



Australian Government
Australian Industrial Registry

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Mr Guy Hibbins
President
Australian Salaried Medical Officers Federation, Commonwealth Branch

email: asmof@asmof.org.au

Dear Mr Hibbins

**Re: Financial Report for the Australian Salaried Medical Officers Federation,
Commonwealth Branch for year ended 31 December 2007 – FR2007/616**

I acknowledge receipt of correspondence dated 26 September 2008 in reply to matters raised by the Registry in correspondence dated 23 July 2008.

Your response in relation to matters raised in earlier correspondence regarding whether or not there was evidence to substantiate the claim the Branch could continue as a going concern is noted. 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.

Income and Expenditure Statement for the Year Ended 31 December 2007

Additional Financial Data

A page of additional financial data in the form of a detailed income and expenditure statement accompanies the audited report. The additional financial data in the detailed income and expenditure statement 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 capitation fees.

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.

In the future could you ensure that all those items required to be disclosed are included in the notes to the financial statements or on the face of the profit and loss statement as appropriate. In the event the relevant disclosures are not incorporated in the documentation covered by the auditor's opinion the reporting unit will be required to take the necessary steps to secure compliance with the requirements of Schedule 1 of the Act.

Auditor's Qualification

Although, the Auditor has indicated that he is a member of the Institute of Chartered Accountants, could he also indicate that he “*holds a current Public Practice Certificate*” to satisfy the definition of approved auditor contained in regulation 4(a)(ii) of the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003.

Distribution of the full report to members within five months

Could you ensure that when presenting the full report to a meeting of the Committee of Management in accordance with section 266 of the RAO Schedule that, distribution of the report to members occurs within five months in accordance with section 265(5)(b) or that an appropriate extension is applied for.

Schedule 1

Reference to Schedule 1B of the Act, should properly refer to Schedule 1.

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
1 October 2008



Australian Salaried Medical Officers'
Federation

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Mr Kevin Donnellan
Statutory Services Branch
Australian Industrial Registry
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Email: kevin.donnellan@air.gov.au

26 September 2008

Dear Mr Donnellan

**Financial Report for ASMOF Commonwealth Branch for year ended
31 December 2007 – FR2007/616**

I refer to your letters of 23 July 2008 and 13 August 2008.

As requested, a revised s268 certificate is attached, along with a revised copy of the financial reports. Please note that the only change to the financial reports is that the independent auditor's report was signed in 9 September 2008.

The revised financial reports have been provided to members (17 September 2008) and presented to a meeting of the Committee of Management (26 September 2008).

With regard to the issue of the Branch being able to continue as a "going concern", I am pleased to be able to report that the Branch currently has a positive bank balance and expects to be able to record a small surplus of approximately \$3500 for the year ending 31 December 2008. A significantly lower industrial servicing fee (the major outgoing for the Branch) has been negotiated and ASMOF (NSW) and the AMA have kindly agreed to cancel our debts. This means that the Branch income should exceed our expenses by a small amount each year, thus allowing us to be confident about continuing as a going concern.

Yours sincerely

Guy Hibbins
President

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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 Commonwealth Branch of the Australian Salaried Medical Officers' Federation, 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 17 September 2008; and
- That the full report was presented to a meeting of the Committee of Management on 26 September 2008; in accordance with section 266 of the RAO Schedule.

Signature: 

Date: 26 SEP 2008

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

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2007**

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

CONTENTS

Operating Report	1-2
Income Statement	3
Balance Sheet	4
Statement of Changes in Equity	5
Notes to the Financial Statements	6-11
Cash Flow Statement	12-13
Committee of Management's Statement	14
Auditor's Report	15-16
Income and Expenditure Statement	17

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

**OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2007**

(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) Operating Results:

The profit of the Branch amounted to \$22,782.07 for the financial year.

Significant changes in Branch's affairs:

In order to secure the financial position of the Branch, the Federal Council approved the cancellation of the Branch's debt to the AMA and ASMOF Federal at its AGM on 14th December 2007. The AMA has also agreed to significantly reduce its fees for Industrial Services provided during the financial year.

(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;

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

**OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2007**

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.

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 212.

(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
Dr. D. Barton	Councillor
Dr. R. Rasalam	Treasurer (Resigned 7 December 2007)

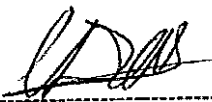
(g) Superannuation Trustees

No member of the Committee of Management of the Branch 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.

Signed in accordance with a resolution of the Committee of Management.



DR G HIBBINS (President)

Date: 19 / 5 / 08

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

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	2007 \$	2006 \$
Revenue	2	26,253.83	24,969.76
Auditor's remuneration	3	(1,400.00)	(1,600.00)
Capitation Fees- Federal ASMOF		1,854.55	(13,723.64)
Industrial Services - AMA		(3,390.91)	(24,981.82)
Meetings and Conferences expenses		(303.34)	(427.35)
Other expenses		(232.06)	(254.52)
Profit (Loss) for the year		<u>22,782.07</u>	<u>(16,017.57)</u>
Income tax expense		-	-
Profit (Loss) after income tax		<u><u>22,782.07</u></u>	<u><u>(16,017.57)</u></u>

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 2007**

	Note	2007 \$	2006 \$
CURRENT ASSETS			
Cash and cash equivalents	4	8,834.11	6,967.55
Trade and other receivables	5	6,821.84	1,423.90
TOTAL CURRENT ASSETS		<u>15,655.95</u>	<u>8,391.45</u>
TOTAL ASSETS		<u>15,655.95</u>	<u>8,391.45</u>
CURRENT LIABILITIES			
Trade and other payables	6	16,834.98	32,202.55
Other current liabilities	7	1,600.00	1,750.00
TOTAL CURRENT LIABILITIES		<u>18,434.98</u>	<u>33,952.55</u>
TOTAL LIABILITIES		<u>18,434.98</u>	<u>33,952.55</u>
NET ASSETS (LIABILITIES)		<u>(2,779.03)</u>	<u>(25,561.10)</u>
MEMBERS' FUNDS			
Accumulated losses	8	<u>(2,779.03)</u>	<u>(25,561.10)</u>
TOTAL EQUITY		<u>(2,779.03)</u>	<u>(25,561.10)</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 2007**

	Note	(Accumulated losses) \$	Total \$
Balance at 1 January 2006		(9,544)	(9,544)
Profit (Losses) attributable to members		<u>(16,018)</u>	<u>(16,018)</u>
Balance at 31 December 2006		<u>(25,561)</u>	<u>(25,561)</u>
Profit attributable to members		22,782	22,782
Balance at 31 December 2007		<u>(2,779)</u>	<u>(2,779)</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 2007**

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.

Reporting basis and conventions

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

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, resulting in lower expenditure and a trading surplus is anticipated in future years.

Income Tax

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.

**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 2007**

Revenue

Interest revenue is recognised upon receipt.

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

Capitation Fees Revenue

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

Membership Subscriptions Revenue

The Branch's membership subscriptions year runs from 1st January to 31st December. Membership subscriptions received have been accepted as the correct amounts payable to the Branch.

Capitation Fees Expenditure

Capitation fees incurred and payable to AMSOF Federal for the year ended 31st December 2007 was \$6,212.73.

An adjustment of \$8,067.28, being capitation fees due to ASMOF Federal for the years 2005 and 2006 were written back, as the debt due was cancelled. The release of the debt owing to ASMOF Federal was approved in the AGM of the Federal's Council Meeting on the 14th December 2007.

Industrial Services

Industrial services incurred and payable to AMA for the year ended 31st December 2007 was \$13,800.00

An adjustment of \$10,409.09, being capitation fees due to the AMA for the years 2005 and 2006 were written back, as the debt due was cancelled. The release of the debt owing to the AMA was approved in the AGM of the Federal's Council Meeting on the 14th December 2007.

**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 2007**

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.

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 2007**

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 2007**

	2007 \$	2006 \$
2 Revenue		
Operating activities		
Capitation Fees - AMA	5,254.55	5,656.36
Subscriptions	<u>20,939.87</u>	<u>19,244.63</u>
	<u>26,194.42</u>	<u>24,900.99</u>
Non-operating activities		
Interest received	59.41	68.77
Total revenue	<u><u>26,253.83</u></u>	<u><u>24,969.76</u></u>
3 Auditor's Remuneration		
Auditor's Fees	<u>1,400.00</u>	<u>1,600.00</u>
4 Cash and Cash Equivalents		
Current		
Commonwealth Banking Corporation	<u>8,834.11</u>	<u>6,967.55</u>
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	<u>8,834.11</u>	<u>6,967.55</u>
5 Trade and Other Receivables		
Current		
Trade Debtors	5,780.00	-
Input Tax Credits	2,005.19	2,430.15
GST Payable	<u>(963.35)</u>	<u>(1,006.25)</u>
	<u>6,821.84</u>	<u>1,423.90</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 2007**

	2007	2006
	\$	\$
6 Trade and Other Payables		
Current		
Trade Creditors	14,424.00	20,324.00
Sundry Creditors	2,410.98	11,878.55
	<u>16,834.98</u>	<u>32,202.55</u>
7 Other Liabilities		
Current		
Accrued Charges	<u>1,600.00</u>	<u>1,750.00</u>
8 Accumulated Losses		
Accumulated losses at the beginning of the financial year	(25,561.10)	(9,543.53)
Net profit (Net loss) attributable to the branch	<u>22,782.07</u>	<u>(16,017.57)</u>
Accumulated losses at the end of the financial year	<u>(2,779.03)</u>	<u>(25,561.10)</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 2007.

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

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007	2006
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Subscriptions & Capitation Fees	23,033.87	41,433.00
Interest Received	59.41	68.77
General Administration Expenses & Direct Expenses	<u>(21,226.72)</u>	<u>(41,076.31)</u>
Net cash provided by (used in) operating activities	<u>1,866.56</u>	<u>425.46</u>
Net increase (decrease) in cash held	1,866.56	425.46
Cash at beginning of year	<u>6,967.55</u>	<u>6,542.09</u>
Cash at end of year	<u><u>8,834.11</u></u>	<u><u>6,967.55</u></u>

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 2007**

	2007	2006
	\$	\$
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>8,834.11</u>	<u>6,967.55</u>
	<u>8,834.11</u>	<u>6,967.55</u>
Reconciliation of net cash provided by operating activities to Profit (Loss) from ordinary activities		
Operating profit (loss)	22,782.07	(16,017.57)
Changes in assets and liabilities		
Decrease (Increase) in Receivables	(5,397.94)	12,618.10
Increase (Decrease) in Payables	(15,367.57)	3,574.93
Increase (Decrease) in Accrued charges	<u>(150.00)</u>	<u>250.00</u>
Cash inflows (outflows) from operations	<u>1,866.56</u>	<u>425.46</u>

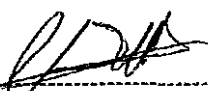
The accompanying notes form part of these financial statements.

**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.
- (f) the Branch has not undertaken recovery of wages activity during the financial year.



Dr. G. Hibbins (President)

Dated: 19/5/08

Date Resolution passed: 19-5-08

**INDEPENDENT AUDITOR'S 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 2007.

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 have conducted an independent audit in order to express an opinion to the members of the Branch. 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

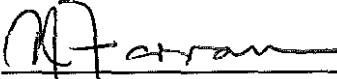
In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements.

**INDEPENDENT AUDITOR'S 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) is presented fairly 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 2007 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)
Member of Institute of Chartered Accountants

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

Dated this 9th day of September 2008

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

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007 \$	2006 \$
REVENUE		
Subscriptions	20,939.87	19,244.63
Capitation Fees Received	5,254.55	5,656.36
	<u>26,194.42</u>	<u>24,900.99</u>
OTHER REVENUE		
Interest Received	59.41	68.77
	<u>26,253.83</u>	<u>24,969.76</u>
EXPENDITURE		
Auditor's Fees	1,400.00	1,600.00
Bank and Credit Card Charges	74.08	39.25
Capitation Fees	(1,854.55)	13,723.64
General Expenses	93.18	146.00
Industrial Services	3,390.91	24,981.82
Meetings & Conferences	303.34	427.35
Subscriptions	64.80	69.27
	<u>3,471.76</u>	<u>40,987.33</u>
Profit (Loss) before income tax	22,782.07	(16,017.57)
Income tax expense	-	-
Profit (Loss) after income tax	<u>22,782.07</u>	<u>(16,017.57)</u>
Accumulated losses at the beginning of the financial year	(25,561.10)	(9,543.53)
Accumulated losses at the end of the financial year	<u>(2,779.03)</u>	<u>(25,561.10)</u>

The accompanying notes form part of these financial statements.



Australian Government
Australian Industrial Registry

Level 5, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7764
Fax: (03) 9655 0410
Email: kevin.donnellan@air.gov.au

Mr Guy Hibbins
President
Australian Salaried Medical Officers Federation, Commonwealth Branch

email: asmof@asmof.org.au

Dear Mr Hibbins

**Re: Financial Report for the Australian Salaried Medical Officers Federation,
Commonwealth Branch for year ended 31 December 2007 – FR2007/616**

I acknowledge receipt of an email dated 31 July 2008 regarding the financial report for the Australian Salaried Medical Officers Federation, Commonwealth Branch for the year ended 31 December 2007.

Audit Report

Further to my correspondence of 23 July 2008 and Mr Mead's email of 31 July 2008 I advise that based on the information in that email the Branch will have to repeat the following steps:

- the report, including the Committee of Management statement, be sent to the Auditor for a revised opinion to be created;
- once the opinion is sent to the Branch, the full report, including the revised Audit Report, are to be provided to members with notification of its presentation to a general meeting; and
- presented at a general meeting of members and filed in the Registry with a revised s268 certificate.

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', written over a horizontal line.

Kevin Donnellan

Statutory Services Branch
13 August 2008

DONNELLAN, Kevin

From: Sim Mead [simm@asmof.org.au]
Sent: Thursday, 31 July 2008 6:09 PM
To: DONNELLAN, Kevin
Subject: Commonwealth ASMOF

Dear Kevin

Having gone through the documentation exhaustively, I now believe that I gave you incorrect advice in our recent telephone conversation and that your assessment of the situation as expressed in your letter of 23 July is correct.

My memory was correct in that there was an incorrectly-signed version of the report. This was because the President signed the report on 7 May before the Committee of Management passed the resolution. I recognized this mistake at the time and asked him to re-sign the report after the Committee of Management meeting, which he did (19 May).

Contrary to my previous advice, the correct version was lodged with the Registry and provided to members. The incorrect version is still in my office with a line through the cover.

However, as you have correctly identified, the report was signed by the Auditor before the resolution was passed and the Committee of Management statement signed. The sequence of events was:

9 May: report signed by Auditor
19 May: resolution passed by Committee of Management
19 May: Committee of Management Statement signed by President (i.e. signed a second time at my request following earlier incorrect signature)
19 May: operating report signed by President
8 June: report provided to members
19 June: report adopted by Committee of Management (i.e. second meeting)

The issue seems clearly to be that the Auditor needed to sign the report after the resolution was passed and the Committee of Management statement signed, not before.

Is it sufficient for the Auditor to re-sign the report and for the President to re-lodge the report with the above explanation (plus a response to your other question about the "going concern")?

I emphasise that the report provided to members was correct in all respects, with the exception of the being signed too early by the Auditor.

Regards - Sim

Sim Mead
Executive Director
ASMOF (NSW)
ph (02) 9212-6900
fax (02) 9212-6911



Mr Guy Hibbins
President
Australian Salaried Medical Officers Federation, Commonwealth Branch

email: asmof@asmof.org.au

Dear Mr Hibbins

**Re: Financial Report for the Australian Salaried Medical Officers Federation,
Commonwealth Branch for year ended 31 December 2007 – FR2007/616**

I acknowledge receipt of the financial report for the Australian Salaried Medical Officers Federation, Commonwealth Branch for the year ended 31 December 2007. The report was lodged with the Registry on 3 July 2008.

The financial report has not been filed.

The following matters require your attention before any action can be taken to file the above report.

Timescale Requirements

Financial reports should be prepared, audited, supplied to members, presented to a meeting and lodged in the Industrial Registry within certain timescale requirements. For your assistance I have attached a diagrammatic summary of the financial reporting process and time-limits contained in fact sheet 9 http://www.airc.gov.au/legislation/fact_sheets/09_fact_sheet.pdf.

As you will note from the enclosed diagram the reporting process begins with a meeting of the committee of management. At that meeting a resolution is passed authorising the making of a statement by the committee in which it makes certain declarations with respect to the reporting unit's compliance with various aspects of Schedule 1 and the Industrial Registrar's Guidelines. This Committee of Management Statement and the General Purpose Financial Report are then audited.

The General Purpose Financial Report, including the Committee of Management Statement and the Operating Report, and the Auditor's Report – known as the full report – are then provided to members. A copy of the full report is provided to members within 5 months and presented to a meeting of the committee of management within 6 months of the end of the financial year.

The full report, accompanied by a Designated Officer's Certificate, must be lodged with the Registry within 14 days of its presentation to the meeting.

From the information available, the full report which includes the Committee of Management Statement dated 19 May 2008, Operating Report dated 19 May 2008 and Auditor's Report dated 9 May 2008 was supplied to members on 8 June 2008.

If the dates on the documents are correct, it would appear that the Auditor could not have considered the Committee of Management Statement or other documentation contained in the financial report when the Audit Report was produced.

Under these circumstances, the Registry cannot file the report. Moreover, if the dates on the documents are accurate, I advise the organisation will need to repeat certain steps in the reporting process.

Notes to the Financial Statements - Going Concern

I note the reference to “Going Concern” and the notation that 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, . . .*” I would be pleased if you were to provide me with appropriate evidence of the commitment which enabled the Committee of Management to form the view that the Branch could continue as a going concern.

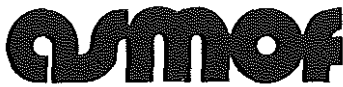
You should contact me as soon as practicable so we may discuss the future progress of this matter. I can be contacted on (03) 8661 7764.

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
23 July 2008



Australian Salaried Medical Officers'
Federation

Level 3 Suite 46 330 Wattle Street Ultimo New South Wales 2007
Locked Mail Bag No 13 Glebe New South Wales 2037
Telephone: (02) 9212 6900 Facsimile: (02) 9212 6911
email: asmof@asmof.org.au

Australian Capital Territory
PO Box 560
Curtin ACT 2605
Tel: (02) 6270 5416
Fax: (02) 6273 0455
email: asmof.act@ama-act.com.au

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

Queensland
PO Box 153
Kelvin Grove DC QLD 4059
Tel: (07) 3872 2288
Fax: (07) 3856 5572
email: asmofq@bigpond.com

3 July 2008

South Australia
PO Box 64
North Adelaide SA 5006
Tel: (08) 8267 5063
Fax: (08) 8267 1891
email: sasmoa1@gist.net.au

Dear Mr Powell


**Australian Salaried Medical Officers' Federation (Commonwealth Branch)
Financial Reports y/e 31 December 2007**

Please find attached:

Tasmania
2 Gore Street
Sth Hobart Tas 7004
Tel: (03) 6223 2047
Fax: (03) 6223 6469

1. Financial reports for year ending 31 December 2007 (including details of trustees of superannuation entities); and
2. Certificate pursuant to Section 268.

Yours sincerely


Guy Hibbins
President

Commonwealth
Locked Mail Bag 13
Glebe NSW 2037
Tel: (02) 9212 6900
Fax: (02) 9212 6911
email: asmof@asmof.org.au

Western Australia
14 Stirling Highway
Nedlands WA 6009
Tel: (08) 9273 3000
Fax: (08) 9273 3073

Victoria
293 Royal Parade
Parkville Vic 3052
Tel: (03) 9280 8722
Fax: (03) 9280 8786

New South Wales
Locked Mail Bag 13
Glebe NSW 2037
Tel: (02) 9212 6900
Fax: (02) 9212 6911
email: asmof@asmof.org.au

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 Commonwealth Branch of the Australian Salaried Medical Officers' Federation, 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 8 June 2008; and
- That the full report was presented to a meeting of the Committee of Management on 19 June 2008; in accordance with section 266 of the RAO Schedule.

Signature:



Date: 1 July 2008

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

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2007**

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

CONTENTS

Operating Report	1-2
Income Statement	3
Balance Sheet	4
Statement of Changes in Equity	5
Notes to the Financial Statements	6-11
Cash Flow Statement	12-13
Committee of Management's Statement	14
Auditor's Report	15-16
Income and Expenditure Statement	17

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

**OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2007**

(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) Operating Results:

The profit of the Branch amounted to \$22,782.07 for the financial year.

Significant changes in Branch's affairs:

In order to secure the financial position of the Branch, the Federal Council approved the cancellation of the Branch's debt to the AMA and ASMOF Federal at its AGM on 14th December 2007. The AMA has also agreed to significantly reduce its fees for Industrial Services provided during the financial year.

(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;

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

**OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2007**

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.

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 212.

(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
Dr. D. Barton	Councillor
Dr. R. Rasalam	Treasurer (Resigned 7 December 2007)

(g) Superannuation Trustees

No member of the Committee of Management of the Branch 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.

Signed in accordance with a resolution of the Committee of Management.



DR G HIBBINS (President)

Date: 19 / 5 / 08

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

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	2007 \$	2006 \$
Revenue	2	26,253.83	24,969.76
Auditor's remuneration	3	(1,400.00)	(1,600.00)
Capitation Fees- Federal ASMOF		1,854.55	(13,723.64)
Industrial Services - AMA		(3,390.91)	(24,981.82)
Meetings and Conferences expenses		(303.34)	(427.35)
Other expenses		(232.06)	(254.52)
Profit (Loss) for the year		<u>22,782.07</u>	<u>(16,017.57)</u>
Income tax expense		-	-
Profit (Loss) after income tax		<u><u>22,782.07</u></u>	<u><u>(16,017.57)</u></u>

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 2007**

	Note	2007 \$	2006 \$
CURRENT ASSETS			
Cash and cash equivalents	4	8,834.11	6,967.55
Trade and other receivables	5	6,821.84	1,423.90
TOTAL CURRENT ASSETS		<u>15,655.95</u>	<u>8,391.45</u>
TOTAL ASSETS		<u>15,655.95</u>	<u>8,391.45</u>
CURRENT LIABILITIES			
Trade and other payables	6	16,834.98	32,202.55
Other current liabilities	7	1,600.00	1,750.00
TOTAL CURRENT LIABILITIES		<u>18,434.98</u>	<u>33,952.55</u>
TOTAL LIABILITIES		<u>18,434.98</u>	<u>33,952.55</u>
NET ASSETS (LIABILITIES)		<u>(2,779.03)</u>	<u>(25,561.10)</u>
MEMBERS' FUNDS			
Accumulated losses	8	<u>(2,779.03)</u>	<u>(25,561.10)</u>
TOTAL EQUITY		<u>(2,779.03)</u>	<u>(25,561.10)</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 2007**

	Note	(Accumulated losses) \$	Total \$
Balance at 1 January 2006		(9,544)	(9,544)
Profit (Losses) attributable to members		(16,018)	(16,018)
Balance at 31 December 2006		<u>(25,561)</u>	<u>(25,561)</u>
Profit attributable to members		22,782	22,782
Balance at 31 December 2007		<u>(2,779)</u>	<u>(2,779)</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 2007**

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.

Reporting basis and conventions

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

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, resulting in lower expenditure and a trading surplus is anticipated in future years.

Income Tax

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.

**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 2007**

Revenue

Interest revenue is recognised upon receipt.

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

Capitation Fees Revenue

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

Membership Subscriptions Revenue

The Branch's membership subscriptions year runs from 1st January to 31st December. Membership subscriptions received have been accepted as the correct amounts payable to the Branch.

Capitation Fees Expenditure

Capitation fees incurred and payable to AMSOF Federal for the year ended 31st December 2007 was \$6,212.73.

An adjustment of \$8,067.28, being capitation fees due to ASMOF Federal for the years 2005 and 2006 were written back, as the debt due was cancelled. The release of the debt owing to ASMOF Federal was approved in the AGM of the Federal's Council Meeting on the 14th December 2007.

Industrial Services

Industrial services incurred and payable to AMA for the year ended 31st December 2007 was \$13,800.00

An adjustment of \$10,409.09, being capitation fees due to the AMA for the years 2005 and 2006 were written back, as the debt due was cancelled. The release of the debt owing to the AMA was approved in the AGM of the Federal's Council Meeting on the 14th December 2007.

**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 2007**

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.

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 2007**

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 2007**

	2007 \$	2006 \$
2 Revenue		
Operating activities		
Capitation Fees - AMA	5,254.55	5,656.36
Subscriptions	20,939.87	19,244.63
	<u>26,194.42</u>	<u>24,900.99</u>
Non-operating activities		
Interest received	59.41	68.77
Total revenue	<u>26,253.83</u>	<u>24,969.76</u>
3 Auditor's Remuneration		
Auditor's Fees	<u>1,400.00</u>	<u>1,600.00</u>
4 Cash and Cash Equivalents		
Current		
Commonwealth Banking Corporation	<u>8,834.11</u>	<u>6,967.55</u>
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	<u>8,834.11</u>	<u>6,967.55</u>
5 Trade and Other Receivables		
Current		
Trade Debtors	5,780.00	-
Input Tax Credits	2,005.19	2,430.15
GST Payable	(963.35)	(1,006.25)
	<u>6,821.84</u>	<u>1,423.90</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 2007**

	2007 \$	2006 \$
6 Trade and Other Payables		
Current		
Trade Creditors	14,424.00	20,324.00
Sundry Creditors	2,410.98	11,878.55
	16,834.98	32,202.55
7 Other Liabilities		
Current		
Accrued Charges	1,600.00	1,750.00
	1,600.00	1,750.00
8 Accumulated Losses		
Accumulated losses at the beginning of the financial year	(25,561.10)	(9,543.53)
Net profit (Net loss) attributable to the branch	22,782.07	(16,017.57)
Accumulated losses at the end of the financial year	(2,779.03)	(25,561.10)

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 2007.

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

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007	2006
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Subscriptions & Capitation Fees	23,033.87	41,433.00
Interest Received	59.41	68.77
General Administration Expenses & Direct Expenses	(21,226.72)	(41,076.31)
Net cash provided by (used in) operating activities	1,866.56	425.46
Net increase (decrease) in cash held	1,866.56	425.46
Cash at beginning of year	6,967.55	6,542.09
Cash at end of year	8,834.11	6,967.55

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 2007**

	2007	2006
	\$	\$
<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>8,834.11</u>	<u>6,967.55</u>
	<u>8,834.11</u>	<u>6,967.55</u>
Reconciliation of net cash provided by operating activities to Profit (Loss) from ordinary activities		
Operating profit (loss)	22,782.07	(16,017.57)
Changes in assets and liabilities		
Decrease (Increase) in Receivables	(5,397.94)	12,618.10
Increase (Decrease) in Payables	(15,367.57)	3,574.93
Increase (Decrease) in Accrued charges	<u>(150.00)</u>	<u>250.00</u>
Cash inflows (outflows) from operations	<u>1,866.56</u>	<u>425.46</u>

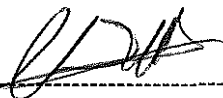
The accompanying notes form part of these financial statements.

**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.
- (f) the Branch has not undertaken recovery of wages activity during the financial year.



Dr. G. Hibbins (President)

Date Resolution passed: 19-5-08

Dated: 19/5/08

**INDEPENDENT AUDITOR'S 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 2007.

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 have conducted an independent audit in order to express an opinion to the members of the Branch. 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

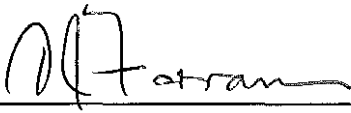
In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements.

**INDEPENDENT AUDITOR'S 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) is presented fairly 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 2007 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)
Member of Institute of Chartered Accountants

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

Dated this 9th day of May 2008

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

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007 \$	2006 \$
REVENUE		
Subscriptions	20,939.87	19,244.63
Capitation Fees Received	5,254.55	5,656.36
	<u>26,194.42</u>	<u>24,900.99</u>
OTHER REVENUE		
Interest Received	59.41	68.77
	<u>26,253.83</u>	<u>24,969.76</u>
EXPENDITURE		
Auditor's Fees	1,400.00	1,600.00
Bank and Credit Card Charges	74.08	39.25
Capitation Fees	(1,854.55)	13,723.64
General Expenses	93.18	146.00
Industrial Services	3,390.91	24,981.82
Meetings & Conferences	303.34	427.35
Subscriptions	64.80	69.27
	<u>3,471.76</u>	<u>40,987.33</u>
Profit (Loss) before income tax	22,782.07	(16,017.57)
Income tax expense	-	-
Profit (Loss) after income tax	<u>22,782.07</u>	<u>(16,017.57)</u>
Accumulated losses at the beginning of the financial year	(25,561.10)	(9,543.53)
Accumulated losses at the end of the financial year	<u>(2,779.03)</u>	<u>(25,561.10)</u>

The accompanying notes form part of these financial statements.