

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

FINANCIAL STATEMENTS – 31 DECEMBER 2012

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**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012	2011
INCOME		\$	\$
Affiliation Levies	3	382500	365050
Membership Contributions		303172	280786
Interest Received		23912	22826
		<u>709584</u>	<u>668662</u>
 EXPENDITURE			
Affiliation Fees – IEUA		288806	294000
Affiliation Fees – Others		3383	3123
Audit Fees		3000	2700
Bank Charges		204	251
Branch Expenditure		3603	1594
Conference - Members		-	6687
Conference Seminar Training Costs		2418	545
Depreciation		532	679
Donations		-	2000
General Expenses		573	730
Industrial Campaign Expenses		5509	1260
Insurance		4509	3911
Legal Fees		4000	3500
Loss on Disposal - Non Current Assets		-	1688
Meeting Expenses - Committee		1020	1274
Payroll Tax		4693	3537
Postage & Freight		404	341
Printing, Stationery & Photocopying		4978	3352
Publications		4109	3550
Rent		4236	3000
Salaries – Officers		88072	68779
Staff Training		1463	768
Superannuation		13056	10183
Telephone & Facsimile		5931	5664
Travel & Allowances – Officers		25469	32617
– Executive & Council		29791	28985
Vehicle Expenses		13066	18620
Work Cover		3556	2843
Building Union Strength		2755	8457
Funding of Cope		5000	5000
Shanghai Relationship		6480	4720
Overseas Projects		-	9709
		<u>530616</u>	<u>534067</u>
Operating Surplus/(Deficit) for Year		<u>178968</u>	<u>134595</u>

The above should be read in conjunction with the accompanying notes

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012**

	Note	2012	2011
CURRENT ASSETS		\$	\$
Cash at Bank		829793	670015
Receivables	6	<u>47972</u>	<u>39486</u>
		<u>877765</u>	<u>709501</u>
NON-CURRENT ASSETS			
Office Furniture & Equipment – at cost		4635	2708
Less: Accumulated Depreciation		<u>2209</u>	<u>1677</u>
		<u>2426</u>	<u>1031</u>
TOTAL ASSETS		<u>880191</u>	<u>710532</u>
CURRENT LIABILITIES			
Trade Creditors		1697	8383
Sundry Creditors & Accruals - QIEU		18361	40348
- Other		15768	2700
Subscriptions in Advance		14784	10210
GST Payable		<u>8932</u>	<u>7210</u>
TOTAL LIABILITIES		<u>59542</u>	<u>68851</u>
NET ASSETS		<u>820649</u>	<u>641681</u>
 Represented By:			
EQUITY - MEMBERS' FUNDS			
Balance as at 1 January 2012		641681	507086
Operating Surplus/(Deficit) for Year		<u>178968</u>	<u>134595</u>
Balance as at 31 December 2012		<u>820649</u>	<u>641681</u>

The above should be read in conjunction with the accompanying notes

THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2012

Balance 1 January 2011	507086
Surplus (Deficit) for Year	<u>134595</u>
Balance 31 December 2011	641681
Surplus (Deficit) for Year	<u>178968</u>
Balance 31 December 2012	<u>820649</u>

The above should be read in conjunction with the accompanying notes

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2012**

	Note	2012 \$	2011 \$
Cash Flows from Operating Activities			
Receipts – Subscriptions & Affiliation:			
QIEU		373387	350961
Others		307746	281007
Interest Received		23912	22826
Payments to Suppliers & Employees:			
IEUA		(275977)	(294000)
QIEU		(206150)	(117611)
Others		(61213)	(70747)
Net Cash Outflow from Operating Activities	5	<u>161705</u>	<u>172436</u>
 Purchase of Non Current Assets		 <u>(1927)</u>	 <u>-</u>
 Net Increase/(Decrease) in Cash held		 159778	 172436
Cash at beginning of the Financial Year		<u>670015</u>	<u>497579</u>
 Cash at the end of the Financial Year		 <u><u>829793</u></u>	 <u><u>670015</u></u>

The above should be read in conjunction with the accompanying notes

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This general purpose financial report has been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, other mandatory professional reporting requirements and The Fair Work (Registered Organisations) Act 2009.

The accounts are prepared on an accrual basis and are based on historical cost. The accounting policies have been consistently applied unless otherwise stated.

(a) Revenue

Revenue from affiliations and membership is recognised as the service is rendered in accordance with the membership year January to December. Interest Income is recognised as earned. All revenue is net of applicable goods and services tax (GST).

(b) Income Tax

The association is exempt from income tax under section 50 – 15 of the Income Tax Assessment Act 1997. The ongoing applicability of this ruling is at the discretion of the Australian Taxation Office.

(c) Depreciation

Depreciation is calculated on a straight line basis so as to write off the full net cost of each depreciable non-current asset over its expected useful life.

(d) Cash

For the purpose of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and are used in the cash management function on a day to day basis, net of outstanding bank overdrafts.

(e) Goods and Services Tax

Revenue expenses and assets are recognized net of the amount of GST except where the amount of GST accrued is not recoverable from the Australian Taxation Office.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

**2. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL
MANAGER OF FAIR WORK AUSTRALIA**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Section 272 of Fair Work (Registered Organisations) Act 2009, which read as follows:

- (1) A member of a reporting unit, or the General Manager of Fair Work Australia, 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 be 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).

3. RELATED PARTIES

Under the Rules of the Independent Education Union of Australia, QIEU is an Associated Body. Rule 7(e) provides for the payment of an approved amount by an Associated Body to the union or branch of the union designated by the Federal Council or Federal Executive. This is calculated by reference to the total number of members of the Associated Body who have applied for membership of the union in the Branch designated by the Federal Council or Federal Executive.

The Queensland Independent Education Union (QIEU) also provided staff and administrative services to the Independent Education Union – Queensland & Northern Territory Branch during the period. A collaborative relationship exists between QIEU and IEUA and it is noted and endorsed at Branch executive that QIEU provides staffing and other support to members of the Queensland and Northern Territory Division at an appropriate and agreed cost to the IEUA - QNT.

The councillors and the executive of the Queensland Independent Education Union are all members of the Independent Education Union – Queensland and Northern Territory Branch, Branch Executive and Management Committee respectively.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

3. RELATED PARTIES (cont'd)

Transactions with Related Parties	2012	2011
Income:		
Affiliation Levies - QIEU	382500	365050
Expenditure:		
Reimbursement to QIEU		
- Salaries - Officers	88072	68779
- Superannuation	13056	10183
- Other Expenses	105022	78997

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Branch makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

(b) Critical judgements in applying the Branch's accounting principles

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

5.	RECONCILIATION OF OPERATING SURPLUS/(DEFICIT) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		
	2012		2011
	\$		\$
	178968		134595
	Net Operating Surplus/(Deficit) for Year		
	Change in Operating Assets & Liabilities		
	(9309)		47207
	Increase/(Decrease) in Sundry Creditors/GST		
	(8486)		(11733)
	(Increase)/Decrease in Receivables		
	532		2367
	Depreciation & Loss on Disposal		
	<u>161705</u>		<u>172436</u>
	Net Cash Inflow/(Outflow) from Operating Activities		

6.	RECEIVABLES		
	\$		\$
	Trade Debtors:		
	47532		38419
	- QIEU		
	-		-
	- Other		
	Prepayments:		
	-		967
	- Affiliation		
	440		100
	- Other		
	<u>47972</u>		<u>39486</u>

7. RECOVERY OF WAGES

There was no recovery of wages activity during the period.

8. SUBSEQUENT EVENTS

There are no subsequent events that have occurred or are likely to occur that require disclosure.

9. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2012.

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

INDEPENDENT AUDIT REPORT

To the members of the Independent Education Union of Australia Queensland and Northern Territory Branch.

We have audited the general purpose financial report of the Independent Education Union of Australia Queensland and Northern Territory Branch, which comprises the statement of financial position as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes and branch committee of management's statement for the year then ended.

Branch Committee of Management and the Branch Secretary's Responsibility for the Financial Report

The branch committee of management and the branch secretary 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 Fair Work (Registered Organisations) Act 2009. This responsibility also 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. These 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 judgement, 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the branch committee of management and branch secretary, 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.

THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH

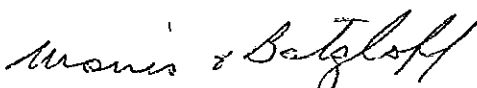
INDEPENDENT AUDIT REPORT

Independence

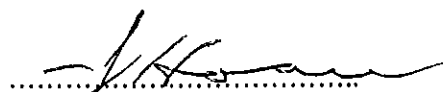
In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the Fair Work (Registered Organisations) Act 2009.

Audit Opinion

In our opinion the general purpose financial report of the Independent Education Union of Australia Queensland and Northern Territory Branch is presented fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements imposed by Part 3 Chapter 8 of the Fair Work (Registered Organisations) Act 2009.



MORRIS & BATZLOFF
Chartered Accountants



Norman J Hoare
Partner
Registered Company Auditor
Member of Institute of Chartered Accountants
and Holder of Current Public Practice Certificate

96 Lytton Road
EAST BRISBANE QLD 4169

28th March 2013

**THE INDEPENDENT EDUCATION UNION OF AUSTRALIA
QUEENSLAND AND NORTHERN TERRITORY BRANCH**

OPERATING REPORT

The Committee of Management of the Independent Education Union of Australia Queensland and Northern Territory Branch, for the purposes of the Fair Work (Registered Organisations) Act 2009, presents its operating report of the Branch for the financial year ended 31 December 2012.

PRINCIPAL ACTIVITIES FOR THE YEAR

- (i) Recruitment and retention of members.
- (ii) Provision of support and advice to members.
- (iii) Provision of support for overseas activities, such as ongoing support for the Council of Pacific Education and the Shanghai Education Union Relationship.
- (iv) Provision of support for the federal union agenda in education, equity and industrial issues.

RESULT OF THOSE ACTIVITIES

The Branch's principal activities resulted in:

- (i) maintenance and improvement of wages and conditions of employment for our members, especially those covered by collective bargaining agreements negotiated by our union;
- (ii) growth of our solid membership base in Queensland and the Northern Territory, demonstrating member satisfaction of the support and advice currently provided to them; and
- (iii) enhancement of our developing relationship with overseas organisations.

SIGNIFICANT CHANGES IN THE NATURE OF THESE ACTIVITIES

There have been no significant changes in the nature of these activities over the past year.

SIGNIFICANT CHANGES IN THE BRANCH FINANCIAL AFFAIRS DURING THE YEAR

There have been no significant changes in the financial affairs during the past year.

DETAILS OF THE RIGHT OF MEMBERS TO RESIGN

In accordance with Rule 21 of the rules of the Independent Education Union of Australia, a member may resign from membership by written notice addressed and delivered to the Branch Secretary.

DETAILS (INCLUDING POSITION HELD) OF ANY OFFICER OR MEMBER OF THE BRANCH WHO IS:

- (i) TRUSTEE OF A SUPER ENTITY
- (ii) A DIRECTOR OF A COMPANY THAT IS A TRUSTEE OF A SUPER ENTITY

Terry Burke Branch Secretary Director of QIEC Pty Ltd, the Corporate Trustee of QIEC Super

John Spriggs	Industrial Officer	Director of QIEC Pty Ltd, the Corporate Trustee of QIEC Super
Greg McGhie	Organiser	Director of QIEC Pty Ltd, the Corporate Trustee of QIEC Super
Chris Seymour	Organiser	Alternate Director of QIEC Pty Ltd, the Corporate Trustee of QIEC Super

THE NUMBER OF PERSONS THAT WERE RECORDED IN THE REGISTER OF MEMBERS ON 31 DECEMBER 2012

15844 members were recorded in the register of members on 31 December 2012.

THE NUMBER OF PERSONS WHO WERE EMPLOYEES OF THE BRANCH ON 31 DECEMBER 2012, INCLUDING FULL-TIME OR PART-TIME

Nil.

THE NAME OF EACH PERSON WHO HAS BEEN A MEMBER OF THE COMMITTEE OF MANAGEMENT AT ANY TIME DURING THE REPORTING PERIOD, AND THE PERIOD FOR WHICH HE OR SHE HELD THE POSITION

Queensland Division:

The following persons held positions on the Committee of Management for the full 12 months of this reporting period:

Terry Burke	Branch Secretary
Paul Giles	Assistant Branch Secretary/Treasurer
Ros McLennan	Assistant Branch Secretary
Andrew Elphinstone	President
Des McGovern	Junior Vice-President
Suzanne Burdon	Senior Vice-President (Queensland)
Aleisha Connellan	Branch Executive/Committee Member
Bryce Goldberg	Committee Member
Denis Kettle	Branch Executive Member
Andrew Stein	Branch Executive Member
Beverley Day	Branch Executive Member
Lyn Byrnes	Branch Executive Member
John Kennedy	Branch Executive Member
Christopher Chapman	Branch Executive Member
Peter Butler-Wood	Branch Executive Member
Lorraine Hellmrich	Branch Executive Member
Kerry Laws	Branch Executive Member
Dave Frazer	Branch Executive Member
Jane Blackburn	Branch Executive Member
Mary Osterio	Branch Executive Member
Tom Denham	Branch Executive Member
Michael Moy	Branch Executive Member
Bernadette Murray	Branch Executive Member

The following persons held positions on the Committee of Management for part of the reporting period:

Jacqueline Boyle	Branch Executive Member	1 January 2012 – 25 February 2012
Matthew Dash	Branch Executive Member	1 January 2012 – 25 February 2012

Jane Elliott	Branch Executive Member	1 January 2012 – 25 February 2012
Rosemary Lacey	Branch Executive Member	26 October 2012–31 December 2012
Andrew Street	Branch Executive Member	26 October 2012–31 December 2012
Robert Amedee	Branch Executive Member	26 October 2012–31 December 2012
Pamela Chetwyn	Branch Executive Member	20 July 2012 – 31 December 2012
Lea Martin	Branch Executive Member	26 October 2012–31 December 2012
Colin Grant	Branch Executive Member	26 October 2012–31 December 2012

Northern Territory Division:

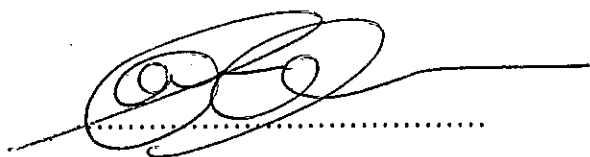
The following persons holding positions on the Committee of Management have held their positions for the full 12 months of this reporting period:

Nuala Cullen	Branch Executive Member
Erica Schultz	Branch Executive Member
Sam Typuszak	Branch Executive Member
Lon Wallis	Senior Vice-President (Northern Territory)

The following persons held positions on the Committee of Management for part of the reporting period:

Cheryl Salter	Committee Member	1 January 2012 - 25 March 2012
Louise Lenzo	Branch Executive Member	26 October 2012-31 December 2012

For the Committee of Management:



Paul Giles
Assistant Secretary/Treasurer



Terence Burke
Secretary

Date: 15 March 2013

Date: 15 March 2013