



**Australian Government**  
**Australian Industrial Registry**

Level 5, 11 Exhibition St, Melbourne Vic 3000  
GPO Box 1994, Melbourne, VIC 3001  
Tel: (03) 8661 7990 Fax: (03) 9655 0410  
andrew.schultz@airc.gov.au

Mr Michael Williamson  
Secretary  
Health Services Union  
New South Wales Branch  
Level 2, 109 Pitt Street  
SYDNEY NSW 2000

By email: info@hsu.asn.au

Dear Mr Williamson,

Attention: Mr Barry Gibson, Financial Controller

**Re: Financial Reports – y/e 30 June 2006 & 2007 (FR2006/331, FR2007/464)**

**Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)**

On 8 August 2008 I received the Financial Reports for the NSW Branch of the HSU for years ended 30 June 2006 and 2007.

The documents have been filed.

The following points should be taken into account in future years

Lodge documents by 15 January

In future years please ensure that the Financial Reports are lodged within 6½ months of the end of the financial year - i.e. by 15 January of the next year as per the enclosed Timeline.

Summary of Financial Accounts

If a Summary of the Accounts/Concise Report is prepared and provided to members a copy of the Summary/Concise Report must be lodged in the Registry with the full accounts.

The lodged documents for year ended 30 June 2007 suggested that a Summary of the accounts may have been prepared for that year<sup>1</sup>. However no Summary/Concise Report for was lodged in the Registry.

To clarify this apparent anomaly a statutory declaration was lodged on 9 September 2008 by the Assistant Secretary to the effect that no summary was prepared for either year.

In future years please ensure that the financial report is free from ambiguity as to whether a Summary/Concise Report was prepared and provided to members.

If you have any queries regarding the above please contact me on (03) 8661 7990.

Yours faithfully,

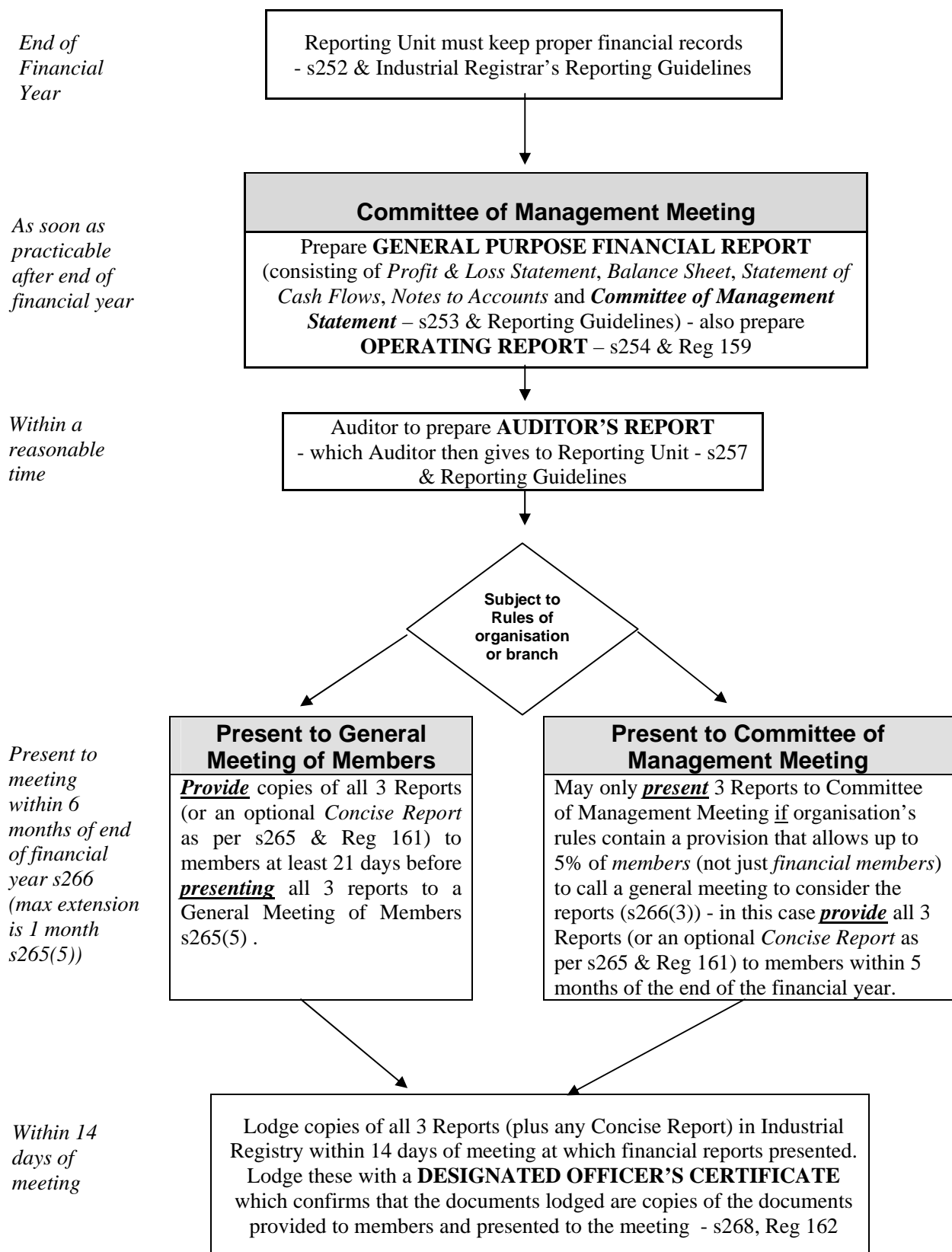
Andrew Schultz  
Statutory Services Branch

9 September 2008

<sup>1</sup> Minutes of the Branch Committee of Management meeting of 10 October 2007

# Financial Reporting Timeline (RAO Schedule)

Lodge financial reports within 6½ months of end of financial year by completing the following steps:



Fax to Andrew  
20/8/08  
03 9655 0410

\_\_\_\_\_  
AUSTRALIA  
\_\_\_\_\_

# STATUTORY DECLARATION

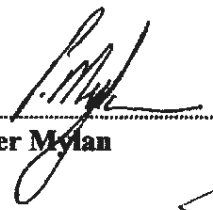
I, Peter Mylan, Assistant Secretary, Health Services Union – NSW Branch,  
Level 2, 109 Pitt Street, SYDNEY 2000

Do solemnly and sincerely declare –  
That the Minutes of 10 October 2007 referring to 30 June 2007 Financial Statement 1 July 2006 – 30 June 2007;  
Item 1, The wording “summary” of the Financial Accounts is incorrect.

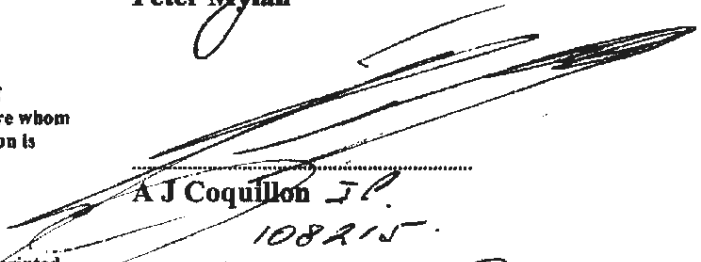
That the minutes of 11 October 2006 referring to 30 June 2006 Financial Statement 1 July 2005 – 30 June 2006;  
Item 1, The wording “summary” of the Financial Accounts is incorrect.

The Full Set of Accounts for year ended 30 June 2006, was available on the Health Services Union web site, November 2006.

3 Signature of person making the declaration

  
.....  
Peter Mylan

4 Signature of person before whom the declaration is made.

  
.....  
A J Coquillon J.P.  
108215

5 Here insert printed name, qualifications and address of person before whom the declaration is made

22/109 Pitt St  
Sydney 2000

I make this solemn declaration by virtue of the *Statutory Declarations Act 1959* as amended and subject to the penalties provided by that Act for the making of false statements in statutory declarations, conscientiously believing the statements contained in this declaration to be true in every particular.



5 August 2008  
MW:GIB A038083

**Health Services Union  
of Australia** (NSW Branch)

ABN 93 728 534 595

Level 2, 109 Pitt Street  
Sydney NSW 2000  
Tel: 1300 478 679  
Fax: 1300 329 478  
Email: info@hsu.asn.au

**Hunter Region**

Suite 3, Level 1,  
68 Nelson Street  
Wallsend NSW 2287  
Tel: 1300 478 679  
Fax: 1300 329 478

**South Coast Region**

1 Rawson Street  
Wollongong NSW 2500  
Tel: 1300 478 679  
Fax: 1300 329 478

**South Eastern Region**

PO Box 388  
Fyshwick ACT 2609  
Tel: 1300 478 679  
Fax: 1300 329 478

**Greater Murray Region**

125 Baylis Street  
Wagga Wagga NSW 2650  
Tel: 1300 478 679  
Fax: 1300 329 478

**Mid North Coast Region**

PO Box 667  
Kempsey NSW 2440  
Tel: 1300 478 679  
Fax: 1300 329 478

**Far North Coast Region**

28 Conway Street  
Lismore NSW 2480  
Tel: 1300 478 679  
Fax: 1300 329 478

**Western Sydney Region**

Unit 5, 2-6 Hunter Street  
Parramatta NSW 2150  
Tel: 1300 478 679  
Fax: 1300 329 478

**Western NSW Region**

PO Box 2542  
Orange NSW 2800  
Tel: 1300 478 679  
Fax: 1300 329 478

The Registrar  
Australian Industrial Registry  
GPO Box 1994  
MELBOURNE VIC 3001

Attention: Mr Peter Nicholson

Dear Sir,

**FINANCIAL STATEMENTS - HEALTH SERVICES UNION OF  
AUSTRALIA (NSW BRANCH), YEAR ENDED 30 JUNE 2006**

The Audited Financial Report was available on the Union website, November 2006. Also enclosed is new Section 268 Certificate.

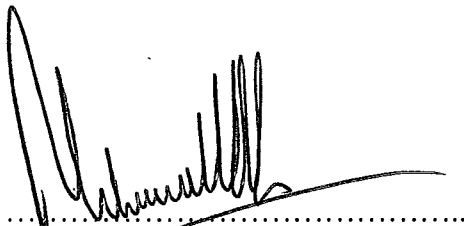
Yours faithfully,

**MICHAEL WILLIAMSON**  
**GENERAL SECRETARY**

Attachs.

## SECTION 268 CERTIFICATE

In pursuance of the provisions of Section 268 of Schedule 1B - Registration and Accountability of Organisations of the Workplace Relations Act, I, **MICHAEL WILLIAMSON, GENERAL SECRETARY of the Health Services Union of Australia, New South Wales Branch**, certify that the documents attached represent a full report, as per Section 265(a), of the accounts of **Health Services Union of Australia, New South Wales Branch**, for the year ended June 2006, and were the reports presented to the members in accordance with the provisions of Section 265(a) and in a meeting held in accordance with the provisions of Section 266 of the Act on: 11 October 2006.



.....  
Signature of Secretary

4/8/08

.....  
Date

- held during the year ended 30<sup>th</sup> June 2006 in accordance with Rules of the Union.
- (iii) To the knowledge of any member of the Committee, there have been no instances where records of the Branch or other documents (not being documents containing information made available to a member of the Branch under Sub Section 274(2) of the Workplace Relations Act 1996), copies of these records or documents or copies of the rules of the Union have not been furnished, or made available to members in accordance with the requirements of the Workplace Relations Act 1996, the regulations thereto, or the Rules of the Union.
- (iv) The Branch has complied with Sub Sections 279(1) and (6) of the Act in relation to the Financial Accounts in respect of the year ended 30<sup>th</sup> June 2006 and the Auditor's report thereon.

Motion put and carried.

**ITEM 2**

**APPOINTMENT OF BRANCH AUDITORS**


The Branch Secretary reported it was necessary to appoint auditors for the Branch for the year ending 30<sup>th</sup> June 2007.

Moved L Russell/K Goodlock that in accordance with Rule 58, A J Williams & Co, 2 Market Street, Sydney be appointed as Branch Auditors for the year ending 30<sup>th</sup> June 2007.

Motion put and carried.

**GENERAL BUSINESS:**

There being no general business the meeting closed at 11.30 a.m.

  
\_\_\_\_\_  
Chairperson

**HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH**

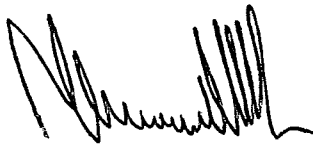
**OPERATING REPORT**

The Committee of Management presents its operating report of the Health Services Union of Australia, New South Wales Branch for the financial year ended 30 June 2006.

1. The principal activities of the Branch during the financial year were:
  - a) Use the facilities of the AIRC, for the purpose of determining industrial issues under the Workplace Relations Act 1996;
  - b) The Branch also utilises the AIRC services in the ACT, over which this Branch has jurisdictional coverage; and
  - c) No significant change in the nature of these activities occurred during the year.
2. The surplus of the Branch for the financial year amounted to \$15,620. There were no significant changes to the Branch's financial affairs during the year.
3. Members retain the right to resign from the Health Services Union of Australia in accordance with Rule 13 of the Federal Rules and Section 174 of Schedule 1B of the Workplace Relations Act 1996. In accordance with 174(1) of the Workplace Relations Act a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.
4. Mr Michael Williamson is a director of First State Super, a position he holds in his capacity as General Secretary of the state registered Health Services Union.
5. The number of members of the Branch at the end of the financial year was 35,970.
6. The Branch has no appointed employees. All work performed on behalf of the Branch is undertaken by persons who are employees of the state registered Health Services Union or who are elected officers of the Branch.
7. The names of each person who were members of the Committee of Management, at any time, during the financial year are as follows:

<b>1 July 2005 to 30 June 2006</b>		<b>Appointed 17/8/05</b>	<b>Ceased 17/8/05</b>
Stephen Pollard	Iris Knight	Clarence Smith	Robyn Adams
Sean O'Connor	Lynne Russell	Pauline O'Neill	Sheila Hughes
Kim Goodlock	David Vealey		
Anthony Llewellyn	Michael Coffey		
Sharon Joseph	Deborah Neumann		
Margaret Pike	Kevin Caldwell		
Robyne White	Michael O'Donnell		
Kerrie Thompson	Mark Hanlon		
Warren Boon	Lynette Guymer		
Graham Conroy			
Michael Williamson			

Signed in accordance with a resolution of the Committee of Management



.....



.....

11 October 2006

17 OCT 2006

**HEALTH SERVICES UNION OF AUSTRALIA  
NEW SOUTH WALES BRANCH**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2006**



# HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH

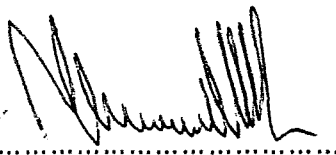
## OPERATING REPORT

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Sharon Joseph	Deborah Neumann		
Margaret Pike	Kevin Caldwell		
Robyne White	Michael O'Donnell		
Kerrie Thompson	Mark Hanlon		
Warren Boon	Lynette Guymer		
Graham Conroy			
Michael Williamson			

Signed in accordance with a resolution of the Committee of Management



.....



.....

11 October 2006

## HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH

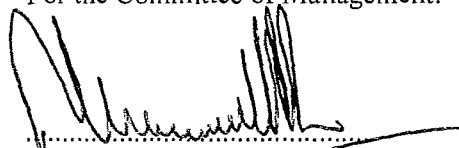
### COMMITTEE OF MANAGEMENT'S STATEMENT

On 11 October 2006 Committee of Management of the Health Services Union, New South Wales Branch, passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 30 June 2006.

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial report and notes comply with the Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position and cash flows of the Branch for the financial year ended 30 June 2006;
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 30 June 2006 and since the end of the financial year:
  - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch; and
  - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and
  - (iii) the financial records of the Branch have been kept and maintained in accordance with Schedule 1B to the Workplace Relations Act 1996 and the Workplace Relations (Registration and Accountability of Organisations) Regulations 2003; and
  - (iv) the financial records of the branch have been kept, as far as practicable, in a consistent manner to each of the other branches and national office of the organisation; and
  - (v) no information has been sought in any request of a member of the Branch or a Registrar under section 272 of Schedule 1B to the Workplace Relations Act 1996; and
  - (vi) no orders have been made by the Industrial Registry under section 273 of Schedule 1B to the Workplace Relations Act 1996

For the Committee of Management:



M A WILLIAMSON

11 October 2006

**HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH****INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006**

	<b>2006</b>	<b>2005</b>
	\$	\$
<b>INCOME</b>		
Capitation Fees	651,419	681,323
Contributions	238,060	187,880
Dividend	103	66
Interest	5,107	5,628
Other Income	18	-
<b>TOTAL INCOME</b>	<u>894,707</u>	<u>874,897</u>
<b>LESS EXPENDITURE</b>		
<b>Depreciation</b>	<u>180</u>	<u>238</u>
<b>Employee Benefits Expense</b>		
Fringe Benefits Tax	<u>7,847</u>	<u>7,670</u>
<b>Other Expenses</b>		
Affiliation Fees – Other	4,414	5,836
Audit Fees	6,245	6,000
Campaigns	27,488	9,800
Capitation Fees - National Office	663,412	693,420
Commission Paid to Employers	51	396
Delegates' Expenses	26,352	73,965
General Expenses/Bank Charges	16,370	1,603
National Executive and National Council Expenses	1,818	3,272
Organising and Travel	30,164	6,957
Printing and Stationery	-	660
Rent - ACT Office	9,822	8,858
Service Fee	84,000	40,000
Telephone Expenses	924	501
	<u>871,060</u>	<u>851,268</u>
<b>TOTAL EXPENDITURE</b>	<u>879,087</u>	<u>859,176</u>
<b>SURPLUS FOR THE YEAR</b>	<u>15,620</u>	<u>15,721</u>

[The attached notes form part of these financial statements]

**HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH**

**BALANCE SHEET AS AT 30 JUNE 2006**

	Note	2006 \$	2005 \$
<b>ACCUMULATED FUNDS</b>		<u>124,882</u>	<u>109,262</u>
<u>Represented by:</u>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		35,931	70,657
Debtor – Health Services Union		37,882	-
Investments	5	<u>60,167</u>	<u>56,370</u>
<b>TOTAL CURRENT ASSETS</b>		<u>133,980</u>	<u>127,027</u>
<b>NON CURRENT ASSETS</b>			
Office Furniture and Equipment	4	<u>430</u>	<u>610</u>
<b>TOTAL ASSETS</b>		<u>134,410</u>	<u>127,637</u>
<b>LESS CURRENT LIABILITIES</b>			
<b>Payables</b>			
GST Payable		490	1,556
Sundry Creditors		<u>9,038</u>	<u>16,819</u>
<b>TOTAL LIABILITIES</b>		<u>9,528</u>	<u>18,375</u>
<b>NET ASSETS</b>		<u>124,882</u>	<u>109,262</u>

[The attached notes form part of these financial statements]

**HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS  
FOR THE YEAR ENDED 30 JUNE 2006**

	<b>Accumulated Surplus</b>
	<b>\$</b>
<b>Balance at 1 July 2004</b>	93,541
Net Surplus for the Year	<u>15,721</u>
<b>Balance at 30 June 2005</b>	109,262
Net Surplus for the Year	<u>15,620</u>
<b>Balance at 30 June 2006</b>	<u>124,882</u>

[The attached notes form part of these financial statements]

**HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH**

**CASH FLOW STATEMENT FOR THE  
YEAR ENDED 30 JUNE 2006**

	Note	2006 \$	2005 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Contributions		156,178	187,880
Capitation Fees		651,419	681,323
Other Income		5,228	5,694
Payments to Suppliers		(180,342)	(157,018)
Payment to National Office for Capitation Fees		<u>(663,412)</u>	<u>(693,420)</u>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	6b	<u>(30,929)</u>	<u>24,459</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Investments		<u>(3,797)</u>	<u>(3,425)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<u>(3,797)</u>	<u>(3,425)</u>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>		(34,726)	21,034
<b>CASH AT 1 JULY 2005</b>		70,657	49,623
<b>CASH AT 30 JUNE 2006</b>	6a	<u>35,931</u>	<u>70,657</u>

(The attached notes form part of these financial statements)

## HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

#### 1. STATEMENT OF ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Australian Workplace Relations Act 1996.

Compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS) except for:

- Segment reporting because AASB 114 "Segment Reporting" does not apply to not-for-profit organisations.
- Impairment of assets under AASB 136 "Impairment of assets"

#### BASIS OF PREPARATION

The financial report is for the New South Wales Branch of the Health Services Union of Australia, and in accordance with the Australian Workplace Relations Act, 1996 the Branch is a reporting unit. The Health Services Union of Australia is an organisation registered under the Australian Workplace Relations Act, 1996. The New South Wales Branch is a branch of the registered organisation. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the New South Wales Branch are not subject to the Corporations Act 2001.

The financial report has been prepared on the basis of historical costs. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

This is the first financial report prepared under AIFRS and AASB 1 First-Time Adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing these statements. Comparatives for the year ended 30 June 2005, have been presented applying AIFRS.

There have been no adjustments required to assets, liabilities or accumulated funds as a result of the introduction of AIFRS.

The following is a summary of the significant accounting policies adopted by the Branch in the preparation of the financial report.

##### (a) Revenue

Capitation Fees and Contributions are accounted for on a cash receipts basis. Otherwise, the concept of accruals accounting has been adopted in the preparation of the Accounts.

Interest is accounted for on an accrual basis.

##### (b) Income tax

No provision for Income Tax is necessary as Industrial Trade Unions are exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act 1997.

## HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006 [Cont'd]

#### 1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

##### (c) Property, Plant and Equipment

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

##### *Depreciation*

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives to the Branch commencing from the time the asset is ready for use.

The depreciation rates used for each class of asset are:

Office Furniture and Equipment	7.5%
--------------------------------	------

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date.

Gains and losses on disposals are calculated as the difference between the net disposal proceeds and the asset's carrying amount and are included in the income statement in the year that the item is derecognised.

##### (d) Impairment

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and value in use. For the purpose of assessing value in use, this represents depreciated current replacement cost, as the Union is a not-for profit organisation.

##### (e) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables on the balance sheet are shown inclusive of GST.

##### (f) Accounting Standards Issued But Not Yet Effective

There have been no accounting standards issued which will impact the financial report in future periods and which are not yet effective.



# HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH

FOR THE YEAR ENDED 30 JUNE 2006 [Cont'd]

## 2. ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### (a) Critical accounting estimates and assumptions

The Branch makes estimates and assumptions concerning the future. The resulting accounting estimates by definition seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of asset and liabilities.

### (b) Critical judgments in applying the Branch's accounting principles

There are no critical judgements that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities.

## 3. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act, 1996, the attention of members is drawn to the provisions of Sub-Sections [1], [2] and [3] of Section 272 of Schedule 1B which read as follows:-

- [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).

	2006	2005
	\$	\$
<b>4. OFFICE FURNITURE AND EQUIPMENT</b>		
At Cost	5,024	5,024
Less Accumulated Depreciation	<u>4,594</u>	<u>4,414</u>
	<u>430</u>	<u>610</u>
<b>5. INVESTMENTS</b>		
Term Deposit (Credit Union) (at cost)	59,456	55,659
Shares in listed company	<u>711</u>	<u>711</u>
Realisable within 12 Months	<u>60,167</u>	<u>56,370</u>

## HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

#### 6. CASH FLOW INFORMATION

	2006	2005
a] Reconciliation of cash	\$	\$
For the purposes of the Cash Flow Statement, cash includes cash at Bank. Cash at the end of the year as shown in the Statement is reconciled to the related items in the balance sheet as follows:		
Cash at Bank	<u>35,931</u>	<u>70,657</u>
b] Reconciliation of cash flows from operations with operating surplus		
Net Surplus for the Year	15,620	15,721
Non Cash Flows in Operating Surplus		
Depreciation	180	238
Changes in Assets and liabilities		
Increase in Debtor – Health Services Union	(37,882)	-
(Decrease) Increase in GST Payable	(1,066)	3,649
(Decrease) Increase in Sundry Creditors	<u>(7,781)</u>	<u>4,851</u>
Cash Flows from Operations	<u>(30,929)</u>	<u>24,459</u>

#### 7. RELATED PARTY TRANSACTIONS

Transactions with related parties are on normal terms and conditions no more favorable than those available to other parties, unless stated.

Transactions with the Health Services Union of Australia – National Office:

Capitation Fees - National Office paid are disclosed as an expense in the Income Statement and as a payment in the Cash Flow Statement.

## HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

#### 8. FINANCIAL INSTRUMENTS

##### Interest Rate Risk

The Branch's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below:

30 June 2006	Floating interest rate \$	Fixed interest rate \$	Non- interest Bearing \$	Total \$
<b>Financial Assets</b>				
Cash at Bank	35,931			35,931
Receivables			37,882	37,882
Investment (less than 1 year)		59,456		59,456
	<u>35,931</u>	<u>59,456</u>	<u>37,882</u>	<u>133,269</u>
Weighted average Interest rate	2.55%	6.82%		
<b>Financial Liabilities</b>				
Payables			9,528	9,528
Net financial assets/(liabilities)	<u>35,931</u>	<u>59,456</u>	<u>28,354</u>	<u>123,741</u>
<b>30 June 2005</b>				
<b>Financial Assets</b>				
Cash at Bank	70,657			70,657
Investments (less than 1 year)		55,659		55,659
	<u>70,657</u>	<u>55,659</u>	<u>-</u>	<u>126,316</u>
Weighted average Interest rate	2.55%	6.54%		
<b>Financial Liabilities</b>				
Payables			18,375	18,375
Net financial assets/(liabilities)	<u>70,657</u>	<u>55,659</u>	<u>(18,375)</u>	<u>107,941</u>

##### Credit Risk Exposure

Credit risk is the risk that counterparties to a financial asset will fail to discharge their obligations, causing the Branch to incur a financial loss.

The credit risk exposure of the Branch to financial assets which have been recognised in the Balance Sheet is generally the carrying amounts, net of any provisions for doubtful debts.

The carrying amounts of cash and non-interest bearing monetary financial assets and liabilities (eg receivables and payables) approximate net fair values.

**HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2006**

**9. REGISTERED OFFICE**

The registered office and principal place of business of the branch is:

Level 2,  
109 Pitt Street  
Sydney NSW 2000

## **HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH**

### **INDEPENDENT AUDIT REPORT**

To the members of the Health Services Union of Australia, New South Wales Branch.

#### **Matters relating to the Electronic Presentation of the Audited Financial Report**

This audit report relates to the financial report of the Health Services Union of Australia, New South Wales Branch, for the year ended 30 June 2006 included on the Health Services Union web site. The State Council and the General Secretary of the Health Services Union are responsible for the integrity of the Health Services Union web site. The audit report refers only to the statements named below. It does not provide an opinion on any other information that may have been hyper linked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the web site.

#### **Scope**

##### *The Financial Report and the Responsibility of the Committee of Management and Branch Secretary*

The financial report comprises the income statement, balance sheet, statement of changes in accumulated funds, cash flow statement, accompanying notes to the financial statements and the committee of management's statement for the Health Services Union of Australia, New South Wales Branch, for the year ended 30 June 2006

The committee of management and branch secretary 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 have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Branch. Our audit has been conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance 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 controls, 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 Workplace Relations Act 1996, including compliance with Accounting Standards and other mandatory professional reporting requirements in Australia a view which is consistent with our understanding of the Branch's financial position and its performance as represented by the results of its operations and cash flows.

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

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

**HEALTH SERVICES UNION OF AUSTRALIA - NEW SOUTH WALES BRANCH**

**INDEPENDENT AUDIT REPORT (Cont'd)**

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.

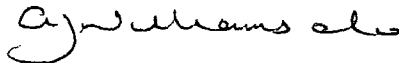
**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Workplace Relations Act 1996.

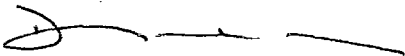
**Audit Opinion**

In our opinion the general purpose financial report of Health Services Union of Australia, New South Wales Branch is in accordance with the Workplace Relations Act 1996, including:

- (i) giving a true and fair view of the Branch's financial position as at 30 June 2006 and its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and other mandatory professional reporting requirements in Australia; and
- (iii) complying with any other requirements of the RAO.



**A J WILLIAMS & CO**  
Chartered Accountants.



**D S MCLEAN**  
Registered Company Auditor.  
SYDNEY NSW 2000

11 October 2006