



Australian Government
Australian Industrial Registry

Level 5
11 Exhibition Street, Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7993
Fax: (03) 9655 0410

Ms. M. Lee
Division Secretary
National Tertiary Education Industry Union
Queensland Division
Room 3, 1st Floor
Murri Mura Building 27 Cordelia Street
SOUTH BRISBANE QLD 4101

Dear Ms. Lee,

**Re: Schedule 1 of the Workplace Relations Act 1996 (Schedule 1)
Financial Report for year ended 30 June 2007 - FR 2007/349**

Thank you for forwarding further information in relation to the financial reports of the Queensland Division of the National Tertiary Education Industry Union for the year ended 30 June 2007; this has been placed with the documents previously lodged

The financial reports have now been filed.

Yours sincerely,

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

Larry Powell
Statutory Services Branch

13 August 2008



Chartered Accountants
Auditors
Business Services
Financial Planning Services

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF NATIONAL TERTIARY EDUCATION INDUSTRY UNION QUEENSLAND DIVISION

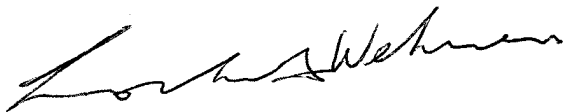
Independence

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

Auditor's Opinion

In our opinion, the general purpose financial report of the National Tertiary Education Industry Union – Queensland Division is presented fairly in accordance with:

- i. applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of Schedule 1 of the Workplace Relations Act 1996; and
- ii. other mandatory professional reporting requirements.



Lockwood Wehrens
Chartered Accountants
Hawthorn



Alan Lockwood
Principal
Registered auditor number 9216
Member of The Institute of Chartered
Accountants in Australia –21115, holder
of a current Certificate of Public Practice
18 June 2008

Liability Limited by a scheme approved under Professional Standards Legislation

Lockwood & Co (Melb) Pty Ltd
ATF LW Unit Trust
ABN 36 290 638 803
ACN 101 133 804

Lockwood & Co Audit
ABN 95 603 094 569

Lockwood & Co (Melb) Pty Ltd
ATF LB Unit Trust
ABN 97 939 670 580
ACN 101 133 804



Australian Government
Australian Industrial Registry

Level 5
11 Exhibition Street, Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7993
Fax: (03) 9655 0410

Ms. M. Lee
Division Secretary
National Tertiary Education Industry Union
Queensland Division
Room 3, 1st Floor
Murri Mura Building 27 Cordelia Street
SOUTH BRISBANE QLD 4101

Dear Ms. Lee,

**Re: Schedule 1 of the Workplace Relations Act 1996 (Schedule 1)
Financial Report for year ended 30 June 2007 - FR 2007/349**

Receipt is acknowledged of the financial report of the Queensland Division of the National Tertiary Education Industry Union for year ended 30 June 2007. The documents were lodged in the Industrial Registry on 23 July 2008.

I direct your attention to the following comments concerning the above reports and the financial reporting obligations under Schedule 1 of the Workplace Relations Act 1996 (the RAO Schedule). Please note that these matters are generally advised for assistance in the preparation of future financial reports. With the exception of the comments concerning item 1, no further action is required in respect of the subject documents.

1. Auditor's Report

The opinion expressed by the auditor in their report has not fully met the requirements of the Act. Section 257(5) of the RAO Schedule now sets out the matters on which an auditor is required to state an opinion. An acceptable wording would be as follows:

"In our opinion the general purpose financial report presents fairly in accordance with applicable Australian Accounting Standards and other mandatory professional reporting requirements in Australia and the requirements of the RAO Schedule."

You are requested to arrange for the auditor to prepare a fresh opinion that fully meets the requirements of the Act and lodge such in the Industrial Registry.

2. Late preparation and lodgement of the financial report

The Reporting unit has failed to prepare and lodge the report within the prescribed timelines. Sections 253 and 254 of the RAO Schedule require a reporting unit to commence the financial reporting process by preparing an Operating Report and a General Purpose Financial Report "as soon as practicable" after the end of the financial year. This requirement determines when subsequent steps in the process occur, most notably the preparation of the audit report. This in turn determines when the financial report can be provided to members and presented to an appropriate meeting.

Therefore, in order to have complied with its reporting obligations the reporting unit would have had to have prepared the appropriate reports, cause them to be audited and present them to a meeting before 31 December 2007.

I note this matter has been previously raised with the Division.

3. Operating Report

Right of members to resign

Subsection 254(2)(c) requires the operating report to “give details” of the right of members to resign from the reporting unit under section 174. The requirement may be met by the inclusion of a statement that a member has the right to resign and a reference to the relevant rule, which makes such provision. Alternatively, the complete text of the relevant resignation rule may be reproduced in the report. I note that the rule reproduced is a superseded version of the rule. The operating report should reproduce the current resignation rule.

It should be noted that the Industrial Registrar attaches importance to reporting units both fully satisfying the obligations under Schedule 1 and to those obligations being discharged within the requisite timeframes. Your reporting unit should therefore ensure that future financial returns fully satisfy the above obligations. I have enclosed a Diagrammatic Summary of the legislative timescale requirements for your information.

Electronic Lodgment

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

Should you wish to discuss any of the matters raised in this letter, I may be contacted on (03) 8661 7993 or by email at larry.powell@air.gov.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'L Powell', written in a cursive style.

Larry Powell
Statutory Services Branch

5 August 2008

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION
GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2007
*Full Report***

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

CERTIFICATE OF SECRETARY OR OTHER AUTHORISED OFFICER

I, Margaret Lee, being the Division Secretary of National Tertiary Education Industry Union – Queensland Division (the reporting unit or the Division) 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 20th June 2008;
and
- that the full report was presented to a general meeting of the members of the reporting unit on 18th July 2008, in accordance with section 266 of the RAO Schedule.

Signature: Margaret Lee

Date: 18/07/2008

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2007

Principal Activities

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

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

Results of Principal Activities

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

Significant Changes in the Nature of Principal Activities

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

Significant Changes in the Division's Financial Affairs

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

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

No officer or member of the Division 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 3,184 (2006 – 3,389).

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2007 (CONT'D)

Number of Employees

The number of persons who were, at the end of the financial year, employees of the Division was approximately 7 (being 7 full-time) measured on a full-time equivalent basis.

Members of the Committee of Management

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

Division President	Gina Yarrow
Division Secretary	Howard Guille
Division Assistant Secretary	Chris Butler
Committee Member	Robin Fisher
Committee Member	Bradley Astbury
Committee Member	Margaret Lee
Committee Member	Sharon Hynes
Committee Member	Dan Coughlan
Committee Member	Sue Albanus
Committee Member	Dianne Paez
Committee Member	Paul Reser
Committee Member	Helen Ester
Committee Member	John Doyle
Committee Member	Maureen Ah Sam

The Division held its elections in 2006 and as a result, the following changes took place:

Andrew Bonnell became President (effective 8th September 2006), Margaret Lee became Secretary (effective 1st October 2006), Gina Yarrow became Assistant Secretary (effective 8th September 2006 when resigned as President) and resigned on 10th October 2007.

Margaret Buckridge, Elizabeth Eddy, Karen Walker, Gary Gulliford, Angela Schlotzer, John Graham, Sig Vogel and Lynda Davies became ordinary committee members (effective 8th September 2006). Donna Weeks became ordinary committee members (effective 1st October 2006). Arthur Poropat became an ordinary committee member (effective 30th March 2007).

Chris Butler, Dianne Paez, Sue Albanus, Paul Reser, Helen Ester and Michael Barry resigned from the committee (effective 8th September 2006). Howard Guille, Maureen Ah Sam and Peter Ridley resigned from the committee (effective 1st October 2006). John Doyle resigned from the committee (effective 30th March 2007). Sharon Hynes resigned from the committee (effective 7th June 2007). Robin Fisher resigned from the committee (effective 1st September 2007).

Apart from those mentioned above, there were no other changes to the composition of the Committee of Management during the financial year 1st July 2006 to 30th June 2007.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2007 (CONT'D)

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
QUEENSLAND DIVISION**

OPERATING REPORT FOR THE YEAR ENDED 30 JUNE 2007 (CONT'D)

- 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 Margaret Lee

Title Division Secretary

Signature Margaret Lee

Date: 17/6/08

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

COMMITTEE OF MANAGEMENT STATEMENT

On 13th June 08, the Committee of Management of the National Tertiary Education Industry Union – Queensland Division (the reporting unit or the Division) passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the financial year ended 30 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 Division 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 Divisions of that union;
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations;
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of 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
QUEENSLAND DIVISION**

COMMITTEE OF MANAGEMENT STATEMENT (CONT'D)

- (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: Margaret Lee

Title of Office Held: Division Secretary

Signature: Margaret Lee

Date: 17th June 2008

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

**STATEMENT OF RECOGNISED INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2007**

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2005	276,056	276,056
Profit attributable to members	111,949	111,949
Balance at 30 June 2006	<u>388,005</u>	<u>388,005</u>
Profit attributable to members	(12,871)	(12,871)
Balance at 30 June 2007	<u><u>375,134</u></u>	<u><u>375,134</u></u>

The accompanying notes form part of these accounts.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

**BALANCE SHEET
AS AT 30 JUNE 2007**

	Note	2007 \$	2006 \$
CURRENT ASSETS			
Cash and Cash Equivalents	2	519,725	504,141
TOTAL CURRENT ASSETS		519,725	504,141
NON CURRENT ASSETS			
Plant & Equipment	3	7,328	14,569
TOTAL NON-CURRENT ASSETS		7,328	14,569
TOTAL ASSETS		527,053	518,710
 CURRENT LIABILITIES			
Trade and Other Payables	4	10,163	19,958
Employee Provisions	5	51,905	40,637
TOTAL CURRENT LIABILITIES		62,068	60,595
NON-CURRENT LIABILITIES			
Employee Provisions	5	89,851	70,110
TOTAL NON-CURRENT LIABILITIES		89,851	70,110
TOTAL LIABILITIES		151,919	130,705
 NET ASSETS		 375,134	 388,005
 EQUITY			
Retained Profits		375,134	388,005
TOTAL EQUITY		375,134	388,005

The accompanying notes form part of these accounts.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

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

	2007	2006
	\$	\$
REVENUE		
Member Subscriptions	856,003	938,598
Branch Re-imburement – Salary and Employment Costs	30,000	22,139
Interest Received	22,094	17,495
Other Income	1,856	6,412
TOTAL REVENUE	<u>909,953</u>	<u>984,644</u>
 EXPENDITURE		
Administration	35,997	42,836
Affiliation Fees	17,337	16,773
Audit – Current Year	3,210	-
Audit – Prior Years	3,000	4,785
Bank Charges	91	133
Campaign Expenses	2,415	735
Depreciation	5,975	5,411
Donations & Gifts	148	1,500
Employee Provisions	31,008	45,797
Insurance	1,346	1,446
Labour Day	1,415	455
Legal Expenses	7,977	-
Loss on Write off of Equipment	5,176	-
Meeting & Travel Expenses	51,833	47,439
Payroll Tax	30,466	29,519
PRD Administration Fees	6,911	7,335
Rent	33,015	23,392
Repairs & Maintenance	1,423	1,392
Salaries & Wages – Employees	582,815	567,304
Subscriptions	691	1,197
Superannuation	89,831	65,897
Training & Welfare	8,593	7,403
Workcover	2,151	1,946
DIVISION EXPENDITURE	<u>922,824</u>	<u>872,695</u>
(LOSS) / PROFIT FROM OPERATIONS	<u>(12,871)</u>	<u>111,949</u>

The accompanying notes form part of these accounts.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

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

	Note	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		886,003	963,382
Interest received		22,094	17,495
Other income		1,856	6,412
Payments to suppliers & employees		<u>(890,459)</u>	<u>(851,894)</u>
Net cash provided by operating activities	13	<u>19,494</u>	<u>135,395</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets		<u>(3,910)</u>	<u>(3,169)</u>
Net cash used in investing activities		<u>(3,910)</u>	<u>(3,169)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
		<u>-</u>	<u>-</u>
Net increase in cash held		15,584	132,226
Cash at beginning of year		<u>504,141</u>	<u>371,915</u>
Cash at end of year	2	<u>519,725</u>	<u>504,141</u>

The accompanying notes form part of these accounts.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 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 – Queensland Division 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 – Queensland Division is a division of that organisation.

The financial report of the National Tertiary Education Industry Union – Queensland Division complies with all International Financial Reporting Requirements in their entirety.

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.

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

(a) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and Equipment

~~Plant and equipment are measured on the cost basis less depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by the committee to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.~~

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Plant and Equipment (cont'd)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Division commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of asset	Depreciation Rate
Office Furniture and Equipment	20 – 40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(b) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Division, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Leases (cont'd)

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.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(c) Revenue

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

(d) Income Tax

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

(e) Impairment of Assets

At each reporting date, the Division reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the Division estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) Employee benefits

Provision is made for the Division's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(i) 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

(j) Economic Dependency

The Division is not economically dependent on any other reporting units of the organisation.

(k) Segment Reporting

The reporting entity operates in one business and geographical segment being the provision of trade union services to its members in Queensland.

(l) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

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

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Critical Accounting Estimates and Judgements

The committee members evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Division.

Key Estimates - Impairment

The committee members assess impairment at each reporting date by evaluating conditions specific to the Division that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key Judgements

The committee members do not believe that there are any key judgements that require separate disclosure.

	2007 \$	2006 \$
2. CASH AND CASH EQUIVALENTS		
Cash at Bank	260,004	256,554
Interest Bearing Deposits	259,721	247,587
	519,725	504,141
3. PLANT AND EQUIPMENT		
Office Furniture & Equipment	41,606	63,743
Less : Accumulated Depreciation	(34,278)	(49,174)
	7,328	14,569
Movements in Carrying Values		
Opening balance at beginning of year	14,569	16,811
Additions	3,910	3,169
Write offs	(5,176)	
Depreciation	(5,975)	(5,411)
Closing balance at end of year	7,328	14,569

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

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

	2007	2006
	\$	\$
4. TRADE AND OTHER PAYABLES		
Sundry Creditors And Accruals	<u>10,163</u>	<u>19,958</u>
	<u>10,163</u>	<u>19,958</u>
5. EMPLOYEE PROVISIONS		
Current		
Annual Leave	51,905	40,637
Non-Current		
Long Service Leave	<u>89,851</u>	<u>70,110</u>
	<u>141,756</u>	<u>110,747</u>
6. LEASING COMMITMENTS		
Operating Leases		
Payable – minimum lease payments		
Being for the lease of photocopier		
Not later than 12 months	5,280	6,336
Between 12 months and 5 years	-	5,280
Greater than 5 years	-	-
Total payable minimum lease payments	<u>5,280</u>	<u>11,616</u>

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

7. KEY MANAGEMENT PERSONNEL COMPENSATION

There are no key management personnel of the Division whose remuneration requires separate disclosure.

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

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

	2007	2006
	\$	\$
8. AUDITOR'S REMUNERATION		
Remuneration of the auditor of the Division for:		
- auditing or reviewing the financial report		
(i) Current year	3,210	-
(ii) Prior Years	3,000	4,785
	6,210	4,785

9. CONTINGENT LIABILITIES OR ASSETS

The Division does not have any contingent liabilities or assets at year end.

10. EVENTS AFTER THE BALANCE SHEET DATE

There has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Division, the results of those operations, or the state of affairs of the Division in future financial years.

11. RELATED PARTY TRANSACTIONS

During the year, there were no transactions with related parties which require separate disclosure.

12. CASH FLOW INFORMATION

Reconciliation of Cash

Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:

	2007	2006
	\$	\$
Cash at Bank	260,004	256,554
Interest Bearing Deposits	259,721	247,587
	519,725	504,141

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

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

12. CASH FLOW INFORMATION (CONT'D)

Reconciliation of Cash Flow from Operations with Profit from Operations:

	2007	2006
	\$	\$
Profit from operations	(12,871)	111,949
Non-cash flows in profit		
Depreciation	5,975	5,411
Loss on Write off of Equipment	5,176	-
Changes in Assets & Liabilities:		
- Decrease in trade and other receivables	-	2,645
- Decrease in trade and other payables	(9,795)	(30,407)
- Increase in employee provisions	31,009	45,797
Net cash provided by operating activities	19,494	135,395

13. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The Division'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:

	Fixed Interest Rate Maturing									
	Weighted Average Effective Interest Rate		Floating Interest Rate		Within 1 Year		1 to 5 Years		Non-interest Bearing	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets:										
Cash and cash equivalents	4.25	3.47	260,004	256,554	259,721	247,587	-	-	-	-
Total Financial Assets			260,004	256,554	259,721	247,587	-	-	-	-
Financial Liabilities:										
Trade and other payables	-	-	-	-	-	-	-	-	10,163	19,958
Total Financial Liabilities			-	-	-	-	-	-	10,163	19,958

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

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

13. FINANCIAL INSTRUMENTS (CONT'D)

(b) 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.

14. ACCOUNTING POLICY AMENDMENTS

The following Australian Accounting Standards issued or amended and are applicable to the Division but not yet effective and have not been adopted in preparation of the financial statements at reporting date.

AASB Amendment	Standards Affected	Outline of Amendment	Application Date of Standard	Application Date for Division
AASB 2005–10: Amendments to Australian Accounting Standards	AASB 1: First time adoption of AIFRS AASB 4: Insurance Contracts AASB 101: Presentation of Financial Statements AASB 114: Segment Reporting AASB 117: Leases AASB 133: Earnings per Share AASB 1023: General Insurance Contracts AASB 1038: Life Insurance Contracts AASB 139: Financial Instruments: Recognition and Measurement	The disclosure requirements of AASB 132: Financial Instruments: Disclosure and Presentation have been replaced due to the issuing of AASB 7: Financial Instruments: Disclosures in August 2005. These amendments will involve changes to financial instrument disclosures within the financial report. However, there will be no direct impact on amounts included in the financial report as it is a disclosure standard.	1 January 2007	1 July 2007
AASB 7: Financial Instruments: Disclosures	AASB 132: Financial Instruments: Disclosure and Presentation	As above.	1 January 2007	1 July 2007

**NATIONAL TERTIARY EDUCATION INDUSTRY UNION
QUEENSLAND DIVISION**

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

15. DIVISION DETAILS

The registered office and principal place of business of the Division is:

25 – 27 Cordelia Street
SOUTH BRISBANE QLD 4101



INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF NATIONAL TERTIARY EDUCATION INDUSTRY UNION QUEENSLAND DIVISION

Report on the Financial Report

We have audited the accompanying financial report of National Tertiary Education Industry Union – Queensland Division (the Division) which comprises the balance sheet as at 30 June 2007 and the income statement, statement of recognised income and expenditure and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes.

Committee's Responsibility for the Financial Report

The committee of the Division is 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. 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, 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.

Liability Limited by a scheme approved under Professional Standards Legislation

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF NATIONAL TERTIARY EDUCATION INDUSTRY UNION QUEENSLAND DIVISION

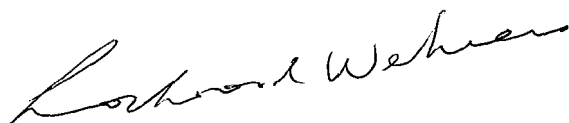
Independence

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


Auditor's Opinion

In our opinion, the financial report of the National Tertiary Education Industry Union – Queensland Division is presented fairly in accordance with the Workplace Relations Act 1996 including:

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



Lockwood Wehrens
Chartered Accountants
Hawthorn



Alan Lockwood
Principal
Registered auditor number 9216
Member of The Institute of Chartered
Accountants in Australia –21115, holder
of a current Certificate of Public Practice
18 Jan . 2008