

# Australian Education Union (New South Wales Branch)



These accounts are a concise report of the activities of the New South Wales Branch of the federal union, the Australian Education Union.

The principal activity of the branch during the year was the protection and improvement of employment conditions for its members and the financial activity was mostly limited to the receipt of funds collected on behalf of the federal branch of the union by the NSW Teachers Federation. These funds were received and then transferred to the federal body.

*Jenny Diamond*

Jenny Diamond  
Branch Secretary

## Summary of the financial statements for the financial year ended December 31, 2012

The financial statements of the union have been audited in accordance with the provisions of the Fair Work (Registered Organisations) Act 2009 and the following summary is provided for members in accordance with Section 279(2) of the Act.

A copy of the Auditors' Report, Accounts and Statements will be supplied free of charge to members who request same.

Certificates required to be given under the Act by the Accounting Officer and the Committee of Management have been completed in accordance with the provisions of the Act and contain no qualifications. The financial statements, specific disclosures and other information included in the concise financial report are derived from, and are consistent with, the full financial report of Australian Education Union (NSW Branch).

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(1) and (2) and (3), which read as follows:  
S.272

(1) A member of the 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 with 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).

## Operating report for the financial year ended December 31, 2012

Your committee presents the concise report on the union for the financial year ended December 31, 2012.

### Members of Committee

The names of the members of the Committee of Management in office at any time during the financial year were:

Bob Lipscombe (Resigned 31/3/2012), Maurie Mulheron, Gary Zadkovich, Joan Le-maire, Jenny Diamond, Wendy Currie, Peter de Graaff (Resigned 20/11/2012), David Wynne (Resigned 31/3/2012), John Dixon, Sally Edsall, Dennis Long (Resigned 31/3/2012), Geoff Turnbull, Phil Cooke, Kathy Deacon, Nola Edsall (Resigned 31/3/2012), Peter Wilson (Resigned 31/3/2012), Rod Brown (Resigned 31/3/2012), Michael de Wall (Resigned 31/3/2012), Charmaine O'Sheades (Resigned 31/3/2012), Fionie Stavert (Resigned 31/3/2012), Denis Fitzgerald (Appointed 1/4/2012), John Gauci (Appointed 1/4/2012), Jenny Mace (Appointed 1/4/2012), John Morris (Appointed 1/4/2012), Tim Mulroy (Appointed 1/4/2012), Lindy Nolan (Appointed 1/4/2012), Michael Sciffer (Appointed 1/4/2012), Margaret Vos (Appointed 1/4/2012).

### Operating results

The loss of the union for the financial year was \$1490 (2011: gain \$930).

### Review of operations

A review of the operations of the union during the financial year and the results of those operations found that during the year, the entity continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

### Significant changes in state of affairs

No significant changes in the state of affairs of the union occurred during the financial year.

### Principal activity

The principal activity of the entity during the financial year was promotion of union activities within the education sector. No significant change in the nature of these activities occurred during the year.

### After balance date events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the union, the results of those operations, or the state of affairs of the union in future financial years.

### Employees/members

The union did not have any employees during the year. The number of financial members at December 31, 2012 was 61,951 (2011: 61,579)

### Superannuation trustees

No officer or member of the organisation holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

### Rights of members to resign

Members may resign from the union in accordance with rule 17, which reads as follows:

\*17 - Resignation from membership and termination of eligibility  
(3) A member may resign from the union by written notice addressed to and delivered to the Secretary of the branch to which the member is attached.

(4) 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 at the office of the relevant Branch Secretary; 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 after the notice is received at the office of the relevant Branch Secretary; or

(ii) on the day specified in the notice, whichever is later.

(5) Any subscriptions, levies or fines which are due and payable but have not been 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.

(6) A notice delivered to the relevant Branch Secretary shall be taken to have been received by the union when it was delivered.

(7) A notice of resignation that has been received at the office of the relevant Branch Secretary is not invalid because it was not addressed and delivered in accordance with sub-rule (1).  
(8) A resignation from membership is valid even if it is not effected in accordance with this section if the member is informed in writing by or on behalf of the union that the resignation has been accepted.

(9) A relevant Branch Secretary may accept a resignation from membership which is not effected

## Statement of financial position as at December 31, 2012

	2012	2011
	\$	\$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	73,043	7,562
Trade and other receivables	652,334	6,002
<b>TOTAL CURRENT ASSETS</b>	<b>725,377</b>	<b>13,564</b>
<b>TOTAL ASSETS</b>	<b>725,377</b>	<b>13,564</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	716,573	3,270
<b>TOTAL CURRENT LIABILITIES</b>	<b>716,573</b>	<b>3,270</b>
<b>TOTAL LIABILITIES</b>	<b>716,573</b>	<b>3,270</b>
<b>NET ASSETS</b>	<b>8,804</b>	<b>10,294</b>
<b>EQUITY</b>		
Retained earnings	8,804	10,294
<b>TOTALEQUITY</b>	<b>8,804</b>	<b>10,294</b>

## Statement of comprehensive income for the year ended December 31, 2012

	2012	2011
	\$	\$
<b>Revenues</b>		
Other income	2,348	9,000
Interest received	2,229	6,583
Agency collections	2,488,628	2,391,582
<b>Total revenues</b>	<b>2,493,205</b>	<b>2,407,165</b>
<b>Expenses</b>		
Audit of financial report	3,500	3,200
Capitation fees paid to Federal Office	2,488,628	2,391,582
Total WRA Regulations disclosures	2,492,128	2,394,782
Travel costs	218	11,283
Finance costs	-	70
General costs	2,349	-
<b>Total expenses</b>	<b>2,494,695</b>	<b>2,406,235</b>
<b>(Loss)/Gain for the year</b>	<b>(1,490)</b>	<b>930</b>
Other comprehensive income	-	-
<b>Total comprehensive (Loss)/Income</b>	<b>(1,490)</b>	<b>930</b>

## Statement of changes in equity for the year ended December 31, 2012

	Retained Earnings	TOTAL
	\$	\$
<b>Balance at December 31, 2010</b>	9,364	9,364
Total comprehensive income for 2011	930	930
<b>Balance at December 31, 2011</b>	<b>10,294</b>	<b>10,294</b>
Total comprehensive (loss) for 2012	(1,490)	(1,490)
<b>Balance at December 31, 2012</b>	<b>8,804</b>	<b>8,804</b>

## Statement of cash flows for the financial year ended December 31, 2012

	2012	2011
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Other receipts	2,348	14,853
Membership fees of the AEU	1,842,614	2,391,582
Interest received	2,229	6,581
Payments in the course of operations	(1,781,710)	(2,409,063)
Net cash provided by operating activities	65,481	3,953
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	-	-
<b>Net increase in cash held</b>	<b>65,481</b>	<b>3,953</b>
Cash at beginning of year	7,562	3,609
<b>Cash at end of the year</b>	<b>73,043</b>	<b>7,562</b>

**Independent auditor's report to the members of Australian Education Union (NSW Branch)**

We have audited the accompanying concise financial report of Australia Education Union (NSW Branch), comprising the statement of financial position as at December 31, 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for, and related notes, which was derived from the financial report of Australian Education Union (NSW Branch) for the year ended December 31, 2012. We expressed an unmodified auditor's opinion on that financial report in our auditor's report dated May 4, 2013.

**Responsibility of the Committee of the Management for the financial report**

The Committee of Management of the branch is responsible for the preparation and fair presentation of the concise financial report in accordance with Accounting Standard AASB 1039 Concise Financial Reports. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; 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 concise financial report based on our procedures, which were conducted in accordance with Australian Auditing Standards of the Australia Education Union (NSW Branch) financial report for the year ended December 31, 2012. Our audit report on the financial report for the year was signed on March 20, 2012 and was not subject to any modification. The Australian 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 for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the infor-

mation in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039 Concise Financial Reports.

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 applicable independence requirements of the Accounting Professional and Ethical Standards Board.

**Auditor's opinion**

In our opinion, the information reported in the concise financial report is consistent, in all material respects, with the financial report from which it was derived and complies with the Accounting Standard AASB 101 Presentation of Financial Statements and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009. For a better understanding of the financial position of Australian Education Union (NSW Branch) as at December 31, 2012, its financial performance for the year ended and the scope of our audit, the concise financial report should be read in conjunction with the unabridged financial report and the auditor's report thereon.

*Grant Thornton*

Grant Thornton Audit Pty Ltd  
Chartered Accountants



A G Rigele  
Partner - Audit & Assurance  
Sydney, May 4, 2013

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in accordance with this rule.

(10) Where the relevant Branch Secretary accepts a resignation in accordance with the previous sub-rule the relevant Branch Secretary shall inform the member in writing that his/her resignation has been accepted.

(11) On receipt of a written notice from a member that he/she has become ineligible for membership of the union or a notice of resignation or on acceptance of a resignation which is not effected in accordance with this rule, the Branch Secretary shall, as soon as possible, notify the Federal Secretary that the member has become ineligible for membership or that the member has resigned."

On March 16, 2013, the Committee of Management of Australian Education Union (NSW Branch) passed the following resolution in relation to the general purpose financial report of the Australian Education Union (NSW Branch) for the financial year ended December 31, 2012:

The Committee of Management declares in relation to the general purpose financial report that in its opinion:

- (a) the concise financial statements and notes comply with AASB 1039 Concise Financial Reports;
- (b) the concise financial statements and notes comply with the reporting guidelines;
- (c) the concise financial statements and notes give a true and fair view of the financial performance, financial position and cash flows for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPPR relates and since the end of that year:

(i) meetings of the Committee of Management were held in accordance with the rules of the organiza-

tion including the rules of a branch concerned; and

(ii) the financial affairs have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and

(iii) the financial records have been kept and maintained in accordance with the Registration and Accountability of Organisations (RAO) Schedule and the RAO Regulations; and

(iv) where the organisation consists of two or more entities, the financial records of reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and

(v) the information sought in any request of a member or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and

(vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

(vii) the organisation has not undertaken any recovery of wages activity for the financial year.

(f) In relation to the recovery of wages activity:

(i) there has been no such activity undertaken by the reporting unit.

Signed in accordance with a resolution of the Committee of Management,

*Jenny Diamond*

Jenny Diamond  
Branch Secretary  
Dated this 4th day of May 2013.

**Discussion and analysis of the financial statements**

**Information on Australian Education Union (NSW Branch) Financial Report**

The financial statements and disclosures in the concise financial report have been derived from the December 31, 2012 financial report of Australian Education Union (NSW Branch) and cannot be expected to provide as full an understanding of the financial performance, financial position and financial and investing activities of the reporting unit as the full report.

The discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on Australian Education Union (NSW Branch) financial statements and the information contained in the concise financial report has been derived from the full 2012 Financial Report of Australian Education Union (NSW Branch).

**Statement of comprehensive income**

Loss for the year was \$1490. This compared to a gain in 2011 year of \$930. The loss for the year is due primarily to less interest income received during 2012 as compared to 2011 year.

Membership fee income of the branch was \$2,488,628 representing an increase of 4.06 per cent from the prior year (2011: \$2,391,582).

**Statement of financial position**

Trade and other receivables was \$652,334 in 2012, representing an increase of \$946,332 over the previous year (2011: \$6,002). This is due in the main to outstanding payment of two invoices at balance date.

Equity has decreased by \$1490 from \$10,294 in 2011 to \$8804 in 2012. This was due to the operating loss during the year of \$1490.

**Cash flow statement**

Cash has increased by \$65,481 from \$7562 in 2011 to \$73,043 in 2012. The net increase in cash held at December 31, 2012 is due to payment of debtors invoices as received from the NSW Teachers Federation.

**Notes to the financial report for the year ended December 31, 2012**

**Note 1: Basis of preparation of the concise financial report**

The concise financial report is an extract for the full financial report for the year ended December 31, 2012. The concise financial report has been prepared in accordance with Accounting Standard AASB 1039 Concise Financial Reports.

The financial statements, specific disclosures and other information included in the concise financial report are derived from, and are consistent with, the full financial report of Australian Education Union (NSW Branch). The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Australian Education Union (NSW Branch) as the full financial report. A copy of the full financial report and auditor's report will be sent to any member, free of charge, upon request.

The financial report of Australian Education Union (NSW Branch) complies with all Accounting Standards, including Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board as well as the requirements of the Fair Work (Registered Organisations) Act 2009. A statement of compliance with International Financial Reporting Standards cannot be made due to the entity applying the not-for-profit section specific requirements contained in AIFRS. The presentation currency used in this concise financial report is Australian dollars.

**Note 2: Relationship between Australian Education Union and NSW Teachers Federation**

NSW Teachers Federation is an associated body of the Australian Education Union specified in the Australian Education Union rules. The NSW Teachers Federation membership fee

includes membership of the Australian Education Union (NSW Branch).

Membership fees for members of the Australian Education Union (NSW Branch) are received from the NSW Teachers Federation as per the obligation of the NSW Teachers Federation as an associated body of the Australian Education Union and enabled by Rule 11 (7) of the Australian Education Union rules.

The Australian Education Union (NSW Branch) notes that NSW Teachers Federation continues to make provision for those costs in its annual budget incurred by the Australian Education Union (NSW Branch) in respect of auditors' fees and bank fees incurred for management of membership fees and audited accounts and does this as part of its obligation to collect and process membership fees for the Australian Education Union (NSW Branch).

NSW Teachers Federation



Communications Room

Toll free number: 1300 654 367