



18 December 2025

Matthew Hammond  
Branch Secretary  
Health Services Union-Victoria No. 4 Branch  
Sent via email: [matth@msav.org.au](mailto:matth@msav.org.au)  
CC: [david@penmanco.com.au](mailto:david@penmanco.com.au)

Dear Matthew Hammond

**Health Services Union-Victoria No. 4 Branch  
Financial Report for the year ended 30 June 2025 – (FR2025/138)**

I acknowledge receipt of the financial report for the year ended 30 June 2025 for the Health Services Union-Victoria No. 4 Branch (reporting unit). The documents were lodged with the Fair Work Commission (the Commission) on 2 December 2025. I also acknowledge receipt of the amended auditor's report which was lodged with the Commission on 17 December 2025.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under section 268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2026 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The Commission will confirm these concerns have been addressed prior to filing next year's report.

**Auditor's statement must be signed before full report provided to members**

The designated officer's certificate states that the full report was provided to members on 15 October 2025. However, the amended auditor's statement was signed on 27 October 2025. The reporting unit advised the Commission on 17 December 2025 that the amended auditor's statement was provided to members on the 16 December 2025.

Please note that the auditor's statement must be signed after the first committee of management meeting and before full report is provided to members.

**Reporting Requirements**

The Commission's website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the section 253 reporting guidelines and a model set of financial statements.

The Commission recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 253 reporting guidelines and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please call 1300 341 665 or email [regorgs@fwc.gov.au](mailto:regorgs@fwc.gov.au).

Yours sincerely

**Fair Work Commission**

# **INDEPENDENT AUDIT REPORT TO THE MEMBERS OF HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH**

## **Report on the Audit of the Financial Report**

### **Opinion**

I have audited the financial report of Health Services Union Victoria No. 4 Branch which comprises the balance sheet as at 30 June 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2025, notes to the financial statements, including a summary of significant accounting policies; the Committee of Management Statement and the subsection 255(2A) report.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Health Services Union Victoria No. 4 Branch as at 30 June 2025, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

### **Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Branch in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Information other than the Financial Report and Auditor's Report Thereon**

The committee of Management is responsible for other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

My opinion on the financial report does not cover the other information accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### **Responsibilities of Committee of Management for the Financial Report**

The Committee of Management of the Branch is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of



accounting unless the Committee of Management either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

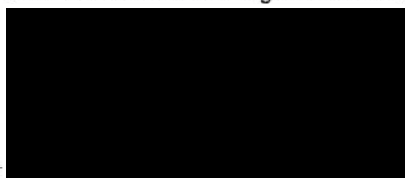
My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatements of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

I communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an auditor registered under the RO Act.



David Penman RCA 15485  
Suite 8, 2-8 St. Andrews Street  
Brighton Vic 3186

Date: 27 October 2025

Registration number AA 2017/130

## Health Services Union – Victoria No 4 Branch

s.268 *Fair Work (registered Organisations) Act 2009*

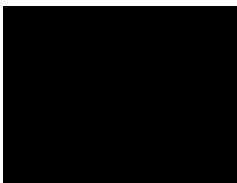
### CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

for the year ended 30 June 2025

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I, Matthew Hammond, being the Branch Secretary of the Health Services Union, Victoria No 4 Branch, certify:

- that the documents lodged herewith are copies of the full report for the Health Services Union, Victoria No 4 Branch for the period ended 30 June 2025; and
- that the full report was provided to members of the reporting unit on 15 October 2025; and
- that the full report was presented to a meeting of the Committee of Management of the Health Services Union, Victoria No 4 Branch on 26 November 2025 in accordance with s.266 of the *Fair Work (registered Organisations) Act 2009*.



Signature of the Designated Officer

Name of the Designated Officer: Matthew Hammond

Title of the Designated Officer: Branch Secretary

Dated: 2 December 2025

**HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH  
ABN 63 009 627 460**

**ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**



**HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH**  
**ABN 63 009 627 460**

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This financial report covers the Health Services Union Victoria No. 4 Branch as an individual entity. The financial report is presented in the Australian currency.

The Health Services Union Victoria No. 4 Branch is a registered trade union under the *Fair Work (Registered Organisations) Act 2009* ("RO Act"). The purpose of the entity is to protect and improve conditions and entitlements for members. Its principal activities are the pursuit of the Objects of the Union's Rules. Specifically, the main activities of the Branch are to regulate and protect the employment conditions of its members, including: negotiating certified agreements and award variations; upholding members' rights as employees, taking all necessary steps to advance the health and safety of members in the workplace and representing members individually and collectively in the Fair Work Commission, the Equal Opportunity Commission and the Victorian Civil and Administrative Tribunal in relation to employment matters.

*The principal place of business is:*

Health Services Union Victoria No. 4 Branch  
Level 1, 62 Lyon Street  
CARLTON VIC 3053

The financial report was authorised for issue by the Branch Committee on 15 October 2025.

**HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH**  
**ABN 63 009 627 460**

**OPERATING REPORT**

Your Branch Committee of Management present their report on the union for the financial year ended 30 June 2025.

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

The names of the members of Committee of Management in office at any time during or since the end of the financial year are:

<i>Name</i>	<i>Position</i>	
Cathy Durkin	President**	
Victor Reginato	Senior Vice-President (1)	
Megan Chapman	Junior Vice-President	
Peter Brann	Trustee – VPA (1)	
Sara Sujansky	Trustee – MSAV (1)	Appointed 13 November 2024
Matt Hammond	Secretary ** (1)	
Conor Serong	Assistant Secretary ** (1)	Appointed on 2 June 2025
Lisa Alcock	Assistant Secretary ** (1)	Resigned on 23 May 2025
Julie King	Committee member	
Shaun O'Connor	Committee member	
Eileen Kelly	Committee member	
Gemma Brett	Committee member	Appointed 12 March 2025
Celia Talbot	Committee member	Resigned 6 March 2025
Vanessa Panettieri	Committee member	
Claudia Mulder	Committee member	

\*\* Delegate to National Council

(1) Members of Audit Committee

The members of Committee of Management have been in office since the start of the financial year to the date of this report unless otherwise stated.

**Significant changes in financial affairs**

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



**OPERATING REPORT (continued)**

**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 of the union during the financial year were the pursuit of the Objects of the Union's Rules. Specifically, the main activities of the Branch were to regulate and protect the employment conditions of its members, including negotiating certified agreements and award variations; upholding members' rights as employees, taking all necessary steps to advance the health and safety of members in the workplace and representing members individually and collectively in the Fair Work Australia, the Equal Opportunity Commission and the Victorian Civil and Administrative Tribunal in relation to employment matter. No significant change in the nature of these activities occurred during the year.

A review of the operations of the Branch indicate that it continued to engage in its principal activity of representing members in industrial, technical and operational matters. In pursuing these activities the Branch has sought to protect and enhance the profession of members through representation of individuals in grievances and disputes and by representing members in collective bargaining. In pursuing such, the Branch has initiated and activated legal and industrial action when appropriate. In enhancing the professional aspects of members, representations have been made to regulatory bodies, government inquiries and international forums when so required.

**Union Details**

*Number of employees*

The union did not have any employees during the years ended 30 June 2025 and 30 June 2024. All the administrative and industrial services were provided for a fee by the Medical Scientists Association of Victoria.

*Number of members*

The number of financial members at 30 June 2025 was 3,199 (2024: 3,025).

**Right of members to resign**

Pursuant to Rules 10(b)-(h) of the HSU and s174 of the Fair Work (Registered Organisations) Act 2009, a member may resign from membership of the Union by notice in writing addressed and delivered to the Secretary of the member's Branch.

A notice of resignation from membership of the Union shall take effect:-

- (i) where the member ceases to be eligible to become a member of the Union -
  - A. on the day upon which the notice is received by the Union, or
  - B. on the day specified in the notice, which is a day not earlier than the day when the member ceased to be eligible to become a member,whichever is the later; or
- (ii) in any other case -
  - A. at the end of two weeks after the notice is received by the Union, or
  - B. on the day specified in the notice,whichever is the later.

**HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH**  
**ABN 63 009 627 460**

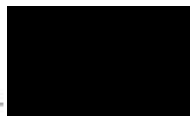
**OPERATING REPORT (continued)**

**Officers & employees who are superannuation fund trustee(s) (Include position details) or director of a company that is a superannuation fund trustee**

To the best of our knowledge and belief, no officers and employees of the Branch are superannuation fund trustee(s) or a director of a company that is a superannuation fund trustee:

Signed In accordance with a resolution of the Branch Committee of Management:

Signature of designated officer: \_\_\_\_\_



Name of designated officer:

MATTHEW HAMMOND

Title of designated officer:

BRANCH SECRETARY

Dated:

15.10.25

**HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH**  
**ABN 63 009 627 460**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2025**

	<b>Note</b>	<b>2025 \$</b>	<b>2024 \$</b>
<b>Revenue from contracts with customers</b>	4	122,936	114,908
<b>Other revenue</b>	4	10	8
<b>Expenses</b>			
Affiliation and capitation fee	6	(80,532)	(74,275)
Employee expenses	7	-	-
Industrial expenses	8	(34,788)	(32,568)
Administration expenses	9	(1,629)	(1,901)
		<u>(116,949)</u>	<u>(108,744)</u>
<b>Surplus before income tax</b>		5,997	6,172
<b>Income tax expense</b>		<u>-</u>	<u>-</u>
<b>Surplus for the year</b>		5,997	6,172
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<u>5,997</u>	<u>6,172</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

**HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH**  
**ABN 63 009 627 460**

**BALANCE SHEET**  
**AS AT 30 JUNE 2025**

	<b>Note</b>	<b>2025 \$</b>	<b>2024 \$</b>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	10	<b>84,423</b>	79,903
Trade and other receivables	11	<b>2,906</b>	612
Other assets	12	<b>20,676</b>	18,609
<b>Total current assets</b>		<b>108,005</b>	99,124
<b>Total assets</b>		<b>108,005</b>	99,124
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	13	<b>32,310</b>	29,426
Employee provisions	14	-	-
<b>Total current liabilities</b>		<b>32,310</b>	29,426
<b>Total liabilities</b>		<b>32,310</b>	29,426
<b>Net assets</b>		<b>75,695</b>	69,698
<b>MEMBERS' FUND</b>			
Accumulated surplus	15	<b>75,695</b>	69,698
<b>Total members' fund</b>		<b>75,695</b>	69,698

The above balance sheet should be read in conjunction with the accompanying notes.

**HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH**  
**ABN 63 009 627 460**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2025**

	<b>Accumulated Surplus \$</b>	<b>Other Funds \$</b>	<b>Total \$</b>
<b>Balance at 1 July 2023</b>	63,526	-	63,526
Total comprehensive income for the year	6,172	-	6,172
Transfer to/from other funds	-	-	-
<b>Balance at 30 June 2024</b>	<u>69,698</u>	<u>-</u>	<u>69,698</u>
 <b>Balance at 1 July 2024</b>	 69,698	 -	 69,698
Total comprehensive income for the year	5,997	-	5,997
Transfer to/from other funds	-	-	-
<b>Balance at 30 June 2025</b>	<u>75,695</u>	<u>-</u>	<u>75,695</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH**  
**ABN 63 009 627 460**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2025**

	<b>Note</b>	<b>2025</b> <b>\$</b>	<b>2024</b> <b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from members and other associations		<b>135,230</b>	126,399
Receipts from other reporting units/controlled entity		-	-
Payments to HSU National Office		<b>(88,585)</b>	(81,703)
Payments to suppliers		<b>(42,135)</b>	(36,282)
Payments to other reporting units/controlled entity		-	-
Interest received		<b>10</b>	8
<b>Net cash inflow from operating activities</b>	19	<b>4,520</b>	8,422
<b>Net increase in cash and cash equivalents</b>		<b>4,520</b>	8,422
Cash and cash equivalents at beginning of financial year		<b>79,903</b>	71,481
<b>Cash and cash equivalents at end of financial year</b>	10a	<b>84,423</b>	79,903

The above statement of cash flows should be read in conjunction with the accompanying notes.



**HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH**  
**ABN 63 009 627 460**

**REPORT REQUIRED UNDER SUBSECTION 255(2A)**  
**FOR YEAR ENDED 30 JUNE 2025**

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The Committee of Management presents the expenditure report as required under subsection 255(2A) of the *Fair Work (Registered Organisations) Act 2009* on the Reporting Unit for the year ended 30 June 2025.

	2025 \$	2024 \$
<b>Categories of expenditure</b>		
Remuneration and other employment-related costs and expenses - employees	-	-
Advertising	-	-
Operating costs	36,417	34,469
Donations to political parties	-	-
Legal costs	-	-

Due to the specific requirements under subsection 255(2A) of the *Fair Work (Registered Organisations) Act 2009*, there will likely be some other costs incurred by the reporting unit which do not fall within the above categories. Accordingly the expenditure reported in this report may not represent 100% of the expenditure actually incurred by the reporting unit.

Signature of designated officer: \_\_\_\_\_

Name of designated officer:

MATTHEW HAMMOND

Title of designated officer:

BRANCH SECRETARY

Dated:

15.10.25

The above report should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

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**1: SUMMARY OF MATERIAL ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial report for the Health Services Union Victoria No. 4 Branch are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basic of Preparation**

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 Organisations) Act 2009*. For the purpose of preparing the general purpose financial statements, the Health Services Union Victoria No. 4 Branch ("the 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 measured at fair value, as explained in the accounting policies below. Historical cost is 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.

*New and amended standards adopted by the Branch*

The branch has applied the following standards and amendments for the first time for their annual reporting period commencing 1 July 2024:

- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* [AASB 101]
- AASB 2022-6 *Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants* [AASB 101]
- AASB 2022-5 *Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback* [AASB 16]

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

*Early adoption of standards*

No accounting standard has been adopted earlier than the application date stated in the standard.

*Historical cost convention*

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) certain classes of property, plant and equipment and investment property – measured at fair value
- assets held for sale – measured at fair value less cost of disposal, and
- retirement benefit obligations – plan assets measured at fair value.

*Critical accounting estimates*

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

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**1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**

**(b) Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Section 50-1 of the Income Tax Assessment Act 1997.

**(c) Revenue**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. The Branch recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Branch's activities as described below. The Branch bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major operating activities as follows:

*Capitation fees*

Where the Branch's arrangement with an entity meets the criteria to be a contract with a customer, the Branch recognises the capitation fees promised under that arrangement when or as it transfers the services that will transfer as part of its sufficiently specific promise to the entity.

In circumstances where the criteria for a contract with a customer are not met, the Branch will recognise capitation fees as income upon receipt.

*Interest*

Interest income is recognised using the effective interest method. When a receivable is impaired, the Branch reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

All revenue is stated net of the amount of goods and services tax (GST).

**(d) Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**(e) Financial instruments**

Financial assets and financial liabilities are recognised when the union becomes a party to the contractual provisions of the instrument.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

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**1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**

**(f) Financial assets**

***Initial recognition and measurement***

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the branch's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the branch initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Branch's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that Branch commits to purchase or sell the asset.

***Subsequent measurement***

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

The Branch only has the following financial assets: Financial assets at amortised cost

***Financial assets at amortised cost***

The Branch measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Branch's financial assets at amortised cost include trade and other receivables.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2025**

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**1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**

**(f) Financial assets (continued)**

**Derecognition**

A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or
- The Branch has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a) the Branch has transferred substantially all the risks and rewards of the asset, or
  - b) the Branch has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Branch has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Branch continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

**Offsetting**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**Impairment**

**(i) Trade receivables**

For trade receivables that do not have a significant financing component, the Branch applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Branch does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Branch has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2025**

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**1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**

**(f) Financial assets (continued)**

**Impairment (Continued)**

**ii) Debt instruments other than trade receivables**

For all debt instruments other than trade receivables and debt instruments not held at fair value through profit or loss, the Branch recognises an allowance for expected credit losses using the general approach. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Branch expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

The Branch considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Branch may also consider a financial asset to be in default when internal or external information indicates that the Branch is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**(g) 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 Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are included in the Statement of Cash Flows on a gross basis and GST components of cash flows arising from investing and financing activities, which is recoverable from, or payable to the ATO as classified as operating cash flows.

Commitments and contingencies are disclosed inclusive of GST.



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2025**

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**1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**

**(h) Financial Liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, at amortised cost unless or at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The union's financial liabilities include trade and other payables.

**Subsequent measurement**

Financial liabilities at fair value through profit or loss (including designated)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 are satisfied.

**Financial liabilities at amortised cost**

After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

**(i) Contingent liabilities and contingent assets**

Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

**(j) Comparative Figures**

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2025**

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**1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**

**(k) Fair value measurement**

**Initial recognition and measurement**

The union measures financial instruments, such as financial assets as at fair value through the profit and loss, financial assets at fair value through OCI, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the union. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The union uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the union determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the union has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

1: SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(I) Future accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2025 reporting periods. The entity's assessment of the impact of these new standards and interpretations is set out below.

Title of Standard	<b>AASB 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)</b>
Nature of change	AASB 18 will replace AASB 101 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though AASB 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.
	<p>Management is currently assessing the detailed implications of applying the new standard on the branch's financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:</p> <ul style="list-style-type: none"> <li>- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.</li> <li>- The branch does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for: <ul style="list-style-type: none"> <li>• management-defined performance measures;</li> <li>• a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and</li> <li>• for the first annual period of application of AASB 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying AASB 18 and the amounts previously presented applying AASB 101.</li> </ul> </li> <li>- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.</li> </ul>
	The branch will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with AASB 18.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

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**2: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

**(a) Critical accounting estimates and assumptions**

The entity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. None of the estimates and assumptions are expected to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**(b) Critical judgments in applying the entity's accounting policies**

No critical judgments have been made in applying the entity's accounting policies.

**3: 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 subsection (1) to (3) section 272, which read as follows:

Information to be provided to members or the General Manager:

(1) a member of a reporting unit, or the General Manager, 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).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

**4: Revenue**

	2025 \$	2024 \$
<b>Revenue from contracts with customers</b>		
capitation fees – component associations	122,936	114,908
capitation fees – other reporting units	-	-
member subscriptions	-	-
levies	-	-
financial support from another reporting unit	-	-
revenue derived from undertaking recovery of wages activity	-	-
grants or donations	-	-
	<u>122,936</u>	<u>114,908</u>
<b>Other revenue</b>		
interest	10	8
	<u>10</u>	<u>8</u>
	<u>122,946</u>	<u>114,916</u>

**5: Expenses**

	2025 \$	2024 \$
The surplus for the year includes the following specific expenses:		
Remuneration of the previous auditors for - audit or review services	1,050	1,000

**6: Affiliation and capitation fees**

	2025 \$	2024 \$
Capitation fees paid to HSU National Office	80,532	74,275
Compulsory levies	-	-
Affiliation fees	-	-
	<u>80,532</u>	<u>74,275</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

**7: Employee expenses**

	2025 \$	2024 \$
Holders of office		
- wages and salaries	-	-
- superannuation	-	-
- leave and other entitlements	-	-
- separation and redundancy	-	-
- other employee expenses	-	-
Employees other than holders of office		
- wages and salaries	-	-
- superannuation	-	-
- leave and other entitlements	-	-
- separation and redundancy	-	-
- other employee expenses	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

The union did not have any employees for the year ended 30 June 2025 or for the year ended 30 June 2024.

**8: Industrial expenses**

	2025 \$	2024 \$
Industrial services fee paid to Medical Scientists Association Victoria	34,788	32,568
Any other expenses to another reporting units	-	-
	<u>34,788</u>	<u>32,568</u>



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**9: Administration expenses**

	2025 \$	2024 \$
Auditor's remuneration	1,050	1,000
Accounting fee	560	790
Bank charges	19	11
Conference and meeting expenses	-	100
Consideration to employers for payroll deduction	-	-
Donations:		
- Total paid that were \$1,000 or less	-	-
- Total paid that exceeded \$1,000	-	-
Fees/allowances – meeting and conferences	-	-
General expenses	-	-
Grants:		
- Total paid that were \$1,000 or less	-	-
- Total paid that exceeded \$1,000	-	-
Legal costs		
- litigation	-	-
- other legal matters	-	-
Penalties – via RO Act or RO Regulations	-	-
	<u>1,629</u>	<u>1,901</u>

**10: Current assets – Cash and cash equivalents**

	2025 \$	2024 \$
Cash at bank	<u>84,423</u>	<u>79,903</u>

**(a) Reconciliation to cash at the end of the year**

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows as follows:

	2025 \$	2024 \$
Balances as above	84,423	79,903
Bank overdrafts	-	-
Balances per statement of cash flows	<u>84,423</u>	<u>79,903</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

**11: Current assets – Trade and other receivables**

	2025 \$	2024 \$
Receivables from other reporting unit		
Less loss allowance	-	-
Net receivables from other reporting unit	-	-
Receivables from component associations	-	-
Net GST refund	2,906	612
	<u>2,906</u>	<u>612</u>

**12: Current assets – Other assets**

	2025 \$	2024 \$
Prepayments	20,676	18,609

**13: Current liabilities – Trade and other payables**

	2025 \$	2024 \$
Payables to other reporting unit		
- HSU National Office	22,743	20,470
<i>Payables to component associations</i>		
- Medical Scientists Association of Victoria	9,567	8,956
<i>Other payables</i>		
- Consideration to employers for payroll deductions	-	-
- Legal costs (litigation & other matters)	-	-
	<u>32,310</u>	<u>29,426</u>

The carrying amounts of other payables are assumed to be the same as their fair values, due to their short-term nature.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

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**14: Employee provisions**

	2025 \$	2024 \$
Holders of office		
- annual leave	-	-
- long service leave	-	-
- separation and redundancy	-	-
- other employee provisions	-	-
Employees other than holders of office		
- annual leave	-	-
- long service leave	-	-
- separation and redundancy	-	-
- other employee provisions	-	-
	<u>-</u>	<u>-</u>

The union did not have any employees during the year ended 30 June 2025 and 30 June 2024.

**15: Members fund**

	2025 \$	2024 \$
<i>Movements in the accumulated surplus were as follows:</i>		
Balance 1 July	69,698	63,526
Net surplus for the year	5,997	6,172
Balance 30 June	<u>75,695</u>	<u>69,698</u>

*Other Funds*

No funds or accounts have been operated in respect of compulsory levies or voluntary contributions.

**16: Events after the reporting period**

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Branch, the results of those operations, or the state of affairs of the Branch in subsequent financial periods.

**17: Commitments for expenditure**

There are no capital or lease commitments or contingencies at the end of the financial year.

**18: Contingent liabilities**

There are no known contingent liabilities at 30 June 2025.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

**19: Cash flow information**

	2025 \$	2024 \$
<b>(a) Reconciliation of cash flow from operations with the surplus for the year</b>		
Surplus for the year	5,997	6,172
<i>Changes in assets and liabilities</i>		
(Increase) Decrease in trade and other receivables	(4,361)	1,321
Increase in payables	2,884	929
Cash flows from operations	<u>4,520</u>	<u>8,422</u>

**(b) Liabilities from Financing Activities**

The Branch does not have any liabilities from financing activities.

**20: Related party disclosure**

<i>(i) Transactions with related parties</i>	2025 \$	2024 \$
a) Purchases of goods and services:		
Industrial fee to MSAV for services rendered *	34,788	32,568
Capitation fee to HSU National Office	80,532	74,275

\* the Branch pays a fee to the MSAV, a component association, to provide industrial and administrative services.

b) The membership of the Branch reflects the membership of three component Associations in Victoria, namely, the Association of Hospital Pharmacists (AHP), the Medical Scientists Association of Victoria (MSAV) and the Victorian Psychologists Association (VPA Inc). All persons who were members of a relevant component association on the relevant day and who are eligible to be members of the Union, shall be eligible to be members of the Victoria No. 4 Branch.

c) Outstanding balances arising from sales and purchases of goods and services: These balances are disclosed in the "Trade receivables" and "Trade payables" notes to the accounts. No provision for impairment has been raised in relation to any of these outstanding balances and no expense has been recognised in respect of bad or doubtful debts due from related parties.

d) No payment to a former related party of the reporting unit was made during the year.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

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**20: Related party disclosure (Continued)**

*(ii) The names of the members of Committee of Managements in office at any time during or since the end of the financial year are:*

<i>Name</i>	<i>Position</i>	
Cathy Durkin	President**	
Victor Reginato	Senior Vice-President (1)	
Megan Chapman	Junior Vice-President	
Peter Brann	Trustee – VPA (1)	
Sara Sujansky	Trustee – MSAV (1)	Appointed 13 November 2024
Matt Hammond	Secretary ** (1)	
Conor Serong	Assistant Secretary ** (1)	Appointed on 2 June 2025
Lisa Alcock	Assistant Secretary ** (1)	Resigned on 23 May 2025
Julie King	Committee member	
Shaun O'Connor	Committee member	
Eileen Kelly	Committee member	
Gemma Brett	Committee member	Appointed 12 March 2025
Celia Talbot	Committee member	Resigned 6 March 2025
Vanessa Panettieri	Committee member	
Claudia Mulder	Committee member	

\*\* Delegate to National Council

(1) Members of Audit Committee

*(iii) Transactions with key management personnel and remuneration*

- (a) The Branch did not pay any remuneration to its key management personnel during the year for the administration of the Branch.
- (b) There are no loans between the key management personnel and the Branch.
- (c) There were no transactions between the officers of the Branch other than those relating to their membership of the Union and reimbursement (if any) by the Branch in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which is reasonable to expect would have been adopted by parties at arm's length.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

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**21: Other information**

*(i) Going Concern*

The branch is not reliant on the agreed financial support of another union to continue on a going concern basis.

*(ii) Financial Support*

The branch has not agreed to provide financial support to another union to ensure they can continue on a going concern basis.

*(iii) Acquisition of assets and liability under specific sections:*

The branch did not acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of the organisation, a determination or revocation by the General Manager of the Fair Work Commission under subsections 245(1) or 249(1) of the RO Act

**22: Financial instruments**

The Branch's financial instruments consist mainly of deposits with banks, receivables and payables.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2025 \$	2024 \$
<b>Financial assets</b>			
Cash on hand	10	84,423	79,903
Trade and other receivables	11	2,906	612
<b>Total financial assets</b>		<b>87,329</b>	<b>80,515</b>
<b>Financial liabilities</b>			
Financial liabilities at amortised cost:			
Trade and other payables	13	32,310	29,426
<b>Total financial liabilities</b>		<b>32,310</b>	<b>29,426</b>

**Financial Risk Management Policies**

The committee of management is responsible for monitoring and managing the Branch's compliance with its risk management strategy. The committee's overall risk management strategy is to assist the Branch in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the committee on a regular basis. These include credit risk policies and future cash flow requirements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

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**22: Financial instrument (Continued)**

**Specific Financial Risk Exposures and Management**

The main risks the Branch is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk.

There have been no substantive changes in the types of risks the Branch is exposed to, how these risks arise, or the committee's objectives, policies and processes for managing or measuring the risks from the previous period.

a. **Credit risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the Branch.

The Branch does not have any material credit risk exposures as its major source of revenue is the receipt of capitation fee.

*Credit risk exposures*

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Accounts receivable and other debtors that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 11.

The Branch has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties. Details with respect to credit risk of accounts receivable and other debtors are provided in Note 11.

Credit risk related to balances with banks and other financial institutions is managed by the branch committee in accordance with approved policy. Such policy requires that surplus funds are only invested with counterparties with a Standard & Poor's rating of at least BBB. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

	<b>Note</b>	<b>2025</b>	<b>2024</b>
		<b>\$</b>	<b>\$</b>
Cash at banks			
- AA-	10	<b>84,423</b>	79,903

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

**22: Financial instrument (Continued)**

**Specific Financial Risk Exposures and Management**

**b. Liquidity risk**

Liquidity risk arises from the possibility that the Branch might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Branch manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The Branch's policy is to ensure no borrowings at any time.

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Branch does not hold directly any derivative financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

*Financial liability and financial asset maturity analysis*

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$	\$	\$
<i>Financial liabilities due for payment</i>								
Trade and other payables (excluding estimated annual leave and deferred income)	32,310	29,426	-	-	-	-	32,310	29,426
Total expected outflows	32,310	29,426	-	-	-	-	32,310	29,426

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$	\$	\$
<i>Financial assets – cash flows realisable</i>								
Cash on hand	84,423	79,903	-	-	-	-	84,423	79,903
Trade and other receivables	2,906	612	-	-	-	-	2,906	612
Total anticipated inflows	87,329	80,515	-	-	-	-	87,329	80,515
Net inflow on financial instruments	55,019	51,089	-	-	-	-	55,019	51,089



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

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**22: Financial instrument (Continued)**

**c. Market risk**

*(i) Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Branch is also exposed to earnings volatility on floating rate instruments.

The financial instruments that expose the Branch to interest rate risk are limited to fixed interest securities and cash on hand.

Interest rate risk is managed using a mix of fixed and floating rate debt. At 30 June 2025 the branch did not have any debts.

The Branch also manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

*(ii) Other price risk*

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held. The Branch does not expose to other price risk.

*Sensitivity analysis*

The following table illustrates sensitivities to the Branch's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables

	Profit		Equity	
	2025	2024	2025	2024
	\$	\$	\$	\$
+/- 2% in interest rates	1,688	1,598	1,688	1,598

No sensitivity analysis has been performed on foreign exchange risk as the Branch has no material exposures to currency risk. There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

**Asset pledged/or held as collateral**

None of the assets are pledged/or held as collateral.

**Changes in liabilities arising from financing activities**

The Branch does not have any liabilities from financing activities

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2025

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**23: Fair value measurement**

**Financial assets and liabilities**

The Branch Committee of the union assessed that cash, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- Fair values of the Branch's interest-bearing borrowings and loans are determined by using a discounted cash flow method. The discount rate used reflects the issuer's borrowing rate as at the end of the reporting period. The own performance risk as at 30 June 2025 was assessed to be insignificant.
- Fair value of financial assets is derived from quoted market prices in active markets.
- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the union based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at 30 June 2025, the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The following table contains the carrying amounts and related fair values for the union's financial assets and liabilities:

	2025		2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	\$	\$	\$	\$
<b>Financial assets</b>				
Cash on hand	84,423	84,423	79,903	79,903
Trade and other receivables	2,906	2,906	612	612
<b>Total financial assets</b>	<b>87,329</b>	<b>87,329</b>	80,515	80,515
<b>Financial liabilities</b>				
Trade and other payables	32,310	32,310	29,426	29,426
<b>Total financial liabilities</b>	<b>32,310</b>	<b>32,310</b>	29,426	29,426

**24: Capital management**

The branch manages its capital to ensure that it will be able to continue as a going concern while maximising the return on investments. The Branch Committee ensure that the overall risk management strategy is in line with this objective.

The Branch Committee effectively manages the entity's capital by assessing the entity's financial risk and responding to changes in these risks and in the market. These responses may include the consideration of debts levels. There have been no changes to the strategy adopted by the Branch Committee to control capital of the branch since the previous year. No operations of the Branch Committee are subject to external imposed capital requirements.

**HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH**  
**ABN 63 009 627 460**

**COMMITTEE OF MANAGEMENT STATEMENT**

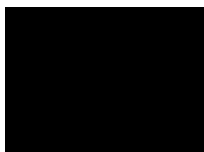
On 15 OCTOBER 2025, the Committee of Management of Health Services Union Victoria No. 4 Branch (the Branch) passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2025:

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 any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (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 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 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 RO Act; 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 the General Manager duly made under section 272 of the RO Act has been provided to the member or the General Manager; and
  - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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

Signature of designated officer:



Name of designated officer:

MATTHEW HAMMOND

Title of designated officer:

BRANCH SECRETARY

Dated:

15.10.2025

# **INDEPENDENT AUDIT REPORT TO THE MEMBERS OF HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH**

## **Report on the Audit of the Financial Report**

### **Opinion**

I have audited the financial report of Health Services Union Victoria No. 4 Branch which comprises the balance sheet as at 30 June 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2025, notes to the financial statements, including a summary of significant accounting policies; the Committee of Management Statement and the subsection 255(2A) report.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of Health Services Union Victoria No. 4 Branch as at 30 June 2025, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) Australian Accounting Standards; and
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

### **Basis for Opinion**

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Branch in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Information other than the Financial Report and Auditor's Report Thereon**

The committee of Management is responsible for other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

My opinion on the financial report does not cover the other information accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

### **Responsibilities of Committee of Management for the Financial Report**

The Committee of Management of the Branch is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of



accounting unless the Committee of Management either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**


My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatements of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Reporting Unit's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

I communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an auditor registered under the RO Act.



David Penman RCA 15485  
Suite 8, 2-8 St. Andrews Street  
Brighton Vic 3186

Date: 12 October 2025

Registration number AA 2017/130