



Australian Government

Australian Industrial Registry

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Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
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Mr D.L. Farram
Carruthers Farram & Co
Chartered Accountants
6th Level, Essex House
200 George Street
Sydney NSW 2000

Dear Mr Farram

Re: Financial Report for the Australian Salaried Medical Officers Federation for year ended 31 December 2006 – (Federal Branch) FR2006/652, (Commonwealth Branch) FR2006/654 and (New South Wales Branch) FR2006/655

I refer to your correspondence of 22 February 2008.

Mr Donnellan has handed me your letter to respond to.

The Registry prefers auditor's to state on their report that they are a member of CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accountants and that they hold a current Public Practice Certificate. If that is not evident from the Report, the matter should be raised with the reporting entity and their auditor, so we might be satisfied the auditor is indeed an approved auditor as defined by regulation 4 of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003.

The Registry shares the desire to promote greater rather than lesser disclosure. As you are aware, the Reporting Guidelines issued by the Industrial Registrar require disclosure of certain matters either in the notes to the financial statements unless already disclosed on the face of the profit and loss statement. In many financial reports lodged with the Registry we receive a set of documents which include the requisite elements of a general purpose financial report including an auditor's report followed by a further document often titled 'Detailed Income and Expenditure Statement'. If that statement contains references to revenue or expenditure, which neither appear in the face of the profit and loss statement, nor in the Notes to the Financial Statement it is our view that those references should so be included in the audited general purpose financial report.

Finally, I note your confirmation that the matters raised in the Registry's earlier correspondence to the various reporting units will be included, as appropriate, in future reports.

If you wish to discuss any of the matters referred to above, or any related matters, I can be contacted on (03) 8661 7787.

Yours sincerely

A handwritten signature in black ink that reads 'Iain Stewart'.

Iain Stewart
Manager, Team 3
Statutory Services Branch
19 March 2008

cc. Sim Mead, Executive Director, ASMOF

Carruthers Farram & Co

CHARTERED ACCOUNTANTS

D.J. FARRAM. B. Ec., F.C.A.



6th Level, Essex House
200 George Street
Sydney NSW 2000

GPO Box 1435, Sydney NSW 2001
Telephone: 9241 3199
Fax: 9241 5970

22nd February 2008

Mr. Kevin Donnellan
Statutory Services Branch
Australian Industrial Registry
G P O Box 1994
Melbourne
Victoria 3001

Dear Mr. Donnellan

RE: FINANCIAL REPORTS FOR THE YEAR ENDED 31ST DECEMBER 2006
ASMOF (FEDERAL BRANCH)
ASMOF (NSW BRANCH)
ASMOF (COMMONWEALTH BRANCH)

We refer to your comments in your email dated 14th September 2007 to Mr. Sim Mead, Executive Director, ASMOF, regarding the financial reports for the year ended 31st December 2006 audited by our firm, which have been brought to our attention at our meeting with him recently.

We have noted your comments requiring additional information for Trustee Directorship of Superannuation Funds, Loans and Grants and Recovery of Wages in the Operating Report and Committee of Management Statement and will ask the organisation to disclose the information required in the GPFR for the year ended 31st December 2007.

Your remarks about the Audit report, where you have stated that it is not clear to you whether the Auditor is an approved auditor are indeed perplexing.

The Audit report clearly shows that we are a firm of Chartered Accountants (meaning, being a member of the Institute of Chartered Accountants Australia) and myself being a Registered Company Auditor. I cannot see how this information is not explicit enough for you that I am an Approved Auditor within Regulation 4 of the Workplace Relations (RAO) Regulations 2003. How explicit can you get?

While the inclusion of additional financial data in the form of a detailed income and expenditure statement may not be required or as you commented "is inconsistent with the RAO Schedule", the report in itself provides useful information. Its inclusion provides the members and other users of the financial report a greater understanding of the income and expenditure of the organisation that would otherwise be aggregated and reported as "Other Expenses" in the Income Statement. In an era where more disclosure and information is desirable, the inclusion of this statement should not cause any objection and may be highly desirable. We have studied the audited accounts of other organisations filed with the AIR and note that a detailed profit and loss or income and expenditure statement is normally included in the GPFR.

The use of the term "presented fairly" instead of "true and fair" in the audit opinion will now be included.

While we note that no actions need to be taken for the audited financial reports for the year ended 31st December 2006, we would appreciate a reply to our comments to assist us in this year's audit.

We look forward to your reply.



D J Farram

cc Mr. Sim Mead
Executive Director ASMOF



Mr Sim Mead
Executive Director
Australian Salaried Medical Officers Federation

email: simm@asmof.org.au

Dear Mr Mead

**Re: Financial Report for the Australian Salaried Medical Officers Federation
(Commonwealth Branch) for year ended 31 December 2006 – FR2006/654**

I refer to your email of 11 September 2007 enclosing a statement setting out the sequence of events followed by the reporting unit in satisfaction of the financial requirements in Schedule 1 for the financial report lodged on 21 August 2007.

The financial report has now been filed.

I make the following comments 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.

Distribution of the full report to members

Prior to the distribution of copies of all reports to members, could you ensure that the full report, including the Committee of Management Statement and the Auditor's Report, are signed and dated in accordance with the required timelines.

Presentation of the full report to the Committee of Management

If the full report is to be presented to a meeting of the Committee of Management, the report should be distributed to members within five months of the end of the financial year (s265(5)(b)). Then, the full report should be presented to the Committee of Management within six months of the end of the financial year (s266(3)).

I note in this instance the report was provided to members on 27 July 2007 and presented to the Committee of Management on 17 August 2007.

Statement under Section 237 and Statement of particulars of loans, grants and donations by the Secretary of the Australian Salaried Medical Officers' Federation

The content of the Statement under section 237 should contain the information contained in the document "Statement of particulars of loans, grants and donations by the Secretary of the Australian Salaried Medical Officers' Federation". The content of the section 237 Statement should be part of the Operating Report.

Operating Report - Trustee of superannuation entity

Subsection 254(2)(d) of Schedule 1 requires details of any *officer or member* of the reporting unit who is a trustee, or a director of a company that is a trustee, of a superannuation entity or an exempt public sector superannuation scheme.

If no officers or members of the reporting unit is a trustee of a superannuation entity, the preferred wording to satisfy the s254(2)(d) is:

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

Committee of Management Statement

I remind you that the applicable Reporting Guidelines require the Committee of Management Statement to include information in relation to recovery of wages activity. In the event there has been no recovery of wages activity you may wish to consider words such as:

(xz) in relation to the recovery of wages activity:

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

Audit Report

Auditor’s Opinion

The term “true and fair view” was used in the superseded legislation. Subsection 257(5) of the RAO Schedule sets out the matters upon which an auditor is required to make an opinion on whether the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and other requirements of the RAO Schedule. The following wording in the auditor’s opinion would satisfy the requirements:

“In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the RAO Schedule of the Workplace Relations Act 1996.”

Schedule 1

Please note that references to Schedule 1B should properly refer to Schedule 1.

Auditor’s Qualification

Also, it is not clear from the Report whether or not the Auditor is an approved Auditor. In this regard I draw your attention to the definitions of approved auditor in regulation 4 of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003. In all likelihood the Auditor is such a person however, it is our preference that this is made explicit in the Report. I recommend you draw this comment to the attention of your Auditors.

Income and Expenditure Statement for the Year Ended 31 December 2006*Additional Financial Data*

A page of additional financial data in the form of a detailed profit and loss account statement accompanies the audited report. The additional financial data in the detailed profit and loss account sets out many of the items of revenue and expense that are required to be disclosed in accordance with Guidelines 10 and 11 of the Registrar's Reporting Guidelines such as Meeting & Conferences expenses.

This approach is not consistent with the requirements of the RAO Schedule. Section 253 of the Schedule expressly requires each reporting unit to prepare a General Purpose Financial Report (GPFR), which is defined as including a profit and loss statement (s.253(2)(a)(i)). That GPFR must then be audited and the auditor must state whether, in his or her opinion, the GPFR is presented fairly in accordance with Australian Accounting Standards and the requirements of the RAO Schedule.

Please bring these details to your auditor's attention to ensure that these matters are addressed in the future preparation of your financial reports.

Could you ensure that these matters in future, form part of the notes to the financial statements.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

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

Kevin Donnellan

Statutory Services Branch
14 September 2007



Australian Salaried Medical Officers'
Federation

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Mr Kevin Donnellan
Statutory Services Branch
Australian Industrial Registry

Email: kevin.donnellan@air.gov.au

11 September 2007

Dear Mr Donnellan

**Financial Report for the Australian Salaried Medical
Officers' Federation (Commonwealth Branch) for
year ended 31 December 2006**

Thank you for your letter dated 4 September 2007 in which
you request a signed statement. The requested statement is
attached.

Please contact me if you have any questions.

Yours sincerely

Sim Mead
Executive Officer

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Curtin ACT 2605
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STATEMENT OF SEQUENCE OF EVENTS

Financial Report for the Australian Salaried Medical Officers' Federation (Commonwealth Branch) for year ended 31 December 2006

I, Dr Guy Hibbins, Branch President

of the Australian Salaried Medical Officers' Federation (Commonwealth Branch), in respect of the financial report of the organization for the year ended 31 December 2006

state that:

1. The Committee of Management's statement was passed as a resolution of Branch Council on 29 June 2007.
2. The report was provided to members (absent relevant signatures) on 27 July 2007. The report included:
 - Operating report
 - Income statement
 - Balance sheet
 - Statement of changes in equity
 - Notes to the financial statements
 - Cash flow statement
 - Committee of management's statement
 - Auditor's report
 - Income and expenditure statement
3. The report was adopted by the Committee of Management on 17 August 2007.

Signature:



Date:

10 SEP 2007



Australian Government
Australian Industrial Registry

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Mr Sim Mead
Executive Director
Australian Salaried Medical Officers Federation

email: simm@asmof.org.au

Dear Mr Mead

Re: Financial Report for the Australian Salaried Medical Officers (Commonwealth Branch) for year ended 31 December 2006 – FR2006/654

Further to your email of 31 August 2007 stating the sequence of dates for the financial report lodged on 21 August 2007.

Could you provide a statement signed by an officer, outlining the sequence of events and verifying that the documentation (absent the relevant signatures) filed on 21 August 2007 (with the exception of the section 268 certificate) was provided to members on 27 July 2007.

If you wish to discuss any of the matters referred to above I can be contacted on (03) 8661 7764.

Yours sincerely

A handwritten signature in black ink, appearing to be 'K Donnellan', with a long horizontal flourish extending to the right.

Kevin Donnellan

Statutory Services Branch
4 September 2007



Australian Salaried Medical Officers'
Federation

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Mr Larry Powell
Australian Industrial Registry
Level 35, Nauru House
80 Collins Street
MELBOURNE VIC 3000

21 August 2007

Dear Mr Powell

**Australian Salaried Medical Officers' Federation
(Commonwealth Branch) Financial Reports
y/e 31 December 2006**

Please find attached:

1. Financial reports for year ending 31 December 2006;
2. President's Certificate;
3. Details of trustees of superannuation entities; and,
4. Statement of Particulars of Loans, Grants and Donations

Yours sincerely

Sim Mead
(on behalf of Commonwealth ASMOF)

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WORKPLACE RELATIONS ACT, 1996

**Australian Salaried Medical Officers' Federation
(Commonwealth Branch)**

Certificate pursuant to Section 268 of Schedule 1B *Workplace Relations Act 1996*

I, Dr Guy Hibbins, President, of the Australian Salaried Medical Officers' Federation (Commonwealth Branch), certify:

- That the documents lodged herewith are copies of the full report referred to in s 268 of the RAO Schedule; and
- That the full report was provided to members on 27 July 2007; and
- That the full report was presented to a meeting of the Committee of Management on 17 August 2007; in accordance with section 266 of the RAO Schedule.

Signature:



Dr Guy Hibbins

Date:

17 August 2007

WORKPLACE RELATIONS ACT, 1996

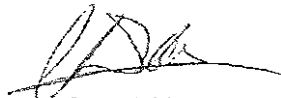
**Australian Salaried Medical Officers' Federation
(Commonwealth Branch)**

In accordance with section 237 of the RAO Schedule, details (including details of the position held) of any officer or member of the Branch who 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; and where a criterion for the officer or member being the trustee or director is that the officer or member is an officer or member of a registered organization.

No officers or members held such positions.

Signature:



Dr Guy Hibbins

Date: 17 August 2007

**STATEMENT OF PARTICULARS OF LOANS, GRANTS AND DONATIONS BY
THE PRESIDENT OF
AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(Commonwealth Branch)**

I, Dr Guy Hibbins, President

of the Australian Salaried Medical Officers' Federation (Commonwealth Branch) state, in respect of the financial year of the organisation ended 31 December 2006 that:

No loans, grants or donations of an amount exceeding \$1,000 were made by the above-named organisation during the financial year.

Signature:



Dr Guy Hibbins

Date:

17 August 2007

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2006**

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

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**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2006**

(a) Principal Activities:

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

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

Results of Principal Activities:

The Branch'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 Branch's Activities:

There were no significant changes in the nature of Branch's principal activities during the financial year.

(b) Significant changes in Branch's affairs:

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

(c) Right of Members to resign:

Manner of resignation S254(2)(c)

Members may resign from the Branch in accordance with rule 11, which reads as follows:

A member may resign their membership by notifying the Secretary in writing, addressed and delivered to that officer.

A notice of resignation from membership takes effect:

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

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

(ii) on the day specified in the notice;

whichever is later;

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

A notice delivered to the Secretary shall be taken to have been received by the Branch when it is delivered.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2006**

A notice of resignation that has been received by the Branch is not invalid because it was not addressed and delivered to the Secretary.

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

(d) Number of members

The number of persons who, at the end of the financial year were recorded on the Register of Members was 223.

(e) Number of employees

The Branch has no employees.

(f) Members of Committee of Management

The persons who held office as members of the Committee of Management of the Branch at the during the financial year were:-

| | |
|----------------|-----------------------|
| Dr. G. Hibbins | President / Secretary |
| Dr. R. Rasalam | Treasurer |



DR G HIBBINS (President/~~Secretary~~)

Date: 29, 7 107

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006**

| | Note | 2006 \$ | 2005 \$ |
|--|------|-------------|-------------|
| Revenue | 3 | 24,969.76 | 26,877.28 |
| Audit expenses | | (1,600.00) | (2,530.00) |
| Other expenses | | (39,387.33) | (25,139.02) |
| (Deficit) for the year | | (16,017.57) | (791.74) |
| (Accumulated Deficit) at the beginning of the financial year | | (9,543.53) | (8,751.79) |
| (Accumulated Deficit) attributable to the branch | | (25,561.10) | (9,543.53) |

The accompanying notes form part of these financial statements.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**BALANCE SHEET
AS AT 31 DECEMBER 2006**

| | Note | 2006 \$ | 2005 \$ |
|----------------------------------|------|--------------------|-------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 4 | 6,967.55 | 6,542.09 |
| Trade and other receivables | 5 | 1,423.90 | 14,042.00 |
| TOTAL CURRENT ASSETS | | <u>8,391.45</u> | <u>20,584.09</u> |
| TOTAL ASSETS | | <u>8,391.45</u> | <u>20,584.09</u> |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 6 | 32,202.55 | 28,627.62 |
| Other current liabilities | 7 | 1,750.00 | 1,500.00 |
| TOTAL CURRENT LIABILITIES | | <u>33,952.55</u> | <u>30,127.62</u> |
| TOTAL LIABILITIES | | <u>33,952.55</u> | <u>30,127.62</u> |
| NET ASSETS (LIABILITIES) | | <u>(25,561.10)</u> | <u>(9,543.53)</u> |
| MEMBERS' FUNDS | | | |
| Accumulated Surplus (Deficit) | 8 | (25,561.10) | (9,543.53) |
| TOTAL MEMBERS' FUNDS | | <u>(25,561.10)</u> | <u>(9,543.53)</u> |

The accompanying notes form part of these financial statements.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2006**

| | Accumulated Surplus (Accumulated Deficit) | Total |
|---|--|-----------------|
| | \$ | \$ |
| Balance at 1 January 2005 | (8,752) | (8,752) |
| Surplus (Deficit) attributable to members | (792) | (792) |
| Balance at 31 December 2005 | <u>(9,544)</u> | <u>(9,544)</u> |
| Surplus (Deficit) attributable to members | (16,018) | (16,018) |
| Balance at 31 December 2006 | <u>(25,561)</u> | <u>(25,561)</u> |

The accompanying notes form part of these financial statements.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

1 Statement of Significant Accounting Policies

The financial report is a General Purpose Financial Report (GPFR) and it has been prepared in accordance with Workplace Relations Act 1996 [the RAO Schedule].

The GPFR is for an entity known as AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION (COMMONWEALTH BRANCH) as an individual entity.

The GPFR complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the branch in the preparation of the financial report. Unless otherwise stated, the accounting policies have been consistently applied.

Statement of Compliance

First-time Adoption of Australian Equivalents to International Financial Reporting Standards

The GPFR complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ("AIFRS"). Compliance with AIFRS ensures that the full-year financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ("IFRS").

These financial statements are the first to be prepared in accordance with AIFRS.

Reporting basis and conventions

The GPFR has been prepared on an accruals basis and is based on historical costs.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

Accounting Policies

Going Concern

This financial report has been prepared on the going concern basis in spite of the branch's deficiency of net assets. The going concern basis has been implemented as the committee of management has received a written commitment from ASMOF – Federal to provide an interest free loan to help CASMOF pay off its debts as and when required. The AMA has also agreed to a significant reduction in fees charged to the Branch for Industrial services in the next financial year, resulting in lower expenditure and a trading surplus is anticipated in future years.

The Branch, being a registered Trade Union, is exempt from income tax on all of its income.

Cash and Cash Equivalents

Cash in the balance sheet comprise cash at bank.

Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates relevant to the financial assets.

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

Capitation Fees

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

The fees reported by Commonwealth Branch include an amount of \$ 6429.09, being fees for 2005. CASMOF fees should be paid on its total membership (i.e including conjoint members with the AMA) and not ASMOF only members as reported in 2005. This correction of membership fees has been confirmed by Mr. Sim Mead (Executive Director ASMOF-NSW)

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

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 Branch 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.

Membership Subscriptions

The Branch's membership subscriptions year runs from 1st January to 31 st December. Only those membership subscription receipts which are attributable to the current year are recognised as revenue.

Trade & Other Receivables

Debtors are recognised at the amount receivable and are normally due for settlement within 30 days from date of recognition.

Trade & Other Payables

These amounts represent liabilities for services provided to the Branch prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

Information to be provided to Members or to the Registrar

In accordance with the requirements of the Workplace Relations Act, 1996 (the RAO Schedule) the attention of Members is drawn to the provision of sub-sections (1) (2) and (3) of Section 272 which read as follows.

Section 272 Information to be provided to Members or Registrar

272(1) [Application for Information] A member of a reporting unit, or a Registrar may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

272 (2) [Form of Application] 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.

272(3) [Compliance] A Reporting unit must comply with an application made under subsection (1)

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

| | Note | Previous GAAP at 1 January 2005 \$ | Effect of transition to Australian equivalents to IFRS \$ | Australian equivalents to IFRS at 1 January 2005 \$ |
|----------------------------------|---|---|--|---|
| 2 | First-time Adoption of Australian Equivalents to International Financial Reporting Standards | | | |
| | Reconciliation of Equity at 1 January 2005 | | | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | | 20,126.73 | - | 20,126.73 |
| Trade and other receivables | | 6,562.00 | - | 6,562.00 |
| TOTAL CURRENT ASSETS | | <u>26,688.73</u> | - | <u>26,688.73</u> |
| TOTAL ASSETS | | <u>26,688.73</u> | - | <u>26,688.73</u> |
| CURRENT LIABILITIES | | | | |
| Trade and other payables | | 35,440.52 | - | 35,440.52 |
| TOTAL CURRENT LIABILITIES | | <u>35,440.52</u> | - | <u>35,440.52</u> |
| TOTAL LIABILITIES | | <u>35,440.52</u> | - | <u>35,440.52</u> |
| NET ASSETS (LIABILITIES) | | <u>(8,751.79)</u> | - | <u>(8,751.79)</u> |
| MEMBERS' FUNDS | | | | |
| Accumulated Funds | | (8,751.79) | - | (8,751.79) |
| TOTAL MEMBERS' FUNDS | | <u>(8,751.79)</u> | - | <u>(8,751.79)</u> |

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

| Note | Previous GAAP at 31 December 2005 \$ | Effect of transition to Australian equivalents to IFRS \$ | Australian equivalents to IFRS at 31 December 2005 \$ |
|---|---|--|---|
| Reconciliation of Equity at 31 December 2005 | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 6,542.09 | - | 6,542.09 |
| Trade and other receivables | 14,042.00 | - | 14,042.00 |
| TOTAL CURRENT ASSETS | <u>20,584.09</u> | - | <u>20,584.09</u> |
| TOTAL ASSETS | <u>20,584.09</u> | - | <u>20,584.09</u> |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 28,627.62 | - | 28,627.62 |
| Other current liabilities | 1,500.00 | - | 1,500.00 |
| TOTAL CURRENT LIABILITIES | <u>30,127.62</u> | - | <u>30,127.62</u> |
| TOTAL LIABILITIES | <u>30,127.62</u> | - | <u>30,127.62</u> |
| NET ASSETS (LIABILITIES) | <u>(9,543.53)</u> | - | <u>(9,543.53)</u> |
| MEMBERS' FUNDS | | | |
| Accumulated Funds | (9,543.53) | - | (9,543.53) |
| TOTAL MEMBERS' FUNDS | <u>(9,543.53)</u> | - | <u>(9,543.53)</u> |

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

| Note | Previous GAAP \$ | Effect of transition to Australian equivalents to IFRS \$ | Australian equivalents to IFRS \$ |
|--|---------------------|--|--|
| Reconciliation of Surplus or Deficit for 2005 | | | |
| Revenue | 26,877.28 | - | 26,877.28 |
| Audit expenses | (2,530.00) | - | (2,530.00) |
| Other expenses | (25,139.02) | - | (25,139.02) |
| (Deficit) for the year | <u>(791.74)</u> | - | <u>(791.74)</u> |
| (Deficit) attributable to the branch | <u>(791.74)</u> | - | <u>(791.74)</u> |

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

| | 2006 | 2005 |
|---|-------------|-------------|
| | \$ | \$ |
| 3 Revenue | | |
| Operating activities | | |
| Interest received | 68.77 | 331.64 |
| Subscriptions | 19,244.63 | 20,209.27 |
| Capitation Fees | 5,656.36 | 6,336.37 |
| Total revenue | 24,969.76 | 26,877.28 |
| 4 Cash and Cash Equivalents | | |
| Current | | |
| Commonwealth Banking Corporation | 6,967.55 | 6,542.09 |
| Reconciliation of cash | | |
| Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows: | | |
| Commonwealth Banking Corporation | 6,967.55 | 6,542.09 |
| 5 Trade and Other Receivables | | |
| Current | | |
| Sundry Debtors | - | 7,072.00 |
| Trade Debtors | - | 6,970.00 |
| Input Tax Credits | 2,430.15 | - |
| GST Payable | (1,006.25) | - |
| | 1,423.90 | 14,042.00 |

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006**

| | 2006 | 2005 |
|--|--------------------|-------------------|
| | \$ | \$ |
| 6 Trade and Other Payables | | |
| Current | | |
| Trade Creditors | 20,324.00 | - |
| Sundry Creditors | 11,878.55 | 28,108.67 |
| Input Tax Credits | - | (1,218.13) |
| GST Payable | - | 1,737.08 |
| | <u>32,202.55</u> | <u>28,627.62</u> |
| 7 Other Liabilities | | |
| Current | | |
| Accrued Charges | <u>1,750.00</u> | <u>1,500.00</u> |
| 8 Accumulated Deficit | | |
| (Accumulated deficit) at the beginning of the financial year | (9,543.53) | (8,751.79) |
| (Deficit) attributable to the branch | <u>(16,017.57)</u> | <u>(791.74)</u> |
| (Accumulated deficit) at the end of the financial year | <u>(25,561.10)</u> | <u>(9,543.53)</u> |
| 9 Financial Instruments | | |
| Financial Risk Management | | |

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

The branch does not have any derivative instruments at 31 December 2006.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006**

| | 2006 | 2005 |
|--|-----------------|--------------------|
| | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from Subscriptions & Capitation Fees | 41,433.00 | 21,720.00 |
| Interest Received | 68.77 | 331.64 |
| General Administration Expenses & Direct Expenses | (41,076.31) | (35,636.28) |
| Net cash provided by (used in) operating activities | 425.46 | (13,584.64) |
| Net increase (decrease) in cash held | 425.46 | (13,584.64) |
| Cash at beginning of year | 6,542.09 | 20,126.73 |
| Cash at end of year | 6,967.55 | 6,542.09 |

The accompanying notes form part of these financial statements.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006**

| | 2006 | 2005 |
|---|-----------------|--------------------|
| | \$ | \$ |
| <hr/> | | |
| Cash Flow Information | | |
| Reconciliation of cash | | |
| Cash at the end of the financial Year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows: | | |
| Commonwealth Banking Corporation | <u>6,967.55</u> | <u>6,542.09</u> |
| | <u>6,967.55</u> | <u>6,542.09</u> |
| Reconciliation of net cash provided by operating activities to Surplus(Deficit) from ordinary activities | | |
| Operating surplus (deficit) | (16,017.57) | (791.74) |
| Changes in assets and liabilities | | |
| Decrease (Increase) in Receivables | 12,618.10 | (7,480.00) |
| Increase (Decrease) in Payables | 3,574.93 | (6,812.90) |
| Increase (Decrease) in Accrued charges | <u>250.00</u> | <u>1,500.00</u> |
| Cash inflows (outflows) from operations | <u>425.46</u> | <u>(13,584.64)</u> |

The accompanying notes form part of these financial statements.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

COMMITTEE OF MANAGEMENT'S STATEMENT

On behalf of the Committee and in accordance with a resolution passed by the Committee, I, the undersigned, hereby declare that:-

- (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 Industrial Registrar;
- (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 GPFR 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 RAO Schedule and the RAO Regulations; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a manner consistent with each of the other reporting units of the organisation; and
 - (v) the information sought in any request of a member of a reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.



Dr. G. Hibbins (President / Secretary)

Date Resolution passed: 29-6-07

Dated: 29/7/07

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

Scope

The General Purpose Financial Report (GPFR) comprises the balance sheet, income statement, statement of changes in equity, cash flow statement, accompanying notes to the financial statements, and the committee of management's statement for AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION (COMMONWEALTH BRANCH) for the year ended 31 December 2006.

The committee of the branch 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 Schedule 1B of the Workplace Relations Act 1996, including compliance with Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the branch'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.

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

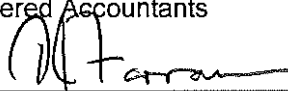
In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements.

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

Audit Opinion

In my opinion, the GPFR of AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION (COMMONWEALTH BRANCH) presents a true and fair view in accordance with applicable Australian Accounting Standards, and the requirements imposed by Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996, of the financial position of as at 31 December 2006 and the results of its operations and its cash flows for the year then ended.

Name of Firm: CARRUTHERS FARRAM & CO.
Chartered Accountants

Name of Principal: 
D.J. FARRAM (Registered Company Auditor)

Address: Suite 4, Level 4, 105 Pitt Street NSW 2000

Dated this 20th **day of** August 2007

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
(COMMONWEALTH BRANCH)
A.B.N 82 946 658 712**

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006**

| | 2006 | 2005 |
|---|--------------------|-------------------|
| | \$ | \$ |
| INCOME | | |
| Subscriptions | 19,244.63 | 20,209.27 |
| Capitation Fees Received | 5,656.36 | 6,336.37 |
| | 24,900.99 | 26,545.64 |
| | | |
| Interest Received | 68.77 | 331.64 |
| | 68.77 | 331.64 |
| | 24,969.76 | 26,877.28 |
| EXPENDITURE | | |
| Auditor's Fees | 1,600.00 | 2,530.00 |
| Bank and Credit Card Charges | 39.25 | 94.05 |
| Capitation Fees | 13,723.64 | 1,854.53 |
| General Expenses | 146.00 | - |
| Industrial Services | 24,981.82 | 22,900.02 |
| Meetings & Conferences | 427.35 | - |
| Subscriptions | 69.27 | 69.27 |
| Telephone | - | 221.15 |
| | 40,987.33 | 27,669.02 |
| (Operating Deficit) for the year | (16,017.57) | (791.74) |
| Accumulated Deficit at the beginning of the financial year | (9,543.53) | (8,751.79) |
| (Accumulated Deficit) at the end of the financial year | (25,561.10) | (9,543.53) |

The accompanying notes form part of these financial statements.