

Health Services Union QLD Branch

ABN: 88 949 231 326

Financial Statements

For the Period Ended 30 June 2013

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For the Period Ended 30 June 2013

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OPERATING REPORT

for the period ended 30 June 2013

On 25 June 2010, Justice Jessup made a Federal Court Order in matter VID459/2010 placing the Queensland Branch of the HSU into administration pursuant to s323 of the FWRO Act. The Scheme of Administration established by the Court required the compiling of a Register of Voters in order for an election of Branch Officers to occur.

The General Manager of Fair Work Australia was advised on the need for an election on 5 April 2012. The General Manager then made arrangements for the Australian Electoral Commission (AEC) to conduct the election.

On 14 June 2012 the AEC Returning Officer declared the election results. There were no nominations for any of the positions to be elected.

The National Executive of the HSU currently has an application before the Federal Court for a scheme of administration that will allow for the revitalisation of the Queensland Branch and for the election of office bearers in 2014.

Therefore during the financial period ended 30 June 2013, there was no Branch Committee of Management or elected officials of the Branch.

I Chris Brown, Acting National Secretary, present the report on Health Services Union QLD Branch for the financial period ended 30 June 2013.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

The principal activity of Health Services Union QLD Branch during the financial period was that of a registered trade union. No significant change occurred in the nature of those activities during the period.

Members of the Queensland Branch who required assistance from the Union were provided that assistance by the NSW Branch of the HSU.

Significant changes in financial affairs

There was no significant changes in financial affairs of the Branch during the financial year.

Right of members to resign

Subject to the rules of the organisation and Section 174 of the Fair Work (Registered Organisations) Act 2009, members have the rights to resign from membership of the organisation by written notice addressed to and delivered to the secretary of the organisation.

Officers & employees who are superannuation fund trustee(s) (include position details) or director of a company that is a superannuation fund trustee

There were no officers or employees that were a superannuation fund trustee or a director of a company that is a superannuation fund trustee.

Number of members

The number of persons that were at the end of the period recorded in the register of members of Section 230 of Fair Work (Registered Organisations) Act 2009 and who were taken to be members of the registered organisation under section 244 of the Fair Work (Registered Organisations) Act 2009 was 26.

Number of employees

The number of persons who were at the end of the financial period employees of the organisation including both full and part-time employees measure on a full-time equivalent basis was nil.

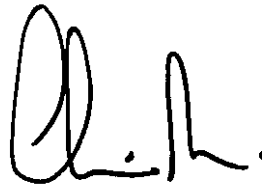
Names of Committee of Management members and period positions held during the financial year

There were no elected members of the Health Services Union QLD Branch for the financial period ended 30 June 2013.

Officers & employees who are directors of a company or a member of a board

There are no Officers or employees of the Health Services Union QLD Branch who were directors of a company or member of a board for the financial period ended 30 June 2013.

Signature of Acting National Secretary:



Name of Acting National Secretary: Chris Brown

Dated: 17 February 2014

STATEMENT

for the period ended 30 June 2013

I, Chris Brown, Acting National Secretary make the following statement in relation to the general purpose financial report (GPRF) for the year ended 30 June 2013:

- (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 General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPRF relates and since the end of that year:
 - (i) meetings of the Committee of Management have not been held as there were no elected members of Officers of the Branch to form a Committee of Management; and
 - (ii) the financial affairs of the reporting unit have not been managed in accordance with the rules of the organisation. The financial records of the Branch have been maintained by the NSW Branch of the HSU on behalf of Queensland members; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) in relation to recovery of wages activity:
 - no recovery of wages activity was undertaken during the reporting period.

This declaration is made by the HSU Acting National Secretary.

Signature of Acting National Secretary:



Name of Acting National Secretary: Chris Brown

Dated: 17 February 2014

Health Services Union QLD Branch

ABN: 88 949 231 326

**Independent Audit Report to the members of Health Services Union
QLD Branch**

Report on the Financial Report

We have audited the accompanying financial report of Health Services Union QLD Branch, which comprises the statement of financial position as at 30 June 2013, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2013, notes comprising a summary of significant accounting policies and other explanatory information, and the committee of management statement.

Branch Committee of Management Responsibility for the Financial Report

The Branch Committee of Management of the Union are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the Branch 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Union's preparation of the financial report that gives a true and fair view 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 Union's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, Secretary and Assistant Secretary, as well as evaluating the overall presentation of the financial report.

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

Independence

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

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Health Services Union QLD Branch

ABN: 88 949 231 326

**Independent Audit Report to the members of Health Services Union
QLD Branch**

Opinion

In our opinion:

In our opinion the financial report of Health Services Union QLD Branch is in accordance with the Fair Work (Registered Organisations) Act 2009, including:

- (a) giving a true and fair view of the Union's financial position as at 30 June 2013 and of its performance for the year ended 30 June 2013;
- (b) complying with Australian Accounting Standards; and
- (c) the use of the going concern assumption in relation to the preparation of the Financial Report is appropriate.



Robert Mayberry

Partner

Registered Company Auditor 185903

Fellow of the Institute of Chartered Accountants in Australia 20369

Holder of a current Certificate of Public Practice



Nexia Court & Co

Chartered Accountants

Sydney

18 February 2014

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the period ended 30 June 2013

	Notes	2013 \$	2012 \$
Revenue			
Membership subscriptions		7,987	8,711
Capitation fees	3A	-	-
Levies	3B	-	-
Interest	3C	-	3
Grants and/or donations	3D	-	-
Total revenue		7,987	8,714
Expenses			
Employee expenses	4A	-	-
Capitation fees	4B	-	-
Affiliation fees	4C	-	-
Administration expenses	4D	-	-
Grants or donations	4E	-	-
Legal costs	4F	-	-
Other expenses	4G	-	-
Total expenses		-	-
Profit (loss) for the period		7,987	8,714
Other comprehensive income			
Other comprehensive income		-	-
Total comprehensive income for the period		7,987	8,714

STATEMENT OF FINANCIAL POSITION
as at 30 June 2013

	Notes	2013 \$	2012 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5A	-	-
Trade and other receivables	5B	25,667	17,680
Total current assets		25,667	17,680
Non-Current Assets			
		-	-
TOTAL ASSETS		25,667	17,680
LIABILITIES			
Current Liabilities			
Trade payables	6A	-	-
Other payables	6B	-	-
Employee provisions	7A	-	-
Total current liabilities		-	-
Non-Current Liabilities			
		-	-
TOTAL LIABILITIES		-	-
NET ASSETS		25,667	17,680
EQUITY			
Retained earnings	8A	25,667	17,680
TOTAL EQUITY		25,667	17,680

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
for the period ended 30 June 2013

Consolidated		Retained earnings	Total equity
	Notes	\$	\$
Balance as at 1 July 2012		17,680	17,680
Profit for the Period		7,987	7,987
Closing balance as at 30 June 2013	8A	25,667	25,667
Balance as at 1 July 2011		8,966	8,966
Profit for the Period		8,714	8,714
Closing balance as at 30 June 2012	8A	17,680	17,680

STATEMENT OF CASH FLOWS
for the period ended 30 June 2013

	Notes	2013 \$	2012 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from other reporting units/controlled entities	9B	-	-
Membership subscriptions		7,987	8,711
Interest received		-	3
Cash used			
Employees		-	-
Suppliers		-	-
Payment to other reporting units/controlled entities	9B	(7,987)	(16,829)
Net cash from (used by) operating activities	9A	-	(8,115)
Net increase (decrease) in cash held			
Cash & cash equivalents at the beginning of the reporting period		-	8,115
Cash & cash equivalents at the end of the reporting period	5A	-	-

The accompanying notes form part of these financial statements

RECOVERY OF WAGES ACTIVITY
for the period ended 30 June 2013

	2013	2012
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
Greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:		
The reporting unit:		
name of account	-	-
name of fund	-	-
Name of other reporting unit of the organisation:		
name of account	-	-
name of fund	-	-
Name of other entity:		
name of account	-	-
name of fund	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total payments	-	-
Cash asset's in respect of recovered money at end of year	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-

The accompanying notes form part of these financial statements

Health Services Union QLD Branch
ABN 88 949 231 326

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Note 1 Summary of Significant Accounting Policies

1.1 Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Health Services Union QLD Branch is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities at measured at fair value, as explained in the accounting policies below. Historical cost is generally 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.

1.2 Comparative amounts

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

1.3 Significant Accounting Judgements and Estimates

There have not been any material accounting assumptions or estimates identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1.4 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. The accounting policies adopted are consistent with those of the previous financial year.

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 Health Services Union QLD Branch are nil.

1.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable.

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

Revenue from the sale of goods is recognised when, the risks and rewards of ownership have been transferred to the buyer, the entity retains no managerial involvement or effective control over the goods, the revenue and transaction costs incurred can be reliably measured, and it is probable that the economic benefits associated with the transaction will flow to the entity.

Donation income is recognised when it is received.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Interest revenue is recognised on an accrual basis using the effective interest method.

Rental revenue from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.6 Capitation fees and levies

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

1.7 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 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 consolidated statement of financial position.

1.8 Taxation

Health Services Union QLD Branch is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

Note 2 Events after the reporting period

There were no events that occurred after 30 June 2013, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of Health Services Union QLD Branch.

	2013	2012
	\$	\$
Note 3 Income		
Note 3A: Capitation fees		
Capitation fees	-	-
Total capitation fees	<u>-</u>	<u>-</u>
Note 3B: Levies		
Levies	-	-
Total levies	<u>-</u>	<u>-</u>
Note 3C: Interest		
Deposits	-	3
Total interest	<u>-</u>	<u>3</u>
Note 3D: Grants or donations		
Grants	-	-
Donations	-	-
Total grants or donations	<u>-</u>	<u>-</u>
Note 4 Expenses		
Note 4A: Employee expenses		
Holders of office:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses holders of office	<u>-</u>	<u>-</u>
Employees other than office holders:		
Wages and salaries	-	-
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	-
Subtotal employee expenses employees other than office holders	<u>-</u>	<u>-</u>
Total employee expenses	<u>-</u>	<u>-</u>

	2013	2012
	\$	\$
Note 4B: Capitation fees		
Capitation fees	-	-
Total capitation fees	<u>-</u>	<u>-</u>
Note 4C: Affiliation fees		
Affiliation fees	-	-
Total affiliation fees/subscriptions	<u>-</u>	<u>-</u>
Note 4D: Administration expenses		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	-	-
Total administration expense	<u>-</u>	<u>-</u>
Note 4E: Grants or donations		
Grants	-	-
Donations	-	-
Total grants or donations	<u>-</u>	<u>-</u>
Note 4F: Legal costs		
Litigation	-	-
Other legal matters	-	-
Total legal costs	<u>-</u>	<u>-</u>
Note 4G: Other expenses		
Penalties - via RO Act or RO Regulations	-	-
Total other expenses	<u>-</u>	<u>-</u>

2013	2012
\$	\$

Note 5 Current Assets

Note 5A: Cash and Cash Equivalents

Cash at bank	-	-
Total cash and cash equivalents	<u>-</u>	<u>-</u>

Note 5B: Trade and Other Receivables

Receivables from other reporting units

Health Services Union NSW	23,987	17,680
Health Services Union NSW Branch	1,680	-
Total receivables from other reporting units	<u>25,667</u>	<u>17,680</u>

Less provision for doubtful debts

Provision for doubtful debts	-	-
Total provision for doubtful debts	<u>-</u>	<u>-</u>
Receivable from other reporting units	<u>25,667</u>	<u>17,680</u>

Note 6 Current Liabilities

Note 6A: Trade payables

Payables to other reporting units

Payable to other reporting units	-	-
Subtotal payables to other reporting units	<u>-</u>	<u>-</u>

Note 6B: Other payables

Consideration to employers for payroll deductions	-	-
Legal costs	-	-
Prepayments received/unearned revenue	-	-
Other	-	-
Total other payables	<u>-</u>	<u>-</u>

	2013	2012
	\$	\$

Note 7 Provisions

Note 7A: Employee Provisions

Office Holders:

Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-

Subtotal employee provisions—office holders

-	-
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Employees other than office holders:

Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-

Subtotal employee provisions—employees other than office holders

-	-
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Total employee provisions

-	-
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Current	-	-
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Non Current	-	-
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Total employee provisions	-	-
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Note 8 Equity

Note 8A: Retained Earnings

Balance as at start of year	17,680	8,966
Surplus for the period	7,987	8,714
Balance as at end of the financial year	25,667	17,680

Note 9 Cash Flow

Note 9A: Cash Flow Reconciliation

Reconciliation of cash and cash equivalents as per Statement of Financial Position to Statement of Cash Flows

Cash and cash equivalents as per:

Statement of cash flows	-	-
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Statement of financial position	-	-
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Difference	-	-
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	2013	2012
	\$	\$
Reconciliation of profit/(deficit) to net cash from operating activities:		
Profit/(deficit) for the year	7,987	8,714
Adjustments for non-cash items		
Depreciation/amortisation	-	-
Net write-down of non-financial assets	-	-
Gain on disposal of assets	-	-
Changes in assets/liabilities		
(Increase)/decrease in net receivables	(7,987)	(16,829)
(Increase)/decrease in prepayments	-	-
Increase/(decrease) in supplier payables	-	-
Increase/(decrease) in other payables	-	-
Increase/(decrease) in employee provisions	-	-
Increase/(decrease) in other provisions	-	-
Net cash from (used by) operating activities	-	(8,115)

Note 9B: Cash flow information

Cash inflows		
Cash inflows from reporting units	-	-
Total cash inflows	-	-
Cash outflows		
Cash outflows to reporting units – HSU NSW	7,987	16,829
Total cash outflows	7,987	16,829

Note 10 Related Party Disclosures

Note 10A: Key Management Personnel

The elected officers of the Health Services Union QLD Branch are detailed on page 3 of this report. These are the key management personnel who are, directly or indirectly, responsible for planning, directing and controlling the activities of the Union.

No member of management receives any remuneration for their services in this regard.

Note 10B: Related Party Transactions for the Reporting Period

Health Services Union NSW collected membership receipts of \$6,307 during the period on behalf of Health Services Union QLD Branch.

Health Services Union NSW Branch collected membership receipts of \$1,680 during the period on behalf of Health Services QLD Branch.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances for sales and purchases at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 30 June 2013, the Health Services Union QLD Branch has not recorded any impairment of receivables relating to amounts owed by related parties and declared person or body (2012: \$Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note 11 Remuneration of Auditors

Value of the services provided	2013	2012
Financial statement audit services	-	-
Other services	-	-
Total remuneration of auditors	-	-

Note 12 Financial risk management

The main risk Health Services Union QLD Branch is exposed to through its financial instruments is credit risk. The Branch's financial instruments consist of receivables. The Branch Committee of Management has overall responsibility for the establishment of Health Services Union QLD Branch's financial risk management framework. The day-to-day risk management is carried out by the Branch Committee of Management. They have the authority for designing and implementing processes which follow the approved policies and procedures. Mitigation strategies are described below:

Credit Risk

Exposure to credit risk relating to financial assets arise from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to Health Services Union QLD Branch and arises from the receivables from Health Services Union NSW and Health Services Union NSW Branch. There are no specific repayment terms and no indicators of impairment.

Note 13 Administration of financial affairs by a third party

Health Services Union NSW provides a service to Health Services QLD Branch whereby employees of HSU NSW are utilised by HSU QLD Branch to assist with the completion of work including the provision of financial, industrial and membership support services. This service is provided by HSU NSW at no charge.

Note 14 Section 272 Fair Work (Registered Organisations) Act 2009

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) to (3) of section 272, which reads as follows:

Information to be provided to members or the General Manager of Fair Work Australia:

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