



**AUSTRALIAN INDUSTRIAL REGISTRY**

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Mr Denis Blackford  
Branch Secretary  
Australian Nursing Federation  
Northern Territory Branch  
PO Box 42533  
CASUARINA, NT 0811

Dear Mr Blackford

**Re: Financial Documents for year ended 30 June 2003 - FR2003/513**

Receipt is acknowledged of the financial documents of the Northern Territory Branch of the Australian Nursing Federation for the year ended 30 June 2003; the documents were lodged in the Australian Industrial Registry on 12 February 2004.

The documents have been filed.

**Please note that the reporting obligations for the financial year ending 30 June 2004 will be governed by the requirements of the *RAO Schedule of the Workplace Relations Act 1996*.**

Yours sincerely

Sylvia van Riet  
Statutory Services Branch

4 March 2004

# AUSTRALIAN NURSING FEDERATION NORTHERN TERRITORY BRANCH

10 February, 2004

*Rec'd 88  
12/2/04*

Iain Stewart  
Statutory Services Branch,  
Australian Industrial Registry  
GPO Box 1994s  
Melbourne, Victoria  
3001

Dear Iain,

**RE: Financial Documents – year ending 30<sup>th</sup> June 2003**


I, Denis Blackford, being the secretary of the Australian Nursing Federation, Northern Territory Branch, certify that the enclosed documents are copies of the Auditor's report, accounts and statements for the year ended 30<sup>th</sup> June 2003. The Special Purpose Financial Reports were distributed to the Committee of Management (CoM) on the 10<sup>th</sup> November 2003. All financial documents were endorsed by the CoM on the 12<sup>th</sup> January 2004. All members of the ANF NT Branch have been informed of the availability of the audit documents through notification by direct mail newsletter distributed in the first week of December 2003.

Yours sincerely,



Denis Blackford  
Branch Secretary  
Australian Nursing Federation  
NT Branch

# Australian Nursing Federation (NT Branch)



Special Purpose Financial Reports  
for the year ended 30 June 2003

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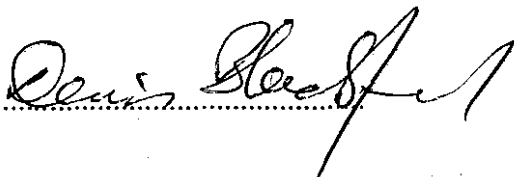
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# Committee of Management's Certificate

We, Dennis Blackford and Shirel Nomoa, being two members of the Council of the Australian Nursing Federation NT Branch do state on behalf of the Council and in accordance with a resolution passed by the Council, that:

- (i) in the opinion of the Council, the attached accounts present a true and fair view of the financial affairs of the Branch as at 30 June 2003;
- (ii) in the opinion of the Council, meetings of the Council were held during the year ended 30 June 2003 in accordance with the rules of the organisation;
- (iii) to the knowledge of any member of the Council, there have been no instances where records of the organisation or other documents (not being documents containing information made available to a member of the organisation under subsection 274(1) of the Workplace Relations Act 1996 or copies of those records or documents, or copies of the rules of the organisation, have not been furnished, or made available to members in accordance with the requirements of the Workplace Relations Act 1996, the Regulations thereto, or the rules of the organisation; and
- (iv) the branch has complied with subsection 279(1) and (7) of the Act in relation to the financial accounts in respect of the year ended 30 June 2002, the immediately preceding financial period and the Auditor's report thereon.

(Signed) .....



(Signed) .....



DARWIN

Date

12/1/04

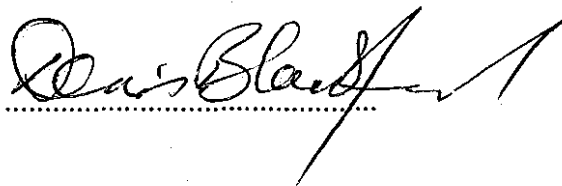
# Accounting Officer's Certificate

I, Dennis Blackford, being the Officer responsible for keeping the accounting records of the Australian Nursing Federation NT Branch certify that as at 30 June 2003 the number of members of the Branch was 1,257.

In my opinion:

- (i) the attached accounts present a true and fair view of the financial affairs of the Branch as at 30 June 2003;
- (ii) a record has been kept of all monies paid by, or collected from, members and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, with the rules of the organisation;
- (iii) before any expenditure was incurred approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation;
- (iv) with regard to funds of the organisation raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for purposes other than those for which the fund was operated;
- (v) no loans or other financial benefits, other than remuneration in respect of their full-time employment with the organisation, were made to persons holding office in the organisation; and
- (vi) the register of members of the Branch was maintained in accordance with the Act.

(Signed) .....



DARWIN

Date:

12/1/04

## **Independent audit report to members of Australian Nursing Federation – Northern Territory Branch**

### **Scope**

#### *The financial report and committee of managements' responsibility*

The financial report comprises the balance sheet, income and expenditure statement, accompanying notes to the financial statements, the Accounting Officer's certificate and the Committee of Management's certificate for the year ended 30 June 2003.

The organisation's committee of management is responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the association, and that complies with Accounting Standards in Australia, and in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

#### *Audit approach*

We conducted an independent audit of the financial report in order to express an opinion on it to the members of the organisation. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Workplace Relations Act 1996, including compliance with Accounting Standards in Australia, and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the association's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee of management.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or reasonableness of the business plans or strategies adopted by the committee of management of the organisation.

**Independence**


We are independent of the organisation, and have met the independence requirements of Australian professional ethical pronouncements.

**Audit opinion**

In our opinion:

- (i) there were kept by the organisation in relation to the year satisfactory accounting records, including:
  - (a) records of the sources and nature of the income of the organisation (including income from members); and
  - (b) records of the nature and purposes of the expenditure of the organisation;
- (ii) the financial statements in relation to the year were properly drawn up so as to give a true and fair view of:
  - (a) the financial affairs of the organisation as at the end of the year;
  - (b) the income and expenditure, and any surplus or deficit, of the organisation for the year; and
- (iii) all the information and explanations that, under subsection (2), officers or employees of the organisation were required to provide were provided.

in accordance with Accounting Standards and other mandatory professional reporting requirements and the provisions of Section 273 of the Workplace Relations Act, 1996, as amended.



Aminul Islam

Partner

Registered Company Auditor

DARWIN

Date: 19 January 2004



AUSTRALIAN NURSING FEDERATION (NT BRANCH)

# Balance Sheet at 30 June 2003

	Notes	2003 \$	2002 \$
<b>CURRENT ASSETS</b>			
Cash on hand		200	127
Cash at bank	2	169,149	179,344
Debtors		1,376	6,017
Prepaid expenses		22,019	1,967
<b>TOTAL CURRENT ASSETS</b>		<b>192,744</b>	<b>187,455</b>
<b>NON-CURRENT ASSETS</b>			
Office Equipment - at cost		19,265	20,017
Less Provision for depreciation		(7,348)	(17,566)
Fixtures & Fittings - at cost		6,362	6,362
Less Provision for depreciation		(5,399)	(5,162)
<b>TOTAL NON-CURRENT ASSETS</b>		<b>12,880</b>	<b>3,651</b>
<b>TOTAL ASSETS</b>		<b>205,624</b>	<b>191,106</b>
<b>CURRENT LIABILITIES</b>			
Accounts payable		18,437	15,625
GST payable		4,903	6,520
Subscriptions in advance		60,570	69,427
Provision for annual leave		22,624	29,775
<b>TOTAL CURRENT LIABILITIES</b>		<b>106,534</b>	<b>121,347</b>
<b>NON-CURRENT LIABILITIES</b>			
Provision for long service leave		23,208	24,462
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>23,208</b>	<b>24,462</b>
<b>TOTAL LIABILITIES</b>		<b>129,742</b>	<b>145,809</b>
<b>NET ASSETS</b>		<b>75,882</b>	<b>45,297</b>
<b>ACCUMULATED FUNDS</b>			
Accumulated surplus	3	75,882	45,297

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

# Income & Expenditure Statement

## Year ended 30 June 2003

	2003 \$	2002 \$
<b>INCOME</b>		
Subscriptions	427,854	388,650
Sponsorships	7,455	0
Publications	13	32
Interest received	4,286	9,322
Sundry Income	516	853
	<u>440,124</u>	<u>398,857</u>
<b>EXPENDITURE</b>		
Advertising	606	3,069
Affiliation fees	19,220	17,056
Airfares	8,065	9,527
Auditors remuneration and Accountancy fees	3,400	3,385
Bad debt expense	0	2,197
Bank charges	609	585
Car parking	66	0
Commission on subscriptions	1,591	1,572
Computer supplies	1,064	2,174
Consultancy	3,472	3,590
Courses, conferences and functions	3,803	917
Depreciation	3,065	3,316
Donations	676	790
Electricity	2,175	1,316
Insurance	20,315	22,289
Legal fees	1,369	2,918
Merchant card charges	5,590	5,145
NT allowance	591	960
Office maintenance/consumables	1,849	2,326
Payroll tax	13,971	14,960
Photocopier lease/maintenance	5,125	4,431
Phone allowance	0	162
Postage	4,029	3,133
Printing and stationery	5,739	9,783
Profit/Loss on Disposal of Asset	38	0
Publications	189	0
Rent	17,330	14,029
Recreation leave airfare	2,789	0
Refund ANF fees	1,012	1,841
Salaries and wages paid to employees	172,625	168,352
Salaries and wages paid to office holders	56,081	75,156
Movement in LSL provision	(4,286)	9,649
Movement in Annual Leave provision	(7,151)	5,368
Expenditure carried forward	<u>345,017</u>	<u>390,849</u>

# Income & Expenditure Statement (Cont'd) Year Ended 30 June 2003

	2003 \$	2002 \$
Expenditure brought forward	345,017	390,849
Security	390	853
Staff amenities	353	548
Sundry	180	288
Subscriptions	18,735	18,786
Superannuation	25,812	20,662
Telephone and fax	10,006	13,657
Travelling expenses	4,714	5,947
Vehicle allowance	1,440	2,340
Venue Hire/catering	2,892	1,947
	<hr/>	<hr/>
	409,539	455,024
	<hr/>	<hr/>
<b>NET SURPLUS/DEFICIT</b>	30,585	(56,167)
	<hr/>	<hr/>

The income and expenditure statement should be read in conjunction with the accompanying notes.

# Notes to and Forming Part of the Accounts 30 June 2003

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Accounting

The financial report is a special purpose financial report which has been prepared for distribution to members of the Australian Nursing Federation - NT Branch for the purpose of fulfilling the organisation's obligation to prepare financial statements under section 273 of the Federal Workplace Relations Act 1996. The accounting policies used in the preparation of this report are in the opinion of the Committee appropriate to meet the needs of the members of the Australian Nursing Federation - NT Branch. The financial statements have been prepared on an accrual basis of accounting including the historical cost convention.

By virtue of the Statement of Accounting Concept SAC 1 - Reporting Entity, the requirements of the Accounting Standards issued by the Accounting Standards Review Board and other mandatory professional reporting requirements do not have mandatory applicability to the Australian Nursing Federation - NT Branch in relation to the year ended 30 June 2003 because the Committee has determined that the company is not a "reporting entity" as defined therein. The Committee has, however, prepared the financial report in accordance with all Australian Accounting Standards and other professional reporting requirements relating to the measurement, but not all disclosures, of assets, liabilities, revenues, expenses and equity, with the following exceptions:

- AAS1: Statement of Financial Performance
- AAS10: Accounting for the Revaluation of Non-current Assets
- AAS15: Revenue
- AAS16: Financial Reporting by Segments
- AAS22: Related Party Transactions
- AAS28: Statement of Cash Flows
- AAS30: Accounting for Employee Entitlements
- AAS33: Presentation and Disclosure of Financial Instruments
- AAS36: Statement of Financial Position
- AAS37: Financial Report Presentation and Disclosures

### Going concern

The executive committee of the Federation believe it is appropriate to prepare the accounts on a going concern basis on the grounds that the members are expected to continue to support the Federation.

# Notes to and Forming Part of the Accounts 30 June 2003

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Property, plant and equipment

#### *Cost and valuation*

Property, plant and equipment are carried at cost or at independent valuation.

#### *Depreciation*

Depreciation on property, plant and equipment is calculated on the diminishing value method and is charged against income so as to provide for the write down of cost over the estimated life of the asset. The depreciation rates are as follows:

	2002/03	2001/02
Office equipment	15% to 30%	15% to 30%
Fixture and fittings	15%	15%

### Income Tax

The Federation is exempt from paying income tax on income derived from members.

### Employee Entitlements

Provision is made for employee entitlement benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

Employee entitlement costs in respect of wages and salaries, non-monetary benefits, annual leave, long service leave, sick leave, other leave entitlements and superannuation contributions are expensed in the Statement of Income and Expenditure when due.

# Notes to and Forming Part of the Accounts 30 June 2003

	2003 \$	2002 \$
<b>NOTE 2. CASH</b>		
Cheque account	72,292	86,541
Shares in Credit Society	10	10
L.S.L. Savings account	17	17
Building Fund	9	9
New Building account	388	388
New Job Delegate	29	29
Old Job Delegate	16	16
Term Deposit	96,388	92,334
	169,149	179,344

## **NOTE 3. ACCUMULATED FUNDS**

Accumulated Surplus at start of year	45,297	101,464
(Deficit)/Surplus for the year	30,585	(56,167)
<b>ACCUMULATED SURPLUS AT END OF YEAR</b>	<b>75,882</b>	<b>45,297</b>

## **NOTE 4. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of Section 274 which read as follows:

### **SECTION 274 INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR**

**274(1)** A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.

**274(2)** An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.

**274(3)** A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

**274(4)** Accounts prepared under Section 273 shall include a notice drawing attention to subsections (1), (2) and (3) and setting out those subsections.

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- Audit Adjustments

### **Financial Statements Commentary**

- Balance Sheet
- Income and Expenditure Statement
- Recommendations Arising from the Audit

## OVERVIEW OF THE AUDIT

- **Audit Coverage**

We performed a full scope audit for the year ended 30 June 2003 of the special purpose financial statements of Australian Nursing Federation (NT Branch) in accordance with Australian Auditing Standards and the requirements of the Workplace Relations Act 1996.

- **Purpose of Our Audit**

Our function as auditors is to examine and report upon the special purpose financial statements to the members of the Australian Nursing Federation (NT Branch) in order to provide reasonable assurance that the financial statements are free of material misstatement.

- **Significant Accounting and Auditing Issues**

Particulars of the significant accounting and auditing issues which arose are included in this Report. Recommendations are made where appropriate.

- **Financial Statements**

The special purpose financial statements have been prepared for presentation to the Committee of Management. We are satisfied that the financial statements include all the disclosures required by the Committee and relevant legislation.

- **Management Committee's Responsibilities**

This report is provided to assist the Committee of Management to address those matters which have been identified as relevant to their review of the 2003 financial statements. Prior to their adoption, the Committee of Management should ensure that:

- there are no further considerations or issues of which management of the Federation is aware that could have an impact upon matters raised;
- the committee concurs with the particular resolution of the matters; and
- there are no further significant issues that ought to be considered before the accounts are adopted.



## MAJOR ACCOUNTING ISSUES

### Special Purpose Financial Statements

The Council of Management decided in a meeting held on 1 November 1999 to prepare special purpose financial statements for the NT Branch of the Australian Nursing Federation. This decision was based on the fact that the users of the financial statements, being the Federal Branch of the Australian Nursing Federation, and the Management Committee and members of the NT Branch of the Australian Nursing Federation, are able to demand financial information at any time as prescribed by the Workplace Relations Act 1996.

The special purpose financial statements excludes detailed disclosures required by:

- AAS 1 – Statement of Financial Performance
- AAS 10 – Recoverable Amount of Non-Current Assets
- AAS 15 – Revenue
- AAS 16 – Financial Reporting by Segments
- AAS 22 – Related Party Disclosure
- AAS 28 – Statement of Cashflows
- AAS 30 – Accounting for Employee Entitlements
- AAS 33 – Presentation and Disclosure of Financial Instruments
- AAS 36 – Statement of Financial Position
- AAS 37 – Financial Report Presentation and Disclosures

### Audit Adjustments

During this years audit a number of adjustments were necessary to reflect ANF, NT branch's true financial performance for the year and financial position at 30 June 2003. They were;

- Recognise outstanding membership fees at 30 June 2003.
- Recognise prepayment of insurance at 30 June 2003.
- Account for depreciation on Office Equipment and Fixtures and Fittings.
- Account for correct treatment of disposed assets during the financial year.
- Take up wages accrual for wages relating to June 2003 paid in July 2003.
- Accrue audit expenses, as expense relates to the year ended 30 June 2003.
- Added on costs to leave provisions to recognise incidental costs such as superannuation and workers compensation insurance.
- Correct out of balance amounts in sundry debtors relating to last year.

## FINANCIAL STATEMENTS COMMENTARY

### Introduction

The Australian Nursing Federation (NT Branch) is part of a national organisation which consists of branches in each state with a federal body in Melbourne, Victoria. The federal organisation administers Commonwealth Nursing Awards and the Federal Award, and is registered under the Workplace Relations Act 1996.

In the Northern Territory the Australian Nursing Federation strives to maintain professional and industrial equity for nurses. The Northern Territory branch functions autonomously with its own Management Committee.

### Results

Australian Nursing Federation (NT Branch) recorded a surplus this year of \$30,585. This is a significant improvement of the deficit recorded last year of \$56,167.

Membership levels have increased by approximately 2% from 1,238 members in 2002 to 1,257 members at the end of June 2003. Subscription fees have increased on an average of 4% since the prior year.

### Balance Sheet

	2003	2001
	\$	\$
Cash at bank and on hand	169,349	179,471
Receivables	1,376	6,017
Prepaid expenses	22,019	1,967
Property, plant and equipment	12,880	3,651
<b>Total Assets</b>	<b>205,624</b>	<b>191,106</b>
Payables & Accruals	23,340	22,145
Subscriptions in advance	60,570	69,427
Provision for leave	45,832	54,237
<b>Total Liabilities</b>	<b>129,742</b>	<b>145,809</b>
<b>NET ASSETS</b>	<b>75,882</b>	<b>45,297</b>

A brief commentary on the major balance sheet accounts follows:

**Receivables** **\$1,376**

Debtors have decreased this year as a result of the branch taking a more stringent approach to membership fees owing that are greater than 2 months old. Once a membership fee becomes overdue by 2 months and no contact has been made with the member, the membership is discontinued.

**Prepaid expenses** **\$22,019**

Prepayments include workers compensation, commercial insurance, professional indemnity insurance and photocopier rent for the month of July 2003. The increase is due to the professional indemnity insurance being paid in advance this year.

**Property, plant and equipment** **\$12,880**

Plant & Equipment has increased this year as a result of the acquisition of three new computers and one laptop during. The older computers at the branch office were sold for \$100 each.

**Payables & Accruals** **\$23,340**

Payables and accruals have increased this year as a result of the wage accrual taken up for the wages paid in July 2003 relating to June 2003, totalling \$6,500, an increase of \$3,250 on last years accrual.

**Subscriptions in advance** **\$60,570**

Subscriptions in advance have decreased this year by \$8,857, this is a result of less members paying their subscriptions in advance.

**Provisions** **\$45,832**

Provision for employee entitlements have decreased this year as a result of the Secretary position remaining unfilled until late June 2003.

## Income and Expenditure Statement

	2003	2001
	\$	\$
Membership Income	427,854	388,650
Other Income	12,270	10,207
Total Income	<u>440,124</u>	<u>398,857</u>
Expenses	<u>(409,539)</u>	<u>(455,024)</u>
Net Surplus/(Deficit)	<u>30,585</u>	<u>(56,167)</u>

A brief commentary on income and expenditure follows:

Membership income has increased this year due to a 4% increase in the fees in January. Member numbers as at 30 June 2003 have increased by 1,257 as compared to 1,238 as at 30 June 2002. Other income includes interest received from cash at bank and cash invested.

Total expenses have decreased this year mainly due to the decrease in wages and salaries totalling \$41,000 as compared to the 2001/02 financial year. The decrease is a result of the ~~Secretary~~ Field officer position at the branch remaining unfilled for approximately 6 3 months of the year and last years salary and wages figure including a termination payment for an employee.

Other operating expenses which include printing & stationery, telephone and advertising has decreased by \$10,000.

Although the Branch made a profit this year, consideration must be given to the cost saving from the Secretary position vacancy for part of the year. The current trend over the past two years has been significant losses for the Branch and its recommended that the Branch monitor their situation closely.

## RECOMENDATIONS ARISING FROM THE AUDIT

### CONTENTS

	<b>Priority Rating</b>
1. Accounting Function	<b>A</b>
2. Cheque Signatories	<b>A</b>
3. Membership database	<b>B</b>
4. Unused Bank Accounts	<b>B</b>

### Priority Ratings:

- A** A major weakness that you must address now.
- B** An important matter that will significantly improve the control environment, the accounting system or the operations of the business.
- C** A minor weakness that you should nevertheless address to improve the control environment, the accounting system or the operations of the business

## 1. Accounting Function (Priority A)

**Issue:** There is no formal end of month accounting procedure in place to ensure the accurate and timely presentation of financial reports to the Committee of Management.

A number of year end adjustments were made during the audit to correct balances as at 30 June 2003.

**Effect:** Financial reports provided to the committee of management are not a correct reflection of the branch's operations. When accruals from the previous period are not correctly treated, figures reported could potentially be over or understated.

Accounting work performed by the auditors is out of the scope of the audit and will incur additional accounting fees.

**Recommendation:** It is recommended that the Branch implements an end of month accounting procedure to ensure all reports provided to the Committee of Management correctly reflect the operations of the Branch for the period.

The procedures should include the reversal of any accruals taken up in the previous period and the recording of accruals relevant to the reporting period.

**Management  
Response:**

## 2. Cheque Signatories (Priority A)

**Issue:** Bank confirmation details at 30 June 2003 revealed the previous Secretary who ceased employment in January 2003 was still listed as a signatory to the bank accounts.

**Effect:** Not amending the bank signatory list for some time after a signatory has left increases the risk of fraud occurring.

**Recommendation:** The Branch should notify the bank as soon as possible to update the bank account signatories when an employee leaves.

**Management  
Response:**

### **3. Membership Database (Priority B)**

**Issue:** The membership database is not “linked” to the accounting software used by the Branch.

**Effect:** Work is increased by having to enter data into the membership database and the accounting software (MYOB). In addition the risk of error is increased in having to transfer details from one database to the other.

**Recommendation:** Its recommended that the Branch investigate the potential use of MYOB for recording the membership details.

**Management  
Response:**



**4. Unused Bank Accounts (Priority B)**

**Issue:** As at 30 June 2003 the Branch has 5 unused bank accounts that have had nil movement since June 2002.

**Effect:** Idle funds are not being used to the Branch's advantage, as they are not attracting any form of interest.

**Recommendation:** It is recommended that the Branch close the unused bank accounts if they are not going to be used for the intended purposes and transfer the funds to the operating account or term investment.

**Management  
Response:**