



22 May 2019

James Finn
Branch Secretary
Australian Salaried Medical Officers Federation-Queensland Branch
Sent via email: asmofq@amaq.com.au

CC: gkent@mgisq.com.au

Dear James Finn,

**Australian Salaried Medical Officers Federation-Queensland Branch
Financial Report for the year ended 31 December 2018 – (FR2018/343)**

I acknowledge receipt of the financial report of the Australian Salaried Medical Officers Federation-Queensland Branch. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 15 May 2019. I also acknowledge receipt of the amended financial report which was lodged with the ROC on 17 May 2019.

The financial report has now been filed.

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

Please note that the financial report for the year ending 31 December 2019 may be subject to an advanced compliance review.

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

Officer's declaration statement – to include all nil activity disclosures not elsewhere disclosed.

Item 21 of the reporting guidelines (RGs) states that if any of the activities identified within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. I note that the officer's declaration statement includes the following nil activity disclosures for which there was already an equivalent form of disclosure in the body of the notes:

- "Receiving periodic or membership subscriptions", "paying capitation fees to another reporting unit" and "making a payment to a former related party of the reporting unit" are disclosed in both officer's declaration statement and Note 10; and

- "Having a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch" is disclosed in both officer's declaration statement and Note 8.

Please note that nil activities only need to be disclosed once.

Recovery of wages disclosure

Please note that under the 5th edition of the RGs made under section 255 of the RO Act issued 4 May 2018 a recovery of wages activity statement is no longer required. Furthermore, the RGs no longer require a statement in regard to recovery of wages activity in the committee of management statement.

I note that the committee of management statement included a statement in regards to recovery of wages activity.

Reporting Requirements

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

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

If you have any queries regarding this letter, please contact me on 1300 341 665 or via email at regorgs@roc.gov.au.

Yours sincerely,

Kylie Ngo
Registered Organisations Commission

Australian Salaried Medical Officers Federation, Queensland Branch

A.B.N. 49 206 267 484

OPERATING REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018

The committee presents its report on the reporting unit for the financial year ended 31 December 2018.

Principal Activities

The principal activities of Australian Salaried Medical Officers Federation, Queensland Branch ("ASMOF Queensland Branch") during the financial year were to provide industrial services to the members consistent with the objects of ASMOF (see rule 5) and particularly:

- (a) to promote and protect the broad interests of Queensland salaried medical practitioners;
- (b) to provide services to its members; and
- (c) to advocate the provision and development of quality health services in Queensland.

No significant changes have occurred in the nature of those activities in the year.

Results of the Principal Activities

The ASMOF Queensland Branch's principal activities resulted in:

- (a) promoting and protecting the broad interests of Queensland salaried medical practitioners;
- (b) providing services to its members; and
- (c) advocating the provision and development of quality health services in Queensland.

Significant changes in Branch's financial affairs:

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

Right of Members to resign

Manner of resignation s.254 (2) (c)

Members may resign from the Organisation in accordance with rule 15, which reads as follows:

- (1) An Ordinary Member may resign from membership by written notice addressed and delivered to the Federal Secretary or the Branch Secretary of the Branch to which the member is attached.
- (2) Notice of resignation from an Ordinary Member takes effect:
 - (i) Where the member ceases to be eligible to become an Ordinary Member:
 - (a) On the day on which the notice is received by the Federation; or
 - (b) 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 an Ordinary Member:

Whichever is later, or

Australian Salaried Medical Officers Federation, Queensland Branch

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OPERATING REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018 (CONTINUED)

Right of Members to resign (Continued)

- (ii) In any other case:
 - (a) At the end of two weeks after the notice is received by the Federation, or
 - (b) On the day specified in the notice;whichever is later.
- (3) Any dues payable but not paid by a former Ordinary Member, in relation to a period before the member's resignation took effect, may be sued for and recovered in the name of the Federation, in a court of competent jurisdiction, as a debt to the Federation.
- (4) A notice delivered to the person mentioned in sub-rule (1) shall be taken to have received by the Federation when it was delivered.
- (5) A notice of resignation that has been received by the Federation is not invalid because it was not addressed and delivered in accordance with sub-rule (1).
- (6) A resignation from membership of the Federation is valid even if it is not effected under this rule if the ordinary Member is informed in writing by or on behalf of the Federation that the resignation has been accepted.
- (7) In special circumstances the Federal Council may by resolution accept the resignation of an Ordinary Member and release the member from any or all outstanding obligations to the Federation, notwithstanding that the provisions of these Rules have not been complied with.
- (8) The Federal Secretary or the Branch Secretary, as the case may be, who is in receipt of a resignation will ensure respectively that the Register of Member or the Branch Register is relevantly amended.
- (9) The Federal Secretary will within 28 days notify a relevant Branch Secretary of any resignations of Ordinary Members which are received by the Federal Secretary or are received at the Registered Office.

Number of Members

The number of persons who, at the end of the financial year, were recorded on the Register of Members was 2,671.

Number of employees

The number of persons who were, at the end of the period to which the report relates, employees of ASMOF in respect of ASMOF Queensland Branch, where the number of employees includes both full-time and part-time employees measured on a full-time equivalent basis is 0.0.

Australian Salaried Medical Officers Federation, Queensland Branch

A.B.N. 49 206 267 484

OPERATING REPORT FOR THE PERIOD ENDED 31 DECEMBER 2018 (CONTINUED)

Members of the Committee of Management

The persons who have held office as members of the Committee of Management since the beginning of the financial year are:

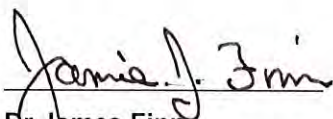
| Name | Position | Period of Office |
|-------------------------|--------------------------------------|---------------------|
| Dr Stephen Morrison | Branch President | 01/01/18 – 31/12/18 |
| Dr Suzanne Royle | Branch Vice President | 01/01/18 – 31/12/18 |
| Dr James Finn | Branch Secretary | 01/01/18 – 31/12/18 |
| Dr Nikola Ognyenovits | Branch Assistant Secretary/Treasurer | 01/01/18 – 31/12/18 |
| Dr Vinesh Appadurai | Branch Councillor | 01/01/18 – 15/10/18 |
| Dr Matthew Cheng | Branch Councillor | 01/01/18 – 15/10/18 |
| Dr Katharine Sinclair | Branch Councillor | 01/01/18 – 15/10/18 |
| Dr Hau Tan | Branch Councillor | 01/01/18 – 31/12/18 |
| Dr Christopher Turnbull | Branch Councillor | 01/01/18 – 31/12/18 |
| Dr Luke Dwyer | Branch Councillor | 01/01/18 – 15/10/18 |
| Dr Christopher Maguire | Branch Councillor | 01/01/18 – 15/10/18 |
| Dr Dilum Ekanayake | Branch Councillor | 15/10/18 – 31/12/18 |
| Dr Tarun Sehgal | Branch Councillor | 15/10/18 – 31/12/18 |
| Dr Tom Huang | Branch Councillor | 15/10/18 – 31/12/18 |
| Dr Daniel Halliday | Branch Councillor | 15/10/18 – 31/12/18 |

Trustees of Superannuation Entities

No officer or member of reporting unit 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 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 organisation.


Dr James Finn
Branch Secretary

9 April 2019

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
QUEENSLAND BRANCH
A.B.N. 49 206 267 484**

FINANCIAL REPORT

**FOR THE YEAR ENDED
31 DECEMBER 2018**

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**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
QUEENSLAND BRANCH
A.B.N. 49 206 267 484**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

| | NOTE | 2018 \$ | 2017 \$ |
|--|------|----------------|------------|
| Revenue | 3 | 611 | 800 |
| Expenses | | | |
| Audit expense | 4 | (2,800) | (800) |
| Bank charges | | - | (30) |
| Other expenses | 5 | (611) | - |
| Total expenses | | (3,411) | (830) |
| Deficit for the year | | (2,800) | (30) |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | (2,800) | (30) |

The accompanying notes form part of these financial statements.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
QUEENSLAND BRANCH
A.B.N. 49 206 267 484**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018**

| | NOTE | 2018 \$ | 2017 \$ |
|---|------|----------------|--------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 6 | 2,215 | 2,215 |
| Trade and Other Receivables | | - | - |
| TOTAL CURRENT ASSETS | | <u>2,215</u> | <u>2,215</u> |
| TOTAL ASSETS | | <u>2,215</u> | <u>2,215</u> |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 7 | 3,600 | 800 |
| TOTAL CURRENT LIABILITIES | | <u>3,600</u> | <u>800</u> |
| TOTAL LIABILITIES | | <u>3,600</u> | <u>800</u> |
| NET ASSETS | | <u>(1,385)</u> | <u>1,415</u> |
| EQUITY | | | |
| Retained surplus/(Accumulated deficit) – Branch Funds | 8 | (1,385) | 1,415 |
| TOTAL EQUITY | | <u>(1,385)</u> | <u>1,415</u> |

The accompanying notes form part of these financial statements.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
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A.B.N. 49 206 267 484**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

| RETAINED SURPLUS/ (ACCUMULATED DEFICIT) – BRANCH FUNDS | NOTE | \$ |
|---|-------------|-----------------------|
| Balance at 1 January 2017 | | 1,445 |
| Deficit for the year | | (30) |
| Other comprehensive income | | - |
| Balance at 31 December 2017 | 8 | <u>1,415</u> |
| Deficit for the year | | (2,800) |
| Other comprehensive income | | - |
| Balance at 31 December 2018 | 8 | <u>(1,385)</u> |

The accompanying notes form part of these financial statements.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
QUEENSLAND BRANCH
A.B.N. 49 206 267 484**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018**

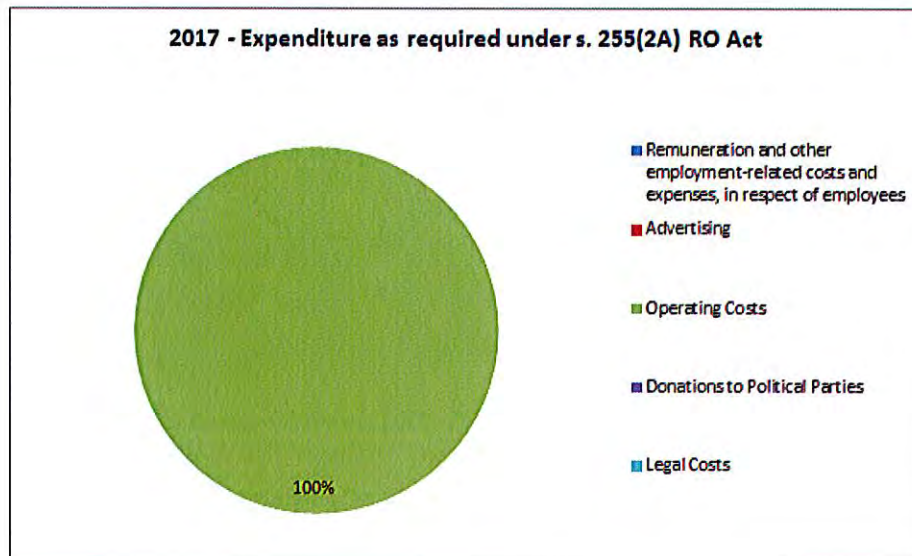
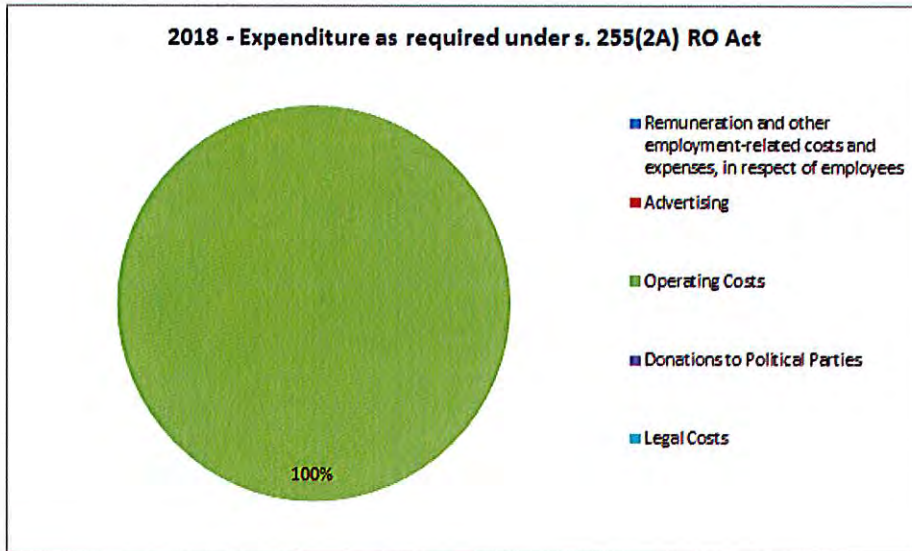
| | NOTE | 2018 \$ | 2017 \$ |
|--|------|--------------|--------------|
| OPERATING ACTIVITIES | | | |
| Cash received | | | |
| Receipts from members and other customers | | - | - |
| Receipts from other reporting units | | - | - |
| Receipts from related parties | 9(b) | <u>611</u> | - |
| | | 611 | - |
| Cash used | | | |
| Payments to employees and suppliers | 9(b) | (105) | (30) |
| Payments to other reporting units | 9(b) | <u>(506)</u> | - |
| | | (611) | (30) |
| Net cash used in operating activities | 9(a) | <u>-</u> | <u>(30)</u> |
| INVESTING ACTIVITIES | | | |
| | | - | - |
| FINANCING ACTIVITIES | | | |
| | | - | - |
| Net decrease in cash for the year | | <u>-</u> | <u>(30)</u> |
| Cash at the beginning of the financial year | | <u>2,215</u> | 2,245 |
| Cash at the end of the financial year | 6 | <u>2,215</u> | <u>2,215</u> |

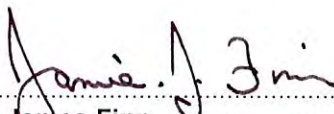
The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
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STATEMENT REQUIRED UNDER SUBSECTION 255(2A) OF THE FAIR
WORK (REGISTERED ORGANISATIONS) ACT 2009
FOR THE YEAR ENDED 31 DECEMBER 2018

The Committee of Management presents the expenditure report as required under subsection 255(2A) of the *Fair Work (Registered Organisations) Act 2009* on the Branch for the year ended 31 December 2018.




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Dr James Finn
Branch Secretary
9 April 2019

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
QUEENSLAND BRANCH
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

The financial report covers the Australian Salaried Medical Officers Federation Queensland Branch ("ASMOF Queensland Branch") as a reporting unit. The Australian Salaried Medical Officers Federation ("ASMOF") is an organisation registered pursuant to the *Fair Work (Registered Organisations) Act 2009*.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the *Fair Work (Registered Organisations) Act 2009*. For the purpose of preparing the general purpose financial statements, the Australian Salaried Medical Officers Federation Queensland Branch is a not-for-profit entity.

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

Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Costs are based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

Accounting Policies

a) Income Tax

Australian Salaried Medical Officers' Federation, Queensland Branch is exempt from income tax under section 50-1 of the *Income Tax Assessment Act 1997*.

b) Comparative Figures

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

c) Cash and Cash Equivalents

Cash and cash equivalents are recognised at their nominal amount. Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
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A.B.N. 49 206 267 484**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Revenue

Revenue from subscriptions is accounted for on an accruals basis and is recorded as revenue in the year to which it relates.

Donation income is recognised when it is received.

Interest Revenue is recognised on an accruals basis using the effective interest method.

All other revenue is recognised when the goods or services have been provided to the customer and the amount can be reliably measured and it is probable that the benefit will flow to the Branch.

e) Capitation Fees and Levies

Capitation fees and levies are recognised on an accrual basis and recorded as a revenue and/or expense in the year to which it relates.

f) Goods and Services Tax (GST)

ASMOF Queensland Branch is not registered for Goods and Services Tax (GST). Revenues, expenses and assets are recognised inclusive of the amount of GST. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

g) Critical Accounting Estimates and Judgements

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

There were no significant or material estimates and judgements used in the preparation of the financial statements.

h) New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements

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

Future Australian Accounting Standards Requirements

New standards, amendments to standards or interpretations that were issued prior to the sign-off date and are applicable to the future reporting period that are expected to have a future financial impact on the Branch include:

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) New Australian Accounting Standards (Continued)

- AASB 1058 Income of Not-for-Profit Entities

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-to-profit (NFP) entities, in conjunction with AASB 15 Revenue from Contracts with Customers. These Standards supersede all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions.

Under AASB 1058, the timing of income recognition depends on whether a NFP transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity.

This standard applies when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. In the latter case, the entity will recognise and measure the asset at fair value in accordance with the applicable Australian Accounting Standard.

Upon initial recognition of the asset, AASB 1058 requires the entity to consider whether any other financial statement elements (called 'related amounts') should be recognised, such as:

- Contributions by owners;
- Revenue, or a contract liability arising from a contract with a customer;
- A lease liability;
- A financial instrument; or
- A provision.

These related amounts will be accounted for in accordance with the applicable Australian Accounting Standard.

The entity is yet to undertake a detailed assessment of the impact of AASB 1058. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 31 December 2019.

i) Fair Value of Assets and Liabilities

The Branch does not revalue any of its assets and liabilities at fair value on either a recurring or non-recurring basis as it has determined that the assets and liabilities held are not subject to significant changes in their fair values.

Fair value is the price the Branch would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

The assets and liabilities of the Branch and the reason why adjustments to their fair values are not required are as follows:

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i) Fair Value of Assets and Liabilities (Continued)

1. Cash at Bank – the amount held is within a non-interest bearing bank account and its fair value is not expected to vary significantly. No adjustment to the asset's fair values was made at the end of the financial year.
2. Trade and Other Payables – these amounts are non-interest bearing liabilities for the purchase of goods and services used by the Branch. The Branch does not expect there to be any adjustments to the amounts payable (fair value) to settle these liabilities.

j) Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

NOTE 2: INFORMATION TO BE PROVIDED

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of section 272, which reads as follows:

Information to be provided to members or the Commissioner:

1. A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application;
2. The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
3. A reporting unit must comply with an application made under subsection (1).

| | 2018 | 2017 |
|------------------------|------------|------------|
| | \$ | \$ |
| NOTE 3: REVENUE | | |
| Donations | 611 | 800 |
| Grants | - | - |
| | <u>611</u> | <u>800</u> |

NOTE 4: AUDIT EXPENSE

Amounts payable to the Auditor of the Branch for:

| | | |
|-------------------------------------|--------------|------------|
| - Audit of the financial statements | 2,800 | 800 |
| - Other Services | - | - |
| | <u>2,800</u> | <u>800</u> |

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
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A.B.N. 49 206 267 484**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

| | 2018 \$ | 2017 \$ |
|---|------------|------------|
| NOTE 5: OTHER EXPENSES | | |
| Fees and allowances for meetings/conferences | 611 | - |
| | 611 | - |
| NOTE 6: CASH AND CASH EQUIVALENTS | | |
| Cash at bank | 2,215 | 2,215 |
| NOTE 7: TRADE AND OTHER PAYABLES | | |
| Trade Payables | 3,600 | 800 |
| | 3,600 | 800 |
| NOTE 8: BRANCH FUND | | |
| No fund or account was operated in respect of compulsory levies raised by the reporting unit or voluntary contributions collected from members of the reporting unit during the period. | | |
| The rules of ASMOF provide for a Branch Fund – see rule 72. This Fund has been established to hold the general funds collected by the Branch and is used for the purposes of the Branch. This fund does not contain monies in relation to compulsory levies raised. | | |
| NOTE 9: CASH FLOW | | |
| a) Reconciliation of deficit to net cash from operating activities: | | |
| Deficit from ordinary activities after income tax | (2,800) | (30) |
| Increase/(decrease) in trade and other payables | 2,800 | - |
| Net cash used by operating activities | - | (30) |
| b) Cash flow information | | |
| Cash outflows to other reporting units | | |
| Australian Salaried Medical Officers Federation | (506) | - |
| Total cash outflow | (506) | - |
| Cash inflows from related parties | | |
| Australian Medical Association Queensland | 611 | - |
| Total cash inflows | 611 | - |
| c) The Union has no credit stand-by financing facilities in place. | | |
| d) There were no non-cash financing or investing activities during the financial year. | | |

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

NOTE 10: RELATED PARTY DISCLOSURES

ASMOF Queensland Branch is a branch of Australian Salaried Medical Officers Federation (ASMOF) as defined by the *Fair Work (Registered Organisations) Act 2009*. ASMOF Queensland Branch does not have an interest in the ownership of a subsidiary entity.

No officers of ASMOF Queensland Branch directly or indirectly received or are due to receive remuneration from ASMOF Queensland Branch or any related party in connection with the management of ASMOF Queensland Branch.

No amounts were paid to former officers or former related parties of the Branch during the year (2017: \$Nil).

Rule 19(14) of the ASMOF rules provides for an agreement whereby a member of ASMOF is a financial member if they pay subscriptions to an Associated Body. The Australian Salaried Medical Officers Federation Queensland, Industrial Organisation of Employees ("ASMOFQ"), the Australian Medical Association Limited (AMA) and The Queensland Branch of the Australian Medical Association Limited (AMAQ) were Associated Bodies of ASMOF pursuant to rule 5(1)(b).

ASMOF is a party to a conjoint membership agreement that provides that persons that are financial members of ASMOFQ may become members of ASMOF without the payment of a further fee. These persons may be admitted as members of ASMOF pursuant to rule 12 of the ASMOF rules. No membership fees are received, handled or reported by ASMOF Queensland Branch.

Capitation fees of \$105,680 (2017: \$28,028) in relation to members of ASMOF Queensland Branch were received by ASMOF from the AMA, pursuant to an agreement. No money for capitation fees was handled by ASMOF Queensland Branch.

During the year ASMOFQ paid on behalf of ASMOF Queensland Branch audit fees of \$Nil (2017:\$800). This was treated as donation revenue of ASMOF Queensland Branch.

Office space was provided by the AMAQ for use by ASMOF Queensland Branch. Administration and Accounting services were provided to ASMOF Queensland Branch by AMAQ employees. No amounts were paid to the AMAQ for these services (2017:\$Nil).

During the year ASMOF Queensland Branch paid \$506 to ASMOF National Branch as reimbursement for training expenses incurred.

During the year ASMOF Queensland Branch received donations of \$611 from AMAQ as reimbursement for meeting/conference costs incurred.

NOTE 11: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no known contingent liabilities and contingent assets as at 31 December 2018 (2017:\$ Nil).

The Branch has not agreed to provide future financial support to any entity to assist the other entity's ability to continue as a going concern.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
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**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

NOTE 12: EVENTS AFTER THE BALANCE DATE

There are no known events subsequent to reporting date affecting this financial report.

NOTE 13: FINANCIAL INSTRUMENTS

ASMOF Queensland Branch's financial instruments consists of deposits with banks, other receivables and trade and other payables. The balance of these at year end is as follows

| | Note | 2018 | 2017 |
|------------------------------|-------------|--------------|-------------|
| | | \$ | \$ |
| Financial Assets | | | |
| Cash and cash equivalents | 6 | 2,215 | 2,215 |
| Financial liabilities | | | |
| Trade and other payables | 7 | 3,600 | 800 |

The amounts reported above are considered to be the fair values of the financial instruments.

ASMOF Queensland Branch does not have any derivative instruments at 31 December 2018 (2017:\$Nil).

Liquidity risk, credit risk and market risk (interest rate risk)

ASMOF Queensland Branch manages its exposure to market risk through regular review of its investment held with its financial institution and does not engage in significant transactions, which are speculative in nature. The committee believe the market risk the Branch is exposed to in relation to these financial instruments is low and not sensitive to changes in the market.

The maximum credit risk exposure of financial assets is represented by the carrying amounts of assets recognised in the Statement of Financial Position. The committee believe the credit rate risk the Branch is exposed to in relation to these financial instruments is low. None of the Branch's financial assets are past due and considered impaired in value.

Liquidity risk arises from the possibility that the branch might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The committee manages this risk by reviewing at each meeting the available cash funds held and ensuring that there are sufficient funds available to settle expected/ budgeted expenses. The committee belief the exposure to liquidity risk is low. All trade and other payables have credit terms of 30 days with no amounts outstanding for a period longer than the approved credit terms.

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
QUEENSLAND BRANCH
A.B.N. 49 206 267 484**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

NOTE 14: GOING CONCERN

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal course of activities and the realisation of assets and settlements of liabilities in the ordinary course of activities.

As at the reporting date, the Branch had current liabilities exceeding current assets by \$1,385 and the Branch realised a deficit of \$2,800.

Notwithstanding this, the Committee of Management have determined that the financial report should be prepared on a going concern basis for the following reason:

- The Branch will receive financial support from its related parties as and when required.

Having regard to these factors, the Committee of Management are of the opinion that the basis upon which the accounts are presented is appropriate in the circumstances. Accordingly, no adjustments have been made relating to the recoverability and classification of recorded assets amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

NOTE 15: ADMINISTRATION OF FINANCIAL AFFAIRS BY A THIRD PARTY

The Committee of Management manages the affairs of ASMOF Queensland Branch.

ASMOF Queensland Branch utilises the services of The Queensland Branch of Australian Medical Association Limited (AMAQ) to:

- a) receive the ASMOF Queensland Branch bank statements;
- b) prepare reports for presentation to the committee of management;
- c) provide industrial staff and services to promote the interests of ASMOF Queensland Branch; and
- d) assistance with other secretariat matters

Under the agreement entered into with the AMAQ these services are provided free of charge to the Branch.

NOTE 16: UNION DETAILS

The principal place of business of ASMOF Queensland Branch is:
Australian Salaried Medical Officers Federation, Queensland Branch
88 L'Estrange Terrace
Kelvin Grove QLD 4059

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
QUEENSLAND BRANCH
A.B.N. 49 206 267 484**

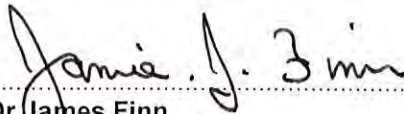
COMMITTEE OF MANAGEMENT STATEMENT

On 9 April 2019, the Committee of Management of the Australian Salaried Medical Officers Federation, Queensland Branch passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2018:

The Committee of Management declares that in its opinion:

1. the financial statements and notes, comply with Australian Accounting Standards;
2. the financial statements and notes, comply with any other requirements imposed by the reporting guidelines of Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Australian Salaried Medical Officers Federation Queensland Branch for the financial year ended 31 December 2018;
4. there are reasonable grounds to believe that the Australian Salaried Medical Officers Federation Queensland Branch will be able to pay its debts as and when they fall due and payable;
5. during the financial year to which the general purpose financial report relates and since the end of 31 December 2018;
 - a. meetings of the committee of management were held in accordance with the rules of the organisation including the rules of the branch concerned;
 - b. the financial affairs of Australian Salaried Medical Officers Federation Queensland Branch were managed in accordance with the rules of the organisation including the rules of the branch concerned; and
 - c. the financial report of Australian Salaried Medical Officers Federation Queensland Branch have been kept and maintained in accordance with the *Fair Work (Registered Organisations) Act 2009* and the *Fair Work (Registered Organisations) Regulations 2009*;
 - d. the financial records of the Australian Salaried Medical Officers Federation Queensland Branch have been kept, as far as practicable, in a manner consistent with each of the other reporting units of the Federation;
 - e. the information sought in any request of a member of Australian Salaried Medical Officers Federation Queensland Branch or the Commissioner of the Registered Organisations Commission duly made under section 272 of the *Fair Work (Registered Organisations) Act 2009* has been furnished to the members and the General Manager of the FWC; and
 - f. there has been compliance with any order of financial inspection of financial records made by the Fair Work Commission under section 273 of the *Fair Work (Registered Organisations) Act 2009*.
6. The Australian Salaried Medical Officers Federation Queensland Branch has not undertaken recovery of wages activity during the financial year.

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


.....
Dr James Finn
Branch Secretary
9 April 2019

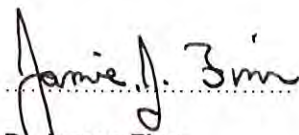
**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION,
QUEENSLAND BRANCH
A.B.N. 49 206 267 484**

OFFICER DECLARATION STATEMENT

I, Dr James Finn, being the Branch Secretary of the Australian Salaried Medical Officers Federation, Queensland Branch, declare that the following activities did not occur during the reporting period ended 31 December 2018.

The reporting unit did not:

- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the Commissioner of the Fair Work Commission
- receive periodic or membership subscriptions
- receive capitation fees from another reporting unit
- receive any other revenue from another reporting unit
- receive revenue via compulsory levies
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees to another reporting unit
- pay any other expense to another reporting unit
- pay affiliation fees to other entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- Incur employee expenses & employee provisions
- incur expenses due to holding a meeting as required under the rules of the organisation
- pay legal costs relating to litigation
- pay legal costs relating to other legal matters
- pay a penalty imposed under the *RO Act* or the *Fair Work Act 2009*
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- receive cash flows from another reporting units and/ or controlled entity
- make a payment to a former related party of the reporting unit



**Dr James Finn
Branch Secretary**

9 April 2019

Independent Audit Report to the Members of the Australian Salaried Medical Officers Federation – Queensland Branch

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Salaried Medical Officers Federation – Queensland Branch (the Branch), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended, notes to the financial statements, including a summary of significant accounting policies; the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Australian Salaried Medical Officers Federation – Queensland Branch as at 31 December 2018, and its financial performance and its cash flows for the year ended on that date in accordance with:

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

We declare that management's use of the going concern basis in the preparation of the financial statements of the Branch is appropriate.

Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Inherent Uncertainty Regarding Continuation as a Going Concern

Without further qualifying our opinion, we draw attention to Note 14 in the financial report, which indicates that as at 31 December 2018 the Branch has net current liabilities of \$3,600 and a negative net asset position of \$1,385. This condition, along with other matters as set forth in Note 14 indicate the existence of a material uncertainty that may cast significant doubt about the Branch's ability to continue as a going concern without the continued support of its related parties. Therefore, the Branch may be unable to realise its assets and discharge its liabilities in the normal course of activities in the absence of such support.

Information Other than the Financial Report and Auditor's Report Thereon

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

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

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

Responsibilities of Committee of Management for the Financial Report

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

In preparing the financial report, the Committee of Management is responsible for assessing the Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Branch or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Branch's ability to continue as a going concern. If I conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Branch to cease to continue as a going concern.

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Branch to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Branch's audit. We remain solely responsible for our audit opinion.

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

Declaration

I declare that I am an approved auditor, a member of Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

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

M.L.F

MGI Audit Pty Ltd



G I Kent

Director – Audit & Assurance

Brisbane

9 April 2019

Registration number (as registered by the RO Commissioner under the RO Act): AA2017/2

AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION, QUEENSLAND BRANCH

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

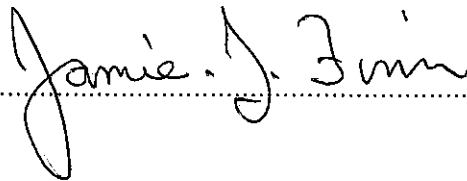
CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the year ended 31 December 2018

I Dr James Finn, being the Branch Secretary of the Australian Salaried Medical Officers Federation, Queensland Branch certify:

- that the documents lodged herewith are copies of the full report for the Australian Salaried Medical Officers Federation, Queensland Branch for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 10 April 2019; and
- that the full report was presented to a meeting of the committee of management of the reporting unit on 14 May 2019 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designated officer: Dr James Finn

Title of prescribed designated officer: Branch Secretary

Dated: 14 May 2019



21 January 2019

Mr James Finn
Federal Secretary
Australian Salaried Medical Officers Federation-Queensland Branch
By Email: asmofq@amaq.com.au

Dear Mr Finn,

**Re: Lodgement of Financial Report - [FR2018/343]
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Australian Salaried Medical Officers Federation-Queensland Branch (the reporting unit) ended on 31 December 2018. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

Loans Grants and Donations Statement

The reporting unit is required to lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 of the RO Act requires this statement to be lodged with the Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, namely on or before 31 March 2019.

The attached fact sheet *Loans Grants and Donations* (FS 009) summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our [website](#).

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty. Currently penalties are up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual and may be imposed upon your organisation and/or an officer whose conduct led to the contravention.

Financial report

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines* (FS 008) summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on its rules) no later than 30 June 2019 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported (see attached *Loans Grants and Donations* fact sheet FS 009). The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement.

You can visit our website for more information regarding [financial reporting](#), and fact sheets regarding [financial reporting processes and requirements](#). A model set of financial statements developed by the ROC is also available on our website. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty, as set out above, being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

Subsection 255(2A) report

A general purpose financial report prepared under section 253 of the RO Act must also include the expenditure report required to be prepared under subsection 255(2A) as prescribed by reporting guideline 22. A copy of the latest reporting guidelines for the purpose of section 253 is available on our [website](#).

It should be noted that the subsection 255(2A) report must be identified by title in the auditor's report in accordance with paragraph 24(c) of Australian Auditing Standard ASA 700 *Forming an Opinion and Reporting on a Financial Report*.

A [fact sheet](#) is available on our website which provides guidance on the reporting requirements under subsection 255(2A) of the RO Act.

REMINDER

YOUR AUDITOR MUST BE REGISTERED (s.256)

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our [website](#).

Contact

Should you require any clarification in relation to the above, please email regorgs@roc.gov.au.

Yours faithfully,

Kylie Ngo
Registered Organisations Commission

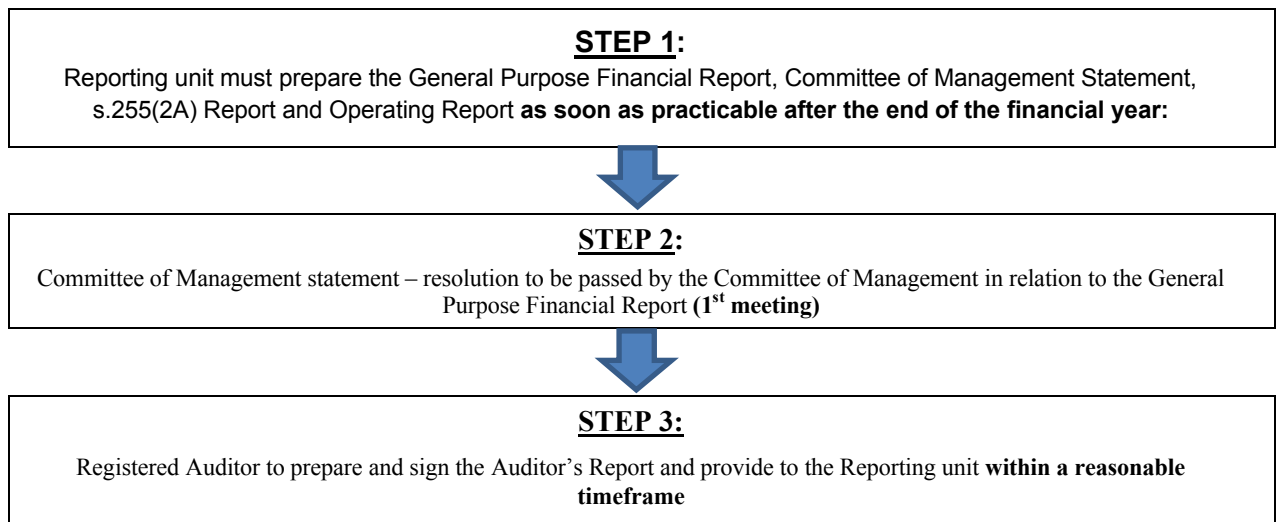


Fact sheet

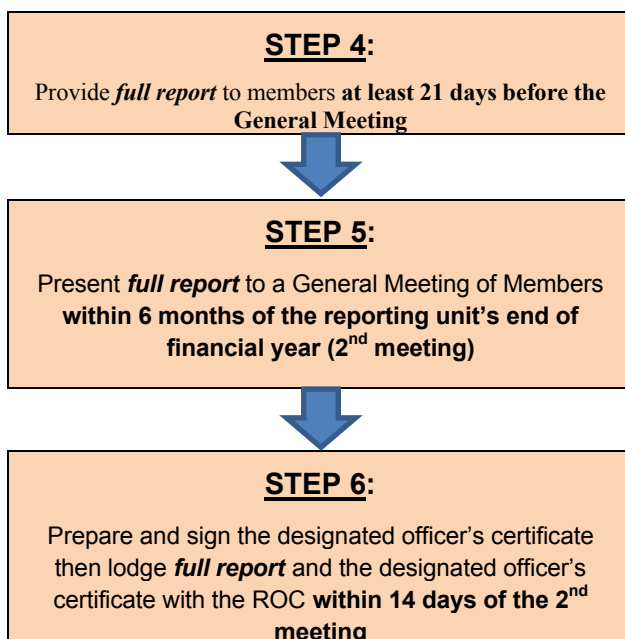
Summary of financial reporting timelines – s.253 financial reports

General Information:

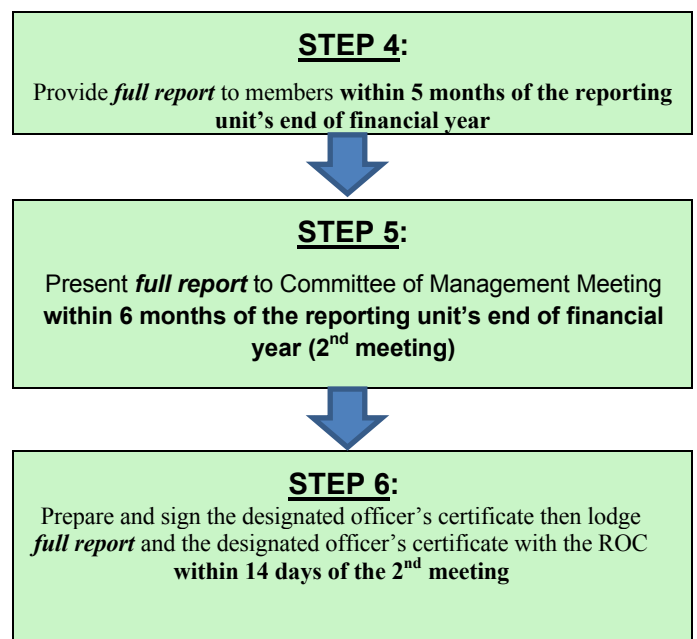
- The **full report** consists of the General Purpose Financial Report, Committee of Management Statement, Operating report, s.255(2A) Report and signed Auditors' Report
- For an explanation of each of the steps below see our [Fact sheet—financial reporting process](#).



IF RULES PROVIDE FOR PRESENTATION OF FULL REPORT
AT **GENERAL MEETING OF MEMBERS**
(this is the default process in the RO Act)





















IF RULES PROVIDE FOR PRESENTATION OF FULL REPORT AT
COMMITTEE OF MANAGEMENT MEETING
(Special rules must be in the rulebook to use this process)



Misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Financial Reporting Process. They include:

| Misconception | Requirement |
|---|---|
| <p> The Committee of Management statement is just copied from the Reporting Guidelines</p> | <p> The Committee of Management statement must have the date of the Committee of Management resolution recorded upon it and it must be signed and dated BEFORE the auditor signs their report</p> <p>Further, if any of the statements within it need to be modified to suit the reporting unit (for instance not holding meetings) these changes must also be made</p> |
| <p> The Auditor's Report does not need to be signed until just before it is lodged with the ROC</p> | <p> The Auditor's Report must be signed and dated BEFORE the full report (including the Auditor's Report) is sent to members and presented to the second meeting</p> |
| <p> The Designated Officer's Certificate must be signed before the report is sent to members</p> | <p> The Designated Officer's Certificate declares what the reporting unit HAS ALREADY DONE to provide the report to members and present it to the meeting. It must be signed and dated AFTER sending the report to members and the second meeting</p> |
| <p> Documents can be dated when they should have been signed or when the events in the document occurred</p> | <p> Documents must always be dated at the date they are actually signed by an officer or auditor</p> |
| <p> Any auditor can audit a financial report</p> | <p> Only registered auditors can audit the financial report</p> |
| <p> The Committee of Management statement can be signed at any time</p> | <p> The resolution passing the Committee of Management Statement must occur and the statement signed and dated BEFORE the auditor's report is signed and dated</p> |
| <p> Any reporting unit can present the Full Report to a second COM meeting</p> | <p> Only reporting units with a 5% rule in their rulebook are able to present their report to a second Committee of Management Meeting. Otherwise, it must be presented to a General Meeting of members</p> |
| <p> Everything can be done at one Committee of Management meeting</p> | <p> If the rules allow for presenting the report to the Committee of Management, there must still be <u>two meetings</u>. The first meeting resolves the Committee of Management statement (including signing and dating it). Between the two meetings the Auditor's report is signed and dated. Only then can the full report be presented to the second Committee of Management meeting (if the rules allow)</p> |
| <p> The reporting unit has 6 months and 14 days to lodge their financial report with the ROC</p> | <p> The reporting unit must lodge the financial report within 14 days of the second meeting</p> |

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This fact sheet is not intended to be comprehensive. It is designed to assist in gaining an understanding of the Registered Organisations Commission and its work. The Registered Organisations Commission does not provide legal advice.



Fact sheet

Loans, Grants & Donations

The Loans, Grants & Donations Requirements

The Fair Work (Registered Organisations) Act 2009 (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within 90 days of the ending of the financial year.

Under the Commissioner's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.

The Loans, Grants & Donations Statement

Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceeds \$1000. The following information must be supplied to the Registered Organisations Commission (the ROC) for each relevant loan, grant or donation:

- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,* and
- the arrangements for repaying the loan.*

*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the ROC has a [Template Loans, Grants and Donations Statement](#) on its website. The ROC encourages branches and organisations to lodge the statement even if all of the figures are NIL.

Common misconceptions

Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

| Misconception | Requirement |
|---|--|
| <p>x Only reporting units must lodge the Statement.</p> | <p>✓ All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.</p> |
| <p>x Employees can sign the Statement.</p> | <p>✓ The statement must be signed by an elected officer of the relevant branch.</p> |
| <p>x Statements can be lodged with the financial report.</p> | <p>✓ The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.</p> |

Grants & Donations within the Financial Report

Item 14(e) of the Commissioner’s Reporting Guidelines requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines.

In the [ROC's Model Statements](#) the note appears as follows:

Note 4E: Grants or donations*

| Grants: | 2017 | 2016 |
|--|------|------|
| Total expensed that were \$1,000 or less | - | - |
| Total expensed that exceeded \$1,000 | - | - |
| Donations: | | |
| Total expensed that were \$1,000 or less | - | - |
| Total expensed that exceeded \$1,000 | - | - |
| Total grants or donations | - | - |

The Commissioner’s Reporting Guidelines requires that these line items appear in the financial statements, the notes or in the officer’s declaration statement, even if the figures are NIL.

Implications for filing the Financial Report

During their review of the financial report staff of the ROC may confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their last financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the website.

Further information

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the ROC on regorgs@roc.gov.au

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