

**FEDERALLY REGISTERED**

**INDEPENDENT EDUCATION UNION OF  
AUSTRALIA**

**NEW SOUTH WALES/ACT BRANCH**

**FINANCIAL STATEMENTS  
FOR YEAR ENDED 31 DECEMBER 2014**

**\*\*\*\*\***

# CONTENTS

	Page
Operating Report	3
Financial Accounts	6
Statement of Cash Flow	9
Notes to the Financial Statements	10
Statement by Committee of Management	16
Independent Auditor's Report	17

**INDEPENDENT EDUCATION UNION OF AUSTRALIA  
NEW SOUTH WALES/ACT BRANCH**

**OPERATING REPORT  
for the period ended 31 December 2014**

The committee presents its report on the reporting unit for the financial year ended 31 December 2014.

**Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year.**

The principal activities, performed by the state registered branch New South Wales Independent Education Union, of the organization during the financial year were;

- (i) the provision of services to members;
- (ii) the representation of members before Fair Work Australia on award matters and disputes; and
- (iii) the provision of support for the Federal Union agenda in education, equity and industrial issues.

The performance and result of these activities as reviewed and conducted to the satisfaction of the members was as follows:

	<b>31 December 2014</b>	<b>31 December 2013</b>
	<b>\$</b>	<b>\$</b>
Revenue		
Income from operating activities	0	0
Surplus / (Deficit) for year	( 1,980)	0

No significant changes in the nature of these activities occurred during the year.

**Significant changes in financial affairs**

There were no significant changes in the financial affairs during the year.

The reporting unit continued to engage in its principal activities, the results of which are disclosed in the attached financial statements. It is anticipated that the ensuing year operation will remain the same.

**Right of members to resign**

Members retain the right to resign from the Independent Education Union of Australia New South Wales / ACT Branch in accordance to Rule 21 of the Branch Rules.

**Officers and employees who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee**

<u>Name</u>	<u>Position held</u>	<u>Name of Super</u>
John Quessy	Branch Secretary	NGS Super (Alternate Director)
Gloria Taylor	Branch Deputy Secretary	NGS Super (Director)
Chris Wilkinson	President	NGS Super (Director)
Bernadette Baker	Vice President Systemic	ACSRF (Director)

The criterion for being a trustee or director is that the officer or employee is an officer or employee of the organisation.

**Number of members**

The number of members of the reporting unit at the end of the financial year was 32,895 (New South Wales state branch).


**Number of employees**


There were no employees for the reporting unit for the year ended 31 December 2014.

**Names of Committee of Management members and period positions held during the financial year**

The committee members have been in office since the start of the reporting period unless otherwise stated.

Name	Position Held
John Quessy	Branch Secretary
Gloria Taylor	Branch Deputy Secretary
Carol Matthews	Branch Assistant Secretary
Mark Northam	Branch Assistant Secretary
Chris Wilkinson	President
Michelle Omeros	Vice President Non-Systemic – until September 14, 2014
Louise Glase	General Executive Member – until October 19,2014 Vice President Non-Systemic – from October 19,2014
Bernadette Baker	Vice President Systemic
Gabrielle Connell	Vice President Early Childhood Services
Carolyn Collins	Vice President Support Staff
Leah Godfrey	Vice President ACT
Marie MacTavish	Financial Officer
Peter Moore	Financial Officer
Marty Fitzpatrick	General Executive Member
Michael Hagan	General Executive Member
Ralph Hunt	General Executive Member
Denise McHugh	General Executive Member
Patricia Murnane	General Executive Member
Patrick Devery	General Executive Member
John O’Neill	General Executive Member
Ann Rogers	General Executive Member
James Jenkins-Flint	General Executive Member
Tina Ruello	General Executive Member – from October 19, 2014

  
 \_\_\_\_\_  
 JOHN QUESSY  
 Branch Secretary  
 Date: 10.4.15

  
 \_\_\_\_\_  
 MARK NORTHAM  
 Acting Branch Deputy Secretary  
 Date: 14.4.15

**INDEPENDENT EDUCATION UNION OF AUSTRALIA  
NEW SOUTH WALES/ACT BRANCH**

**INCOME STATEMENT**

**FOR YEAR ENDED 31 DECEMBER 2014**

	Notes	2014	2013
		\$	\$
REVENUE	3	0	0
Less: EXPENDITURE	4		
Audit and related charges		(1,980)	0
<b>NET SURPLUS/(DEFICIT)</b>		<u>(1,980)</u>	<u>0</u>

The above statement should be read in conjunction with the notes.

**INDEPENDENT EDUCATION UNION OF AUSTRALIA  
NEW SOUTH WALES/ACT BRANCH**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2014**

	Notes	2014 \$	2,013 \$
<b>ACCUMULATED FUND</b>			
Opening balance		13,122	13,122
Add: surplus/(deficit) for the year		(1,980)	0
		11,142	13,122
Represented by:			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash at bank		11,142	13,122
Total current assets		11,142	13,122
Total non-financial assets		0	0
Total assets	5	11,142	13,122
<b>LIABILITIES</b>			
Total current liabilities		0	0
Total non-current liabilities		0	0
Total liabilities	6	0	0
Net assets		11,142	13,122

The above statement should be read in conjunction with the notes.

**INDEPENDENT EDUCATION UNION OF AUSTRALIA  
NEW SOUTH WALES/ACT BRANCH**

**STATEMENT OF CHANGES IN EQUITY**

**FOR YEAR ENDED 31 DECEMBER 2014**

	Notes	2014	2013
		\$	\$
Accumulated surplus at beginning of year		13,122	13,122
Surplus/(Deficit) attributable to members		(1,980)	0
Balance at 31 December 2014	7	11,142	13,122

The above statement should be read in conjunction with the notes.



**INDEPENDENT EDUCATION UNION OF AUSTRALIA  
NEW SOUTH WALES/ACT BRANCH**

**STATEMENT OF CASH FLOW**

**FOR THE YEAR ENDED 31 DECEMBER**

**2014**

	Notes	2014	2013
		\$	\$
<hr/>			
CASH FLOW FROM OPERATING ACTIVITIES			
Receipt from investing activities		0	0
Cash payment in the course of operations		(1,980)	0
Net Cash provided by operating activities	8b	<hr/> (1,980) <hr/>	<hr/> 0 <hr/>
NET INCREASE/(DECREASE) IN CASH HELD		0	0
Cash at beginning of financial year		13,122	13,122
Cash at end of financial year	8a	<hr/> 11,142 <hr/>	<hr/> 13,122 <hr/>

The above statement should be read in conjunction with the notes.

# INDEPENDENT EDUCATION UNION OF AUSTRALIA NEW SOUTH WALES/ACT BRANCH

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

### 1. STATEMENT OF ACCOUNTING POLICIES

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Independent Education Union of Australia New South Wales/ACT Branch is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities at measured at fair value, as explained in the accounting policies below. Historical costs generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

The following is a summary of the significant accounting policies adopted by the Independent Education Union of Australia New South Wales/ACT Branch in preparation of the accounts:

- (a) Income from membership contributions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

No contributions were received during the year.

- (b) No provision for income tax is necessary as the Independent Education Union of Australia New South Wales/ACT Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997.

- (c) Property, plant and equipment. Each class of property, plant and equipment is at cost carried less, where applicable, any accumulated depreciation and any impairment in value. The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date.

The Branch has no property, plant or equipment during and at the end of the year.

- (d) Employee benefits. A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

There were no employees during the year.

## **2. Section 272 Fair Work (Registered Organisations) Act 2009**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or the General Manager of Fair Work Australia:

- (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 not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

## **3. REVENUE**

None of the following activities occurred during the reporting period:

- a) Entrance fees or periodic subscriptions in respect of membership of the organisation.
- b) Capitation fees received.
- c) Compulsory levies raised from members.
- d) Donations or grants received.
- e) Any other income.

## **4.1 EXPENDITURES**

None of the following activities occurred during the reporting period:

- a) Employee related expenses as there were no employees.
- b) Capitation fees paid ( refer to note 8 ).
- c) Fees or periodic subscriptions paid in respect of its affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters
- d) Compulsory levies imposed.
- e) Grants or donations paid.
- f) Fees or allowances paid to persons in respect of their attendances as representatives of the reporting unit at conferences or other meetings.
- g) Expenses incurred in connection with holding of any meetings.
- h) Legal costs or other expenses related to litigation or other legal matters.
- i) Penalties imposed by any statutory body with respect to conduct of the reporting unit.

#### 4.2. AUDIT AND RELATED CHARGES

	2014	2013
	\$	\$
Auditor's fee	1,980	0
	1,980	0

#### 5.1 CASH AT BANK

	2014	2013
	\$	\$
Westpac cheque account (non-interest bearing account)	11,142	13,122
	11,142	13,122

#### 5.2 FINANCIAL INSTRUMENTS

a) Interest rate risk

The Branch 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 is minimal as all financial assets and liabilities are non-interest bearing.

b) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the Balance Sheet and Notes to the financial reports.

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

### 5.3 ASSETS AND LIABILITIES ACQUISITIONS

There were no acquisition of assets or liabilities during the year as there were no business combination or

- a) any amalgamation under Part 2 of Chapter 3, of the Fair Work (Registered Organisations) Act 2009; or
- b) a restructure of branches of the organisation; or
- c) a determination by the General Manager under subsection 245(1) of the Fair Work (Registered Organisations) Act 2009 of an alternative reporting structure for the organisation; or
- d) a revocation by the General Manager under subsection 249(1) of the Fair Work (Registered Organisations) Act 2009 of a certificate issued to an organisation under subsection 245(1).

### 6. LIABILITIES

- a) There were no employee related liabilities during the year. The organisation has no employees.
- b) There were no payables in respect of legal costs or other expenses related to litigation or other legal matters.

### 7. CHANGES IN EQUITY

There were no other movement whether of transfers or withdrawals in the equity account during the year except for the deficit attributable to members as follows:

	2014	2013
	\$	\$
Opening balance 1 January 2014	13,122	13,122
Deficit attributable to members	(1,980)	-
Closing balance at 31 December 2014	11,142	13,122

## 8. CASH FLOW INFORMATION

	2014	2013
	\$	\$
a) Reconciliation of cash		
Cash at the end of the financial year as shown in the Statement of Cash Flow is reconciled to the related items in the Balance Sheet		
Cash at bank	11,142	13,122
b) Reconciliation of cash flow from ordinary activities		
Surplus/(deficit) from ordinary activities	(1,980)	0
Cash flow from ordinary activities	(1,980)	0

## 9. RECOVERY OF WAGES ACTIVITY

There was no recovery of wages activity during the year as the organisation has no employees.

## 10. SUBSEQUENT EVENTS

There were no events that occurred after 31 December 2014, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Independent Education Union of Australia New South Wales/ACT Branch.

## 11. PAYMENT OF CAPITATION FEES

Under Rule 7(f) of the Rules of the Independent Education Union of Australia, the New South Wales Independent Education Union 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. Such approved amount has been paid by the New South Wales Independent Education Union in respect of all financial members of the New South Wales/ACT Branch of the Independent Education Union of Australia. There were no

members of the Branch who were not also members of the Associated Body and therefore no capitation fees were payable.

## **12. GOING CONCERN**

The management has used the going concern basis of accounting in the preparation of the financial statements.

Independent Education Union of Australia New South Wales/ACT Branch is not reliant on any financial support from any unit for its ability to continue as a going concern. However, all its services are carried out by the New South Wales Independent Education Union as and when required.

Independent Education Union of Australia New South Wales/ACT Branch has not provided nor has it agreed to provide any financial support to ensure any other reporting unit the ability to continue as a going concern.

**INDEPENDENT EDUCATION UNION OF AUSTRALIA  
NEW SOUTH WALES/ACT BRANCH**

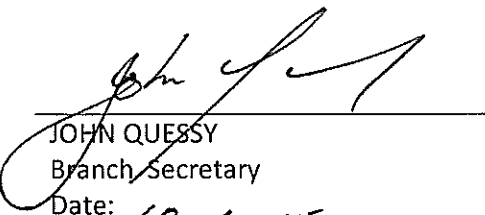
**COMMITTEE OF MANAGEMENT STATEMENT  
for the period ended 31 December 2014**

On the 10 April 2015 the Committee of Management of the Independent Education Union of Australia New South Wales/ACT Branch passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 31 December 2014:

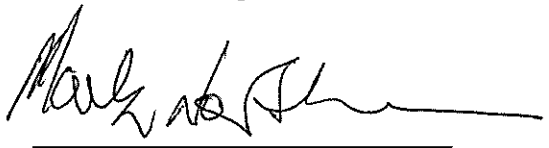
The Committee of Management declares that in its opinion:

- (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 General Manager;
- (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; and
- (e) during the financial year to which the GPRF relates and since the end of that year:
  - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the Fair Work (Registered Organisations) Act 2009; and
  - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
  - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the Fair Work (Registered Organisations) Act 2009 has been provided to the member or General Manager; and
  - (vi) where any order for inspection of financial records has been made by the General Manager under section 273 of the Fair Work (Registered Organisations) Act 2009, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

This declaration is made in accordance with a resolution of the Committee of Management.

  
\_\_\_\_\_  
JOHN QUESSY  
Branch Secretary

Date: 10.4.15 .

  
\_\_\_\_\_  
MARK NORTHAM  
Acting Branch Deputy Secretary

Date:

14/4/15



# INDEPENDENT AUDITOR'S REPORT

To the members of Independent Education Union of Australia New South Wales / ACT Branch

## Report on the Financial Report

We have audited the accompanying financial report of Independent Education Union of Australia New South Wales/ACT Branch which comprises the Income Statement, Balance Sheet, Statement of Changes in Equity and Statement of Cash Flow, accompany notes to these financial statements and the Committee of Management's statement for the year ended 31 December 2014.

## Responsibility for the Financial Report

The Committee of Management and the General Secretary of the Independent Education Union of Australia New South Wales /ACT 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 includes establishing and maintaining internal controls 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 and with reference to the Fair Work (Registered Organisations) Act 2009. 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 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 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 accounting policies used and the reasonableness of accounting estimates made by the Committee of Management and the General 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.

## Independence

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

## Auditor's Opinion

We state that the financial report has been audited and in our opinion the financial report of Independent Education Union of Australia New South Wales/ACT Branch complies with the relevant Australian Accounting Standards

We report that we have inspected and audited the accounting records of the Independent Education Union of Australia New South Wales / ACT Branch in relation to the financial year ending 31 December 2014 and report that in our opinion satisfactorily accounting records were kept by the Branch in relation to the period, including:

- 1) records of the sources and nature of the income of the Branch (including income from members);
- 2) records of the nature and purposes of the expenditure of the Branch;
- 3) all information, being information which was reasonably wanted for the purpose of this audit, which was required and sought by me or by any person authorised by me for the purpose of the audit, was provided; and
- 4) in relation to recovery of wages activity, no activity of recovery occurred in the financial year.

In our opinion the financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009;

- 1) the financial affairs of the Branch as at the end of the financial year; and
- 2) the income and expenditure, and any surplus/(deficit) of the Branch for the year;

and that the management's use of the going concern basis of accounting in the preparation of the Branch's financial statements is appropriate.

We understand that to the extent that there was any deficiency, failure or shortcoming in relation to the matters referred to above, I must report particulars and that those particulars, if any, which form part of this report, are attached.

We declare that the auditor is an approved auditor as provided in the Fair Work (Registered Organisations) Act 2009 and is a fellow of The Institute of Chartered Accountants in Australia with a current Public Practice Certificate.

**Sutherland & Company**  
**Chartered Accountants and**  
**Registered Company Auditor 3835**



**D W Sutherland , AM JP BA FCA FGIA**  
**Date: 14<sup>th</sup> April 2015.**