



Chart of Accounts Policy

4 September 2015

Application

This policy applies to IEUA Federal Office and all Branches.

Purpose

The purpose of this policy is to prescribe a chart of accounts for use by all Branches in recording and reporting financial transactions. This policy also prescribes the reports to be generated in the event the Fair Work Commission requires a report in a format consistent with other Branches.

Context

Section 252 of the Fair Work (Registered Organisations) Act 2009 requires Branches of an organisation to have consistent accounting policies and to have a consistent chart of accounts as far as practicable. IEUA has determined that Branches will report in a prescribed consistent manner whilst ensuring individual Branch transactions may be kept and recorded in a useful form to a Branch.

Procedure

Each Branch shall use an accounting system capable of recording and reporting in a hierarchical manner a prescribed format of accounts.

IEUA has structured a hierarchy of accounts capable of reporting consistently at all levels with the exception of the lowest (detailed) transaction level. Branches will require some individual accounts to be determined locally to provide for unique circumstances and Branches may wish to minimise accounts that are not relevant.

Consistency is achieved by implementing equivalent hierarchical levels at 1, 2 and 3 by 1 January 2017.

Attachment 1 provides the chart of account structure for levels 1 to 3.

It is acknowledged that the Model Financial Statements may change over time and lessen the nexus with the IEUA chart of accounts. However, the chart of accounts set out in this policy is considered appropriate to provide a framework of compliant policy.

A report shall be a system generated Balance Sheet (called Standard Balance Sheet in MYOB) or Income Statement (called Profit & Loss - Year to date in MYOB). Such reports are produced at the third hierarchical level. The report shall specify at the top of each page the name of the Branch.

The reports should be configured to:

- include all summary accounts at level 3 including those with zero balances;
- omit account numbers where possible;
- omit budgets unless requested; and
- limit reports to a Balance Sheet and a year to date Profit & Loss statement (unless specified otherwise).

Formal requests from the Fair Work Commission made through IEUA's Federal Office will be co-ordinated by the Federal Office.

Attachment 1 – Chart of Accounts Draft

Version	Created	Created by	Approved	To be reviewed
Original	4 September 2015	Federal Executive	4 September 2015	September 2017
Revised				

Chart of Accounts Draft – Balance Sheet

Assets		Level 1 Header Account	
	Current Assets		Level 2 Header Account
	Cash & Cash Equivalents		Level 3 Header Account
	User Defined Account		
	Trade & Other Receivables		Level 3 Header Account
	User Defined Account		
	Other Current Assets		Level 3 Header Account
	User Defined Account		
	Non-Current Assets		Level 2 Header Account
	Land & Buildings		Level 3 Header Account
	User Defined Account		
	Plant & Equipment		Level 3 Header Account
	User Defined Account		
	Investment property		Level 3 Header Account
	User Defined Account		
	Intangibles		Level 3 Header Account
	User Defined Account		
	Investments in Associates		Level 3 Header Account
	User Defined Account		
	Other Investments		Level 3 Header Account
	User Defined Account		
	Other Non-Current Investments		Level 3 Header Account
	User Defined Account		

Liabilities		Level 1 Header Account	
	Current Liabilities		Level 2 Header Account
	Trade Payables		Level 3 Header Account
	User Defined Account		
	Other Payables		Level 3 Header Account
	User Defined Account		
	Employee Provisions		Level 3 Header Account
	User Defined Account		
	Non-Current Liabilities		Level 2 Header Account
	Employee Provisions		Level 3 Header Account
	User Defined Account		
	Other Non-Current Liabilities		Level 3 Header Account
	User Defined Account		

Equity		Level 1 Header Account	
	Equity		Level 2 Header Account
	General Funds		Level 3 Header Account
	User Defined Account		
	Retained Earnings		Level 3 Header Account
	User Defined Account		

Chart of Accounts Draft – Income Statement

Income		Level 1 Header Account	
	Revenue		Level 2 Header Account
	Membership Subscriptions		Level 3 Header Account
	User Defined Account		

	Capitation Fees	Level 3 Header Account
	User Defined Account	
	Levies	Level 3 Header Account
	User Defined Account	
	Interest	Level 3 Header Account
	User Defined Account	
	Rental Revenue	Level 3 Header Account
	User Defined Account	
	Other Revenue	Level 3 Header Account
	User Defined Account	
Other Income		Level 2 Header Account
	Grants & Donations	Level 3 Header Account
	User Defined Account	
	Profit from Associates	Level 3 Header Account
	User Defined Account	
	Net Gain from Sale of Assets	Level 3 Header Account
	User Defined Account	
Expenditure		Level 1 Header Account
Expenses		Level 2 Header Account
	Employee Expenses	Level 3 Header Account
	User Defined Account	
	Capitation Fees	Level 3 Header Account
	User Defined Account	
	Affiliation Fees	Level 3 Header Account
	User Defined Account	
	Administration Expenses	Level 3 Header Account
	User Defined Account	
	Grants & Donations	Level 3 Header Account
	User Defined Account	
	Depreciation & Amortisation	Level 3 Header Account
	User Defined Account	
	Finance Costs	Level 3 Header Account
	User Defined Account	
	Legal Costs	Level 3 Header Account
	User Defined Account	
	Audit Fees	Level 3 Header Account
	User Defined Account	
	Write Down & Impairment of Assets	Level 3 Header Account
	User Defined Account	
	Net Losses from Sale of Assets	Level 3 Header Account
	User Defined Account	
	Other Expenses	Level 3 Header Account
	User Defined Account	
7-0000	Other Comprehensive Income	Level 1 Header Account
	Other Comprehensive Income	Level 3 Header Account
	User Defined Account	