



FAIR WORK
AUSTRALIA

8 June 2011

Dr Mark Fuller
Secretary
Australian Salaried Medical Officers Federation, South Australia Branch

email: sasmoa@sasmoa.com

Dear Dr Fuller

Re: Financial Report for the Australian Salaried Medical Officers Federation, South Australia Branch for year ended 31 December 2010 – FR2010/2876

I acknowledge receipt of the financial report for the Australian Salaried Medical Officers Federation, South Australia Branch (the Branch) for the year ended 31 December 2010. The report was lodged with Fair Work Australia on 24 May 2011.

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.

Disclosure of contributions to another reporting unit

Item 11(b) of the General Manager's Reporting Guidelines (the Reporting Guidelines) requires that where contributions derived as a proportion of membership subscriptions are made to another reporting unit, the amount and the name of each reporting unit are to be disclosed in either the profit and loss statement or the notes. The income and expenditure statement discloses \$50,956 expended as capitation fees. In future years that name of the reporting unit in receipt of the capitation fees should be disclosed in either the income and expenditure statement or the notes.

Cash flow disclosures

Item 15 of the Reporting Guidelines states that 'where another reporting unit of the organisation is the source of cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit concerned'. This is in addition to the requirement to disclose capitation fees (reporting guideline 11(b)). In future years please ensure that cash flows to or from the national office, and if relevant any branches, are disclosed in the notes.

Notes to Financial Reports

General purpose financial report to be prepared on accrual basis

[Section 252](#) of the Fair Work (Registered Organisations) Act 2009 (the Act) places obligations upon organisations to *keep* financial records. Under section 252(4) an organisation may *keep* the financial records for its membership subscriptions on a cash basis.

This is distinct from the obligation under [section 253](#) to *prepare* a general purpose financial report (GPFR). Section 253 requires that '...a reporting unit must cause a general purpose financial report to be *prepared*, in accordance with the Australian Accounting Standards, from the financial records kept under subsection 252(1) in relation to the financial year...'. Please note that paragraph 27 of Australian Accounting Standard 101 states that 'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting'.

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The notes to the financial statements do not contain a reference to the Branch preparing the financial statements using the accrual basis of accounting. Also, the notes do not make reference that the financial report is a general purpose financial report.

In future all parts of the GPFR, except for cash flow information, should be prepared on an accrual basis as required by section 253 of the Act and the relevant Australian Accounting Standard (AASB 101(27)) and the notes are to include a reference that the financial report is a general purpose financial report.

Notice under section 272(5) of the Act

As you are aware the notes to the General Purpose Financial Report are required to include a notice drawing attention to the fact that information prescribed by the *Fair Work (Registered Organisations) Regulations 2009* (the Regulations) is available to members on request. Note 2 to the financial statements reproduces the wording from outdated legislation. Instead the wording should read as follows:

- (1) A member of a reporting unit, or the General Manager, 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).

Please ensure that future notes contain this extract of the Act word for word.

Fair Work (Registered Organisations) Act 2009

Reference to 'Schedule 1 of the *Workplace Relations Act 1996*' appearing in the Designated Officer's certificate and the 'RAO Schedule' and the 'RAO Regulations' appearing in the Committee of Management statement should refer to the '*Fair Work (Registered Organisations) Act 2009*' and the *Workplace Relations Act 1996* appearing in the notes to the financial statements should also refer to *Fair Work (Registered Organisations) Act 2009*. Similar reference in the Audit Opinion to 'Part 3 of chapter 8 of the RAO Schedule of the *Workplace Relations Act 1996*' should refer to also '*Fair Work (Registered Organisations) Act 2009*'.

Operating Report

Membership of Committee of Management

The operating report contained a list of office holders as at the beginning of the financial year. Please note the operating report is required to contain the name of each person who has been a member of the committee of management of the reporting unit at any time during the reporting period, and the period for which he or she held such a position – refer to regulation 159(c) of the Regulations.

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

Yours sincerely



Kevin Donnellan

Tribunal Services and Organisations

Fair Work Australia

Email: kevin.donnellan@fwa.gov.au

Ref: H1.1.01

24 May 2011

Mr Larry Powell
Statutory Services Branch
Australian Industrial Registry
GPO Box 1994
Melbourne 3001

Attention: Mr Kevin Donnellan

Dear Mr Powell

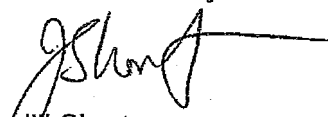
RE: Financial Reports for Year ending 31 December 2010

Enclosed please find:

- Auditors Report for year ending 31 December 2010
- Committee of Management Statement
- Operating Report
- Certificate of Secretary

for the Australian Salaried Medical Officers Federation (SA Branch) for the year ending 31 December 2010.

Yours sincerely


Jill Short
Office Manager



**SA Salaried Medical
Officers Association**

ABN: 60 932 342 397



**Australian Salaried
Medical Officers
Federation
(SA Branch)**

ABN: 23 172 174 608

1st Floor, 161 Ward Street
(PO Box 64)
North Adelaide
South Australia 5006

WORKPLACE RELATIONS ACT, 1996


**Australian Salaried Medical Officers' Federation
South Australian Branch**

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

I, Dr Mark Fuller, Secretary of the Australian Salaried Medical Officers' Federation (South Australian Branch) certify:

- That the documents lodged herewith are copies of the full report referred to in s 268 of the RAO Schedule; and
- That the full report was provided to members on 11 May 2011.
- That the full report was provided to a Committee of Management Meeting on Thursday 19 May 2011.

Signature:



Date: 19 / 5 / 2011

**Australian Salaried Medical Officers Federation
South Australian Branch**

Operating Report for the Year Ended 31 December 2010

Principal Activities

The principal activities of the Branch during the financial year were:

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

Results of Principal Activities

The Branch's principal activities resulted in maintaining and improving 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 the Nature of the Principal Activities

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

Significant Changes in the Branch's Financial Affairs

There were no significant changes affecting the financial affairs of the Branch.

Number of Members

The number of persons who, at the end of the financial year, were recorded on the Register of Members was 894.

Number of Employees

There were no persons who were employees of the Branch during the financial year.

Members of the Committee of Management

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

Branch President:	Dr Christopher Verco
Branch Vice President:	Dr Marc Agzarian
Branch Secretary:	Dr Mark Fuller
Branch Assistant Secretary/Treasurer:	Dr Stephanie Cooper

Manner of Resignation – s254(2)(c)

Members may resign from the Branch in accordance with Rule 11 (Resignation) which reads as follows:

- (1) A member of the Federation may resign from membership by written notice addressed and delivered to the Branch Secretary.
- (2) Notice of resignation from membership of the Federation takes effect:
 - (i) where the member ceases to be eligible to become a member of the Federation:
 - (a) on the day which the notice is received by the Federation; or

**Australian Salaried Medical Officers Federation
South Australian Branch**

Operating Report for the Year Ended 31 December 2010

- (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 a member;

whichever is later; or
 - (ii) in any other case:
 - (a) at the end of 2 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 member of the Federation, in relation to a period before the member's resignation from the Federation took effect, any 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 mention 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 in accordance with this Rule if the member is informed in writing by or on behalf of the Federation that the resignation has been accepted.
- (7) In special circumstances the Federal Council may by resolution accept the resignation of a member and release the member from any or all outstanding obligations to the Federation, notwithstanding that the provisions of these Rules have not been complied with.

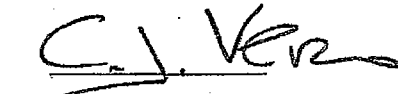
Statement of Particulars of Loans, Grants and Donations

No loans, grants or donations were made by the Branch during the financial year.

Trustee of Superannuation Entity

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

Signed:



Title:

Branch President

Date:

14 / 4 / 2011

**Australian Salaried Medical Officers Federation
South Australian Branch
Committee of Management Statement**

On 10 February 2011, the Committee of Management of the Australian Salaried Medical Officers Federation – South Australian Branch (the reporting unit) passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit for the year ended 31 December 2010.

That the Committee of Management declares that in relation to the GPFR that, in its opinion;

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of this reporting unit for the financial year to which they related;
- (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;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the Australian Salaried Medical Officers Federation, including the rules concerning Branches of that Federation;
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the Australian Salaried Medical Officers Federation, including the rules concerning Branches of that Federation;
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and RAO Regulations;
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the Australian Salaried Medical Officers Federation;
 - (v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar;

**Australian Salaried Medical Officers Federation
South Australian Branch
Committee of Management Statement**

- (vi) No orders for the inspection of records have been made by the Commission under section 273 of the RAO Schedule.
- (f) in relation to the recovery of wages activity:
 - (i) there has been no such activity undertaken by the reporting unit.

From the Committee of Management

Title of Office Held: **President**

Signed:

C. J. Vero

Date:

10 Feb /2011

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
(SOUTH AUSTRALIAN BRANCH)
FINANCIAL POSITION
AS AT 31 DECEMBER 2010**

	Note	2010	2009 \$
CURRENT ASSETS			
Bank of South Australia - Cheque Account		7,286	2,133
GST Refund			1,072
TOTAL ASSETS		<u>7,286</u>	<u>3,205</u>
CURRENT LIABILITIES			
Accrued Audit Fees		1,134	594
GST Payable		242	
TOTAL LIABILITIES		<u>1,376</u>	<u>594</u>
NET ASSETS		<u>5,910</u>	<u>2,611</u>
MEMBERS FUNDS			
Balance Brought Forward		2,611	4,165
Net Surplus / (Deficit) for the Year		<u>3,299</u>	<u>(1,554)</u>
		<u>5,910</u>	<u>2,611</u>

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
(SOUTH AUSTRALIAN BRANCH)
STATEMENT OF CASHFLOW
YEAR ENDED 31 DECEMBER 2010**

	2010	2009
		\$
Cashflow from Operating Activities		
Receipts From Members	60,393	52,015
Interest Received	22	27
Payments to Suppliers	(53,129) (53,696)
Net Cash Provided by Operating Activities	<u>7,286 (</u>	<u>1,654)</u>
Net Increase / (Decrease) in Cash Held	5,153 (1,654)
Cash at the Beginning of the Year	2,133	3,787
Cash at the end of the Year	<u>7,286</u>	<u>2,133</u>
 Cashflow Information		
Reconciliation of Cash		
 Cash - Bank Account	<u>7,286</u>	<u>2,133</u>

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
(SOUTH AUSTRALIAN BRANCH)
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 31 DECEMBER 2010**

	2010	2009 \$
INCOME		
Interest Received	22	27
Subscriptions Received	60,393	52,015
	<u>60,415</u>	<u>52,042</u>
LESS: EXPENDITURE		
Audit Fees	540	540
Bank Fees	33	
Capitation Fees	50,956	35,760
Consultant Fees		7,636
Secretarial Services	5,000	5,000
Sundry	587	824
Travel & Accommodation		3,836
	<u>57,116</u>	<u>53,596</u>
Net Surplus / (Deficit) for the Year	<u><u>3,299</u></u>	<u><u>(1,554)</u></u>

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
(SOUTH AUSTRALIAN BRANCH)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010
Balance at 1st January 2009	4,165
Profit attributable to members	-1,554
Balance at 31 December 2009	<u><u>2,611</u></u>
Profit attributable to members 2010	3,299
Balance at 31 December 2010	<u><u>5,911</u></u>

WORKPLACE RELATIONS ACT, 1996

**AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
(SOUTH AUSTRALIAN BRANCH)**

**NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31
DECEMBER 2010**

1. ACCOUNTING METHODS

- (a) The accounts are prepared under the historical cost convention and in accordance with Accounting Standards jointly issued by the Australian Professional Bodies.
- (b) The accounts have not been adjusted to record either change in the general purchasing power of the dollar or in the price of specific assets.
- (c) The Organisation does not have any fixed assets.
- (d) As the organisation does not employ staff, no provision has been made for accruals of employees' benefits.
- (e) As the organisation is a "Trade Union" for the purpose of Section (23(f)), Income Tax Assessment Act, no liability exists for income tax.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR TO THE REGISTRAR

In accordance with the requirement of the RAO Schedule of the Workplace Regulations Act 1996, the attention of Members is drawn to the provision of subsection (1) to (3) of Section 272 which reads as follows:

272 INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

(1) 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.

(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).

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
AUSTRALIAN SALARIED MEDICAL OFFICERS FEDERATION
(SOUTH AUSTRALIAN BRANCH)**

Scope

The financial report and committee of managements' responsibility.

The financial report comprises balance sheet, detailed statement of income and expenditure, statement of cash flows and accompanying notes to the financial statements and the committee of management statement for the Australian Salaried Medical Officers Federation – South Australian Branch for the year ended 31 December 2010

The committee of management of the union are responsible for the preparation and true and fair presentation of the financial report in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

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

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the accounting policies described in Note 1, so as to present a view which is consistent with our understanding of the unions' financial position, and of their performance as represented by the results of their operations and their cash flows. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used and described in Note 1, are appropriate for the needs of the members.

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

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

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

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the general purpose financial report of the Australian Salaried Medical Officers Federation – South Australian Branch is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of chapter 8 of the RAO Schedule of the Workplace Regulations Act 1996.

The Committee of Management statement dated February 10 2011 has been taken into consideration as part of the audit process.

VAN STEVENS
Registered Company Auditor 3533
Prospect: 4.5. 2011