSITY OF TECHNOLOGY BRANCH**

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

	2007	2006
	\$	\$
<b>2. CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	64	64
Cash at Bank	30,972	(26,481)
Term Deposit	22,831	40,894
	<b>53,867</b>	<b>14,477</b>
<b>3. OTHER FINANCIAL ASSETS</b>		
Sundry Debtors	7,272	-
Prepayments	450	-
Shares in MECU Limited	5	5
	<b>7,727</b>	<b>5</b>
<b>4. PLANT AND EQUIPMENT</b>		
Office Furniture and Equipment- at cost	5,561	5,561
Less : Accumulated Depreciation	(5,341)	(5,248)
	<b>220</b>	<b>313</b>
Movements in Carrying Values		
Opening balance at the beginning of the year	313	405
Additions	-	-
Depreciation	(93)	(92)
Closing balance at the end of the year	<b>220</b>	<b>313</b>
<b>5. TRADE AND OTHER PAYABLES</b>		
Income that has been accrued	6,481	-
Sundry Creditors:		
Audit Fees	2,400	2,100
Office Rent	-	900
Payroll Deduction Fee	-	1260
Capitation Fees – Vic Division	20,634	-
Capitation Fees – National Office	27,670	-
GST Payable	1,257	-
	<b>58,442</b>	<b>4,260</b>
<b>6. EMPLOYEE PROVISIONS</b>		
Annual Leave	2,280	1,565
	<b>2,280</b>	<b>1,565</b>

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

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

	2007	2006
	\$	\$
<b>7. LEASING COMMITMENTS</b>		
Operating Leases		
Being for lease of photocopier and premises		
Payable – minimum lease payments		
Not later than 12 months	6,311	9,339
Between 12 months and 5 years	-	6,311
Greater than 5 years	-	-
	<b>6,311</b>	<b>15,650</b>

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

**8. 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	
	2007	2006	2007	2006
Financial Assets				
Cash at bank	2.93%	4.96%	\$53,867	\$14,477

No financial assets are subject to a fixed interest rate.  
No financial liabilities are subject to any interest rate.

(b) Credit Risk

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

(c) Net Fair Values

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

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

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

**9. UNION DETAILS**

The office of the branch is located at;

Room D236, Building D9  
Victoria University of Technology, Footscray Park Campus  
FOOTSCRAY VIC 3011



Chartered Accountants  
Auditors  
Business Services  
Financial Planning Services

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF NATIONAL TERTIARY EDUCATION INDUSTRY UNION VICTORIA UNIVERSITY OF TECHNOLOGY BRANCH**

#### ***Report on the Financial Report***

We have audited the accompanying financial report of National Tertiary Education Industry Union – Victoria University of Technology Branch which comprises the balance sheet as at 30<sup>th</sup> June 2007 and the income statement, detailed income statement, and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and committee of management's statement.

#### ***Trustees' Responsibility for the Financial Report***

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

#### ***Auditor's Responsibility***

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

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

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



Chartered Accountants  
Auditors  
Business Services  
Financial Planning Services

**INDEPENDENT AUDITOR'S REPORT**

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

***Independence***

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

***Audit Opinion***

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

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

*Lockwood Wehrens*

**Lockwood Wehrens**  
Chartered Accountants  
Hawthorn

*A. Wehrens*

**Andrew Wehrens**  
Member of The Institute of Chartered  
Accountants in Australia – 79117, holder of a  
current Certificate of Public Practice  
*5th December* 2007

**DONNELLAN, Kevin**

---

**From:** Tom Clark [Tom.Clark@vu.edu.au]  
**Sent:** Friday, 4 July 2008 7:23 PM  
**To:** DONNELLAN, Kevin  
**Cc:** vu@nteu.org.au  
**Subject:** RE: Attn: Tom Clark - Financial Report for year ended 30 June 2007 - FR2007/367

Thanks for your email, Kevin. I thought we had agreed on an acceptable course of action with your colleague, Cynthia Lo-Booth. On the basis of those conversations, the Branch Executive has approved a plan that sees this resolved on 16 December. It would cause us significant inconvenience to revise the plan for an earlier date, and so I would prefer to leave things on their current course. I trust and hope that is not going to cause additional problems.

Regards,

Tom.

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**From:** DONNELLAN, Kevin [mailto:Kevin.DONNELLAN@air.gov.au]  
**Sent:** Friday, 4 July 2008 4:49 PM  
**To:** Tom Clark  
**Subject:** RE: Attn: Tom Clark - Financial Report for year ended 30 June 2007 - FR2007/367

Tom Clark, I was wondering if you could bring this report to a meeting other than the AGM (on 16 December 2008) as soon as possible so that the report can be finalised. Regards Kevin Donnellan

---

**From:** Tom Clark [mailto:Tom.Clark@vu.edu.au]  
**Sent:** Wednesday, 14 May 2008 10:25 AM  
**To:** LO-BOOTH, Cynthia  
**Cc:** VU Branch Office  
**Subject:** RE: Attn: Tom Clark - Financial Report for year ended 30 June 2007 - FR2007/367

Many thanks for this advice, Cynthia. Our Branch AGM will be on 16 December. I think you can assume that we shall take this course for now. If the Branch Executive Committee decides to take a different course of action next Tuesday, which is an unlikely scenario in my view, then I shall be in contact with you next week to discuss it.

Regards,

Tom.

\*\*\*\*\*

Tom Clark  
PhD, MPRIA  
School of Communication Culture and Languages  
Victoria University, Victoria

Tel. +61 (0)3 9919 2196  
Fax. +61 (0)3 9919 2658  
Mob. 0418 38 00 86  
[tom.clark@vu.edu.au](mailto:tom.clark@vu.edu.au)

7/07/2008

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**From:** LO-BOOTH, Cynthia [mailto:cynthia.lobooth@air.gov.au]  
**Sent:** Wednesday, 14 May 2008 9:32 AM  
**To:** Tom Clark  
**Subject:** RE: Attn: Tom Clark - Financial Report for year ended 30 June 2007 - FR2007/367

Hi Tom,

The course of action you propose is acceptable. I will enter into our records that the Registry should anticipate the financial accounts for year ended 30 June 2007 and 2008 in December. Can you please advise me the date of your Annual General Meeting once a date has been scheduled so that this can also be entered into our records.

If you have any further queries please do not hesitate to contact me.

Regards,

Cynthia Lo-Booth  
Statutory Services Officer, Team 3  
Statutory Services Branch  
Australian Industrial Registry

Tel:(03) 8661 7989  
Email: cynthia.lobooth@air.gov.au

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**From:** Tom Clark [mailto:Tom.Clark@vu.edu.au]  
**Sent:** Monday, 12 May 2008 11:54 AM  
**To:** LO-BOOTH, Cynthia  
**Cc:** VU Branch Office  
**Subject:** RE: Attn: Tom Clark - Financial Report for year ended 30 June 2007 - FR2007/367

Hello again, Cynthia. I think the most appropriate course for me to take, as Branch Secretary, is to run your correspondence past the Branch Executive Committee (corresponding to the body you refer to as the 'Committee of Mangement'). My guess is that the Executive will wish to refer the 2007 audited accounts back to all Branch members at our Annual General Meeting in December 2008. That is obviously the meeting where our members expect to be dealing with accounts matters, and where the 2008 audited accounts will also be presented.

If we went through such a process, I see no difficulty in obtaining the information you have requested. We would clearly have sufficient lead-time to ask our auditors to reexamine their documentation, and to comply with the Act's required notice periods in full. Can you please advise whether such an approach would be acceptable to your office?

If it is acceptable, you could anticipate finalisation of these outstanding accounts just prior to the end of the calendar year 2008.

Regards,

Tom.

\*\*\*\*\*

Tom Clark

7/07/2008



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School of Communication Culture and Languages  
Victoria University, Victoria

Tel. +61 (0)3 9919 2196  
Fax. +61 (0)3 9919 2658  
Mob. 0418 38 00 86

\*\*\*\*\*

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**From:** LO-BOOTH, Cynthia [mailto:cynthia.lobooth@air.gov.au]  
**Sent:** Thursday, 8 May 2008 11:31 AM  
**To:** Tom Clark  
**Subject:** FW: Attn: Tom Clark - Financial Report for year ended 30 June 2007 - FR2007/367

Dear Tom,

As discussed in our telephone conversation earlier today, please find the correspondence dated 6 March 2008 previously sent to your organisation.

Can you please advise me as to how soon you can organise the further documents to be forwarded to the Registry?

If you have any questions please do not hesitate to contact me.

Regards,

Cynthia Lo-Booth

Statutory Services Officer, Team 3

Statutory Services Branch

Australian Industrial Registry

Tel:(03) 8661 7989

Email: [cynthia.lobooth@air.gov.au](mailto:cynthia.lobooth@air.gov.au)

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**From:** LO-BOOTH, Cynthia  
**Sent:** Thursday, 6 March 2008 3:10 PM  
**To:** 'nteu@vu.edu.au'  
**Subject:** Attn: Tom Clark - Financial Report for year ended 30 June 2007 - FR2007/367

Further to our telephone conversation earlier today, please see attached letter and enclosure.

<<FR2007\_367NTEU-VU6Mar08.pdf>>

<<AAFinancial Reporting Timeline schema.doc>>

Regards,

7/07/2008

Cynthia Lo-Booth

Statutory Services Officer, Team 3

Statutory Services Branch

Australian Industrial Registry

Tel:(03) 8661 7989

Email: [cynthia.lobooth@air.gov.au](mailto:cynthia.lobooth@air.gov.au)

\*\*\*\*\*

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This footnote also confirms that this email message has been swept for the presence of computer viruses.

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

Level 5  
11 Exhibition Street, Melbourne, VIC 3000  
GPO Box 1994, Melbourne, VIC 3001  
Telephone: (03) 8661 7989  
Fax: (03) 9655 0410

Mr Tom Clark  
Branch Secretary  
National Tertiary Education Industry Union  
Victoria University of Technology Branch  
Mail Room  
Footscray Park Campus  
PO Box 14428  
Melbourne City Mail Centre VIC 8001

By Email: [nteu@vu.edu.au](mailto:nteu@vu.edu.au)

Dear Mr Clark

**Re: Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule)  
Financial report for year ended 30 June 2007 - FR 2007/367**

I have received the financial report for the Victoria University of Technology Branch of the National Tertiary Education Industry Union for the year ended 30 June 2007. The documents were lodged in the Industrial Registry on 24 December 2007.

I also refer to my telephone conversation with you earlier today and advise the financial documents lodged have not been filed.

Generally, the contents of your organisation's full report appear to comply with the RAO Schedule but it is the sequence in which these events have taken place that is flawed and therefore fail to meet the requirements of the Act.

**Timescale Requirements**

The financial report 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, I note the Committee of Management Statement and the Operating Report were both dated 2 December 2007. The auditor's report is undated and the full report was provided to members on 26 November 2007.

According to subsections 253(2) and 265(1) of the RAO Schedule, the full report is made up of the General Purpose Financial Report (which includes the Committee of Management Statement), the Operating Report and the Auditor's Report. All of these documents should be signed and dated.

The problems which prevent the financial reports from being filed are:

1. It is unclear as to whether the Committee of Management Statement and the Operating Report were considered in the audit because the Auditor's Report is signed but not dated.
2. It is also unclear whether the members were provided an audited full report because the date of the Auditor's Report is unknown.

3. The full report was provided to members at a date before the Committee of Management Statement and the Operating Report were signed. Therefore, it is clear that the members were not provided a signed copy of these documents.

### **What you are required to do?**

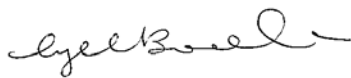
In order to secure compliance with your organisation's obligations under the RAO Schedule, you are required to:

- Arrange for the auditor to provide an Auditor's Report that is signed and dated in order for me to ascertain whether the auditor has taken into account the Committee of Management Statement and the Operating Report.
- Supply the full report, which consists of the signed Auditor's Report, signed Operating Report, signed Committee of Management Statement, and General Purpose Financial Report, to the members.
- Present the full report to a general meeting of members at least 21 days after the full report has been provided to the members.
- Prepare a fresh and appropriately signed Designated Officer's Certificate with the new dates that the full report was provided to members and presented to a general meeting of members. This should be lodged with the copies of the relevant documents with the Registry within 14 days after the general meeting.

As mentioned in our telephone conversation, I have enclosed a document entitled "Financial Reporting Timeline (RAO Schedule)". This is a flow chart to assist you in understanding the sequence of events of the reporting process set out in the RAO Schedule.

Should you require any further assistance in regards to your organisation's obligations under the RAO Schedule or if you wish to discuss this letter, I may be contacted on (03) 8661 7989 on Wednesdays or Thursdays or by email at [cynthia.lobooth@air.gov.au](mailto:cynthia.lobooth@air.gov.au).

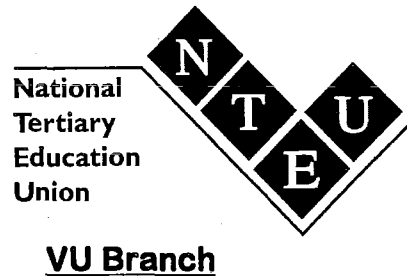
Yours sincerely,



Cynthia Lo-Booth  
Statutory Services Branch

6 March 2008

Encl.



20 December, 2007

Australian Industrial Registry  
GPO Box 1994  
MELBOURNE VIC 3001

**Attention: Industrial Registrar**

**Re: Financial Reports to Year Ended 30 June 2007  
NTEU-VU Branch**

Please find enclosed Financial Documents of the National Tertiary Education Union – Victoria University Branch in respect of period 1 July 2006-June 2007.

If you have any queries please contact the Branch Office on (03) 9919 4076, or email: [nteu@vu.edu.au](mailto:nteu@vu.edu.au), or write to:

NTEU-VU Branch  
c/o Victoria University  
Mail Room  
Footscray Park Campus  
PO Box 14428  
Melbourne City Mail Centre 8001.

Your sincerely,

Tom Clark  
Branch Secretary  
NTEU-VU Branch,

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


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

**CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER**

I, Tom Clark, being the Branch Secretary of National Tertiary Education Industry Union – Victoria University of Technology Branch (the reporting unit) certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule;
- that the full report was provided to members on 26/11/2007 2007; and
- that the full report was presented to a general meeting of the members of the reporting unit on 19/12/2007 2007, in accordance with section 266 of the RAO Schedule.

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



Date: \_\_\_\_\_

20/12/2007 2007

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

**OPERATING REPORT FOR THE YEAR ENDED 30th JUNE 2007**

**Principal Activities**

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

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

**Results of Principal Activities**

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

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

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

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

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

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

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

**Number of Members**

The number of persons who, at the end of the financial year, were recorded on the Register of Members was 855 (2006 - 924).



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

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

**Number of Employees**

The number of persons who were, at the end of the financial year, employees of the Branch were 0.6 (being one part-time employee) measured on a full-time equivalent basis.

**Members of the Committee of Management**

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

Branch President	Dr Jamie DOUGHNEY
Vice-President (Academic)	Dr Susan BEVAN
Vice-President (General)	Mr Michael ZAAR
Branch Secretary	Ms Andrea BROWN
Committee Member	Ms Marian BURFORD
Committee Member	Dr Alison DUNCAN
Committee Member	Dr Paul ADAMS
Committee Member	Mr Richard GOUGH
Committee Member	Ms Bronwyn BETTS
Committee Member	Ms Jeannie REA
Committee Member	Ms Judith-Ann ROBERTSON
Committee Member	Mr Jessie SINGH
Committee Member	Ms Pam MILONAS
Committee Member	Mr John VERNON
Indigenous Representative	Ms Karen JACKSON

During the financial year the following people left the Committee of Management; Alison Duncan in August 2006, Bronwyn Betts in August 2006, Jeannie Rea in August 2006, Pam Milonas in August 2006, John Vernon in August 2006, Jamie Doughney in February 2007, George Hawkins in April 2007, Robyn Sinclair in April 2007, Tony Vlahandreas in May 2007 and Mark Minchinton in July 2007.

During the financial year the following people changed positions within the Committee of Management; Andrea Brown moved from Branch Secretary to Committee Member in October 2006, Jamie Doughney moved from Branch President to Committee Member in March 2007, Richard Gough moved from Committee Member to Branch President in March 2007.

During the financial year the following people were elected to the Committee of Management; Richard Gough in April 2007 as Branch President, Tom Clarke in September 2006 as Branch Secretary, David Deal in September 2006 as Committee Member, Helen Madden-Hallet in September 2006 as Committee Member, Joanne Williams in September 2006 as Committee Member, Natalie Zirngast in September 2006, George Hawkins in September 2006 as Committee Member, Robyn Sinclair in September 2006 as Committee Member, Mark Minchinton in September 2006 as Committee Member and Tony Vlahandreas in September 2006 as Committee Member.

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

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

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

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

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

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

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

11.2 A notice of resignation from membership takes effect:

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

whichever is later; or

(b) in any other case:

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

whichever is later.

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

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

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

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

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

Name RICHARD GOUGH  
Title President WNTU Branch  
Signature Richard Gough

Date: 2/12/2007

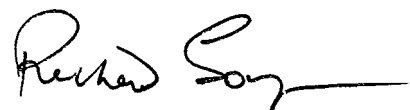
**NATIONAL TERTIARY EDUCATION INDUSTRY UNION  
VICTORIA UNIVERSITY OF TECHNOLOGY BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT**

On 21 November 2007, the Committee of Management of the National Tertiary Education Industry Union – Victoria University of Technology Branch (the reporting unit) passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the financial year ended 30th June 2007:

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

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



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

**COMMITTEE OF MANAGEMENT STATEMENT (Continued)**

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

**For the Committee of Management:** Mr. Richard Gough

**Title of Office Held:** Branch President

**Signature:** Richard Gough

**Date:** 24 December 2007

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

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

	Note	2007 \$	2006 \$
<b>Profit / (Loss) after income tax</b>	1(e)	(7,879)	(15,625)
<b>Retained Profits at the beginning of the financial year</b>		8,970	24,595
<b>Retained Profits at the end of the financial year</b>		<u>1,091</u>	<u>8,970</u>

The accompanying notes form part of these financial statements.

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

**BALANCE SHEET  
AS AT 30th JUNE 2007**

	Note	2007 \$	2006 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	2	53,867	14,477
Other Financial Assets	3	7,727	5
<b>TOTAL CURRENT ASSETS</b>		<b>61,594</b>	<b>14,482</b>
<b>NON CURRENT ASSETS</b>			
Plant & Equipment	4	220	313
<b>TOTAL NON-CURRENT ASSETS</b>		<b>220</b>	<b>313</b>
<b>TOTAL ASSETS</b>		<b>61,814</b>	<b>14,795</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	5	58,442	4,260
Employee Provisions	6	2,281	1,565
<b>TOTAL CURRENT LIABILITIES</b>		<b>60,723</b>	<b>5,825</b>
<b>TOTAL LIABILITIES</b>		<b>60,723</b>	<b>5,825</b>
<b>NET ASSETS</b>		<b>1,091</b>	<b>8,970</b>
<b>MEMBERS' FUNDS</b>			
Retained Profits		1,091	8,970
<b>TOTAL MEMBERS' FUNDS</b>		<b>1,091</b>	<b>8,970</b>

The accompanying notes form part of these financial statements.

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

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

	<b>2007</b>	<b>2006</b>
	\$	\$
<b>INCOME</b>		
Gross Member Subscriptions	378,553	406,036
Less : Capitation Fees National Office	(169,948)	(185,843)
Capitation Fees Victorian Division	(126,741)	(138,526)
Net Member Subscriptions	81,864	81,667
Interest Received	2,389	3,410
Other Income	-	1
<b>BRANCH INCOME</b>	<b>84,253</b>	<b>85,078</b>
<b>EXPENDITURE</b>		
Audit	2,454	2,100
Bad Debts	-	-
Bank Charges	87	60
Depreciation	93	93
Employee Provisions	716	(10,763)
Functions - Branch	124	372
Industrial Activity	100	224
Insurance	48	676
Lease of Photocopier	-	3,282
Office Expenses	771	1,770
Office Rent	5,400	2,700
Payroll Deduction Service Fee - VUT	2,436	5,765
Payroll Tax	4,117	4,142
Printing & Publicity	-	-
Salaries & Wages – Employees	63,488	75,823
Stationery Expenses	78	196
Sundry Expenses	-	125
Superannuation	9,584	12,590
Telephones, Postage & Courier	45	443
Travel	1,155	11
Workcover	-	1,094
Workcover Expenses	1,436	-
<b>BRANCH EXPENDITURE</b>	<b>92,132</b>	<b>100,703</b>
<b>PROFIT / (LOSS) AFTER INCOME TAX</b>	<b>(7,879)</b>	<b>(15,625)</b>

The accompanying notes form part of these financial statements



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

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

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from Operating Activities</b>		
Receipts from members	378,553	406,036
Interest received	2,389	3,410
Other income	-	1
Payments to suppliers & employees	<u>(341,552)</u>	<u>(440,519)</u>
<b>Net cash provided by / (used in) operating activities – Note B</b>	<b>39,390</b>	<b>(31,072)</b>
 <b>Cash flows from Investing Activities</b>		
Purchases of fixed assets	<u>-</u>	<u>-</u>
<b>Net cash (used in) investing activities</b>	<b>-</b>	<b>-</b>
 <b>Cash flows from Financing Activities</b>	<u>-</u>	<u>-</u>
<b>Net increase / (decrease) in cash and cash equivalents held</b>	<b>39,390</b>	<b>(31,072)</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<u>14,477</u>	<u>45,549</u>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>53,867</b>	<b>14,477</b>
<b>– Note A</b>	<b>=====</b>	<b>=====</b>

The accompanying notes form part of these financial statements.

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

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

	2007	2006
	\$	\$
Note A Reconciliation of Cash and Cash Equivalents		
For the purposes of the cash flow statement cash and cash equivalents includes cash on hand and in banks and investments in money markets. Cash at the end of the financial year is shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:		
Cash at Bank – (Overdraft)	30,972	(26,481)
Interest Bearing Deposit	22,831	40,894
Cash on Hand	64	64
	-----	-----
	<b>53,867</b>	<b>14,477</b>
	=====	=====

Note B Reconciliation of net cash provided by operating activities to profit / (loss) after income tax

Profit / (Loss) after income tax	(7,879)	(15,625)
Non-cash flows in profit / (loss) after income tax:		
Depreciation	93	92
Bad Debts	-	-
Changes in Assets & Liabilities:		
(Increase) / decrease in trade and other current receivables	(7,272)	-
(Increase) / decrease in prepayments	(450)	-
Increase / (decrease) in trade and other payables	54,182	(4,776)
Increase / (decrease) in employee provisions	716	(10,763)
	-----	-----
	<b>39,390</b>	<b>(31,072)</b>
	=====	=====

The branch 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  
VICTORIA UNIVERSITY OF TECHNOLOGY BRANCH**

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

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

**(a) Fixed Assets**

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

Depreciation rates used for each class of assets are:

Class of asset	Depreciation Rate
Office Furniture and Equipment	20%

**(b) Revenue**

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

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

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

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

**(c) Provision for Employee Entitlements**

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

**(d) Leases**

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

**(e) Income Tax**

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

**(f) Information to be provided to members or registrar**

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

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

Note: This sub-section is a civil penalty provision

**(g) Economic Dependency**

The Branch will be economically dependent on the Victorian Division and National office units of the organisation in the future.

**(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  
VICTORIA UNIVERSITY OF TECHNOLOGY BRANCH**

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

	2007	2006
	\$	\$
<b>2. CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	64	64
Cash at Bank	30,972	(26,481)
Term Deposit	22,831	40,894
	<u>53,867</u>	<u>14,477</u>
<b>3. OTHER FINANCIAL ASSETS</b>		
Sundry Debtors	7,272	-
Prepayments	450	-
Shares in MECU Limited	5	5
	<u>7,727</u>	<u>5</u>
<b>4. PLANT AND EQUIPMENT</b>		
Office Furniture and Equipment- at cost	5,561	5,561
Less : Accumulated Depreciation	(5,341)	(5,248)
	<u>220</u>	<u>313</u>
Movements in Carrying Values		
Opening balance at the beginning of the year	313	405
Additions	-	-
Depreciation	(93)	(92)
Closing balance at the end of the year	<u>220</u>	<u>313</u>
<b>5. TRADE AND OTHER PAYABLES</b>		
Income that has been accrued	6,481	-
Sundry Creditors:		
Audit Fees	2,400	2,100
Office Rent	-	900
Payroll Deduction Fee	-	1260
Capitation Fees – Vic Division	20,634	-
Capitation Fees – National Office	27,670	-
GST Payable	1,257	-
	<u>58,442</u>	<u>4,260</u>
<b>6. EMPLOYEE PROVISIONS</b>		
Annual Leave	2,280	1,565
	<u>2,280</u>	<u>1,565</u>

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

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

	2007	2006
	\$	\$
<b>7. LEASING COMMITMENTS</b>		
Operating Leases		
Being for lease of photocopier and premises		
Payable – minimum lease payments		
Not later than 12 months	6,311	9,339
Between 12 months and 5 years	-	6,311
Greater than 5 years	-	-
	<b>6,311</b>	<b>15,650</b>

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

**8. 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	
	2007	2006	2007	2006
Financial Assets				
Cash at bank	2.93%	4.96%	\$53,867	\$14,477

No financial assets are subject to a fixed interest rate.  
No financial liabilities are subject to any interest rate.

(b) Credit Risk

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

(c) Net Fair Values

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

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

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

**9. UNION DETAILS**

The office of the branch is located at;

Room D236, Building D9  
Victoria University of Technology, Footscray Park Campus  
FOOTSCRAY VIC 3011



Chartered Accountants  
Auditors  
Business Services  
Financial Planning Services

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF NATIONAL TERTIARY EDUCATION INDUSTRY UNION VICTORIA UNIVERSITY OF TECHNOLOGY BRANCH**

#### ***Report on the Financial Report***

We have audited the accompanying financial report of National Tertiary Education Industry Union – Victoria University of Technology Branch which comprises the balance sheet as at 30<sup>th</sup> June 2007 and the income statement, detailed income statement, and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and committee of management's statement.

#### ***Trustees' Responsibility for the Financial Report***

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

#### ***Auditor's Responsibility***

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

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

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





Chartered Accountants  
Auditors  
Business Services  
Financial Planning Services

## INDEPENDENT AUDITOR'S REPORT

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

#### *Independence*

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

#### *Audit Opinion*

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

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

*Lockwood Wehrens*

**Lockwood Wehrens**  
Chartered Accountants  
Hawthorn

*A. Wehrens*

**Andrew Wehrens**  
Member of The Institute of Chartered  
Accountants in Australia – 79117, holder of a  
current Certificate of Public Practice  
2007