



18 January 2017

Mr Chris Brown  
National Secretary  
Health Services Union  
Suite 408, 454 Collins Street  
MELBOURNE VIC 3000

via email: [chrisb@hsu.net.au](mailto:chrisb@hsu.net.au)

Mr Brown

**Health Services Union Queensland Branch Financial Report for the year ending 30 June 2016 – [FR2016/221]**

I acknowledge receipt of the financial report for the year ended 30 June 2016 for the Health Services Union Queensland Branch (**the reporting unit**). The documents were lodged with the Fair Work Commission (**FWC**) on 21 December 2016. I also acknowledged the Auditors Report which was provided to the FWC on 18 January 2017.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

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.

The reporting unit ceased on 9 August 2016. Please note that a final financial report for the period 1 July 2016 – 9 August 2016 will still be required to be lodged with the FWC.

**Reporting Requirements**

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you wish to discuss this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8656 4681 or via email at [joanne.fenwick@fwc.gov.au](mailto:joanne.fenwick@fwc.gov.au).

Yours sincerely

Joanne Fenwick  
Financial Reporting Specialist  
Regulatory Compliance Branch

21 December 2016

General Manager  
Fair Work Australia  
GPO Box 1994  
**MELBOURNE VIC 3001**

Re: Designated Officers Certificate – s268 Fair Work (Registered Organisations) Act 2009  
Health Services Union Queensland Branch Financial Statements for Year Ending 30  
June 2016

Please find attached the Designated Officers Certificate and the Financial Statements for the Health Services Union Queensland Branch for year ended 30 June 2016. As the Queensland Branch ceased to exist on 9 August 2016 the National Executive of the Health Services Union received the Queensland Branch Financial Statements and I signed the Designated Officers Certificate as the National Secretary.

Yours Sincerely



Chris Brown  
**National Secretary**



## Health Services Union

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

### CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 30 June 2016

I Chris Brown being the National Secretary of the Health Services Union certify:

- that the documents lodged herewith are copies of the full report for the Health Services Union Queensland Branch for the period ended 30 June 2016 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 15 November 2016; and
- As the Queensland Branch of the Health Services Union ceased to exist on 9 August 2016, the full report for the Health Services Union Queensland Branch was presented to a meeting of the National Executive on 16 December 2016 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:



Name of prescribed designate officer: Chris Brown

Title of prescribed designated officer: National Secretary

Dated: 21 December 2016

# **Health Services Union QLD Branch**

**ABN: 88 949 231 326**

**Financial Statements**

**For the Year Ended 30 June 2016**

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**OPERATING REPORT**

*for the year ended 30 June 2016*

The committee presents its report on the reporting unit for the financial year ended 30 June 2016.

**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 were 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 giving two weeks' notice.

**Officers & employees who are superannuation fund trustee(s) 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 88 (2015: 88).

**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 (2015: nil).

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

The following persons were Officers of Health Services Union QLD Branch during all or part of the year ending 30 June 2016:

<b>Name</b>	<b>Position</b>
Branch President	Kelly Baker
Branch Senior Vice President	Kieran Bradley Chilcott Resigned 2 November 2015
Branch Junior Vice President	Caleb Walker
Branch Secretary	Jonathan Milman
Branch Assistant Secretary	Anita Boyes
Branch Trustee	Christine Barney
Branch Trustee	Lorna Pai
Ordinary Member of Branch Committee	Darren Conlon
Ordinary Member of Branch Committee	Mischa Mari Fisher
Ordinary Member of Branch Committee	Denise Anne Lewis
Ordinary Member of Branch Committee	Aileen Orcher
Ordinary Member of Branch Committee	Kim Soppa

**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 2016.

Signature of National Secretary:



Name of National Secretary: Chris Brown

Dated: 4 November 2016

**COMMITTEE OF MANAGEMENT STATEMENT**  
*for the year ended 30 June 2016*

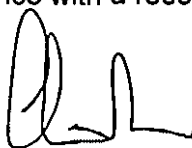
On the 4 November 2016 the National Executive of the Health Services Union passed the following resolution in relation to the general purpose financial report (GPFR) of the Health Services Union Queensland Branch for the year ended 30 June 2016:

In relation to the general purpose financial report (GPFR) for the Queensland Branch of the Health Services Union for the year ended 30 June 2016:

- (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 GPFR relates and since the end of that year:
  - (i) meetings of the National Executive were held in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
  - (iv) where the organisation consists of two or more reporting units, 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) no revenue has been derived from undertaking recovery of wages activity during the reporting period

This declaration is made in accordance with a resolution of the Health Services Union National Executive.

Signature of National Secretary:



Name of National Secretary:

Chris Brown

Dated:

4 November 2016



**INDEPENDENT AUDITOR'S 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 9 September 2016, the statement of profit or loss and comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes a summary of significant accounting policies, other explanatory notes and the branch committee of management statement.

*Branch Committee of Management, Secretary and Assistant Secretary's Responsibility for the Financial Report*

The Branch Committee of Management, Secretary and Assistant Secretary of the Branch are responsible for the preparation and fair presentation of the financial report 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, Secretary and Assistant Secretary 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. These Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Branch Committee of Management, 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 have complied with the independence requirements of Australian professional ethical pronouncements.

**Sydney Office**

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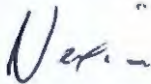
*Opinion*

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

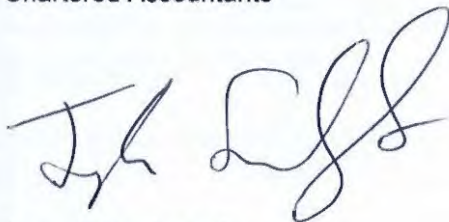
- (a) giving a true and fair view of the Branch's financial position as at 9 September 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards.

*Basis of Accounting*

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has not been prepared on a going concern basis due to the intention of winding up of Health Services Union QLD Branch within the next 12 months. Further, the financial report has been prepared for the purpose of complying with the *Fair Work (Registered Organisations) Act 2009* and as a result may not be suitable for another purpose.



**Nexia Sydney Partnership**  
Chartered Accountants



**Joseph Santangelo**  
Partner

Sydney

Dated: 4 November 2016

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
*for the year ended 30 June 2016*

	Notes	2016 \$	2015 \$
<b>Revenue</b>			
Membership subscriptions		<b>34,003</b>	24,252
Capitation fees	3A	-	-
Levies	3B	-	-
Interest	3C	<b>28</b>	14
Grants and/or donations	3D	-	-
Other income		-	67
<b>Total revenue</b>		<b>34,031</b>	<b>24,333</b>
<b>Expenses</b>			
Employee expenses	4A	-	5,240
Capitation fees	4B	-	-
Affiliation fees	4C	-	-
Administration expenses	4D	<b>6,586</b>	5,550
Grants or donations	4E	-	-
Finance costs	4F	-	30
Legal costs	4G	-	-
Audit fees	11	<b>6,340</b>	3,377
Other expenses	4H	<b>186</b>	-
<b>Total expenses</b>		<b>13,112</b>	<b>14,197</b>
<b>Profit for the year</b>		<b>20,919</b>	<b>10,136</b>
<b>Other comprehensive income</b>			
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>20,919</b>	<b>10,136</b>

**STATEMENT OF FINANCIAL POSITION**  
*as at 30 June 2016*

	Notes	2016 \$	2015 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5A	62,617	51,416
Trade and other receivables	5B	2,655	-
Other current assets	5C	-	3,215
<b>Total current assets</b>		<b>65,272</b>	<b>54,631</b>
<b>Non-Current Assets</b>			
		-	-
<b>TOTAL ASSETS</b>		<b>65,272</b>	<b>54,631</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade payables	6A	3,371	16,799
Other payables	6B	6,050	2,900
Employee provisions	7A	-	-
<b>Total current liabilities</b>		<b>9,421</b>	<b>19,699</b>
<b>Non-Current Liabilities</b>			
		-	-
<b>TOTAL LIABILITIES</b>		<b>9,421</b>	<b>19,699</b>
<b>NET ASSETS</b>		<b>55,851</b>	<b>34,932</b>
<b>EQUITY</b>			
Retained earnings	8A	55,851	34,932
<b>TOTAL EQUITY</b>		<b>55,851</b>	<b>34,932</b>

The accompanying notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY**  
*for the year ended 30 June 2016*

<b>Consolidated</b>	<b>Notes</b>	<b>Retained earnings</b>	<b>Total equity</b>
		<b>\$</b>	<b>\$</b>
<b>Balance as at 1 July 2015</b>		<b>34,932</b>	<b>34,932</b>
Profit for the year		<b>20,919</b>	<b>20,919</b>
<b>Closing balance as at 30 June 2016</b>	<b>8A</b>	<b>55,851</b>	<b>55,851</b>
<b>Balance as at 1 July 2014</b>		24,796	24,796
Profit for the year		10,136	10,136
<b>Closing balance as at 30 June 2015</b>	<b>8A</b>	<b>34,932</b>	<b>34,932</b>

The accompanying notes form part of these financial statements

**Health Services Union QLD Branch**  
**ABN 88 949 231 326**

**STATEMENT OF CASH FLOWS**  
*for the year ended 30 June 2016*

	Notes	2016 \$	2015 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Receipts from other reporting units/controlled entities	9B	34,003	24,252
Other Cash Receipts		560	-
Interest received		28	14
<b>Cash used</b>			
Employees		(186)	-
Other Cash Payments		(6,405)	(29)
Payment to other reporting units/controlled entities	9B	(16,799)	-
<b>Net cash from (used by) operating activities</b>	9A	<b>11,201</b>	<b>24,237</b>
<b>Net increase (decrease) in cash held</b>		<b>11,201</b>	<b>24,237</b>
Cash & cash equivalents at the beginning of the reporting period		<b>51,416</b>	<b>27,179</b>
<b>Cash &amp; cash equivalents at the end of the reporting period</b>	5A	<b>62,617</b>	<b>51,416</b>

The accompanying notes form part of these financial statements

**RECOVERY OF WAGES ACTIVITY**  
*for the year ended 30 June 2016*

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Cash assets in respect of recovered money at beginning of year</b>	-	-
<b>Receipts</b>		
Amounts recovered from employers in respect of wages etc.	-	-
Interest received on recovered money	-	-
<b>Total receipts</b>	-	-
<b>Payments</b>		
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	-	-
<b>Total payments</b>	-	-
<b>Cash asset's in respect of recovered money at end of year</b>	-	-
Number of workers to which the monies recovered relates	-	-
<b>Aggregate payables to workers attributable to recovered monies but not yet distributed</b>		
Payable balance	-	-
Number of workers the payable relates to	-	-

The accompanying notes form part of these financial statements

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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 report has not been prepared on a going concern basis as it is the intention of the committee to seek to wind up the Branch within the next 12 months.

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. No accounting standards have been adopted for the first time during the financial year.

#### ***Future Australian Accounting Standards Requirements***

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2016 reporting periods. The Branch's assessment of the impact of these new standards and interpretations is set out below.

**Note 1 Summary of Significant Accounting Policies (continued)**

**1.4 New Australian Accounting Standards (continued)**

***Future Australian Accounting Standards Requirements (continued)***

<b>Standard Name</b>	<b>Effective Date for Entity</b>	<b>Requirements</b>	<b>Impact</b>
AASB 2015-1 - Annual Improvements to Australian Accounting Standards 2012-2014	30 June 2017	This Standard makes amendments to various Accounting Standards arising from namely: AASB 5 – changes in methods of disposal from sale to distribution AASB 7 – applicability of disclosures to servicing contracts and interim financial statements; AASB 119 – clarifies that the government bond rate used in measuring employee benefits should be those denominated in the same currency.	The impact of this standard has not yet been determined.
AASB 2016-3 - Amendments to Australian Accounting Standards – Clarifications to AASB 15	30 June 2019	This Standard amends AASB 15 Revenue from Contracts with Customers to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. In addition, it provides further practical expedients on transition to AASB 15.	The impact of this standard has not yet been determined.
AASB 16 - Leases	30 June 2019	AASB 16 replaces AASB 117 Leases and sets out the principles for the recognition, measurement, presentation and disclosure of leases. AASB 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments. A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment).	The impact of this standard is expected to be minimal.

1.4 New Australian Accounting Standards (continued)

*Future Australian Accounting Standards Requirements (continued)*

<p>AASB 9 Financial Instruments</p>	<p>30 June 2019</p>	<p>AASB 9 (2014) includes requirements for the classification and measurement of financial assets and incorporates amendments to the accounting for financial liabilities and hedge accounting rules to remove the quantitative hedge effectiveness tests and have been replaced with a business model test. AASB 9 improves and simplifies the approach for classification and measurement of financial assets compared with the requirements of AASB 139 as follows:</p> <p>a) Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows.</p> <p>b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.</p> <p>c) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.</p> <p>d) Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:</p> <p>i) The change attributable to changes in credit risk are presented in other comprehensive income (OCI)</p> <p>ii) The remaining change is presented in profit or loss.</p> <p>AASB 2012-6 also modifies the relief from restating prior periods by amending AASB 7 to require additional disclosures on transition to AASB 9 in some circumstances. Consequential amendments were also made to other standards as a result of AASB 9 by AASB 2014-7 and AASB 2014-8.</p>	<p>The impact of AASB 9 has not yet been determined as the entire standard has not been released.</p>
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**Note 1 Summary of Significant Accounting Policies (continued)**

**1.4 New Australian Accounting Standards (continued)**

***Future Australian Accounting Standards Requirements (continued)***

<p>AASB 15 - Revenue from Contracts with Customers</p>	<p>30 June 2019</p>	<p>AASB 15 replaces AASB 118 Revenue, AASB 111 Construction Contracts and four Interpretations issued by the AASB and amends the principles for recognising revenue from contracts with customers. It applies to all contracts with customers except leases, financial instruments and insurance contracts. The Standard requires an entity to recognise revenue on a basis that depicts the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that principle, an entity shall apply all of the following steps:  a) identify the contract with a customer;  b) identify the separate performance obligations in the contract;  c) determine the transaction price;  d) allocate the transaction price to the separate performance obligations in the contract; and  e) recognise revenue when (or as) the entity satisfies a performance obligation.  Consequential amendments to other Standards are made by AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15.</p>	<p>The impact of this standard has not yet been determined.</p>
<p>AASB 2016-2 – Amendments to Australian Accounting Standards – Disclosure initiative:</p>	<p>30 June 2018</p>	<p>This Standard amends AASB 107 Statement of Cash Flows to include additional disclosures and reconciliation relating to changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.</p>	<p>The impact of this is expected to be minimal.</p>
<p>AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101</p>	<p>30 June 2017</p>	<p>The Standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative project.</p>	<p>The impact of this standard is expected to be minimal.</p>

**Note 1 Summary of Significant Accounting Policies (continued)**

**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.

**Note 1 Summary of Significant Accounting Policies (continued)**

**1.8 Taxation (continued)**

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.

**1.9 Trade and other payables**

These amounts represent liabilities for goods and services provided to the Branch prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

**1.10 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 Events after the reporting period**

On 9 September 2016 the Delegate of the General Manager of the Fair Work Commission issued a Decision which certified changes to the registered rules of the Health Services Union. The rule changes certified removed the Queensland Branch of the Health Services Union from the rules of the Union and transferred the coverage of persons eligible to be members of the Union to the NSW Branch of the Health Services Union.

As a result of the rule change, elected officials of the Queensland Branch of the Health Services Union ceased to hold office as of the 9 September 2016.

**Note 3 Income**

	2016	2015
	\$	\$
<b>Note 3A: Capitation fees</b>		
Capitation fees	-	-
<b>Total capitation fees</b>	<u>-</u>	<u>-</u>
<b>Note 3B: Levies</b>		
Levies	-	-
<b>Total levies</b>	<u>-</u>	<u>-</u>
<b>Note 3C: Interest</b>		
Deposits	28	14
<b>Total interest</b>	<u>28</u>	<u>14</u>

	2016	2015
	\$	\$
<b>Note 3D: Grants or donations</b>		
Grants	-	-
Donations	-	-
<b>Total grants or donations</b>	<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	-	-
<b>Subtotal employee expenses holders of office</b>	<u>-</u>	<u>-</u>

**Employees other than office holders:**

Wages and salaries	-	5,155
Superannuation	-	-
Leave and other entitlements	-	-
Separation and redundancies	-	-
Other employee expenses	-	85
<b>Subtotal employee expenses employees other than office holders</b>	<u>-</u>	<u>5,240</u>
<b>Total employee expenses</b>	<u>-</u>	<u>5,240</u>

The above employee expenses relate to an employee of HSU National Office who performed work for the Branch.

**Note 4B: Capitation fees**

Capitation fees	-	-
<b>Total capitation fees</b>	<u>-</u>	<u>-</u>

**Note 4C: Affiliation fees**

Affiliation fees	-	-
<b>Total affiliation fees/subscriptions</b>	<u>-</u>	<u>-</u>

**Note 4 Expenses (continued)**

	2016	2015
	\$	\$
<b>Note 4D: Administration expenses</b>		
Consideration to employers for payroll deductions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Conference and meeting expenses	3,371	3,261
Insurances	3,215	2,289
Other	-	-
<b>Total administration expense</b>	<u>6,586</u>	<u>5,550</u>

**Note 4E: Grants or donations**

Grants	-	-
Donations	-	-
<b>Total grants or donations</b>	<u>-</u>	<u>-</u>

**Note 4F: Finance costs**

Bank charges	-	30
<b>Total finance costs</b>	<u>-</u>	<u>30</u>

**Note 4G: Legal costs**

Litigation	-	-
Other legal matters	-	-
<b>Total legal costs</b>	<u>-</u>	<u>-</u>

**Note 4H: Other expenses**

Other employer expenses	186	-
<b>Total other expenses</b>	<u>186</u>	<u>-</u>

**Note 5 Current Assets**

**Note 5A: Cash and Cash Equivalents**

Cash at bank	62,617	51,416
<b>Total cash and cash equivalents</b>	<u>62,617</u>	<u>51,416</u>



2016  
\$

2015  
\$

**Note 5 Current Assets (continued)**

**Note 5B: Trade and Other Receivables**

**Receivables from other reporting units**

Receivable from other reporting units	2,655	-
<b>Total receivables from other reporting units</b>	<b>2,655</b>	<b>-</b>

**Less provision for doubtful debts**

Provision for doubtful debts	-	-
<b>Total provision for doubtful debts</b>	<b>-</b>	<b>-</b>
<b>Net receivable from other reporting units</b>	<b>-</b>	<b>-</b>

**Note 5C: Other Current Assets**

Prepayments	-	3,215
<b>Total Other Current Assets</b>	<b>-</b>	<b>3,215</b>

**Note 6 Current Liabilities**

**Note 6A: Trade payables**

**Payables to other reporting units**

Heath Services Union	3,371	16,799
<b>Subtotal payables to other reporting units</b>	<b>3,371</b>	<b>16,799</b>

**Note 6B: Other payables**

Consideration to employers for payroll deductions	-	-
Legal costs	-	-
Other	6,050	2,900
<b>Total other payables</b>	<b>6,050</b>	<b>2,900</b>

**Note 7 Provisions**

**Note 7A: Employee Provisions**

**Office Holders:**

Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions—office holders</b>	<b>-</b>	<b>-</b>

**Note 7 Provisions (continued)**

	2016 \$	2015 \$
<b>Employees other than office holders:</b>		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
<b>Subtotal employee provisions— employees other than office holders</b>	-	-
<b>Total employee provisions</b>	<u>-</u>	<u>-</u>
<b>Current</b>	-	-
<b>Non Current</b>	-	-
<b>Total employee provisions</b>	<u>-</u>	<u>-</u>

**Note 8 Equity**

**Note 8A: Retained Earnings**

<b>Balance as at start of year</b>	<b>34,932</b>	24,796
Profit (loss) for the year	<b>20,919</b>	10,136
<b>Balance as at end of the financial year</b>	<b><u>55,851</u></b>	<u>34,932</u>

**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	<b>62,617</b>	51,416
Statement of financial position	<b>62,617</b>	51,416
<b>Difference</b>	<u>-</u>	<u>-</u>

**Note 9 Cash Flow (continued)**

	2016	2015
	\$	\$
<b>Reconciliation of profit (loss) to net cash from operating activities:</b>		
Profit (loss) for the year	20,919	10,136
<b>Adjustments for non-cash items</b>		
Depreciation/amortisation	-	-
Net write-down of non-financial assets	-	-
Gain on disposal of assets	-	-
<b>Changes in assets/liabilities</b>		
(Increase)/decrease in net receivables	(2,655)	-
(Increase)/decrease in prepayments	3,215	(3,215)
Increase/(decrease) in supplier payables	(10,278)	16,799
Increase/(decrease) in other payables	-	517
Increase/(decrease) in employee provisions	-	-
Increase/(decrease) in other provisions	-	-
<b>Net cash from (used by) operating activities</b>	<b>11,201</b>	<b>24,236</b>

**Note 9B: Cash flow information**

<b>Cash inflows</b>		
Health Services Union NSW	2,768	2,707
Health Services Union NSW Branch	31,235	21,545
<b>Total cash inflows</b>	<b>34,003</b>	<b>24,252</b>
<b>Cash outflows</b>		
Health Services Union NSW	16,799	-
<b>Total cash outflows</b>	<b>16,799</b>	<b>-</b>

**Note 10 Related Party Disclosures**

**Note 10A: Key Management Personnel**

The elected officers of the Health Services Union QLD Branch are detailed on page 4 of this report. These are the key management personnel who are, directly or indirectly, responsible for planning, directing and controlling the activities of the Branch.

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

## Note 10 Related Party Disclosures (continued)

### Note 10B: Related Party Transactions for the Reporting Period

Health Services Union NSW collected membership receipts of \$2,768 (inc. GST) during the period on behalf of Health Services Union QLD Branch.

Health Services Union NSW Branch collected membership receipts of \$31,235 (inc. GST) 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 2016, 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 (2015: \$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

	2016	2015
<b>Value of the services provided</b>	\$	\$
Financial statement audit services	3,300	3,377
Other services	2,750	-
<b>Total remuneration of auditors</b>	<u>6,050</u>	<u>3,377</u>

### 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.

#### Fair Value

The carrying value of cash and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The Branch does not have any financial instruments included in Level 1, Level 2 and level 3.

**Note 13 Administration of financial affairs by a third party**

Health Services Union NSW provides a service to Health Services Union 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).



8 December 2016

Mr Jonathan Milman  
Branch Secretary  
Health Services Union-Queensland Branch

Sent via email: [hsu@hsu.net.au](mailto:hsu@hsu.net.au)

Dear Mr Milman,

### **Lodgement of Financial Report - Reminder to lodge**

The Fair Work Commission's (the Commission) records disclose that the financial year of the Health Services Union-Queensland Branch (the reporting unit) ended on the 30 June 2016.

As you would be aware, the *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires that a reporting unit prepare a financial report in accordance with the RO Act, make it available to the members and then must lodge the financial report within 14 days after the general meeting of members, or if the rules of the reporting unit allow, the Committee of Management meeting (s.268).

The maximum period of time allowed under the RO Act for the full financial report to be presented to a general meeting of members or a committee of management meeting is six months after the expiry date of its financial year (s.253, s254, s265, s.266, s.268). The full report must be lodged with the Commission within 14 days of that meeting.

The Commission encourages your reporting unit to lodge its financial report at the earliest opportunity in order to ensure compliance with its obligations. Failure of a reporting unit to lodge its financial report is a breach of a civil penalty provision of the RO Act. This can result in the General Manager instituting an inquiry or investigation into a reporting unit's non-compliance under Chapter 11, Part 4 of the RO Act. The actions available to the General Manager following an investigation include issuing Federal Court legal proceedings for breach of a civil penalty provision. The orders available to the Federal Court include imposition of a pecuniary penalty on the organisation or individual officer, whose conduct led to the contravention, of up to \$54,000 per contravention on the organisation and up to \$10,800 per contravention on an officer whose conduct led to the contravention.

Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

We encourage you to lodge the full financial report directly to [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au). That is the official email address for electronic lodgements of material related to registered organisations matters.

Should you seek any clarification in relation to the above, please contact me on (03) 8656 4699 or via email at [Sam.Gallichio@fwc.gov.au](mailto:Sam.Gallichio@fwc.gov.au).

Yours sincerely,



Sam Gallichio  
Adviser  
Regulatory Compliance Branch



15 July 2016

Mr Jonathan Milman  
Branch Secretary  
Health Services Union-Queensland Branch  
By email: [hsu@hsu.net.au](mailto:hsu@hsu.net.au)

Dear Mr Milman,

**Re: Lodgement of Financial Report - [FR2016/221]  
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Health Services Union-Queensland Branch (the reporting unit) ended on 30 June 2016.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date under s.268 of the RO Act, that being within 14 days after the meeting referred to in s.266 of the RO Act.

### **Timelines**

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

### **Fact sheets, guidance notes and model statements**

Fact sheets and guidance notes in relation to financial reporting under the RO Act are provided on the Fair Work Commission website. This includes a model set of financial statements which have been developed by the FWC. 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. The model statement, Reporting Guidelines and other resources can be accessed through our website under [Financial Reporting](#) in the Compliance and Governance section.

### **Loans, grants and donations: our focus this year**

Also you are reminded of the obligation to prepare and 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 requires this statement to be lodged with the FWC within 90 days of the end of the reporting unit's financial year, that is on or before 28 September 2016. A sample statement of loans, grants or donations is available at [sample documents](#).

Over the past year we have noted issues in organisations' financial reports relating to timelines and how loans, grants and donations are reported. We will be focusing closely on these areas this year. Please find attached below fact sheets relating to these requirements or alternatively visit our website for information regarding [financial reporting timelines](#) and [loans, grants and donations](#).

It is requested that the financial report and any Statement of Loans, Grant or Donations be lodged electronically by emailing [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au).

11 Exhibition Street  
Melbourne VIC 3000  
GPO Box 1994  
Melbourne VIC 3001

Telephone : (03) 8661 7777  
Email : [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)  
Internet : [www.fwc.gov.au](http://www.fwc.gov.au)



## Civil penalties may apply

**It should be noted that s.268 is a civil penalty provision.** Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$54,000 for a body corporate and \$10,800 for an individual per contravention) being imposed upon your organisation and/or an officer whose conduct led to the contravention.

## Contact

Should you wish to seek any clarification in relation to the above, email [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au).

Yours sincerely,

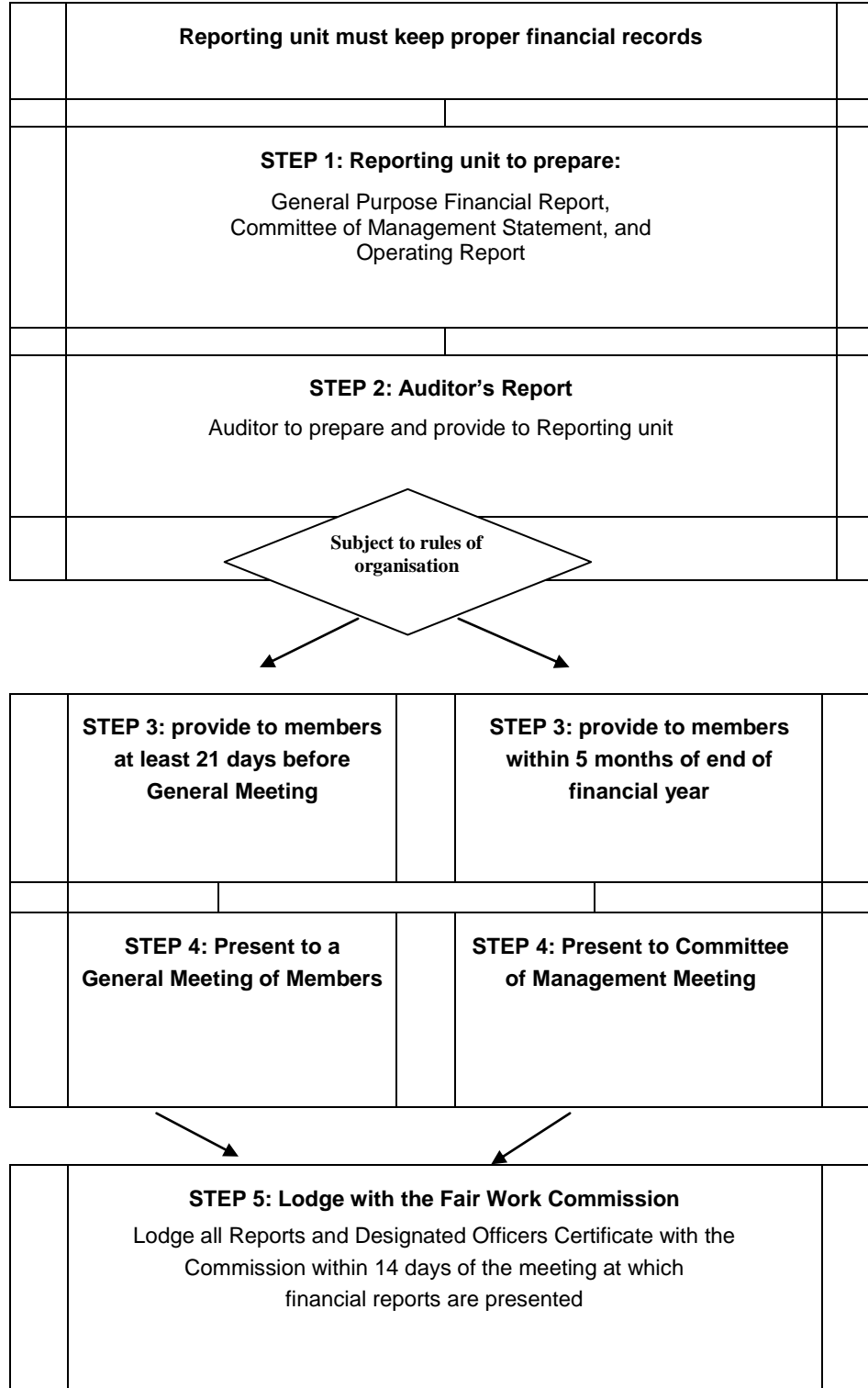


Anastasia Kyriakidis  
Adviser  
Regulatory Compliance Branch

# Financial reporting timelines

Financial reports are to be lodged with the Fair Work Commission (the Commission) within 14 days of the meeting at which the financial reports have been presented, by completing the steps as outlined below.

See Fact sheet—Financial reporting for an explanation of each of these steps.



# 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 General Manager'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 exceed \$1000. The following information must be supplied to the Commission 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 Commission has a [Template Loans, Grants and Donations Statement](#) on its website. The Commission 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
 Only reporting units must lodge the Statement.	 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.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.
 Statements can be lodged with the financial report.	 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.

## Grants & Donations within the Financial Report

Item 16(e) of the [General Manager'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 [Commission's Model Statements](#) the note appears as follows:

### Note 4E: Grants or donations\*

Grants:	2016	2015
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	<b>-</b>	<b>-</b>

Item 17 of the General Manager's Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

### Implications for filing the Financial Report

During their review of the 2016 financial report staff of the Commission will 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 2015 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 [Commission's 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 Regulatory Compliance Branch on [orgs@fwc.gov.au](mailto:orgs@fwc.gov.au)