



27 February 2015

Professor Nick Buckmaster
Federal Secretary Australian Salaried Medical Officers Federation, Federal Office
Suite 46
Level 3, 330 Wattle Street
ULTIMO NSW 2007

c/- Mr Peter Somerville
Executive Director, Australian Salaried Medical Officers Federation

Dear Professor Buckmaster

Australian Salaried Medical Officers Federation Financial Report for the year ended 31 December 2013 (FR2013/469)

I acknowledge receipt of the financial report of the Australian Salaried Medical Officers Federation, Federal Office (ASMOF). The documents were lodged with the Fair Work Commission (FWC) on 1 July 2014. An amended financial report was subsequently lodged on the 30 July 2014 and the 5 February 2015 following ongoing discussions with the FWC on various disclosure requirement in relation to the Australian Accounting Standards, the *Fair Work (Registered Organisations) Act 2009* and the General Managers s.253 Reporting Guidelines.

The financial report has now been filed.

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

Financial Risk Management

Financial instruments disclosures

Australian Accounting Standard *AASB 7 Financial Instruments: Disclosures* details the reporting disclosures required by an entity in relation to financial instruments.

Although some disclosure requirements have been made in Note 12 *Financial Instruments* not all relevant disclosures have been provided especially in relation to AASB 7 paragraphs 20, 37 and 39.

Reporting Requirements

A fourth edition of the General Manager's s.253 Reporting Guidelines was gazetted on 13 June 2014. These guidelines will apply to all financial reports that end on or after 30 June 2014. On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guideline and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#)

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I can be contacted on 03) 8661 7886 or via email at joanne.fenwick@fwc.gov.au.

Yours sincerely

A handwritten signature in blue ink, consisting of a stylized 'J' followed by a horizontal line that ends in a small flourish.

Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2013

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

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AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

The committee presents its report on the Federation for the financial year ended 31 December 2013.

(a) Principal Activities:

The Federation's principal activities during the financial year were:

To provide industrial services to the members consistent with the objects of the Federation and particularly the object of protecting & improving the interests of the members.

Results of the Principal Activities:

The Federation's principal activities resulted in maintaining and improving the services provided to its members, promoting and protecting the broad interests of salaried medical practitioners and advocating the provision and development of quality health services.

Significant changes in Federation's Principal Activities:

There were no significant changes in the nature of Federation's Principal Activities during the financial year.

(b) Operating Results:

The profit of the Federation amounted to \$82,038 for the financial year.

Significant changes in Federation's financial affairs:

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

Events after the reporting period:

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

(c) Number of members

The number of persons who, at the end of the financial year were recorded on the Register of Members was 9640.

(d) Number of employees

The Federation has no paid office holders or paid employees but reimburses ASMOF NSW (State Registered Organisation) for the remuneration paid to its employees who conduct activities on behalf of Federation as disclosed in the notes under Related Party or Declared Bodies Transactions.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
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OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

(e) Right of Members to resign:

Manner of resignation S254(2)(c)

Members may resign from the Federation in accordance with rule 11, and Section 174 of the Fair Work (Registered Organisations) Act 2009 which reads as follows:

A member of the Federation may resign from membership by written notice, addressed and delivered to the Federation Secretary.

Notice of resignation from membership of the Federation takes effect:

1) where the member ceases to be eligible to become a member of the Federation:

(i) on the day on which the notice is received by the Federation; or

(ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;

whichever is later;

or

2) in any other case:

(i) at the end of two weeks, after the notice is received by the Federation; or

(ii) on the day specified in the notice;

whichever is later;

Any dues payable but not paid by a former member of the Federation, in relation to a period before the member's resignation from the Federation took effect, may be sued for and recovered in the name of the Federation, in a court of competent jurisdiction, as a debt due to the Federation.

A notice delivered to the person mentioned in sub-rule(1) shall be taken to have been received by the Federation when it is delivered.

A notice of resignation that has been received by the Federation is not invalid because it was not addressed and delivered in accordance with sub-rule(1)

A resignation from membership of the Federation is valid even if it is not effected in accordance with this rule if the member is informed in writing by or on behalf of the Federation that the resignation has been accepted.

In special circumstances the Federal Council may by resolution accept the resignation of a member and release the member from any or all outstanding obligations to the Federation, notwithstanding that the provisions of these Rules have not been complied with.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
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OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

(f) Members of Committee of Management

The persons who have held office as members of the Committee of Management of the Federation during the financial year were:

Dr. Antony Sara	President
Dr. Roderick McRae	Vice President
Prof. Nick Buckmaster	Secretary
Dr. Stuart Day	Assistant Secretary/ Treasurer
Dr. David Pope	Federal Executive Member
Prof. Peter Collignon	Federal Executive Member
Prof. Geoffrey Dobb	Federal Executive Member
Dr. Guy Hibbins	Federal Executive Member - Retired 1st November 2013

All members of the Committee of Management were in the Federation for the period of 1st January 2013 to 31st December 2013 unless otherwise stated.

(g) Superannuation Trustees

No officer or employee of the Federation is

(i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or


(ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme;

where a criterion for the member being the trustee or director is that the member, is a member of a registered organisation

(h) Directors of Company or a Member of a Board

No officer or employee of the Federation is a director of a company or a member of a Board.

Signed in accordance with a resolution of the Committee of Management dated 2 day of December 2014 .



Date: 4 / 12 /2014

Dr Antony Sara (President)

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
Revenue			
Capitation Fees Received:			
ACT Branch		9,068	8,935
NSW Branch		161,310	98,869
SA Branch		61,197	55,669
AMA CONJOINT - WA, VIC, TAS, C'WTH, QLD		136,115	130,309
Interest Received		12,925	13,669
Trust Distribution:			
ACTU Building Canberra Trust		498	-
John Curtin House Trust		1,598	-
Levies		-	-
Grants or Donations		-	-
Membership subscription		-	-
Total revenue		<u>382,711</u>	<u>307,451</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
Expenses			
Affiliation Fees - ACTU		(17,301)	(14,824)
Accounting		(3,000)	-
Auditor's remuneration	2	(4,750)	(4,720)
Association Liability Insurance		(1,721)	(2,016)
Bank Charges		(259)	(204)
Depreciation expenses		(3,238)	(745)
Reimbursement ASMOF NSW Executive's Services		(64,394)	(50,055)
Reimbursement ASMOF NSW Consultancy Services		(6,007)	-
Compulsory Levies - Industrial Relations ACTU		(8,984)	(8,984)
Legal Costs	3	(77,758)	(23,814)
Media Campaign		(1,050)	-
Membership Survey		(1,000)	-
Conference and Meeting Expenses	4	(6,116)	(3,988)
Newsletters		(5,200)	-
Printing & Stationery		(100)	(386)
Secretarial, Admin & Accounting ASMOF NSW		(45,000)	(45,000)
Secretarial, Industrial Services AMA		(23,715)	(23,182)
Grants - ASMOF QLD		-	(23,705)
Travelling & Accommodation	4	(28,518)	(40,778)
Parking, Toll and Cab Charges		(604)	(793)
Website		(1,958)	(1,900)
Capitation Fees		-	-
Consideration to employers for payroll deductions		-	-
Donations		-	-
Penalties - via RO Act or RO Regulations		-	-
Employee expenses		-	-
Total Expenses		<u>(300,673)</u>	<u>(245,094)</u>
Profit for the year		82,038	62,357
Income tax expense		-	-
Profit after income tax		<u>82,038</u>	<u>62,357</u>
Other comprehensive income:		-	-
Total comprehensive income for the year		<u>82,038</u>	<u>62,357</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	Note	2013 \$	2012 \$
CURRENT ASSETS			
Cash and cash equivalents	5	456,470	339,680
Trade and other receivables	6	5,075	6,270
TOTAL CURRENT ASSETS		<u>461,545</u>	<u>345,960</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	5,731	8,969
TOTAL NON-CURRENT ASSETS		<u>5,731</u>	<u>8,989</u>
TOTAL ASSETS		<u>467,276</u>	<u>354,929</u>
CURRENT LIABILITIES			
Trade and other payables	8	32,474	2,064
Other current liabilities	9	4,500	4,600
Provisions	10	-	-
TOTAL CURRENT LIABILITIES		<u>36,974</u>	<u>6,664</u>
TOTAL LIABILITIES		<u>36,974</u>	<u>6,664</u>
NET ASSETS		<u>430,302</u>	<u>348,265</u>
EQUITY			
Retained earnings	11	430,302	348,265
TOTAL EQUITY		<u>430,302</u>	<u>348,265</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	Retained Earnings \$	Total \$
Balance at 1 January 2012		285,908	285,908
Profit attributable to members		62,357	62,357
Balance at 31 December 2012		<u>348,265</u>	<u>348,265</u>
Profit attributable to members		82,038	82,038
Balance at 31 December 2013		<u><u>430,303</u></u>	<u><u>430,303</u></u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 \$	2012 \$
OPERATING ACTIVITIES		
Cash received		
Capitation Fees Received - ACT Branch	9,975	9,828
Capitation Fees Received - NSW Branch	177,441	108,756
Capitation Fees Received - SA Branch	67,317	61,236
Capitation Fees Received - AMA Membership WA, VIC, TAS, C'W, QLD	149,727	143,340
Contribution Expenses - AMA	11,000	23,100
Contribution Expenses - ASMOF Q	9,000	-
Interest Received	12,925	13,669
Trust Distribution - ACTU Building Canberra Trust	498	-
Trust Distribution - John Curtin House Trust	1,598	-
Cash Used		
Secretarial, Industrial Services ASMOF NSW	(49,500)	(49,500)
Secretarial, Industrial Services AMA	(26,087)	(50,500)
ASMOF Q Grant	-	(26,101)
General Administration Expenses & Direct Expenses	(152,901)	(112,889)
Reimbursement ASMOF NSW - Executive & Consultancy Services	(69,534)	(68,960)
Affiliation Fees - ACTU	(14,797)	(16,306)
Compulsory Levies - Industrial Relations ACTU	(9,882)	(9,882)
Net cash provided by (used in) operating activities	<u>116,780</u>	<u>25,791</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for Plant & Equipment	-	(9,714)
Net cash provided by (used in) investing activities	<u>-</u>	<u>(9,714)</u>
Net increase (decrease) in cash held	116,780	16,077
Cash at beginning of year	339,690	323,613
Cash at end of financial year	<u>456,470</u>	<u>339,690</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
Cash Flow Reconciliation		
Reconciliation of cash & cash equivalents as per Financial Position Statement to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash Flow Statement		
Cash at Bank	6,478	4,690
Commonwealth Business Online Saver Account	449,992	335,000
	<u>456,470</u>	<u>339,690</u>
Balance Sheet		
Cash at Bank	6,478	4,690
Commonwealth Business Online Saver Account	449,992	335,000
	<u>456,470</u>	<u>339,690</u>
Difference	<u>-</u>	<u>-</u>
Reconciliation of profit/(loss) to net cash from operating activities:		
Profit/(loss) for the year	82,038	62,357
Adjustments for non-cash items:		
Depreciation	3,238	745
Changes in assets and liabilities		
Increase (Decrease) in Payables	30,409	(52,142)
Increase (Decrease) in Accrued Charges	(100)	100
Decrease (Increase) in Receivables	1,195	14,730
Net cash from (used by) operating activities	<u>116,780</u>	<u>25,791</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

1 Summary of Significant Accounting Policies

Basis of Preparation of the Financial Statements

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 and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Australian Salaried Medical Officers Federation 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 at 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 changing prices on the results or the financial position.

Accounting Policies

Income Tax

The Federation being a registered Trade Union, is exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act 1997.

Significant Accounting Judgements and Estimates

The committee members evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Federation.

Key judgments - Useful lives of property, plant and equipment

Property, plant and equipment are depreciated over their useful life and the depreciation rates are assessed when the assets are acquired or when there is a significant changes that affects the remaining useful life of assets.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

New Australian Accounting Standards

Adoption of New and Revised Accounting Standards

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

Future Australian Accounting Standards Requirements

No new standards, amendments to standards or interpretations that were issued prior to the sign-off date are applicable to the future reporting period that are expected to have a future financial impact on the Federation.

Property, Plant and Equipment

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

Depreciation

All fixed assets are depreciated on a straight line basis at rates calculated to allocate the cost less the estimated residual value over the estimated useful life of each asset.

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

Class of Fixed Asset	Depreciation Rate
Computer Equipment	33.33%

Cash and Cash Equivalents

Cash in the Statement of Financial Position comprises cash at bank.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Revenue

Capitation fees are recognised on an accrual basis and is recorded as revenue in the year to which it relates.

Interest revenue is recognised upon receipt or when a right to receive the interest has been established.

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

Trade and Other Receivables

Accounts receivable are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and Other Payables

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid.

Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred by the Federation as a purchaser that is not recoverable from the Australian Tax Office, is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST where incurred.

Cash flows are included in the Cash Flow Statement on a gross basis.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Going Concern

The committee of management has not identified or become aware of any events or conditions which may not result in the ability of the Federation to continue as a going concern.

The Federation is not reliant on any financial support from another entity to continue as a going concern.

Financial support to another entity: -

Australian Salaried Medical Officers Federation (ASMOF) provided financial support to ASMOF Queensland during the financial year. The ASMOF Queensland Branch is part of ASMOF and ASMOF is ultimately responsible for its debts.

Acquiring Assets or Liabilities

The Federation has not acquired an asset or liability during the financial year as a result of an amalgamation under Part 2 of Chapter 3, of the RO Act, a restructure, a determination by General Manager under subsection 245 (1) of the RO Act, a revocation by the General Manager under subsection 249(1) of the RO Act or as part of a business combination.

Recovery of Wages Activity

The Federation has not undertaken recovery of wages activity during the financial year.

Transactions in the Reporting Period to Related Parties, Declared Bodies and/or other Branches of the organisation

Transactions in the Reporting period to:

Related Parties:

NIL

Declared Bodies:

NIL

Other Branches of the Organisations:

- (1) ASMOF (NSW) - Ongoing Administration, Accounting, Secretarial & Industrial Services to ASMOF (NSW). Total amount \$45,000 (2012 - \$45,000).
- (2) ASMOF (NSW) - Reimbursement to ASMOF (NSW) for remuneration paid to their employee, Mr Peter Somerville for providing of his services as Executive Director of the Federation \$64,394 (2012 - \$50,055).

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

-
- (3) ASMOF (NSW) - Reimbursement to ASMOF (NSW) for their employee's remuneration for Consultancy work provided by their staff member, Mr Michael Grimes to the Federation \$6,007 (2012 - \$0).
 - (4) ASMOF Queensland Branch - Payment of their expenses: Legals other \$69,361, Travel & Accommodation \$9,879, Accounting \$3,000, Membership Survey \$1,000

Other Organisations or entities:

- (1) Australian Medical Association (AMA) - Ongoing Industrial Services to Australian Medical Association (AMA) \$23,715 (2012 - \$23,182).
- (2) Contributions received towards expenses
AMA reimbursed \$10,000 towards Peter Somerville's travelling & accommodation expenses.
- (3) AMA Queensland contributed, on behalf of ASMOF Queensland Branch, \$8,182 towards Peter Somerville's travelling and accommodation expenses in relation to negotiations with AMA Queensland and Ministry of Health Queensland.

Contingent Liabilities

The Queensland Health Department has commenced proceedings against a number of organisations including ASMOF. The proceedings have recently been filed in the Federal Court.

Currently ASMOF, the Australian Medical Association - both its federal and Qld branches (AMA), and the Together Union are involved in an industrial dispute with Queensland Health (QH) in respect of the introduction of individual employment contracts for senior medical officers employed in Queensland.

The proceedings launched by QH are related to material published by ASMOF, AMA, and the Together Union and provided to members in the course of this current dispute which QH claims contravenes Australian Consumer Law.

Events after the Reporting Period

The Federal Council member voted on the 31st January 14 to pass as a resolution to impose a levy on Queensland members for the purpose of establishing a 'ASMOF Queensland Fighting Fund'. A separate bank account was established for this purpose.

The fund will be administered by the Federal President and Federal Secretary of ASMOF in consultation with the Senior Medical Officers' taskforce that has been established in Queensland.

Economic Dependency

The Federation relies on the receipt of capitation fees from ACT Branch, NSW Branch, SA Branch and AMA - Conjoint. The Federation has no reason to see why the receipt would not continue.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

**Section 272 Fair Work (Registered Organisations) Act 2009
Information to be provided to Members or to the General Manager of FWA**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of Members is drawn to the provision of sub-sections (1) to (3) of Section 272, which read as follows:

Information to be provided to members or the General Manager of Fair Work Australia:

- (1) A Member of a reporting unit, or the General Manager of Fair Work Australia, 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).

Federation Details

The registered office and principal place of business of the Federation is Suite 46, Level 3, 330 Wattle Street, ULTIMO NSW 2007.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
2 Auditor's Remuneration		
Auditor's Remuneration		
Financial Statement audit services	4,750	4,720
Other Services	-	-
	4,750	4,720
3 Legal Costs		
Litigation	-	-
Other Legal Matters	77,758	23,814
	77,758	23,814
4 Conference, Meeting and Travel Expenses		
Meeting Expenses	6,116	3,988
Travel and Accommodation	28,518	40,778
	34,634	44,766
<p>No fees or allowances were paid to any person to attend conferences or other meetings as a representative of the Federation.</p>		
5 Cash and Cash Equivalents		
Current		
Cash at Bank	6,478	4,690
Commonwealth Business Online Saver Account	449,992	335,000
	456,470	339,690
6 Trade and Other Receivables		
Current		
Sundry Debtors - ASMOF NSW	1,728	2,595
Input Tax Credits - ATO	3,347	3,675
	5,075	6,270

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
7 Property, Plant and Equipment		
Computer Equipment		
At cost	9,714	9,714
Accumulated depreciation	<u>(3,983)</u>	<u>(745)</u>
Total Plant and Equipment	<u>5,731</u>	<u>8,969</u>
Reconciliation of the Opening and Closing Balances of Plant and Equipment		
As at 1 January 2013		
Gross book value	8,969	9,714
Purchase	-	-
Depreciation	(3,238)	(745)
Disposal	<u>-</u>	<u>-</u>
Net book value 31 December 2013	<u>5,731</u>	<u>8,969</u>
8 Accounts Payable and Other Payables		
Current		
Payables to other reporting unit:	-	-
Trade Creditors	32,474	2,064
Legal Costs	-	-
Consideration to employers for payroll deductions	<u>-</u>	<u>-</u>
9 Other Liabilities		
Current		
Accrued Charges	<u>4,500</u>	<u>4,600</u>
10 Provisions		
Employee Provisions	-	-
Total provisions	<u>-</u>	<u>-</u>

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
11 Retained Earnings		
Retained earnings at the beginning of the financial year	348,264	285,908
Net profit attributable to Federation	82,038	62,357
Retained earnings at the end of the financial year	430,302	348,265

12 Financial Instruments

Financial Risk Management

The Federation's financial instruments consists primarily of deposits with banks, account receivables, and accounts payable.

The total for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows

Financial Assets

Cash and Cash Equivalent	5	456,470	339,690
Trade and other receivables	6	5,075	6,270
Total Financial Assets		461,545	345,960

Financial Liabilities

Trade and other payables	8	32,474	2,064
Total Financial Liabilities		32,474	2,064

(a) Financial Risk Management Policies

The Federation Council Members are responsible for setting up, implementation and review of risk management policies and systems

Regular reviews are conducted to reflect market conditions, and minimising risks that may effect the financial performance and targets of the Federation.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

2013
\$

2012
\$

The Federation financial risk management policies are: -

(i) Interest rate risk

The Federation is not exposed to any interest rate risk, as it does not have any interest bearing financial instruments.

(ii) Foreign currency risk

The Federation is not exposed to fluctuations in foreign currencies.

(iii) Liquidity risk

The Federation manages liquidity by regularly monitoring cashflows.

(iv) Credit risk

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

The company has no significant concentrations of credit risk exposure to any single counterpart or group of counterparties.

(b) Net fair values

The Federation does not have any investment in listed investments. For other assets and other liabilities the net fair value approximates their carrying value. There has been no write down of financial asset values as all funds on deposit are expected to realise their carrying amounts.

The aggregate carrying amount of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes forming part of the accounts.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013

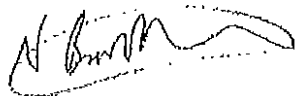
On the 02 / 12 / 2014 the committee of the Australian Salaried Medical Officer Federation passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 31 December 2013:

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 the reporting guidelines of the General Manager;
- (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 GPRF relates and since the end of that year:
 - (i) meetings of the committee of the management were held in accordance with the rules of the organisation including the rules of the 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 the 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 General Manager duly made under section 272 of the RO Act, it has been provided to the member or 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.
- (f) In relation to recovery of wages activity:
 - (i) the Federation has not undertaken recovery of wages activity during the financial year.

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

Dated: 3 / 12 / 2014



Prof Nick Buckmaster (Secretary)

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021**

Scope

The Financial Report and Committee's Responsibility

The General Purpose Financial Report comprises the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and accompanying notes to the financial statements, and the committee of management's statement for AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION for the year ended 31 December 2013.

The committee of the Federation is responsible for the preparation and true and fair presentation of the financial report. 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

I conducted an independent audit in order to express an opinion to the. My 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 judgment, 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.

I performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the requirements imposed by Part 3 of Chapter 8 of Fairwork (Registered Organisations) Act 2009, including compliance with Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the association's financial position, and of its performance as represented by the results of its operations and cash flows.

I formed my 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.

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

Independence

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements and the Fair Work (Registered Organisations) Act 2009.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021**

Audit Opinion


In my opinion:

The general purpose financial report of AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION presents fairly the financial position as at 31 December 2013, and the results of its operations and its cash flows for the year then ended and are in accordance with:

- (a) Australian Accounting Standards
- (b) The requirements imposed by the Fair Work (Registered Organisations) Act 2009 including Part 3 of Chapter 8 of the Act and
- (c) The Federation did not have any recovery of wages activity during the year.
- (d) The management's use of the going concern basis of accounting in the preparation of the Federation's financial report is appropriate.

Name of Firm: CARRUTHERS FARRAM & CO
Chartered Accountants

Name of Principal:



Douglas John Farram (Registered Company Auditor)
Member of Institute of Chartered Accountants and Holder of a Current Public Practice Certificate

Address: SUITE 4, Level 4 105 Pitt Street Sydney NSW 2000

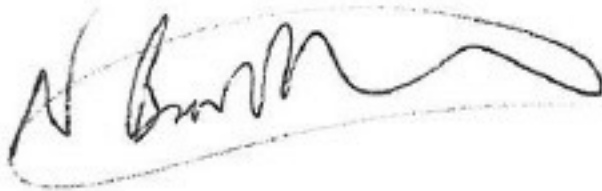
Dated this 4th day of December 2014

Designated Officer's Certificate

S268 Fair Work (Registered Organisations) Act 2009

I, Nicholas Buckmaster, being the Federal Secretary of the Australian Salaried Medical Officers' Federation certify:

1. that the documents lodged herewith are copies of the full report referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*;
2. that the full report was provided to members on 5 December 2014; and
3. that the full report was presented to a meeting of the Committee of Management of the reporting unit on 3 February 2014 in accordance with s266 of the *Fair Work (Registered Organisations) Act 2009*.

A handwritten signature in black ink, appearing to read 'N. Buckmaster', enclosed within a faint, light-colored oval border.

Signature: Date: 5 February 2015

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021**

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2013**

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

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AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

The committee presents its report on the Federation for the financial year ended 31 December 2013.

(a) Principal Activities:

The Federation's principal activities during the financial year were:

To provide industrial services to the members consistent with the objects of the Federation and particularly the object of protecting & improving the interests of the members.

Results of the Principal Activities:

The Federation's principal activities resulted in maintaining and improving the services provided to its members, promoting and protecting the broad interests of salaried medical practitioners and advocating the provision and development of quality health services.

Significant changes in Federation's Principal Activities:

There were no significant changes in the nature of Federation's Principal Activities during the financial year.

(b) Operating Results:

The profit of the Federation amounted to \$82,038 for the financial year.

Significant changes in Federation's financial affairs:

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

Events after the reporting period:

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

(c) Number of members

The number of persons who, at the end of the financial year were recorded on the Register of Members was 9640.

(d) Number of employees

The Federation has no paid office holders or paid employees but reimburses ASMOF NSW (State Registered Organisation) for the remuneration paid to its employees who conduct activities on behalf of Federation as disclosed in the notes under Related Party or Declared Bodies Transactions.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

(e) Right of Members to resign:

Manner of resignation S254(2)(c)

Members may resign from the Federation in accordance with rule 11, and Section 174 of the Fair Work (Registered Organisations) Act 2009 which reads as follows:

A member of the Federation may resign from membership by written notice, addressed and delivered to the Federation Secretary.

Notice of resignation from membership of the Federation takes effect:

1) where the member ceases to be eligible to become a member of the Federation:

- (i) on the day on which the notice is received by the Federation; or
- (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;

whichever is later;

or

2) in any other case:

- (i) at the end of two weeks, after the notice is received by the Federation; or
- (ii) on the day specified in the notice;

whichever is later;

Any dues payable but not paid by a former member of the Federation, in relation to a period before the member's resignation from the Federation took effect, may be sued for and recovered in the name of the Federation, in a court of competent jurisdiction, as a debt due to the Federation.

A notice delivered to the person mentioned in sub-rule(1) shall be taken to have been received by the Federation when it is delivered.

A notice of resignation that has been received by the Federation is not invalid because it was not addressed and delivered in accordance with sub-rule(1)

A resignation from membership of the Federation is valid even if it is not effected in accordance with this rule if the member is informed in writing by or on behalf of the Federation that the resignation has been accepted.

In special circumstances the Federal Council may by resolution accept the resignation of a member and release the member from any or all outstanding obligations to the Federation, notwithstanding that the provisions of these Rules have not been complied with.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

(f) Members of Committee of Management

The persons who have held office as members of the Committee of Management of the Federation during the financial year were:

Dr. Antony Sara	President
Dr. Roderick McRae	Vice President
Prof. Nick Buckmaster	Secretary
Dr. Stuart Day	Assistant Secretary/ Treasurer
Dr. David Pope	Federal Executive Member
Prof. Peter Collignon	Federal Executive Member
Prof. Geoffrey Dobb	Federal Executive Member
Dr. Guy Hibbins	Federal Executive Member - Retired 1st November 2013

All members of the Committee of Management were in the Federation for the period of 1st January 2013 to 31st December 2013 unless otherwise stated.

(g) Superannuation Trustees

No officer or employee of the Federation is

- (i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme;

where a criterion for the member being the trustee or director is that the member, is a member of a registered organisation

(h) Directors of Company or a Member of a Board

No officer or employee of the Federation is a director of a company or a member of a Board.

Signed in accordance with a resolution of the Committee of Management dated ____ day of _____ 20 ____ .

----- Date: / /

Dr Antony Sara (President)

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
Revenue			
Capitation Fees Received:			
ACT Branch		9,068	8,935
NSW Branch		161,310	98,869
SA Branch		61,197	55,669
AMA CONJOINT - WA, VIC, TAS, C'WTH, QLD		136,115	130,309
Interest Received		12,925	13,669
Trust Distribution:			
ACTU Building Canberra Trust		498	-
John Curtin House Trust		1,598	-
Levies		-	-
Grants or Donations		-	-
Membership subscription		-	-
Total revenue		<u>382,711</u>	<u>307,451</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
Expenses			
Affiliation Fees - ACTU		(17,301)	(14,824)
Accounting		(3,000)	-
Auditor's remuneration	2	(4,750)	(4,720)
Association Liability Insurance		(1,721)	(2,016)
Bank Charges		(259)	(204)
Depreciation expenses		(3,238)	(745)
Reimbursement ASMOF NSW Executive's Services		(64,394)	(50,055)
Reimbursement ASMOF NSW Consultancy Services		(6,007)	-
Compulsory Levies - Industrial Relations ACTU		(8,984)	(8,984)
Legal Costs	3	(77,758)	(23,814)
Media Campaign		(1,050)	-
Membership Survey		(1,000)	-
Conference and Meeting Expenses	4	(6,116)	(3,988)
Newsletters		(5,200)	-
Printing & Stationery		(100)	(386)
Secretarial, Admin & Accounting ASMOF NSW		(45,000)	(45,000)
Secretarial, Industrial Services AMA		(23,715)	(23,182)
Grants - ASMOF QLD		-	(23,705)
Travelling & Accommodation	4	(28,518)	(40,778)
Parking, Toll and Cab Charges		(604)	(793)
Website		(1,958)	(1,900)
Capitation Fees		-	-
Consideration to employers for payroll deductions		-	-
Donations		-	-
Penalties - via RO Act or RO Regulations		-	-
Employee expenses		-	-
Total Expenses		<u>(300,673)</u>	<u>(245,094)</u>
Profit for the year		82,038	62,357
Income tax expense		-	-
Profit after income tax		<u>82,038</u>	<u>62,357</u>
Other comprehensive income:		-	-
Total comprehensive income for the year		<u>82,038</u>	<u>62,357</u>

The accompanying notes form part of these financial statements

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	Note	2013 \$	2012 \$
CURRENT ASSETS			
Cash and cash equivalents	5	456,470	339,690
Trade and other receivables	6	5,075	6,270
TOTAL CURRENT ASSETS		<u>461,545</u>	<u>345,960</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	5,731	8,969
TOTAL NON-CURRENT ASSETS		<u>5,731</u>	<u>8,969</u>
TOTAL ASSETS		<u>467,276</u>	<u>354,929</u>
CURRENT LIABILITIES			
Trade and other payables	8	32,474	2,064
Other current liabilities	9	4,500	4,600
Provisions	10	-	-
TOTAL CURRENT LIABILITIES		<u>36,974</u>	<u>6,664</u>
TOTAL LIABILITIES		<u>36,974</u>	<u>6,664</u>
NET ASSETS		<u>430,302</u>	<u>348,265</u>
EQUITY			
Retained earnings	11	430,302	348,265
TOTAL EQUITY		<u>430,302</u>	<u>348,265</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	Retained Earnings \$	Total \$
Balance at 1 January 2012		285,908	285,908
Profit attributable to members		<u>62,357</u>	<u>62,357</u>
Balance at 31 December 2012		348,265	348,265
Profit attributable to members		<u>82,038</u>	<u>82,038</u>
Balance at 31 December 2013		<u><u>430,303</u></u>	<u><u>430,303</u></u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
OPERATING ACTIVITIES		
Cash received		
Capitation Fees Received - ACT Branch	9,975	9,828
Capitation Fees Received - NSW Branch	177,441	108,756
Capitation Fees Received - SA Branch	67,317	61,236
Capitation Fees Received - AMA Membership WA, VIC, TAS, C'W, QLD	149,727	143,340
Contribution Expenses - AMA	11,000	23,100
Contribution Expenses - ASMOF Q	9,000	-
Interest Received	12,925	13,669
Trust Distribution - ACTU Building Canberra Trust	498	-
Trust Distribution - John Curtin House Trust	1,598	-
Cash Used		
Secretarial, Industrial Services ASMOF NSW	(49,500)	(49,500)
Secretarial, Industrial Services AMA	(26,087)	(50,500)
ASMOF Q Grant	-	(26,101)
General Administration Expenses & Direct Expenses	(152,901)	(112,889)
Reimbursement ASMOF NSW - Executive & Consultancy Services	(69,534)	(68,960)
Affiliation Fees - ACTU	(14,797)	(16,306)
Compulsory Levies - Industrial Relations ACTU	(9,882)	(9,882)
Net cash provided by (used in) operating activities	116,780	25,791
 CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for Plant & Equipment	-	(9,714)
Net cash provided by (used in) investing activities	-	(9,714)
 Net increase (decrease) in cash held	 116,780	 16,077
Cash at beginning of year	339,690	323,613
Cash at end of financial year	456,470	339,690

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
<hr/>		
Cash Flow Reconciliation		
Reconciliation of cash & cash equivalents as per Financial Position Statement to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash Flow Statement		
Cash at Bank	6,478	4,690
Commonwealth Business Online Saver Account	449,992	335,000
	<u>456,470</u>	<u>339,690</u>
Balance Sheet		
Cash at Bank	6,478	4,690
Commonwealth Business Online Saver Account	449,992	335,000
	<u>456,470</u>	<u>339,690</u>
Difference	<u><u>-</u></u>	<u><u>-</u></u>
Reconciliation of profit/(loss) to net cash from operating activities:		
Profit/(loss) for the year	82,038	62,357
Adjustments for non-cash items:		
Depreciation	3,238	745
Changes in assets and liabilities		
Increase (Decrease) in Payables	30,409	(52,142)
Increase (Decrease) in Accrued Charges	(100)	100
Decrease (Increase) in Receivables	1,195	14,730
Net cash from (used by) operating activities	<u><u>116,780</u></u>	<u><u>25,791</u></u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

1 Summary of Significant Accounting Policies

Basis of Preparation of the Financial Statements

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 and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Australian Salaried Medical Officers Federation 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 at 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 changing prices on the results or the financial position.

Accounting Policies

Income Tax

The Federation being a registered Trade Union, is exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act 1997.

Significant Accounting Judgements and Estimates

The committee members evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Federation.

Key judgments - Useful lives of property, plant and equipment

Property, plant and equipment are depreciated over their useful life and the depreciation rates are assessed when the assets are acquired or when there is a significant changes that affects the remaining useful life of assets.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

New Australian Accounting Standards

Adoption of New and Revised Accounting Standards

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

Future Australian Accounting Standards Requirements

No new standards, amendments to standards or interpretations that were issued prior to the sign-off date are applicable to the future reporting period that are expected to have a future financial impact on the Federation.

Property, Plant and Equipment

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

Depreciation

All fixed assets are depreciated on a straight line basis at rates calculated to allocate the cost less the estimated residual value over the estimated useful life of each asset.

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

Class of Fixed Asset	Depreciation Rate
Computer Equipment	33.33%

Cash and Cash Equivalents

Cash in the Statement of Financial Position comprises cash at bank.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Revenue

Capitation fees are recognised on an accrual basis and is recorded as revenue in the year to which it relates.

Interest revenue is recognised upon receipt or when a right to receive the interest has been established.

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

Trade and Other Receivables

Accounts receivable are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and Other Payables

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid.

Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred by the Federation as a purchaser that is not recoverable from the Australian Tax Office, is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST where incurred.

Cash flows are included in the Cash Flow Statement on a gross basis.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

Going Concern

The committee of management has not identified or become aware of any events or conditions which may not result in the ability of the Federation to continue as a going concern.

The Federation is not reliant on any financial support from another entity to continue as a going concern.

Financial support to another entity: -

Australian Salaried Medical Officers Federation (ASMOF) provided financial support to ASMOF Queensland during the financial year. The ASMOF Queensland Branch is part of ASMOF and ASMOF is ultimately responsible for its debts.

Acquiring Assets or Liabilities

The Federation has not acquired an asset or liability during the financial year as a result of an amalgamation under Part 2 of Chapter 3, of the RO Act, a restructure, a determination by General Manager under subsection 245 (1) of the RO Act, a revocation by the General Manager under subsection 249(1) of the RO Act or as part of a business combination.

Recovery of Wages Activity

The Federation has not undertaken recovery of wages activity during the financial year.

Transactions in the Reporting Period to Related Parties, Declared Bodies and/or other Branches of the organisation

Transactions in the Reporting period to:

Related Parties:

NIL

Declared Bodies:

NIL

Other Branches of the Organisations:

- (1) ASMOF (NSW) - Ongoing Administration, Accounting, Secretarial & Industrial Services to ASMOF (NSW). Total amount \$45,000 (2012 - \$45,000).
- (2) ASMOF (NSW) - Reimbursement to ASMOF (NSW) for remuneration paid to their employee, Mr Peter Somerville for providing of his services as Executive Director of the Federation \$64,394 (2012 - \$50,055)

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

- (3) ASMOF (NSW) - Reimbursement to ASMOF (NSW) for their employee's remuneration for Consultancy work provided by their staff member, Mr Michael Grimes to the Federation \$6,007 (2012 - \$0).
- (4) ASMOF Queensland Branch - Payment of their expenses: Legals other \$69,361, Travel & Accommodation \$9,879, Accounting \$3,000, Membership Survey \$1,000

Other Organisations or entities:

- (1) Australian Medical Association (AMA) - Ongoing Industrial Services to Australian Medical Association
(AMA) \$23,715 (2012 - \$23,182).
- (2) Contributions received towards expenses
AMA reimbursed \$10,000 towards Peter Somerville's travelling & accommodation expenses.
- (3) AMA Queensland contributed, on behalf of ASMOF Queensland Branch, \$8,182 towards Peter Somerville's travelling and accommodation expenses in relation to negotiations with AMA Queensland and Ministry of Health Queensland.

Contingent Liabilities

The Queensland Health Department has commenced proceedings against a number of organisations including ASMOF. The proceedings have recently been filed in the Federal Court.

Currently ASMOF, the Australian Medical Association - both its federal and Qld branches (AMA), and the Together Union are involved in an industrial dispute with Queensland Health (QH) in respect of the introduction of individual employment contracts for senior medical officers employed in Queensland.

The proceedings launched by QH are related to material published by ASMOF, AMA, and the Together Union and provided to members in the course of this current dispute which QH claims contravenes Australian Consumer Law.

Events after the Reporting Period

The Federal Council member voted on the 31st January 14 to pass as a resolution to impose a levy on Queensland members for the purpose of establishing a 'ASMOF Queensland Fighting Fund'. A separate bank account was established for this purpose.

The fund will be administered by the Federal President and Federal Secretary of ASMOF in consultation with the Senior Medical Officers' taskforce that has been established in Queensland.

Economic Dependency

The Federation relies on the receipt of capitation fees from ACT Branch, NSW Branch, SA Branch and AMA - Conjoint. The Federation has no reason to see why the receipt would not continue.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

Section 272 Fair Work (Registered Organisations) Act 2009

Information to be provided to Members or to the General Manager of FWA

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of Members is drawn to the provision of sub-sections (1) to (3) of Section 272, which read as follows:

Information to be provided to members or the General Manager of Fair Work Australia:

(1) A Member of a reporting unit, or the General Manager of Fair Work Australia, 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).

Federation Details

The registered office and principal place of business of the Federation is Suite 46, Level 3, 330 Wattle Street, ULTIMO NSW 2007.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
2 Auditor's Remuneration		
Auditor's Remuneration		
Financial Statement audit services	4,750	4,720
Other Services	-	-
	4,750	4,720
3 Legal Costs		
Litigation	-	-
Other Legal Matters	77,758	23,814
	77,758	23,814
4 Conference, Meeting and Travel Expenses		
Meeting Expenses	6,116	3,988
Travel and Accommodation	28,518	40,778
	34,634	44,766
No fees or allowances were paid to any person to attend conferences or other meetings as a representative of the Federation.		
5 Cash and Cash Equivalents		
Current		
Cash at Bank	6,478	4,690
Commonwealth Business Online Saver Account	449,992	335,000
	456,470	339,690
6 Trade and Other Receivables		
Current		
Sundry Debtors - ASMOF NSW	1,728	2,595
Input Tax Credits - ATO	3,347	3,675
	5,075	6,270

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
7 Property, Plant and Equipment		
Computer Equipment		
At cost	9,714	9,714
Accumulated depreciation	(3,983)	(745)
Total Plant and Equipment	5,731	8,969
 Reconciliation of the Opening and Closing Balances of Plant and Equipment		
As at 1 January 2013		
Gross book value	8,969	9,714
Purchase	-	-
Depreciation	(3,238)	(745)
Disposal	-	-
Net book value 31 December 2013	5,731	8,969
 8 Accounts Payable and Other Payables		
Current		
Payables to other reporting unit:	-	-
Trade Creditors	32,474	2,064
Legal Costs	-	-
Consideration to employers for payroll deductions	-	-
 9 Other Liabilities		
Current		
Accrued Charges	4,500	4,600
 10 Provisions		
Employee Provisions	-	-
Total provisions	-	-

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
11 Retained Earnings		
Retained earnings at the beginning of the financial year	348,264	285,908
Net profit attributable to Federation	82,038	62,357
Retained earnings at the end of the financial year	<u>430,302</u>	<u>348,265</u>

12 Financial Instruments

Financial Risk Management

The Federation's financial instruments consists primarily of deposits with banks, account receivables, and accounts payable.

The total for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows

Financial Assets

Cash and Cash Equivalent	5	456,470	339,690
Trade and other receivables	6	5,075	6,270
Total Financial Assets		<u>461,545</u>	<u>345,960</u>

Financial Liabilities

Trade and other payables	8	32,474	2,064
Total Financial Liabilities		<u>32,474</u>	<u>2,064</u>

(a) **Financial Risk Management Policies**

The Federation Council Members are responsible for setting up, implementation and review of risk management policies and systems

Regular reviews are conducted to reflect market conditions, and minimising risks that may effect the financial performance and targets of the Federation.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

2013
\$

2012
\$

The Federation financial risk management policies are: -

(i) Interest rate risk

The Federation is not exposed to any interest rate risk, as it does not have any interest bearing financial instruments.

(ii) Foreign currency risk

The Federation is not exposed to fluctuations in foreign currencies.

(iii) Liquidity risk

The Federation manages liquidity by regularly monitoring cashflows.

(iv) Credit risk

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

The company has no significant concentrations of credit risk exposure to any single counterpart or group of counterparties.

(b) Net fair values

The Federation does not have any investment in listed investments. For other assets and other liabilities the net fair value approximates their carrying value. There has been no write down of financial asset values as all funds on deposit are expected to realise their carrying amounts.

The aggregate carrying amount of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes forming part of the accounts.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021**

**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013**

On the ____ / ____ / 20____ the committee of the Australian Salaried Medical Officer Federation passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 31 December 2013:

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 the reporting guidelines of the General Manager;
- (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 GPRF relates and since the end of that year:
 - (i) meetings of the committee of the management were held in accordance with the rules of the organisation including the rules of the 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 the 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 General Manager duly made under section 272 of the RO Act, it has been provided to the member or 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.
- (f) in relation to recovery of wages activity:
 - (i) the Federation has not undertaken recovery of wages activity during the financial year.

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

Prof. Nick Buckmaster (Secretary)

Dated: / /

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021**

Scope

The Financial Report and Committee's Responsibility

The General Purpose Financial Report comprises the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and accompanying notes to the financial statements, and the committee of management's statement for AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION for the year ended 31 December 2013.

The committee of the Federation is responsible for the preparation and true and fair presentation of the financial report. 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

I conducted an independent audit in order to express an opinion to the. My 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 judgment, 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.

I performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the requirements imposed by Part 3 of Chapter 8 of Fairwork (Registered Organisations) Act 2009, including compliance with Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the association's financial position, and of its performance as represented by the results of its operations and cash flows.

I formed my 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.

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

Independence

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements and the Fair Work (Registered Organisations) Act 2009.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021**

Audit Opinion

In my opinion:

The general purpose financial report of AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION presents fairly the financial position as at 31 December 2013, and the results of its operations and its cash flows for the year then ended and are in accordance with:

- (a) Australian Accounting Standards
- (b) The requirements imposed by the Fair Work (Registered Organisations) Act 2009 including Part 3 of Chapter 8 of the Act and
- (c) The Federation did not have any recovery of wages activity during the year.
- (d) The management's use of the going concern basis of accounting in the preparation of the Federation's financial report is appropriate.

Name of Firm: CARRUTHERS FARRAM & CO
Chartered Accountants

Name of Principal: _____
Douglas John Farram (Registered Company Auditor)
Member of Institute of Chartered Accountants and Holder of a Current Public Practice Certificate

Address: SUITE 4, Level 4 105 Pitt Street Sydney NSW 2000

Dated this **day of**



18 November 2014

Mr Douglas Farram
Director
Carruthers Farram & Co
4th Floor, 105 Pitt Street
SYDNEY NSW 2000

Dear Mr Farram

Re: Australian Salaried Medical Officers Federation Financial Report for the year ended 31 December 2013 (FR2013/469)

I acknowledge receipt of your letter dated the 13 November 2014 wherein you request guidance on issues raised in my letter dated 5 November 2014 in order to prepare an amended general purpose financial report.

Please find below my response to the various questions raised in your letter.

Revenue Recognition

The statement provided in relation to the accounting policy for capitation fees does not address the disclosure requirements. The accrual basis of accounting recognises transactions and or other events when they occur and reported in the financial statements of the periods to which they relate, that is, not as cash or its equivalent is received or paid. The statement refers to fees received and fees received in advance and discusses how it records these items, but does not discuss capitation fees that relates to that reporting period but have not been received.

An alternative accounting policy could be *'capitation fees are recognised on an accrual basis and is recorded as revenue in the year to which it relates.'*

Note 1 - Prescribed Items Disclosure

As all the required items are appropriately disclosed the statements are unnecessary and should be removed from Note 1.

Property, plant and equipment

I note that the item under Property, plant and equipment should read Computer equipment not Database which would adequately meet the definition in *AASB 116: Property, Plant and Equipment* which states that Property plant and equipment is a tangible item.

However it should be noted that *AASB 116: Property, Plant and Equipment* paragraph 73(c) states that the entity must disclose the useful life or depreciation rates used. I note that this has not been provided.

AASB 1116: Property, Plant and Equipment paragraph 73(e) also requires a reconciliation of the carrying amount at the beginning and the end of the period. This information has not been provided.

Financial instruments disclosures

In relation to Australian Accounting Standard *AASB 7 Financial Instruments: Disclosures* please ensure that the disclosure requirements relating to paragraphs 8, 20, 25-30, 37 and 39 are

11 Exhibition Street Telephone: (03) 8661 7777
Melbourne VIC 3000 International: (613) 8661 7777
GPO Box 1994 Facsimile: (03) 9655 0401
Melbourne VIC 3001 Email: orgs@fwc.gov.au

appropriately disclosed in Note 10. I do not believe adequate information has been provided to address those requirements.

Agreed to provide support to another reporting unit

I have had discussions with the ASMOF Queensland Branch who have indicated that they will be including a statement in the Branches financial report for the year ending 31 December 2013 that the ASMOF Federal Office has provided financial support to them so they can continue on a going concern basis. The FWC would therefore expect to see in the ASMOF Federal Office financial report for the year ending 31 December 2013 that they have agreed to provide this financial support to the ASMOF Queensland Branch to continue on a going concern basis.

Activities under Reporting Guideline not disclosed

- 10 - going concern financial support received from another reporting unit

Please note that item 10 in the Reporting Guidelines is not covered by your statement under Economic Dependency. Reporting Guideline 10 relates to the situation where financial support is received from another reporting unit for the Branch to operate on a going concern basis. This may have a limited timeframe attached or certain terms and conditions attached as to when and how this financial support is provided and repayment terms, if applicable.

Separate disclosure is required.

- 17(h) - fees or allowances paid to persons to attend conferences or other meetings as a representative of the reporting unit

If a separate fee or allowances is not paid to persons to attend a conference or other meeting as a representative of the reporting unit, then a 'nil' disclosure is required. The expenses you have listed relating to Conference & Meeting Expenses and Travelling & Accommodation would not meet the criteria of this item as this item relates to a 'sitting' fee.

If you have any queries regarding this letter, please contact me on 03) 8661 7886 or via email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

Carruthers Farram & CoCHARTERED ACCOUNTANTS
D.J. FARRAM. B.Ec., F.C.A.

ABN 79 322 134 712

4th Floor, 105 Pitt St,
SYDNEY NSW 2000

GPO Box 1435, SYDNEY NSW 2001

Telephone: 9233 1231

Fax: 9231 1770

Email: carruthersfarram@bigpond.com.au

13th November 2014

Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch
Fair Work Commission

Email: joanne.fenwick@fwc.gov.au

Dear Ms Fenwick,

Re: Australian Salaried Medical Officers Federation, Federal Office (ASMOF) Financial Report for the year ending 31 December 2013 (FR 2013/469)

We refer to your letter dated 5 November 2014 advising ASMOF that the General Purpose Financial Report (GPFR) and the Committee of Management Statement will require amendment before the report can be filed.

In helping to prepare the GPFR that was submitted for filing earlier, we have referred to the "Model Financial Statements Registered Organisation 2012-13" and also sought input from your office.

We now would like to address the following matters raised in the GPFR and seek your guidance in order for an amended complying GPFR be prepared for resubmission.

General Purpose Financial Reporting

(1) Equal Prominence

We draw your attention that the Statement of Cash Flows was presented as a separate statement and not within the Notes to the Financial Statements as stated. The Statement of Cash Flows is on Pages 18-19, while the Notes were on Pages 8-17 as listed in the Contents Page. We will be changing the order, by listing the Statement of Cash Flow ahead of the Notes.

(2) Revenue Recognition

We will be restating the statement on Capitation Fees to:-

“The Capitation fees received from the Branches are accepted as the correct amounts payable to the Federation. As revenue is recognised on an accrual basis, fees received for the current financial year are recorded as revenue while any fees received in advance will be reported as prepaid fees. Fees received after the end of the financial year which are attributed to the current year will be recorded as accrued income and recognised as revenue. This policy is consistent with prior years.”

Please advise whether the above statement meets the disclosure requirements to appropriately disclose the accounting policy.

(3) Prescribed Items Disclosure

The Model Financial Statements include a footnote “*As required by the Reporting Guidelines Item to remain even if “nil” “. In the GPFR prepared you will note that all the items with an asterisk, as shown in the model statements, have been disclosed even if they were “nil” balances while items that do not have an asterisk are not reported. The Prescribed Items Disclosure on Page 11 of the GPFR is additional information to emphasise to the users to these facts and not intended as a broad statement.

We have discussed this matter with your office and they do not have an issue with these statement being included in the GPFR, so long as the compulsory items (i.e. those marked with an *) are included.

As all the required items have already been disclosed we will delete the statements if you deem it unnecessary and may be confusing. Please advise.

(4) Property, Plant and Equipment

This item should read as Computer equipment (a tangible asset) and we will correct the description in the amended GPFR.

(5) Disclosure of Legal Costs

The amended GPFR will disclose the expenses, by litigation and by other legal matters as required to comply with the reporting guidelines.

(6) Financial Instruments Disclosures

ASMOF financial assets are primarily held as cash at Bank, as disclosed in Note 10 and the details are again reported in Note 3.

We have reviewed our notes and compared it with the requirements of AASB 7 and seek your assistance in identifying what other relevant disclosures have not been provided.

Please notify which relevant disclosure is required in-order that we can include them in the statement to comply with the requirements.

(7) Agreed to provide support to another reporting unit

We are asking ASMOF (Federal) to check with ASMOF Queensland Branch regarding this disclosure that was reported in their financial report as highlighted by you. If it is found appropriate we will include this disclosure.

(8) Activities under Reporting Guideline not disclosed

a) 10 – Going concern financial support received from another reporting unit

We have disclosed this item under Economic Dependency in the notes on Page 13. We will combine this statement with the Going Concern Disclosure note if you prefer. Please advise.

Please note that transactions relating to Related Parties Declared Bodies and/or Other Branches of the organisation have been disclosed on Page 12.

b) 17 (e) ii – The total amount paid in donations

No donations were made by the entity this year and we will report this under expenses in the Comprehensive Income as a separate line item to distinguish it from the Grant Item that was already disclosed.

c) 17 (h) - Fees or allowances paid to persons to attend a conference or other meetings as a representation of the reporting unit

The items are disclosed in the Statement of Comprehensive Income – Expenses as follows:-

Conference & Meeting Expenses	\$6,116
Travelling & Accommodation	\$28,518

- The Conference and Meeting expenses are mainly room hire for the Executive Council meetings and teleconferencing expenses, and reimbursement of taxi fares and parking.

- The Travelling and Accommodation are air-fares, accommodation, taxi fare, refreshments incurred by the federal executive and members of the committee of Management in carrying out their normal duties for ASMOF.

Please advise should any further details be disclosed.

We certainly appreciate you reviewing and commenting on the proposed changes.
We look forward to your early reply in order for an amended GPFR to be prepared for filing
in due course.

Please do not hesitate to contact me or Steven Lim should you have any queries.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'D. Farram', with a long horizontal flourish extending to the right.

Douglas Farram



5 November 2014

Professor Nick Buckmaster
Federal Secretary Australian Salaried Medical Officers Federation, Federal Office
Suite 46
Level 3, 330 Wattle Street
ULTIMO NSW 2007

c/- Mr Dennis Ravlich
Executive Director, Australian Salaried Medical Officers Federation

Dear Professor Buckmaster

Australian Salaried Medical Officers Federation Financial Report for the year ended 31 December 2013 (FR2013/469)

I acknowledge receipt of the financial report of the Australian Salaried Medical Officers Federation, Federal Office (ASMOF). The documents were lodged with the Fair Work Commission (FWC) on 1 July 2014. An amended financial report was subsequently lodged on the 30 July 2014.

The financial report has not been filed.

I have examined the financial report and identified a number of matters, the details of which are set out below, that you are required to address before the report can be filed.

The General Purpose Financial Report (GPFR) and the Committee of Management Statement will require amendments. The amended reports will need to be provided to members, presented to a Committee of Management Meeting, republished on the ASMOF website and lodged with the FWC.

The matters identified should be read in conjunction with the *Fair Work (Registered Organisations) Act 2009* (the RO Act), *Fair Work (Registered Organisations) Regulations 2009* (the RO Regs), Reporting Guidelines (RG) made under section 255 of the RO Act and Australian Accounting Standards. A 'Model financial statements' is also available on the FWC website to assist organisations in preparing returns.

Timescale Requirements

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timeline requirements can be found on the FWC website. In particular, I draw your attention to 'Financial reporting process and timelines' which explains the timeline requirements, and 'Summary of financial reporting timelines' which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirements were not met:

Reports must be provided to members within 5 months of end of financial year where the report is presented before committee of management meeting

The Designated Officer's Certificate states that the financial report was provided to members on 1 July 2014, and presented to a Committee of Management meeting on 29 July 2014. Under section 265(5)(b) of the RO Act, where the report is presented to a Committee of Management

meeting, the report must be provided to members within 5 months of the end of the financial year.

I note that on 26 June 2014, Mr Somerville on behalf of ASMOF applied for a one month extension pursuant to s.265(5)(b) in which to provide its financial report to its members. On 21 July 2014, the General Manager's Delegate declined to grant an extension as the timeframe subject to the proposed extension had already elapsed. I further note that had an extension been granted pursuant to s.265(5)(b), ASMOF failed to provide its financial report to members in June 2014. In future years any extension applications must be made prior to the expiry of statutory timeframes, and those statutory timeframes must be kept.

Reports must be presented to a Committee of Management meeting within 6 months after the end of the financial year.

The Designated Officer's Certificate states that the financial report was presented to a Committee of Management meeting on 29 July 2014. Under section 266(3) of the RO Act, which allows for the full report to be presented to a meeting of the Committee of Management when the rules of the organisation provide for this, the timing of this meeting must be in accordance with section 266(1), that is, within 6 months after the end of the financial year.

Committee of Management Statement

Item 42 of the Reporting Guidelines requires that the Committee of Management Statement be made in accordance with such resolution as is passed by the Committee of Management. Such statement must also specify the date of passage of the resolution. I note that the date of the resolution was not provided. Please amend the Committee of Management Statement to include this date and resubmit to FWC.

General Purpose Financial Report

Equal Prominence

AASB 101(11) requires entities to present with equal prominence all of the financial statements in a complete set of financial statements. I note that the Statement of Cash Flows has been presented within the Notes to the Financial Statements rather than among the financial statements themselves.

Please amend the GPFR so that the Statement of Cash Flows is presented together with the other financial statements at the beginning of the financial report.

Revenue recognition

Australian Accounting Standard *AASB 101: Presentation of Financial Statements* paragraph 117 and *AASB 118: Revenue* paragraph 35(a) requires that the entity must disclose the measurement basis or bases used in recognising revenue.

The accounting policy for Capitation fees for ASMFO has not been appropriately disclosed. Under Note 1 *Revenue*, a statement on Capitation fees has been provided not the accounting policy relating to this item. Please amend accordingly.

Note 1 - Prescribed Items Disclosure

In Note 1, a general statement is made in relation to the prescribed item disclosures for Revenue, Expenses, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flow. Please note that a broad statement like the one provided, does not satisfy the requirements of the Reporting Guidelines to ensure that all activities identified in the Reporting Guidelines are disclosed even if it's a 'nil' disclosure. The individual activities must be clearly identified. Please amend accordingly.

Property, plant and equipment

An accounting policy, including key judgements on the useful life, has been included in Note 1 for Property, plant and equipment. Note 5 identify the Property, plant and equipment as a Database. Based on the description provided in Note 5, the FWC is assuming that this item is an Intangible asset, not Property, plant and equipment.

As per the definition in *AASB 138: Intangible Assets*, an intangible asset 'is an identifiable non-monetary asset with physical substance'. This definition seems to more adequately meet the

characteristics of a Database then the definition in *AASB 116: Property, plant and equipment* which states that Property plant and equipment is a tangible item.

Based on the above comments, the depreciation policy must be renamed amortisation. *AASB 138: Intangible Assets* paragraph 118(a) states that the entity must disclose the useful life of amortisation rates used. I note that this has not been provided.

AASB 138: Intangible Assets paragraph 118(e) also requires a reconciliation of the carrying amount at the beginning and the end of the period. This information has not been provided.

Disclosure of legal costs

Reporting Guideline 17(j) requires legal costs to be disclosed by litigation and by other legal matters. The Statement of Comprehensive Income discloses \$77,758 of legal expenses. Please amend the Statement of Comprehensive Income to ensure that it is presented in accordance with Reporting Guideline 17(j).

Financial instruments disclosures

Australian Accounting Standard *AASB 7 Financial Instruments: Disclosures* details the reporting disclosures required by an entity in relation to financial instruments.

Although some disclosure requirements have been made in Note 10 not all relevant disclosures have been provided. Please amend accordingly.

Agreed to provide support to another reporting unit

The 2013 financial report of the ASMOF Queensland Branch indicates that the ASMOF Federal Office is '*ultimately responsible for ASMOF-Qld's debts*'. Item 11 of the reporting guidelines requires a reporting unit in this situation to disclose in the notes to the financial statement, the name of the reporting unit to which the agreed financial support is directed and the terms and conditions attached to this agreed financial support. This information has not been provided.

Activities under Reporting Guideline not disclosed

Items 14 and 18 of the Reporting Guidelines state that if the activities identified in item 10 and 17 have not occurred in the reporting period, a statement of this effect must be included in the notes to the GPFR. I note that for the following items no such disclosure has been made:

- 10 - going concern financial support received from another reporting unit
- 17(e)(ii) - the total amount paid in donations
- 17(h) - fees or allowances paid to persons to attend a conferences or other meeting as a representative of the reporting unit

If you have any queries regarding this letter, please contact me on 03) 8661 7886 or via email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

Designated Officer's Certificate

S268 Fair Work (Registered Organisations) Act 2009

I, **A/Prof. Nick Buckmaster**, being **Federal Secretary of the Australian Salaried Medical Officers' Federation (ASMOF)** certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members on 1 July 2014;
- that, the full report was presented to a meeting of the Committee of Management of the reporting unit on 29 July 2014 in accordance with s266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature:

A handwritten signature in black ink, appearing to read 'N. Buckmaster', is written over a faint, light-colored signature line.

Date:

29 July 2014

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2013

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

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AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

The committee presents its report on the Federation for the financial year ended 31 December 2013.

(a) Principal Activities:

The Federation's principal activities during the financial year were:

To provide industrial services to the members consistent with the objects of the Federation and particularly the object of protecting & improving the interests of the members.

Results of the Principal Activities:

The Federation's principal activities resulted in maintaining and improving the services provided to its members, promoting and protecting the broad interests of salaried medical practitioners and advocating the provision and development of quality health services.

Significant changes in Federation's Principal Activities:

There were no significant changes in the nature of Federation's Principal Activities during the financial year.

(b) Operating Results:

The profit of the Federation amounted to \$82,038 for the financial year.

Significant changes in Federation's financial affairs:

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

Events after the reporting period:

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

(c) Number of members

The number of persons who, at the end of the financial year were recorded on the Register of Members was 9640.

(d) Number of employees

The Federation has no paid office holders or paid employees but reimburses ASMOF NSW (State Registered Organisation) for the remuneration paid to its employees who conduct activities on behalf of Federation as disclosed in the notes under Related Party or Declared Bodies Transactions.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

(e) Right of Members to resign:

Manner of resignation S254(2)(c)

Members may resign from the Federation in accordance with rule 11, and Section 174 of the Fair Work (Registered Organisations) Act 2009 which reads as follows:

A member of the Federation may resign from membership by written notice, addressed and delivered to the Federation Secretary.

Notice of resignation from membership of the Federation takes effect:

1) where the member ceases to be eligible to become a member of the Federation:

(i) on the day on which the notice is received by the Federation; or

(ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;

whichever is later;

or

2) in any other case:

(i) at the end of two weeks, after the notice is received by the Federation; or

(ii) on the day specified in the notice;

whichever is later;

Any dues payable but not paid by a former member of the Federation, in relation to a period before the member's resignation from the Federation took effect, may be sued for and recovered in the name of the Federation, in a court of competent jurisdiction, as a debt due to the Federation.

A notice delivered to the person mentioned in sub-rule(1) shall be taken to have been received by the Federation when it is delivered.

A notice of resignation that has been received by the Federation is not invalid because it was not addressed and delivered in accordance with sub-rule(1)

A resignation from membership of the Federation is valid even if it is not effected in accordance with this rule if the member is informed in writing by or on behalf of the Federation that the resignation has been accepted.

In special circumstances the Federal Council may by resolution accept the resignation of a member and release the member from any or all outstanding obligations to the Federation, notwithstanding that the provisions of these Rules have not been complied with.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

(f) Members of Committee of Management

The persons who have held office as members of the Committee of Management of the Federation during the financial year were:

Dr. Antony Sara	President
Dr. Roderick McRae	Vice President
Prof. Nick Buckmaster	Secretary
Dr. Stuart Day	Assistant Secretary/ Treasurer
Dr. David Pope	Federal Executive Member
Prof. Peter Collignon	Federal Executive Member
Prof. Geoffrey Dobb	Federal Executive Member
Dr. Guy Hibbins	Federal Executive Member - Retired 1st November 2013

All members of the Committee of Management were in the Federation for the period of 1st January 2013 to 31st December 2013 unless otherwise stated.

(g) Superannuation Trustees

No officer or employee of the Federation is

(i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or

(ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme;

where a criterion for the member being the trustee or director is that the member, is a member of a registered organisation

(h) Directors of Company or a Member of a Board

No officer or employee of the Federation is a director of a company or a member of a Board.

Signed in accordance with a resolution of the Committee of Management dated 30 day of
June 20 14 .



Dr Antony Sara (President)

Date: 30 / 06 / 2014

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
Revenue			
Capitation Fees Received:			
ACT Branch		9,068	8,935
NSW Branch		161,310	98,869
SA Branch		61,197	55,669
AMA CONJOINT - WA, VIC, TAS, C'WTH, QLD		136,115	130,309
Interest Received		12,925	13,669
Trust Distribution:			
ACTU Building Canberra Trust		498	-
John Curtin House Trust		1,598	-
Levies		-	-
Grants or Donations		-	-
Membership subscription		-	-
Total revenue		382,711	307,451

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
Expenses			
Affiliation Fees - ACTU		(17,301)	(14,824)
Accounting		(3,000)	-
Auditor's remuneration	2	(4,750)	(4,720)
Association Liability Insurance		(1,721)	(2,016)
Bank Charges		(259)	(204)
Depreciation expenses		(3,238)	(745)
Reimbursement ASMOF NSW Executive's Services		(64,394)	(50,055)
Reimbursement ASMOF NSW Consultancy Services		(6,007)	-
Compulsory Levies - Industrial Relations ACTU		(8,984)	(8,984)
Legal Costs		(77,758)	(23,814)
Media Campaign		(1,050)	-
Membership Survey		(1,000)	-
Conference and Meeting Expenses		(6,116)	(3,988)
Newsletters		(5,200)	-
Printing & Stationery		(100)	(386)
Secretarial, Admin & Accounting ASMOF NSW		(45,000)	(45,000)
Secretarial, Industrial Services AMA		(23,715)	(23,182)
Grants - ASMOF QLD		-	(23,705)
Travelling & Accommodation		(28,518)	(40,778)
Parking, Toll and Cab Charges		(604)	(793)
Website		(1,958)	(1,900)
Capitation Fees		-	-
Consideration to employers for payroll deductions		-	-
Penalties - via RO Act or RO Regulations		-	-
Employee expenses		-	-
Total Expenses		(300,673)	(245,094)
Profit for the year		82,038	62,357
Income tax expense		-	-
Profit after income tax		82,038	62,357
Other comprehensive income:		-	-
Total comprehensive income for the year		82,038	62,357

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	Note	2013 \$	2012 \$
CURRENT ASSETS			
Cash and cash equivalents	3	456,470	339,690
Trade and other receivables	4	5,075	6,270
TOTAL CURRENT ASSETS		<u>461,545</u>	<u>345,960</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	5,731	8,969
TOTAL NON-CURRENT ASSETS		<u>5,731</u>	<u>8,969</u>
TOTAL ASSETS		<u>467,276</u>	<u>354,929</u>
CURRENT LIABILITIES			
Trade and other payables	6	32,474	2,064
Other current liabilities	7	4,500	4,600
Provisions	8	-	-
TOTAL CURRENT LIABILITIES		<u>36,974</u>	<u>6,664</u>
TOTAL LIABILITIES		<u>36,974</u>	<u>6,664</u>
NET ASSETS		<u>430,302</u>	<u>348,265</u>
EQUITY			
Retained earnings	9	430,302	348,265
TOTAL EQUITY		<u>430,302</u>	<u>348,265</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013

Note	Retained Earnings	Total
	\$	\$
Balance at 1 January 2012	285,908	285,908
Profit attributable to members	62,357	62,357
Balance at 31 December 2012	<u>348,265</u>	<u>348,265</u>
Profit attributable to members	82,038	82,038
Balance at 31 December 2013	<u>430,303</u>	<u>430,303</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

1 Summary of Significant Accounting Policies

Basis of Preparation of the Financial Statements

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 and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Australian Salaried Medical Officers Federation 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 at 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 changing prices on the results or the financial position.

Accounting Policies

Income Tax

The Federation being a registered Trade Union, is exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act 1997.

Significant Accounting Judgements and Estimates

The committee members evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Federation.

Key judgments - Useful lives of property, plant and equipment

Property, plant and equipment are depreciated over their useful life and the depreciation rates are assessed when the assets are acquired or when there is a significant changes that affects the remaining useful life of assets.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

New Australian Accounting Standards

Adoption of New and Revised Accounting Standards

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

Future Australian Accounting Standards Requirements

No new standards, amendments to standards or interpretations that were issued prior to the sign-off date are applicable to the future reporting period that are expected to have a future financial impact on the Federation.

Property, Plant and Equipment

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

Depreciation

All fixed assets are depreciated on a straight line basis at rates calculated to allocate the cost less the estimated residual value over the estimated useful life of each asset.

Cash and Cash Equivalents

Cash in the Statement of Financial Position comprises cash at bank.

Revenue

Capitation fees received have been accepted as the correct amounts payable to the Federation.

Interest revenue is recognised upon receipt or when a right to receive the interest has been established.

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

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Trade and Other Receivables

Accounts receivable are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and Other Payables

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid.

Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred by the Federation as a purchaser that is not recoverable from the Australian Tax Office, is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST where incurred.

Cash flows are included in the Cash Flow Statement on a gross basis.

Going Concern

The committee of management has not identified or become aware of any events or conditions which may not result in the ability of the Federation to continue as a going concern.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Financial support to another entity

The Federation has not agreed to provide financial support to any entity to continue as a going concern.

Acquiring Assets or Liabilities

The Federation has not acquired an asset or liability during the financial year as a result of an amalgamation under Part 2 of Chapter 3, of the RO Act, a restructure, a determination by General Manager under subsection 245 (1) of the RO Act, a revocation by the General Manager under subsection 249(1) of the RO Act or as part of a business combination.

Prescribed Items Disclosure - Revenue

The Federation has no prescribed activities that requires its revenue to be disclosed in the GPFR, apart from those as reported in the Statement of Comprehensive Income.

Prescribed Items Disclosure - Expenses

The Federation has no prescribed activities that requires its expenses to be disclosed in the GPFR, apart from those as reported in the Statement of Comprehensive Income.

Prescribed items Disclosure - Statement of Financial Position

There are no prescribed items of assets and liabilities that are required to be reported, apart from those as reported in the Statement of Financial Position.

Prescribed items Disclosure - Statement of Changes in Equity

There are no prescribed items of Statement of Changes in Equity that are required to be reported, apart from those as reported in Statement of Changes in Equity.

Prescribed items Disclosure - Statement of Cash Flow

There are no prescribed items of Statement of Cash Flow that are required to be reported, apart from those already reported in the Statement of Cash Flow.

Recovery of Wages Activity

The Federation has not undertaken recovery of wages activity during the financial year.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Transactions in the Reporting Period to Related Parties, Declared Bodies and/or other Branches of the organisation

Transactions in the Reporting period to:

- **Related Parties:**

NIL

- **Declared Bodies:**

NIL

- **Other Branches of the Organisations:**

- (1) ASMOF (NSW) - Ongoing Administration, Accounting, Secretarial & Industrial Services to ASMOF (NSW). Total amount \$45,000 (2012 - \$45,000).
- (2) ASMOF (NSW) - Reimbursement to ASMOF (NSW) for remuneration paid to their employee, Mr Peter Somerville for providing of his services as Executive Director of the Federation \$64,394 (2012 - \$50,055).
- (3) ASMOF (NSW) - Reimbursement to ASMOF (NSW) for their employee's remuneration for Consultancy work provided by their staff member, Mr Michael Grimes to the Federation \$6,007 (2012 - \$0).
- (4) Contributions received towards expenses
ASMOF QLD contributed \$8,182 towards the travelling & accommodation expenses.

- **Other Organisations or entities:**

- (1) Australian Medical Association (AMA) - Ongoing Industrial Services to Australian Medical Association
(AMA) \$23,715 (2012 - \$23,182).
- (2) Contributions received towards expenses
AMA reimbursed \$10,000 towards Peter Somerville's travelling & accommodation expenses.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Contingent Liabilities

The Queensland Health Department has commenced proceedings against a number of organisations including ASMOF. The proceedings have recently been filed in the Federal Court.

Currently ASMOF, the Australian Medical Association - both its federal and Qld branches (AMA), and the Together Union are involved in an industrial dispute with Queensland Health (QH) in respect of the introduction of individual employment contracts for senior medical officers employed in Queensland.

The proceedings launched by QH are related to material published by ASMOF, AMA, and the Together Union and provided to members in the course of this current dispute which QH claims contravenes Australian Consumer Law.

Events after the Reporting Period

The Federal Council member voted on the 31st January 14 to pass as a resolution to impose a levy on Queensland members for the purpose of establishing a 'ASMOF Queensland Fighting Fund'. A separate bank account was established for this purpose.

The fund will be administered by the Federal President and Federal Secretary of ASMOF in consultation with the Senior Medical Officers' taskforce that has been established in Queensland.

Economic Dependency

The Federation relies on the receipt of capitation fees from ACT Branch, NSW Branch, SA Branch and AMA - Conjoint. The Federation has no reason to see why the receipt would not continue.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

**Section 272 Fair Work (Registered Organisations) Act 2009
Information to be provided to Members or to the General Manager of FWA**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of Members is drawn to the provision of sub-sections (1) to (3) of Section 272, which read as follows:

Information to be provided to members or the General Manager of Fair Work Australia:

(1) A Member of a reporting unit, or the General Manager of Fair Work Australia, 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).

Federation Details

The registered office and principal place of business of the Federation is Suite 46, Level 3, 330 Wattle Street, ULTIMO NSW 2007.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
2 Auditor's Remuneration		
Auditor's Remuneration		
Financial Statement audit services	4,750	4,720
Other Services	-	-
	4,750	4,720
3 Cash and Cash Equivalents		
Current		
Cash at Bank	6,478	4,690
Commonwealth Business Online Saver Account	449,992	335,000
	456,470	339,690
4 Trade and Other Receivables		
Current		
Sundry Debtors - ASMOF NSW	1,728	2,595
Input Tax Credits - ATO	3,347	3,675
	5,075	6,270
5 Property, Plant and Equipment		
Database:		
At cost	9,714	9,714
Accumulated depreciation	(3,983)	(745)
Total Plant and Equipment	5,731	8,969
6 Accounts Payable and Other Payables		
Current		
Payables to other reporting unit:	-	-
Trade Creditors	32,474	2,064
Legal Costs	-	-
Consideration to employers for payroll deductions	-	-
	-	-

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
7 Other Liabilities		
Current		
Accrued Charges	4,500	4,600
8 Provisions		
Employee Provisions	-	-
Total provisions	-	-
9 Retained Earnings		
Retained earnings at the beginning of the financial year	348,264	285,908
Net profit attributable to Federation	82,038	62,357
Retained earnings at the end of the financial year	430,302	348,265

10 Financial Instruments

Financial Risk Management

The Federation's financial instruments consist primarily of deposits with banks.

The Federation does not have any derivative instruments at 31 December 2013.

(a) **Financial Risk Management Policies**

(i) **Interest rate risk**

The Federation is not exposed to any interest rate risk, as it does not have any interest bearing financial instruments.

(ii) **Foreign currency risk**

The Federation is not exposed to fluctuations in foreign currencies.

(iii) **Liquidity risk**

The Federation manages liquidity by regularly monitoring cashflows.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

2013
\$

2012
\$

(iv) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, as disclosed in the statement of financial position and notes forming part of the accounts.

The Federation has an account receivable from ASMOF (NSW).

(b) Net fair values

The Federation does not have any investment in listed investments. For other assets and other liabilities the net fair value approximates their carrying value. There has been no write down of financial asset values as all funds on deposit are expected to realise their carrying amounts.

The aggregate carrying amount of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes forming part of the accounts.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
OPERATING ACTIVITIES		
Cash received		
Capitation Fees Received - ACT Branch	9,975	9,828
Capitation Fees Received - NSW Branch	177,441	108,756
Capitation Fees Received - SA Branch	67,317	61,236
Capitation Fees Received - AMA Membership WA, VIC, TAS, C'W, QLD	149,727	143,340
Contribution Expenses - AMA	11,000	23,100
Contribution Expenses - ASMOF Q	9,000	-
Interest Received	12,925	13,669
Trust Distribution - ACTU Building Canberra Trust	498	-
Trust Distribution - John Curtin House Trust	1,598	-
Cash Used		
Secretarial, Industrial Services ASMOF NSW	(49,500)	(49,500)
Secretarial, Industrial Services AMA	(26,087)	(50,500)
ASMOF Q Grant	-	(26,101)
General Administration Expenses & Direct Expenses	(152,901)	(112,889)
Reimbursement ASMOF NSW - Executive & Consultancy Services	(69,534)	(68,960)
Affiliation Fees - ACTU	(14,797)	(16,306)
Compulsory Levies - Industrial Relations ACTU	(9,882)	(9,882)
Net cash provided by (used in) operating activities	116,781	25,791
 CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for Plant & Equipment	-	(9,714)
Net cash provided by (used in) investing activities	-	(9,714)
 Net increase (decrease) in cash held	 116,781	 16,077
Cash at beginning of year	339,690	323,613
Cash at end of financial year	456,470	339,690

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
Cash Flow Reconciliation		
Reconciliation of cash & cash equivalents as per Financial Position Statement to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash Flow Statement		
Cash at Bank	6,478	4,690
Commonwealth Business Online Saver Account	<u>449,992</u>	<u>335,000</u>
	<u>456,470</u>	<u>339,690</u>
Balance Sheet		
Cash at Bank	6,478	4,690
Commonwealth Business Online Saver Account	<u>449,992</u>	<u>335,000</u>
	<u>456,470</u>	<u>339,690</u>
Difference	<u>-</u>	<u>-</u>
Reconciliation of profit/(loss) to net cash from operating activities:		
Profit/(loss) for the year	82,038	62,357
Adjustments for non-cash items:		
Depreciation	3,238	745
Changes in assets and liabilities		
Increase (Decrease) in Payables	30,409	(52,142)
Increase (Decrease) in Accrued Charges	(100)	100
Decrease (Increase) in Receivables	<u>1,195</u>	<u>14,730</u>
Net cash from (used by) operating activities	<u>116,780</u>	<u>25,791</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013

On the ___/___/20__ the committee of the Australian Salaried Medical Officer Federation passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 31 December 2013;

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 the reporting guidelines of the General Manager;
- (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 GPRF relates and since the end of that year:
 - (i) meetings of the committee of the management were held in accordance with the rules of the organisation including the rules of the 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 the 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 General Manager duly made under section 272 of the RO Act, it has been provided to the member or 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.
- (f) in relation to recovery of wages activity:
 - (i) the Branch has not undertaken recovery of wages activity during the financial year.

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



Prof. Nick Buckmaster (Secretary)

Dated: 30 / 06 / 2014

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021**

Scope

The Financial Report and Committee's Responsibility

The General Purpose Financial Report comprises the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and accompanying notes to the financial statements, and the committee of management's statement for AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION for the year ended 31 December 2013.

The committee of the Federation is responsible for the preparation and true and fair presentation of the financial report. 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

I conducted an independent audit in order to express an opinion to the. My 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 judgment, 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.

I performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the requirements imposed by Part 3 of Chapter 8 of Fairwork (Registered Organisations) Act 2009, including compliance with Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the association's financial position, and of its performance as represented by the results of its operations and cash flows.

I formed my 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.

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

Independence

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements and the Fair Work (Registered Organisations) Act 2009.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021**

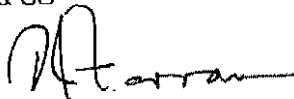
Audit Opinion

In my opinion:

The general purpose financial report of AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION presents fairly the financial position as at 31 December 2013, and the results of its operations and its cash flows for the year then ended and are in accordance with:

- (a) Australian Accounting Standards
- (b) The requirements imposed by the Fair Work (Registered Organisations) Act 2009 including Part 3 of Chapter 8 of the Act and
- (c) The Federation did not have any recovery of wages activity during the year.
- (d) The management's use of the going concern basis of accounting in the preparation of the Federation's financial report is appropriate.

Name of Firm: CARRUTHERS FARRAM & CO
Chartered Accountants



Name of Principal: _____
Douglas John Farram (Registered Company Auditor)
Member of Institute of Chartered Accountants and Holder of a Current Public Practice Certificate

Address: SUITE 4, Level 4 105 Pitt Street Sydney NSW 2000

Dated this day of ~ 1 JUL 2014



21 July 2014

Prof. Nick Buckmaster
Secretary
Australian Salaried Medical Officers Federation

C/- Mr Peter Somerville
Executive Director

By email: peters@asmof.org.au

Dear Professor Buckmaster

Application by ASMOF for an extension of time to provide the full report FR2013/469 under subsection 265(5)(b) of the *Fair Work (Registered Organisations) Act 2009*

I acknowledge receipt on 26 June 2014 of a request for an extension of time until 30 June 2014 in which to provide members of Australian Salaried Medical Officers Federation (ASMOF) with a copy of the full report or concise report for the year ended 31 December 2013. Your request states that it is made “in accordance with section 265(5)(b)” of the *Fair Work (Registered Organisations) Act 2009* (the RO Act), indicating that ASMOF intends to present the full report to a meeting of the committee of management of the Branch.

Where the full report is to be presented to a meeting of the Committee of Management, paragraph 265(5)(b) requires that the copies of the full or concise report to be provided to members within 5 months starting at the end of the financial year (that is by 31 May 2014). Subsection 265(5) enables the General Manager of the Fair Work Commission, upon application by a reporting unit, to extend the period of provision of documents to members by no more than one month.

The circumstances are that on 26 June 2014 an extension was sought for a requirement which ought to have been met by 31 May 2014. While the reasons for such an extension appear to be reasonable, I do not propose to issue a retrospective extension and I therefore decline the request.

In future financial years, any requests for extensions of time must be made prior to the expiration of the period for which the extension is being sought.

Future failure to meet these time-lines may result in an inquiry into the organisation and the General Manager of the Fair Work Commission may apply under s.310(1) of the RO Act to the Federal Court of Australia for a pecuniary penalty order to be imposed on your organisation and, potentially, an officer whose conduct led to the non-compliance.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'CE', with a large loop on the left and a vertical line on the right.

Chris Enright
Delegate of the General Manager
Fair Work Commission

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2013

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

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AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

The committee presents its report on the Federation for the financial year ended 31 December 2013.

(a) Principal Activities:

The Federation's principal activities during the financial year were:

To provide industrial services to the members consistent with the objects of the Federation and particularly the object of protecting & improving the interests of the members.

Results of the Principal Activities:

The Federation's principal activities resulted in maintaining and improving the services provided to its members, promoting and protecting the broad interests of salaried medical practitioners and advocating the provision and development of quality health services.

Significant changes in Federation's Principal Activities:

There were no significant changes in the nature of Federation's Principal Activities during the financial year.

(b) Operating Results:

The profit of the Federation amounted to \$82,038 for the financial year.

Significant changes in Federation's financial affairs:

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

Events after the reporting period:

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

(c) Number of members

The number of persons who, at the end of the financial year were recorded on the Register of Members was 9640.

(d) Number of employees

The Federation has no paid office holders or paid employees but reimburses ASMOF NSW (State Registered Organisation) for the remuneration paid to its employees who conduct activities on behalf of Federation as disclosed in the notes under Related Party or Declared Bodies Transactions.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

(e) Right of Members to resign:

Manner of resignation S254(2)(c)

Members may resign from the Federation in accordance with rule 11, and Section 174 of the Fair Work (Registered Organisations) Act 2009 which reads as follows:

A member of the Federation may resign from membership by written notice, addressed and delivered to the Federation Secretary.

Notice of resignation from membership of the Federation takes effect:

1) where the member ceases to be eligible to become a member of the Federation:

(i) on the day on which the notice is received by the Federation; or

(ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;

whichever is later;

or

2) in any other case:

(i) at the end of two weeks, after the notice is received by the Federation; or

(ii) on the day specified in the notice;

whichever is later;

Any dues payable but not paid by a former member of the Federation, in relation to a period before the member's resignation from the Federation took effect, may be sued for and recovered in the name of the Federation, in a court of competent jurisdiction, as a debt due to the Federation.

A notice delivered to the person mentioned in sub-rule(1) shall be taken to have been received by the Federation when it is delivered.

A notice of resignation that has been received by the Federation is not invalid because it was not addressed and delivered in accordance with sub-rule(1)

A resignation from membership of the Federation is valid even if it is not effected in accordance with this rule if the member is informed in writing by or on behalf of the Federation that the resignation has been accepted.

In special circumstances the Federal Council may by resolution accept the resignation of a member and release the member from any or all outstanding obligations to the Federation, notwithstanding that the provisions of these Rules have not been complied with.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

(f) Members of Committee of Management

The persons who have held office as members of the Committee of Management of the Federation during the financial year were:

Dr. Antony Sara	President
Dr. Roderick McRae	Vice President
Prof. Nick Buckmaster	Secretary
Dr. Stuart Day	Assistant Secretary/ Treasurer
Dr. David Pope	Federal Executive Member
Prof. Peter Collignon	Federal Executive Member
Prof. Geoffrey Dobb	Federal Executive Member
Dr. Guy Hibbins	Federal Executive Member - Retired 1st November 2013

All members of the Committee of Management were in the Federation for the period of 1st January 2013 to 31st December 2013 unless otherwise stated.

(g) Superannuation Trustees

No officer or employee of the Federation is

(i) a trustee of a superannuation entity or an exempt public sector superannuation scheme; or

(ii) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme;

where a criterion for the member being the trustee or director is that the member, is a member of a registered organisation

(h) Directors of Company or a Member of a Board

No officer or employee of the Federation is a director of a company or a member of a Board.

Signed in accordance with a resolution of the Committee of Management dated 30 day of
June 20 14 .



Dr Antony Sara (President)

Date: 30 / 06 / 2014

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
Revenue			
Capitation Fees Received:			
ACT Branch		9,068	8,935
NSW Branch		161,310	98,869
SA Branch		61,197	55,669
AMA CONJOINT - WA, VIC, TAS, C'WTH, QLD		136,115	130,309
Interest Received		12,925	13,669
Trust Distribution:			
ACTU Building Canberra Trust		498	-
John Curtin House Trust		1,598	-
Levies		-	-
Grants or Donations		-	-
Membership subscription		-	-
Total revenue		382,711	307,451

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 \$	2012 \$
Expenses			
Affiliation Fees - ACTU		(17,301)	(14,824)
Accounting		(3,000)	-
Auditor's remuneration	2	(4,750)	(4,720)
Association Liability Insurance		(1,721)	(2,016)
Bank Charges		(259)	(204)
Depreciation expenses		(3,238)	(745)
Reimbursement ASMOF NSW Executive's Services		(64,394)	(50,055)
Reimbursement ASMOF NSW Consultancy Services		(6,007)	-
Compulsory Levies - Industrial Relations ACTU		(8,984)	(8,984)
Legal Costs		(77,758)	(23,814)
Media Campaign		(1,050)	-
Membership Survey		(1,000)	-
Conference and Meeting Expenses		(6,116)	(3,988)
Newsletters		(5,200)	-
Printing & Stationery		(100)	(386)
Secretarial, Admin & Accounting ASMOF NSW		(45,000)	(45,000)
Secretarial, Industrial Services AMA		(23,715)	(23,182)
Grants - ASMOF QLD		-	(23,705)
Travelling & Accommodation		(28,518)	(40,778)
Parking, Toll and Cab Charges		(604)	(793)
Website		(1,958)	(1,900)
Capitation Fees		-	-
Consideration to employers for payroll deductions		-	-
Penalties - via RO Act or RO Regulations		-	-
Employee expenses		-	-
Total Expenses		(300,673)	(245,094)
Profit for the year		82,038	62,357
Income tax expense		-	-
Profit after income tax		82,038	62,357
Other comprehensive income:		-	-
Total comprehensive income for the year		82,038	62,357

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	Note	2013 \$	2012 \$
CURRENT ASSETS			
Cash and cash equivalents	3	456,470	339,690
Trade and other receivables	4	5,075	6,270
TOTAL CURRENT ASSETS		<u>461,545</u>	<u>345,960</u>
NON-CURRENT ASSETS			
Property, plant and equipment	5	5,731	8,969
TOTAL NON-CURRENT ASSETS		<u>5,731</u>	<u>8,969</u>
TOTAL ASSETS		<u>467,276</u>	<u>354,929</u>
CURRENT LIABILITIES			
Trade and other payables	6	32,474	2,064
Other current liabilities	7	4,500	4,600
Provisions	8	-	-
TOTAL CURRENT LIABILITIES		<u>36,974</u>	<u>6,664</u>
TOTAL LIABILITIES		<u>36,974</u>	<u>6,664</u>
NET ASSETS		<u>430,302</u>	<u>348,265</u>
EQUITY			
Retained earnings	9	430,302	348,265
TOTAL EQUITY		<u>430,302</u>	<u>348,265</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013

	Retained Earnings	Total
Note	\$	\$
Balance at 1 January 2012	285,908	285,908
Profit attributable to members	62,357	62,357
Balance at 31 December 2012	<u>348,265</u>	<u>348,265</u>
Profit attributable to members	82,038	82,038
Balance at 31 December 2013	<u>430,303</u>	<u>430,303</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

1 Summary of Significant Accounting Policies

Basis of Preparation of the Financial Statements

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 and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements, the Australian Salaried Medical Officers Federation 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 at 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 changing prices on the results or the financial position.

Accounting Policies

Income Tax

The Federation being a registered Trade Union, is exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act 1997.

Significant Accounting Judgements and Estimates

The committee members evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Federation.

Key judgments - Useful lives of property, plant and equipment

Property, plant and equipment are depreciated over their useful life and the depreciation rates are assessed when the assets are acquired or when there is a significant changes that affects the remaining useful life of assets.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

New Australian Accounting Standards

Adoption of New and Revised Accounting Standards

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

Future Australian Accounting Standards Requirements

No new standards, amendments to standards or interpretations that were issued prior to the sign-off date are applicable to the future reporting period that are expected to have a future financial impact on the Federation.

Property, Plant and Equipment

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

Depreciation

All fixed assets are depreciated on a straight line basis at rates calculated to allocate the cost less the estimated residual value over the estimated useful life of each asset.

Cash and Cash Equivalents

Cash in the Statement of Financial Position comprises cash at bank.

Revenue

Capitation fees received have been accepted as the correct amounts payable to the Federation.

Interest revenue is recognised upon receipt or when a right to receive the interest has been established.

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

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Trade and Other Receivables

Accounts receivable are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and Other Payables

Accounts payable and other payables represent the liabilities at the end of the reporting period for goods and services received by the association that remain unpaid.

Accounts payable are recognised at their transaction price. Accounts payable are obligations on the basis of normal credit terms.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred by the Federation as a purchaser that is not recoverable from the Australian Tax Office, is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST where incurred.

Cash flows are included in the Cash Flow Statement on a gross basis.

Going Concern

The committee of management has not identified or become aware of any events or conditions which may not result in the ability of the Federation to continue as a going concern.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Financial support to another entity

The Federation has not agreed to provide financial support to any entity to continue as a going concern.

Acquiring Assets or Liabilities

The Federation has not acquired an asset or liability during the financial year as a result of an amalgamation under Part 2 of Chapter 3, of the RO Act, a restructure, a determination by General Manager under subsection 245 (1) of the RO Act, a revocation by the General Manager under subsection 249(1) of the RO Act or as part of a business combination.

Prescribed Items Disclosure - Revenue

The Federation has no prescribed activities that requires its revenue to be disclosed in the GPFR, apart from those as reported in the Statement of Comprehensive Income.

Prescribed Items Disclosure - Expenses

The Federation has no prescribed activities that requires its expenses to be disclosed in the GPFR, apart from those as reported in the Statement of Comprehensive Income.

Prescribed items Disclosure - Statement of Financial Position

There are no prescribed items of assets and liabilities that are required to be reported, apart from those as reported in the Statement of Financial Position.

Prescribed items Disclosure - Statement of Changes in Equity

There are no prescribed items of Statement of Changes in Equity that are required to be reported, apart from those as reported in Statement of Changes in Equity.

Prescribed items Disclosure - Statement of Cash Flow

There are no prescribed items of Statement of Cash Flow that are required to be reported, apart from those already reported in the Statement of Cash Flow.

Recovery of Wages Activity

The Federation has not undertaken recovery of wages activity during the financial year.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Transactions in the Reporting Period to Related Parties, Declared Bodies and/or other Branches of the organisation

Transactions in the Reporting period to:

• **Related Parties:**

NIL

• **Declared Bodies:**

NIL

• **Other Branches of the Organisations:**

- (1) ASMOF (NSW) - Ongoing Administration, Accounting, Secretarial & Industrial Services to ASMOF (NSW). Total amount \$45,000 (2012 - \$45,000).
- (2) ASMOF (NSW) - Reimbursement to ASMOF (NSW) for remuneration paid to their employee, Mr Peter Somerville for providing of his services as Executive Director of the Federation \$64,394 (2012 - \$50,055).
- (3) ASMOF (NSW) - Reimbursement to ASMOF (NSW) for their employee's remuneration for Consultancy work provided by their staff member, Mr Michael Grimes to the Federation \$6,007 (2012 - \$0).
- (4) Contributions received towards expenses
ASMOF QLD contributed \$8,182 towards the travelling & accommodation expenses.

• **Other Organisations or entities:**

- (1) Australian Medical Association (AMA) - Ongoing Industrial Services to Australian Medical Association
(AMA) \$23,715 (2012 - \$23,182).
- (2) Contributions received towards expenses
AMA reimbursed \$10,000 towards Peter Somerville's travelling & accommodation expenses.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Contingent Liabilities

The Queensland Health Department has commenced proceedings against a number of organisations including ASMOF. The proceedings have recently been filed in the Federal Court.

Currently ASMOF, the Australian Medical Association - both its federal and Qld branches (AMA), and the Together Union are involved in an industrial dispute with Queensland Health (QH) in respect of the introduction of individual employment contracts for senior medical officers employed in Queensland.

The proceedings launched by QH are related to material published by ASMOF, AMA, and the Together Union and provided to members in the course of this current dispute which QH claims contravenes Australian Consumer Law.

Events after the Reporting Period

The Federal Council member voted on the 31st January 14 to pass as a resolution to impose a levy on Queensland members for the purpose of establishing a 'ASMOF Queensland Fighting Fund'. A separate bank account was established for this purpose.

The fund will be administered by the Federal President and Federal Secretary of ASMOF in consultation with the Senior Medical Officers' taskforce that has been established in Queensland.

Economic Dependency

The Federation relies on the receipt of capitation fees from ACT Branch, NSW Branch, SA Branch and AMA - Conjoint. The Federation has no reason to see why the receipt would not continue.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Section 272 Fair Work (Registered Organisations) Act 2009
Information to be provided to Members or to the General Manager of FWA

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of Members is drawn to the provision of sub-sections (1) to (3) of Section 272, which read as follows:

Information to be provided to members or the General Manager of Fair Work Australia:

(1) A Member of a reporting unit, or the General Manager of Fair Work Australia, 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).

Federation Details

The registered office and principal place of business of the Federation is Suite 46, Level 3, 330 Wattle Street, ULTIMO NSW 2007.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

		2013	2012
		\$	\$
2	Auditor's Remuneration		
	Auditor's Remuneration		
	Financial Statement audit services	4,750	4,720
	Other Services	-	-
		4,750	4,720
3	Cash and Cash Equivalents		
	Current		
	Cash at Bank	6,478	4,690
	Commonwealth Business Online Saver Account	449,992	335,000
		456,470	339,690
4	Trade and Other Receivables		
	Current		
	Sundry Debtors - ASMOF NSW	1,728	2,595
	Input Tax Credits - ATO	3,347	3,675
		5,075	6,270
5	Property, Plant and Equipment		
	Database:		
	At cost	9,714	9,714
	Accumulated depreciation	(3,983)	(745)
	Total Plant and Equipment	5,731	8,969
6	Accounts Payable and Other Payables		
	Current		
	Payables to other reporting unit:	-	-
	Trade Creditors	32,474	2,064
	Legal Costs	-	-
	Consideration to employers for payroll deductions	-	-
		-	-

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

		2013	2012
		\$	\$
7	Other Liabilities		
	Current		
	Accrued Charges	4,500	4,600
8	Provisions		
	Employee Provisions	-	-
	Total provisions	-	-
9	Retained Earnings		
	Retained earnings at the beginning of the financial year	348,264	285,908
	Net profit attributable to Federation	82,038	62,357
	Retained earnings at the end of the financial year	430,302	348,265

10 Financial Instruments

Financial Risk Management

The Federation's financial instruments consist primarily of deposits with banks.

The Federation does not have any derivative instruments at 31 December 2013.

(a) **Financial Risk Management Policies**

(i) **Interest rate risk**

The Federation is not exposed to any interest rate risk, as it does not have any interest bearing financial instruments.

(ii) **Foreign currency risk**

The Federation is not exposed to fluctuations in foreign currencies.

(iii) **Liquidity risk**

The Federation manages liquidity by regularly monitoring cashflows.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

2013
\$

2012
\$

(iv) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, as disclosed in the statement of financial position and notes forming part of the accounts.

The Federation has an account receivable from ASMOF (NSW).

(b) Net fair values

The Federation does not have any investment in listed investments. For other assets and other liabilities the net fair value approximates their carrying value. There has been no write down of financial asset values as all funds on deposit are expected to realise their carrying amounts.

The aggregate carrying amount of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes forming part of the accounts.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
OPERATING ACTIVITIES		
Cash received		
Capitation Fees Received - ACT Branch	9,975	9,828
Capitation Fees Received - NSW Branch	177,441	108,756
Capitation Fees Received - SA Branch	67,317	61,236
Capitation Fees Received - AMA Membership WA, VIC, TAS, C'W, QLD	149,727	143,340
Contribution Expenses - AMA	11,000	23,100
Contribution Expenses - ASMOF Q	9,000	-
Interest Received	12,925	13,669
Trust Distribution - ACTU Building Canberra Trust	498	-
Trust Distribution - John Curtin House Trust	1,598	-
Cash Used		
Secretarial, Industrial Services ASMOF NSW	(49,500)	(49,500)
Secretarial, Industrial Services AMA	(26,087)	(50,500)
ASMOF Q Grant	-	(26,101)
General Administration Expenses & Direct Expenses	(152,901)	(112,889)
Reimbursement ASMOF NSW - Executive & Consultancy Services	(69,534)	(68,960)
Affiliation Fees - ACTU	(14,797)	(16,306)
Compulsory Levies - Industrial Relations ACTU	(9,882)	(9,882)
Net cash provided by (used in) operating activities	116,781	25,791
 CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for Plant & Equipment	-	(9,714)
Net cash provided by (used in) investing activities	-	(9,714)
 Net increase (decrease) in cash held	 116,781	 16,077
Cash at beginning of year	339,690	323,613
Cash at end of financial year	456,470	339,690

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	\$	\$
Cash Flow Reconciliation		
Reconciliation of cash & cash equivalents as per Financial Position Statement to Cash Flow Statement:		
Cash and cash equivalents as per:		
Cash Flow Statement		
Cash at Bank	6,478	4,690
Commonwealth Business Online Saver Account	<u>449,992</u>	<u>335,000</u>
	<u>456,470</u>	<u>339,690</u>
Balance Sheet		
Cash at Bank	6,478	4,690
Commonwealth Business Online Saver Account	<u>449,992</u>	<u>335,000</u>
	<u>456,470</u>	<u>339,690</u>
Difference	<u>-</u>	<u>-</u>
Reconciliation of profit/(loss) to net cash from operating activities:		
Profit/(loss) for the year	82,038	62,357
Adjustments for non-cash items:		
Depreciation	3,238	745
Changes in assets and liabilities		
Increase (Decrease) in Payables	30,409	(52,142)
Increase (Decrease) in Accrued Charges	(100)	100
Decrease (Increase) in Receivables	<u>1,195</u>	<u>14,730</u>
Net cash from (used by) operating activities	<u>116,780</u>	<u>25,791</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021

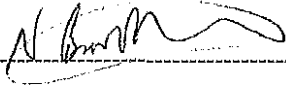
COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013

On the ___ / ___ / 20___ the committee of the Australian Salaried Medical Officer Federation passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 31 December 2013:

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 the reporting guidelines of the General Manager;
- (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 GPRF relates and since the end of that year:
 - (i) meetings of the committee of the management were held in accordance with the rules of the organisation including the rules of the 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 the 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 General Manager duly made under section 272 of the RO Act , it has been provided to the member or 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.
- (f) in relation to recovery of wages activity:
 - (i) the Branch has not undertaken recovery of wages activity during the financial year.

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



Prof. Nick Buckmaster (Secretary)

Dated: 30 / 06 / 2014

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021**

Scope

The Financial Report and Committee's Responsibility

The General Purpose Financial Report comprises the statement of financial position, statement of comprehensive income, statement of changes in equity, statement of cash flows and accompanying notes to the financial statements, and the committee of management's statement for AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION for the year ended 31 December 2013.

The committee of the Federation is responsible for the preparation and true and fair presentation of the financial report. 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

I conducted an independent audit in order to express an opinion to the. My 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 judgment, 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.

I performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the requirements imposed by Part 3 of Chapter 8 of Fairwork (Registered Organisations) Act 2009, including compliance with Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the association's financial position, and of its performance as represented by the results of its operations and cash flows.

I formed my 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.

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

Independence

In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements and the Fair Work (Registered Organisations) Act 2009.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
A.B.N. 28 648 719 021**

Audit Opinion

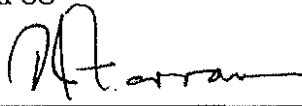
In my opinion:

The general purpose financial report of AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION presents fairly the financial position as at 31 December 2013, and the results of its operations and its cash flows for the year then ended and are in accordance with:

- (a) Australian Accounting Standards
- (b) The requirements imposed by the Fair Work (Registered Organisations) Act 2009 including Part 3 of Chapter 8 of the Act and
- (c) The Federation did not have any recovery of wages activity during the year.
- (d) The management's use of the going concern basis of accounting in the preparation of the Federation's financial report is appropriate.

Name of Firm: CARRUTHERS FARRAM & CO
Chartered Accountants

Name of Principal: _____


Douglas John Farram (Registered Company Auditor)
Member of Institute of Chartered Accountants and Holder of a Current Public Practice Certificate

Address: SUITE 4, Level 4 105 Pitt Street Sydney NSW 2000

Dated this day of ~ 1 JUL 2014