



FAIR WORK  
AUSTRALIA

25 February 2010

Mr Jorge Navas  
Secretary  
Health Services Union  
South Australian Branch  
11-16 South Terrace  
ADELAIDE SA 5000

By e-mail: [hsusa@hsusa.asn.au](mailto:hsusa@hsusa.asn.au)

Dear Mr Navas

**Fair Work (Registered Organisations) Act 2009 (RO Act)  
Financial Report for year ended 30 June 2007 – FR2007/466**

I acknowledge receipt of a further lodged full report for the South Australian Branch of the Health Services Union for the year ended 30 June 2007 and an amended designated officer's certificate. The documents were lodged with Fair Work Australia (FWA) on 15 and 22 February 2010 respectively.

The documents have been filed.

Although the documents have been filed please note the following information when preparing financial reports for future years.

**1. Legislative references for future financial reports**

The *Fair Work (Registered Organisations) Act 2009* and the *Fair Work (Registered Organisations) Regulations 2009* were operative from 1 July 2009. The Act was formerly Schedule 1 of the *Workplace Relations Act 1996* and the Regulations were formerly the *Workplace Relations (Registration and Accountability of Organisations) Regulations 2003*. The section numbering and generally the content of the legislation have remained the same with the exception of the Industrial Registrar and the Deputy Industrial Registrar having been replaced with the General Manager and the Delegate to the General Manager. Financial reports for future years should refer to the new legislation.

**2. Lodge your future financial reports on time.**

The RO Act sets out a particular chronological order and timeline in which financial documents must be prepared, provided to members and presented to a meeting. The general purpose financial report (GPFR) and the operating report must be prepared as soon as practicable after the end of each financial year [see ss253(1), 254(1)]. The GPFR is then audited. In circumstances where the full report is presented to a committee of management meeting (such as South Australian Branch of HSU), the full report must be provided to members free of charge within the period of 5 months from the end of the financial year [see s265(5)]. The full report must be presented to the committee of management within the period of 6 months from the end of the financial year [see s266]. The full report must then be lodged with FWA along with a designated officer's certificate within 14 days of the s266 meeting [see s268]. A diagram setting out this timeline has been enclosed for your information. As stated in my previous

correspondence to you, these sections are all civil penalty provisions and contravention of these provisions may attract a pecuniary penalty imposed by the Federal Court against the person or organisation whose conduct contravenes the civil penalty provision.

In summary, when preparing the financial reports the reporting unit should keep the following dates in mind:

- prepare the general purpose financial report (which includes the committee of management statement) and the operating report as soon as practicable after 30 June;
- organise for the auditor to audit the general purpose financial report (inclusive of the committee of management statement) as soon as practicable;
- provide a copy of the full report (includes general purpose financial report, operating report and auditor's report) to the members on or before 30 November;
- present the full report to a committee of management meeting on or before 31 December; and
- lodge the full report and designated officer's certificate with FWA within 14 days of the full report being presented at meeting.

Please ensure that the order of events and timeline is adhered to.

### **3. Auditor's report**

The auditor is required to state an opinion on whether the GPFR is presented fairly in accordance with the Australian Accounting Standards and Part 3, Chapter 8 of the RO Act [see s257(5)]. The GPFR consists of the profit and loss statement, balance sheet, statement of cash flows, other statements required by the Australian Accounting Standards (such as statement of changes in equity), notes to the financial statements and the committee of management statement [see s253(2) and the Reporting Guidelines]. The scope of the auditor's report did not specify that the committee of management statement had formed part of the audited documents. Please ensure this is done in future.

The auditor of a reporting unit under the RO Act must be an approved auditor or a firm, at least one of whose members is an approved auditor [see s256(2)]. An approved auditor means a person who is a member of CPA Australia, the Institute of Chartered Accountants in Australia or the National Institute of Accountants and holds a current Public Practice Certificate [see reg.4 of *Fair Work (Registered Organisations) Regulations 2009*]. In all likelihood, Mr Stephen Noble is most probably an 'approved auditor' as defined by the regulations but in future this should be made apparent in the signature block of the auditor's report.

A copy of this letter has been forwarded to your auditor.

### **4. Committee of Management Statement**

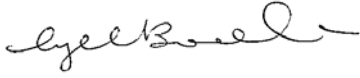
Item 26 of the General Manager's Reporting Guidelines requires the committee of management statement to specify the date of passage of the resolution as well as the date the designated officer signs the statement. Please ensure both dates are contained in the statement.

### **5. Recovery of wages activity**

The accounts did not provide information in relation to any recovery of wages activity for the financial year. The financial reporting obligations regarding the recovery of wages activity is specified in items 16 to 23 and item 25(f) of the Reporting Guidelines. Where the reporting unit has not undertaken any recovery of wages activity a statement to that effect should be contained in the GPFR. Please ensure this is done in future financial reports.

If you wish to discuss any matters contained in this correspondence I may be contacted on (03) 8661 7989 (Wed – Fri) or by email at [cynthia.lobooth@fwa.gov.au](mailto:cynthia.lobooth@fwa.gov.au)

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Cynthia Lo-Booth', with a stylized flourish at the end.

Cynthia Lo-Booth  
Tribunal Services and Organisations

Enc.

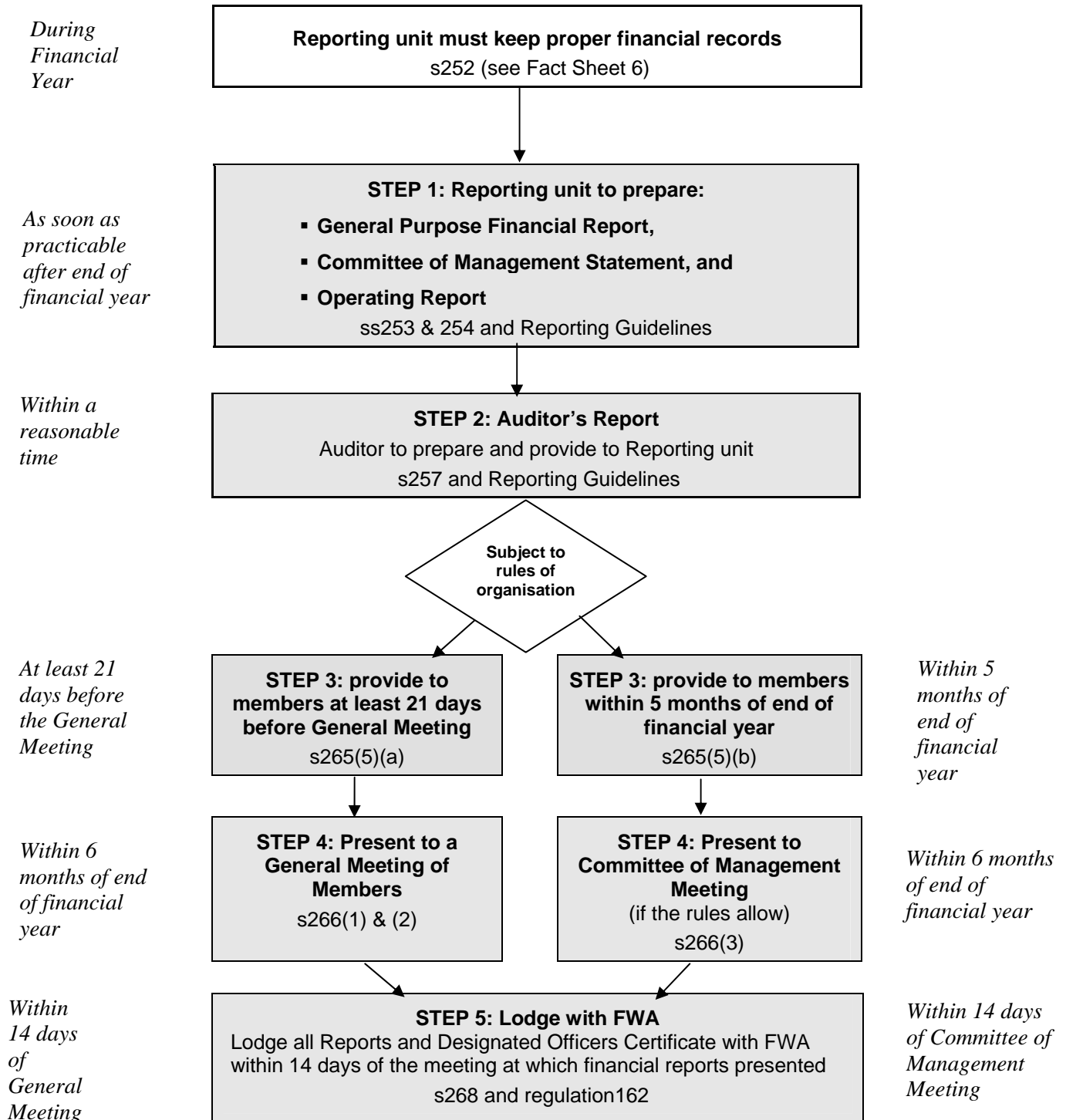
Copy: Mr Stephen J Noble  
Jacobs, Noble & Associates  
1 Alexandra Avenue  
ROSE PARK SA 5067

## Fair Work (Registered Organisations) Act 2009 Legislation Fact Sheet

### Diagrammatic Summary of Financial Reporting Time-lines

Financial reports are to be lodged with FWA within 6½ months of end of financial year by completing the steps as outlined below.

See Fact Sheet 8 for an explanation of each of these steps.



## THE SECRETARY'S CERTIFICATE

s268 Fair Work (Registered Organisations) Act 2009

I, Jorge Navas being the Secretary of the Health Services Union certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act 2009;
- That the full 2007 report was provided to members on 10<sup>th</sup> March 2008;
- That the full 2008 report was provided to members on; 29<sup>th</sup> April 2009.
- That the 2007 & 2008 reports were provided free of charge.
- That the 2007 report was presented to a meeting of the Committee of Management of the HSUA SA Branch on 3<sup>rd</sup> March 2008 in accordance with section 266 of the RAO Schedule.
- Furthermore, the 2007 and 2008 financial reports were presented at Management Committee meetings held on 20<sup>th</sup> April 2009 and 18<sup>th</sup> May 2009 in accordance with section 266 of the Fair Work (Registered Organisations) Act 2009.

If you have any queries, please contact me on 0419 036 615.



19 February 2010

## **CERTIFICATE OF SECRETARY**

S268 of Schedule 1 *Workplace Relations Act 1996*

I, Jorge Navas being the Secretary of the Health Service Union of Australia, SA Branch certify:

- That the 2007 financial report documents lodged on 20<sup>th</sup> October 2008 are copies of the full report, referred to in s268 of the RAO Schedule; and
- That the report was presented to a meeting of the Committee of Management of the HSUA SA Branch on 3<sup>rd</sup> March 2008 in accordance with section 266 of the RAO Schedule.

Furthermore, the 2007 and 2008 financial reports were presented at Management Committee meetings held on 20<sup>th</sup> April 2009 and 18<sup>th</sup> May 2009 in accordance with s268.

I apologise for the delay on providing you with this certificate.

If you have any queries, please contact me on 0419 036 615.

Signature



16<sup>th</sup> February 2010

**HEALTH SERVICES UNION OF AUSTRALIA  
SOUTH AUSTRALIAN BRANCH**

**FINANCIAL ACCOUNTS  
FOR THE YEAR ENDED  
30 JUNE 2007**

**HEALTH SERVICES UNION OF AUSTRALIA  
SOUTH AUSTRALIAN BRANCH**

**CONTENTS**

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**FINANCIAL STATEMENTS**

**OF**

**HEALTH SERVICES UNION OF AUSTRALIA**

**SOUTH AUSTRALIAN BRANCH**

**ABN: 35 898 865 510**

**For the Year Ended 30 June 2007**

**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**OPERATING REPORT**

The **Principal activities** as a Trade Union during the financial year ended 30<sup>th</sup> June 2007 were to improve the rights of members , and maintain reasonable hours of work and obtain fair wages and industrial conditions for members.

No **significant changes** in the nature of those activities occurred during the year .  
No **significant changes** occurred in the union's **financial affairs** during the year ended 30<sup>th</sup> June 2007.

**Resignation from Membership**

1)A member may resign from the Branch of the Union by written notice addressed and delivered to the Branch Secretary or a Branch of the Union.

2)A notice of resignation takes effect

- a) where the member ceases to be eligible to become a member of the Union
  - i) on the day on which the notice is received by the organisation; or
  - ii) on the day specified in the notice and not earlier than the day of cessation or eligibility whichever is the later; or
- b) in any other case
  - i) at the end of two weeks after the notice is received by the Union; or
  - ii) the day specified in the noticewhichever is the latest.

3)Any member resigning shall be liable for payment of all subscriptions, fines and levies owing to the Union under the Rules at the date of leaving, and such monies may be sued for and recovered in the name of the Union.

4)A notice delivered in person to the Branch Secretary is taken to have been received by the Union when it was delivered.

5)A notice of resignation is not invalid because it was not addressed and delivered in accord with subsection 1)

6) A resignation from membership is valid even if it is not effected in accord with 1) to 5) if the member is informed in writing by or on behalf of the organisation that the resignation has been accepted by the Union.

**Trustee or Director of Trustee Company Superannuation Entity or Exempt Public Sector Superannuation Scheme**

No members or officials held reserved positions in such an entity

The **number of Members** at the end of the financial year was 521.

The number of persons who were **employees** of the Branch at the end of the financial year was one.

**Members of the Committee of Management**

The persons holding office during the year were

Mark Panes; Daniel Drusetta; Bruno Sonza, Riccardo Iannella; Elizabeth Reid; Cheryl Mitchell; Nick Petrakas; Robert Tuck; Andrew Coleman; Jorge Navas.

Jorge Navas.......... BRANCH SECRETARY Dated 3/3/08



**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**BRANCH COMMITTEE'S CERTIFICATE**

I, Mark Panes, being a member of the Committee of Management of the Health Services Union South Australian Branch in relation to the General Purpose Financial Report for the Financial year ended 30 June 2007, declare on behalf of the committee that:-

- a) the Financial Statements and notes comply with the Accounting and Reporting Standards as applicable in Australia,
- b) the financial Statements and notes comply with the Reporting guidelines of the Industrial Register,
- c) the Financial Statements and notes give a true and fair view of the Balance Sheet, Income Statement, Statement of Changes in Equity and cash flows of the Branch 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 general purpose financial report relates and since the end of that year:
  - i) meetings of the committee of management 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 RAO schedules and the RAO regulations; and
  - iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the reporting units of the organisation; and
  - v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO schedule has been furnished to the member or Registrar; and
  - vi) there has been compliance with any order for inspection of financial reports made by the Commission under section 273 of the RAO schedule.

Signed in accordance with a resolution of the Committee of Management:

Dated 3/3 2008

  
\_\_\_\_\_

Title of Office Held: BRANCH President

DATE: 3/3 2008

**HEALTH SERVICES UNION OF AUSTRALIA  
SOUTH AUSTRALIAN BRANCH  
ABN: 35 898 865 510**

**INDEPENDENT AUDITOR'S REPORT**

**Scope**

**The Financial Report & Branch Council Responsibility**

We have audited the accompanying general purpose financial report of the Health Services Union, South Australian Branch for the year ended 30 June 2007 comprising Balance Sheet, Income Statement, Statement of Changes in Equity and Statement of Cash Flows and Notes to the Financial Statements. The Branch Committee is responsible for the preparation and presentation of the financial report and the information it contains. 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 estimates inherent in the Financial Report.

**Audit Approach**

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

We performed procedures to assess whether in all material respects the Financial Report presents fairly, in accordance with the Industrial Relations Act, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Branch's financial position, and of its performance as represented by the results of the 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.

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.

**Audit Opinion**

In our opinion:-

- a) the financial report is properly drawn up so as to present fairly, in accordance with financial accounting and reporting standards applicable in Australia, the financial position of the branch as at 30 June 2007 and the results of its operations and its cash flows for the year ended on that date; and
- b) the financial report is in accordance with the provisions of the Workplace Relations Act 1996.

Name of firm: **JACOBS, NOBLE & ASSOCIATES  
CHARTERED ACCOUNTANTS**

Address: **1 Alexandra Avenue, Rose Park, SA 5067**

Name of partner: **Stephen J Noble**

Signature: \_\_\_\_\_

Dated this 5<sup>th</sup> day of March 2008



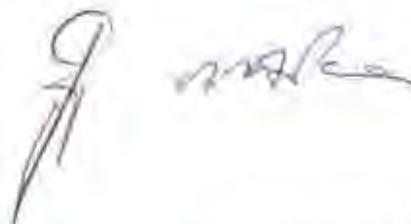
**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**BALANCE SHEET**  
**As at 30 June 2007**

		To Jun 2007	To Jun 2006
		\$	\$
<b>CURRENT ASSETS</b>			
Cash	(Note 3)	89,303	47,074
Receivables	(Note 4)	<u>1,195</u>	<u>1,163</u>
<b>TOTAL CURRENT ASSETS</b>		<u>90,498</u>	<u>48,237</u>
<b>NON-CURRENT ASSETS</b>			
Investments	(Note 5)	2,870	2,868
Plant, Property & Equipment	(Note 6)	<u>11,009</u>	<u>16,518</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>13,879</u>	<u>19,386</u>
<b>TOTAL ASSETS</b>		<u>104,377</u>	<u>67,623</u>
<b>CURRENT LIABILITIES</b>			
Creditors & Borrowings	(Note 7)	20,083	35,666
Provisions	(Note 8)	<u>56,000</u>	<u>31,000</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>76,083</u>	<u>66,666</u>
<b>TOTAL LIABILITIES</b>		<u>76,083</u>	<u>66,666</u>
<b>NET ASSETS</b>		<u>\$28,294</u>	<u>\$957</u>
Retained Profits		<u>28,294</u>	<u>957</u>
<b>TOTAL SHAREHOLDERS EQUITY</b>		<u>\$28,294</u>	<u>\$957</u>

**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 30/6/07**

Opening Balance	957	(4,987)
Surplus for the period	27,337	5,944
<b>Closing Balance at the end of the year</b>	<u>\$28,294</u>	<u>\$957</u>



**TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT &  
NOTES TO THE ACCOUNTS**

**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**INCOME STATEMENT**  
**For the Year Ended 30 June 2007**

	To Jun 2007	To Jun 2006
<b>REVENUE FROM</b>		
Members Contributions	212,561	123,730
Interest	148	43
Other Income	<u>1,458</u>	<u>79</u>
	<u>214,167</u>	<u>123,852</u>
Advertising		(221)
Affiliation Fees (Note 9)	(1,154)	(1,681)
Audit and Fees & Taxes	(3,000)	(2,332)
Campaign Expenses	(1,216)	(210)
Computer Expenses	(4,983)	-
Depreciation	(3,567)	(4,207)
Meeting & Public Relations	(4,711)	(5,199)
Fringe Benefits Tax	(2,117)	(1,890)
Insurances - Member	(1,102)	(2,305)
Insurances - Other	(19,552)	(5,574)
Interest	(16,179)	(12,022)
Legal & Industrial Expenses	(1,326)	(144)
Motor Vehicle Expenses	(1,499)	-
Postage, Printing & Stationery	(8,301)	(6,926)
Provision for Employee Entitlements	(6,669)	(3,353)
Rent & Occupancy Expenses (Note 10)	(25,000)	(2,480)
Repairs & Maintenance	(4,585)	(1,235)
Salaries & Allowances (Note 11)	(570)	(91)
Contract Data Processing & Clerical	(47,517)	(40,542)
Superannuation	(9,785)	(5,588)
Sundry Expenses	(5,105)	(2,805)
Telephone & Mobile Telephone	(2,908)	(132)
Travel & Accommodation	(6,067)	(11,463)
Overseas Travel Expenses	(9,073)	(3,633)
Workcover	-	(3,000)
	<u>(844)</u>	<u>(875)</u>
	<u>(186,830)</u>	<u>(117,908)</u>
Profit (Loss) from Ordinary Activities Attributable to Members	<u>\$27,337</u>	<u>\$5,944</u>

**TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT & NOTES TO THE ACCOUNTS**

**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**STATEMENT OF CASH FLOWS**  
**For the Year Ended 30 June 2007**

	Year Ended 30 June 2007	Year Ended 30 June 2006
	\$	\$
<b><u>Cash Flows from Operating Activities</u></b>		
Receipts from Members	212,754	123,730
Less Payments for services, & to employees	(169,390)	(92,558)
Add Interest	<u>148</u>	<u>43</u>
<b>Net Surplus from Operating Activities</b> 3(b)	<u>43,512</u>	<u>31,215</u>
<b><u>Cash Flow from Investing Activities</u></b>		
Payment for purchases of equipment	<u>(1,281)</u>	<u>(9,272)</u>
<b>Net Cash In (Outflow)</b>	<u>42,231</u>	<u>21,943</u>
Cash at the beginning of the year	<u>49,940</u>	<u>27,997</u>
Cash at the end of the financial year 3(a)	<u>\$92,171</u>	<u>\$49,940</u>

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**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**For the Year Ended 30 June 2007**

**NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & IN ACCORD WITH THE WORKPLACE RELATIONS ACT 1996**

**NOTE 1.1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a general purpose financial report that has been prepared in accordance with Financial Accounting and Reporting Standards applicable in Australia, and the requirements of the Workplace Relations Act – 1996 as amended.

Contributions are accounted for on a cash basis. Excepting for contributions the Financial Report has been prepared on an accruals basis and is based on historical costs, modified by the revaluation of selected non-current assets.

The following is a summary of the material accounting policies adopted by the Branch in the preparation of this Financial Report. The accounting policies have been consistently applied unless otherwise stated.

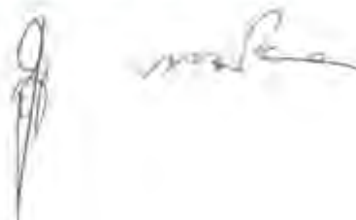
- (a) **Income Tax**  
The Branch is exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act – 1997.
- (b) **Plant & Equipment**  
Motor Vehicles and Plant and Equipment are carried at cost or fair values, less accumulated depreciation and impairment losses.
- (c) **Contributions**  
Contributions are accounted for on a cash basis.
- (d) **Employee Benefits**  
Provision for Employee Benefits in the form of Long Service Leave, Accrued Annual Leave, etc., have been made for the accrued entitlements of all Employees on the basis of their Terms of Employment.

**NOTE 2. WORKPLACE RELATIONS ACT 1996**

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, which reads

- (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 sub section (1).

**TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT**





**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**For the Year Ended 30 June 2007 (Cont'd)**

**NOTE 3. CASH FLOW INFORMATION**

**(a) Reconciliation of Cash**

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:

	2007	2006
	\$	\$
Cash at Bank & on deposits		
- Credit Union Cheque & Visa A/C	89,303	47,074
- Credit Union Investment A/C	<u>2,868</u>	<u>2,866</u>
	<u><b>\$92,171</b></u>	<u><b>\$49,940</b></u>

**(b) Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax**

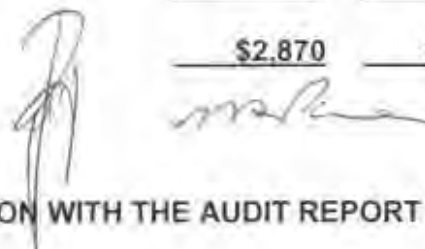
	2007	2006
	\$	\$
Profit/(Loss) from Ordinary Activities	27,337	5,944
<i>Non-Cash flows in profit from ordinary activities:</i>		
- Depreciation	4,711	5,199
- Adjustment on Plant	<u>(1,264)</u>	<u>—</u>
	30,784	11,143
<i>Change in Assets and Liabilities:</i>		
Decrease/(Increase) in Receivables	(332)	(1,162)
(Decrease)/Increase in Payables	(11,940)	18,754
Increase/(Decrease) in Provisions	<u>25,000</u>	<u>2,480</u>
<b>Cash Flows from Operations</b>	<u><b>\$43,512</b></u>	<u><b>\$31,215</b></u>

**NOTE 4. RECEIVABLES**

GST Credits Claimable	1,195	1,162
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**NOTE 5. INVESTMENTS**

CPS Credit Union – Savings A/c	2,868	2,866
CPS Credit Union Shares	<u>2</u>	<u>2</u>
	<u><b>\$2,870</b></u>	<u><b>\$2,868</b></u>



**TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT**

**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**NOTES TO AND FORMING PART OF THE ACCOUNTS (Cont'd)**  
**For the Year Ended 30 June 2007**

	30/6/07	30/6/06
<b>NOTE 6. PROPERTY, PLANT &amp; EQUIPMENT</b>		
Office Furniture & Equipment at Cost	8,651	10,698
Deduct Accumulated Depreciation	<u>(4,916)</u>	<u>(3,566)</u>
	<u>3,735</u>	<u>7,132</u>
Motor Vehicles	20,131	20,131
Deduct Accumulated Depreciation	<u>(12,857)</u>	<u>(10,745)</u>
	<u>7,274</u>	<u>9,386</u>
	<b><u>\$11,009</u></b>	<b><u>\$16,518</u></b>
<b>NOTE 7. CREDITORS AND BORROWINGS</b>		
Sundry Creditors & Accruals	9,903	19,635
Loan SA Unions	--	3,478
Payroll Liabilities	5,687	4,740
GST Liabilities	<u>4,493</u>	<u>7,813</u>
	<b><u>\$20,083</u></b>	<b><u>\$35,666</u></b>
<b>NOTE 8. PROVISIONS - OFFICIALS</b>		
Provision for Annual Leave	21,500	12,500
Provision for Long Service Leave	<u>34,500</u>	<u>18,500</u>
	<u>56,000</u>	<u>31,000</u>
<b>NOTE 9. AFFILIATION</b>		
SA Unions	532	1,100
ALP	622	551
Other	<u>--</u>	<u>30</u>
	<b><u>\$1,154</u></b>	<b><u>\$1,681</u></b>
<b>NOTE 10. RENT &amp; OCCUPANCY COSTS</b>		
SA Unions	4,176	1,235
Other	<u>409</u>	<u>--</u>
	<u>4,585</u>	<u>1,235</u>
<b>NOTE 11. PAYMENTS TO OFFICIALS</b>		
Reportable Fringe Benefits	3,989	7,534
Salaries	47,517	40,542
Contributions for retirement benefits	5,105	2,805
Payments to related parties		
Clerical, Data Processing	6,455	--

**NOTE 12. SEGMENT REPORTING**

The Branch operates as a trade union and provides employee support to members.

**TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT**



FAIR WORK  
AUSTRALIA

10 February 2010

Mr Jorge Navas  
Secretary  
Health Services Union  
South Australian Branch  
11-16 South Terrace  
ADELAIDE SA 5000

Email: [hsuasa@bigpond.net.au](mailto:hsuasa@bigpond.net.au)

Dear Mr Navas

**Fair Work (Registered Organisations) Act 2009 – (RO Act)  
Financial reports for years ended 30 June 2007, 2008 and 2009**

Financial report for year ended 30 June 2007 – FR2007/466

I refer to the financial report for the South Australian Branch of the Health Services Union for the year ended 30 June 2007 which was lodged on 20 October 2008 and the designated officer's certificate subsequently lodged on 4 December 2008. This financial report has still not been filed.

The information provided in the designated officer's certificate and the auditor's report disclosed that the full report was presented to the committee of management before the auditor's report was completed. This appears to be in breach of the RO Act. In my letter on 4 December 2008 I requested the reporting unit to:

- Provide the full report (inclusive of the signed auditor's report) to the members free of charge if this had not already been done;
- Present the full report (inclusive of the signed auditor's report) to the committee of management; and
- Prepare and lodge a new designated officer's certificate providing details of the above information.

I also refer to my correspondence with you via letter, email and telephone conversation on 14 January, 4 and 18 February, 1 May, 27 August, 7 October and 16 December 2009. And your responses dated 16 January, 18 March, 7 May, 14 October and 27 November 2009. You advised us on 27 November 2009 that the next committee of management meeting was scheduled for 7 December 2009 and that the new designated officer's certificate would be lodged soon after that meeting. To date our records show that Fair Work Australia (FWA) have not received any further documents lodged by the reporting unit. You are reminded that sections 265 (copies of full report to be provided to members), 266 (full report to be presented to meetings) and 268 of the RO Act (reports and certificate by prescribed officer to be lodged with FWA) are civil penalty provisions. Contravention of the civil penalty provisions may attract a pecuniary penalty imposed by the Federal Court against the person or organisation whose conduct contravenes the civil penalty provision.

The reporting unit is required to comply with the requests contained in the above dot points and lodge a new designated officer's certificate with FWA **immediately**.

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

Telephone: (03) 8661 7989  
International: (613) 8661 7989  
Facsimile: (03) 9655 0410  
Email: [orgs@fwa.gov.au](mailto:orgs@fwa.gov.au)

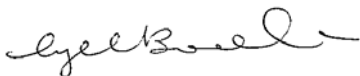
Financial reports for year ended 30 June 2008 and 2009 – FR2008/228, FR2009/10102

The financial report for year ended 30 June 2008 is well overdue and must be lodged with FWA **immediately**. According to the RO Act this financial report was due to be lodged with our office on 14 January 2009.

The financial report for year ended 30 June 2009 was due on 14 January 2010 and 14 February 2010 if an extension of time is sought by the reporting unit under s265(5) of the RO Act and granted by the General Manager of FWA. Our records show that no such extension has been sought. Therefore this financial report is also overdue.

Again, you are reminded ss265, 266 and 268 of the RO Act are civil penalty provisions.

Yours sincerely



Cynthia Lo-Booth  
Tribunal Services and Organisations



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

Level 5, 11 Exhibition Street  
Melbourne, VIC 3000  
GPO Box 1994, Melbourne, VIC 3001  
Telephone: (03) 8661 7989  
Fax: (03) 9655 0410  
Email: [cynthia.lobooth@airc.gov.au](mailto:cynthia.lobooth@airc.gov.au)

Mr Jorge Navas  
Branch Secretary  
Health Services Union  
South Australian Branch  
11-16 South Terrace  
ADELAIDE SA 5000

By e-mail: [hsuasa@bigpond.net.au](mailto:hsuasa@bigpond.net.au)

Dear Mr Navas

**Re: Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)  
Financial Reports for year ended 30 June 2007 – FR2007/466**

I acknowledge receipt of the certificate of secretary dated 4 December 2008. The document was lodged in the Industrial Registry on the same day.

Unfortunately the documents still have not been filed.

I note from the documents lodged that the auditor's report was signed on 4 March 2008 and the full report was presented to a meeting of the committee of management on 3 March 2008.

Subsection 265(1)(a) of the RAO Schedule defines a full report to consist of:

- “(i) a copy of the report of the auditor in relation to the inspection and audit of the financial records of the reporting unit in relation to the financial year; and*
- (ii) a copy of the general purpose financial report to which the report relates; and*
- (iii) a copy of the operating report to which the report relates...”*

According to s266 of the RAO Schedule a full report must be presented to a general meeting of members, or if provided for in the organisation rules (as it does in the Health Services Union rules), the full report may be presented to a meeting of the committee of management.

The problem is that the auditor's report could not have formed part of the full report when the documents were presented at the meeting of 3 March 2008 because the auditor's report is signed one day later. Therefore the s266 has not been complied with.

Furthermore, the certificate of secretary lodged today omitted the information in dot point 2 of the pro forma secretary's certificate I forwarded to you in my last correspondence dated 23 October 2008. That is, the certificate should specify *“the full report was provided to members on [insert date]; and...”* Please ensure this information is provided so that the Registry can ascertain whether s265 of the RAO Schedule has been complied with. This requirement was addressed in our correspondence sent to you last year dated 11 May 2007.

In order for the financial report for the year ended 30 June 2008 to be filed I require you to do the following:

- If you have not already done so provided the full report to your members free of charge. This is often done by making the full report available on the organisation website and

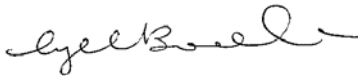
advising all members the full report is there. If this has already been done go to the next dot point.

- Hold a committee of management meeting to present the full report to include the signed auditor's report as required by s266.
- Prepare and sign a new certificate of secretary. The certificate must provide information regarding the date of when the full report was provided to members and the new date of the committee of management meeting where the full report (inclusive of the signed auditor's report) was presented.
- Then lodge this new certificate of secretary with the Registry.

I request that you advise me in writing when the next scheduled committee of management meeting is so that our records can be updated to note when to anticipate receipt of the new certificate of secretary.

If you have further questions regarding this letter I can be contacted on (03) 8661 7989 (Wed – Fri) or by email at [cynthia.lobooth@airc.gov.au](mailto:cynthia.lobooth@airc.gov.au).

Yours sincerely,



Cynthia Lo-Booth  
Statutory Services Branch

4 December 2008



**Health Services Union**  
South Australian Branch

*Working for a healthier community*

46 Greenhill Road  
Wayville SA 5034

Telephone (08) 8279 2255

Mobile 0419 036 615

Facsimile (08) 8279 2223

Email [hsuasa@bigpond.net.au](mailto:hsuasa@bigpond.net.au)

Website [www.hsuasa.asn.au](http://www.hsuasa.asn.au)

## CERTIFICATE OF SECRETARY

S268 of Schedule 1 *Workplace Relations Act 1996*

I, Jorge Navas being the Secretary of the Health Service Union of Australia, SA Branch certify:

- That the documents lodged on 20<sup>th</sup> October 2008 are copies of the full report, referred to in s268 of the RAO Schedule; and
- That the full report was presented to a meeting of the Committee of Management of the HSUA SA Branch on 3<sup>rd</sup> March 2008 in accordance with section 266 of the RAO Schedule.

Signature

4<sup>th</sup> December 2008





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

Level 5, 11 Exhibition Street  
Melbourne, VIC 3000  
GPO Box 1994, Melbourne, VIC 3001  
Telephone: (03) 8661 7989  
Fax: (03) 9655 0410  
Email: [cynthia.lobooth@airc.gov.au](mailto:cynthia.lobooth@airc.gov.au)

Mr Jorge Navas  
Branch Secretary  
Health Services Union  
South Australian Branch  
11-16 South Terrace  
ADELAIDE SA 5000

By e-mail: [hsuasa@bigpond.net.au](mailto:hsuasa@bigpond.net.au)

Dear Mr Navas

**Re: Schedule 1 of the Workplace Relations Act 1996 (RAO Schedule)  
Financial Reports for year ended 30 June 2007 – FR2007/466**

I acknowledge receipt of the financial report for the South Australian Branch of the Health Services Union for the year ended 30 June 2007. The documents were lodged in the Industrial Registry on 20 October 2008.

The documents have not been filed.

Section 268 of the RAO Schedule requires the full report to be lodged with a designated officer's certificate. The designated officer's certificate should state that the documents lodged are copies of the documents provided to members, provide details as to when the documents were supplied to members (see RAO Schedule s.265) and provide details as to when the full report was presented to a meeting of members (see RAO Schedule s.266).

For your assistance I have enclosed a pro forma copy of a designated officer's certificate.

Also in your cover letter when submitting the designated officer's certificate can you please provide details of your membership numbers as at 30 June 2007. This was left blank in the operating report and I require that information in processing the financial report.

I anticipate receipt of the designated officer's certificate and details of your reporting unit's membership numbers by 5 November 2008. Please advise me if this will be a problem. I can be contacted on (03) 8661 7989 (Wed – Fri) or by email at [cynthia.lobooth@airc.gov.au](mailto:cynthia.lobooth@airc.gov.au).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Cynthia Lo-Booth'.

Cynthia Lo-Booth  
Statutory Services Branch

23 October 2008



## **Sample Designated Officer's Certificate or other Authorised Officer<sup>1</sup>**

*s268 Fair Work (Registered Organisations) Act 2009*

I *[name]* being the *[title of office]* of the *[name of the organisation]* certify:

- that the documents lodged herewith are copies of the full report, ~~and the concise report~~<sup>2</sup>, referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the *[full report **OR** concise report]*<sup>3</sup>, was provided to members on *[insert date]*; and
- that the full report was presented to ~~a general meeting of members~~ **OR** *a meeting of the committee of management*<sup>3</sup> of the reporting unit on *[insert date]*; in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature

Date:

<sup>1</sup>*The relevant regulations prescribe the designated officer for the purpose of s268 of the Fair Work (Registered Organisations) Act 2009 as:*

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

<sup>2</sup>*Only applicable where a concise report is provided to members*

<sup>3</sup>*Insert whichever is applicable*

HEALTH SERVICES UNION OF AUSTRALIA  
SOUTH AUSTRALIAN BRANCH

FINANCIAL ACCOUNTS  
FOR THE YEAR ENDED  
30 JUNE 2007

**HEALTH SERVICES UNION OF AUSTRALIA  
SOUTH AUSTRALIAN BRANCH**

**CONTENTS**

Operating Report
Branch Committee Certificate
Auditor's Report
Balance Sheet
Income Statement
Statement of Cash Flows
Notes to and Forming Part of the Accounts

**FINANCIAL STATEMENTS**

**OF**

**HEALTH SERVICES UNION OF AUSTRALIA**

**SOUTH AUSTRALIAN BRANCH**

**ABN: 35 898 865 510**

**For the Year Ended 30 June 2007**

**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**OPERATING REPORT**

The **Principal activities** as a Trade Union during the financial year ended 30<sup>th</sup> June 2007 were to improve the rights of members, and maintain reasonable hours of work and obtain fair wages and industrial conditions for members.

No **significant changes** in the nature of those activities occurred during the year  
No **significant changes** occurred in the union's **financial affairs** during the year ended 30<sup>th</sup> June 2007.

**Resignation from Membership**

1) A member may resign from the Branch of the Union by written notice addressed and delivered to the Branch Secretary or a Branch of the Union.

2) A notice of resignation takes effect

- a) where the member ceases to be eligible to become a member of the Union
  - i) on the day on which the notice is received by the organisation; or
  - ii) on the day specified in the notice and not earlier than the day of cessation or eligibility whichever is the later; or
- b) in any other case
  - i) at the end of two weeks after the notice is received by the Union; or
  - ii) the day specified in the notice  
whichever is the latest.

3) Any member resigning shall be liable for payment of all subscriptions, fines and levies owing to the Union under the Rules at the date of leaving, and such monies may be sued for and recovered in the name of the Union.

4) A notice delivered in person to the Branch Secretary is taken to have been received by the Union when it was delivered.

5) A notice of resignation is not invalid because it was not addressed and delivered in accord with subsection 1)

6) A resignation from membership is valid even if it is not effected in accord with 1) to 5) if the member is informed in writing by or on behalf of the organisation that the resignation has been accepted by the Union.

**Trustee or Director of Trustee Company Superannuation Entity or Exempt Public Sector Superannuation Scheme**

No members or officials held reserved positions in such an entity

The **number of Members** at the end of the financial year was \_\_\_\_.

The number of persons who were **employees** of the Branch at the end of the financial year was one.

**Members of the Committee of Management**

The persons holding office during the year were

Mark Panes; Daniel Druetta; Bruno Sonza, Riccardo Iannella; Elizabeth Reid; Cheryl Mitchell; Nick Petrakas; Robert Tuck; Andrew Coleman; Jorge Navas.

Jorge Navas.....



BRANCH SECRETARY Dated

3/3/08



**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**BRANCH COMMITTEE'S CERTIFICATE**

I, Mark Panes, being a member of the Committee of Management of the Health Services Union South Australian Branch in relation to the General Purpose Financial Report for the Financial year ended 30 June 2007, declare on behalf of the committee that:-

- a) the Financial Statements and notes comply with the Accounting and Reporting Standards as applicable in Australia,
- b) the financial Statements and notes comply with the Reporting guidelines of the Industrial Register;
- c) the Financial Statements and notes give a true and fair view of the Balance Sheet, Income Statement, Statement of Changes in Equity and cash flows of the Branch 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 general purpose financial report relates and since the end of that year:
  - i) meetings of the committee of management 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 RAO schedules and the RAO regulations; and
  - iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the reporting units of the organisation; and
  - v) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO schedule has been furnished to the member or Registrar; and
  - vi) there has been compliance with any order for inspection of financial reports made by the Commission under section 273 of the RAO schedule.

Signed in accordance with a resolution of the Committee of Management:

Dated 3/3 2008

  
\_\_\_\_\_

Title of Office Held: BRANCH President

DATE: 3/3 2008

HEALTH SERVICES UNION OF AUSTRALIA  
SOUTH AUSTRALIAN BRANCH  
ABN: 35 898 865 510

INDEPENDENT AUDITOR'S REPORT

**Scope**

**The Financial Report & Branch Council Responsibility**

We have audited the accompanying general purpose financial report of the Health Services Union, South Australian Branch for the year ended 30 June 2007 comprising Balance Sheet, Income Statement, Statement of Changes in Equity and Statement of Cash Flows and Notes to the Financial Statements. The Branch Committee is responsible for the preparation and presentation of the financial report and the information it contains. 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 estimates inherent in the Financial Report.

**Audit Approach**

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

We performed procedures to assess whether in all material respects the Financial Report presents fairly, in accordance with the Industrial Relations Act, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Branch's financial position, and of its performance as represented by the results of the 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.

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.

**Audit Opinion**

In our opinion:-

- a) the financial report is properly drawn up so as to present fairly, in accordance with financial accounting and reporting standards applicable in Australia, the financial position of the branch as at 30 June 2007 and the results of its operations and its cash flows for the year ended on that date, and
- b) the financial report is in accordance with the provisions of the Workplace Relations Act 1996.

Name of firm:

**JACOBS, NOBLE & ASSOCIATES  
CHARTERED ACCOUNTANTS**

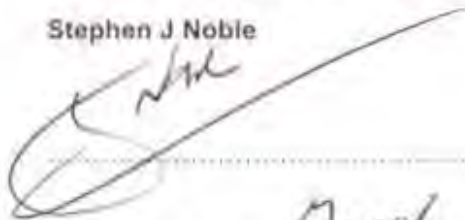
Address:

**1 Alexandra Avenue, Rose Park, SA 5067**

Name of partner:

**Stephen J Noble**

Signature:



Dated this

4<sup>th</sup>

day of

March

2008



**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**BALANCE SHEET**  
**As at 30 June 2007**

		To Jun 2007	To Jun 2006
		\$	\$
<b>CURRENT ASSETS</b>			
Cash	(Note 3)	89,303	47,074
Receivables	(Note 4)	<u>1,195</u>	<u>1,163</u>
<b>TOTAL CURRENT ASSETS</b>		<u>90,498</u>	<u>48,237</u>
<b>NON-CURRENT ASSETS</b>			
Investments	(Note 5)	2,870	2,868
Plant, Property & Equipment	(Note 6)	<u>11,009</u>	<u>16,518</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>13,879</u>	<u>19,386</u>
<b>TOTAL ASSETS</b>		<u>104,377</u>	<u>67,623</u>
<b>CURRENT LIABILITIES</b>			
Creditors & Borrowings	(Note 7)	20,083	35,666
Provisions	(Note 8)	<u>56,000</u>	<u>31,000</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>76,083</u>	<u>66,666</u>
<b>TOTAL LIABILITIES</b>		<u>76,083</u>	<u>66,666</u>
<b>NET ASSETS</b>		<u>\$28,294</u>	<u>\$957</u>
Retained Profits		<u>28,294</u>	<u>957</u>
<b>TOTAL SHAREHOLDERS EQUITY</b>		<u>\$28,294</u>	<u>\$957</u>

**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 30/6/07**

Opening Balance	957	(4,987)
Surplus for the period	<u>27,337</u>	<u>5,944</u>
<b>Closing Balance at the end of the year</b>	<u>\$28,294</u>	<u>\$957</u>



**TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT &  
NOTES TO THE ACCOUNTS**



**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**INCOME STATEMENT**  
**For the Year Ended 30 June 2007**

	To Jun 2007	To Jun 2006
<b>REVENUE FROM</b>		
Members Contributions	212,561	123,730
Interest	148	43
Other Income	1,458	79
	<u>214,167</u>	<u>123,852</u>
Advertising		(221)
Affiliation Fees (Note 9)	(1,154)	(1,681)
Audit and Fees & Taxes	(3,000)	(2,332)
Campaign Expenses	(4,983)	-
Computer Expenses	(3,567)	(4,207)
Depreciation	(4,711)	(5,199)
Meeting & Public Relations	(2,117)	(1,890)
Fringe Benefits Tax	(1,102)	(2,305)
Insurances - Member	(19,552)	(5,574)
Insurances - Other	(16,179)	(12,022)
Interest	(1,326)	(144)
Legal & Industrial Expenses	(1,499)	-
Motor Vehicle Expenses	(8,301)	(6,926)
Postage, Printing & Stationery	(6,669)	(3,353)
Provision for Employee Entitlements	(25,000)	(2,480)
Rent & Occupancy Expenses (Note 10)	(4,585)	(1,235)
Repairs & Maintenance	(570)	(91)
Salaries & Allowances (Note 11)	(47,517)	(40,542)
Contract Data Processing & Clerical	(9,785)	(5,588)
Superannuation	(5,105)	(2,805)
Sundry Expenses	(2,908)	(132)
Telephone & Mobile Telephone	(6,067)	(11,463)
Travel & Accommodation	(9,073)	(3,633)
Overseas Travel Expenses	-	(3,000)
Workcover	(844)	(875)
	<u>(186,830)</u>	<u>(117,908)</u>
Profit (Loss) from Ordinary Activities	<u>\$27,337</u>	<u>\$5,944</u>
Attributable to Members		

**TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT &  
NOTES TO THE ACCOUNTS**

**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**STATEMENT OF CASH FLOWS**  
**For the Year Ended 30 June 2007**

	Year Ended 30 June 2007	Year Ended 30 June 2006
	\$	\$
<b><u>Cash Flows from Operating Activities</u></b>		
Receipts from Members	212,754	123,730
Less Payments for services, & to employees	(169,390)	(92,558)
Add Interest	148	43
<b>Net Surplus from Operating Activities</b>	<b>3(b) 43,512</b>	<b>31,215</b>
<b><u>Cash Flow from Investing Activities</u></b>		
Payment for purchases of equipment	(1,281)	(9,272)
<b>Net Cash In (Outflow)</b>	<b>42,231</b>	<b>21,943</b>
Cash at the beginning of the year	49,940	27,997
<b>Cash at the end of the financial year</b>	<b>3(a) \$92,171</b>	<b>\$49,940</b>

Two handwritten signatures in black ink, one on the left and one on the right, positioned below the cash flow statement.



**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**For the Year Ended 30 June 2007**

**NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & IN  
ACCORD WITH THE WORKPLACE RELATIONS ACT 1996**

**NOTE 1.1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

This financial report is a general purpose financial report that has been prepared in accordance with Financial Accounting and Reporting Standards applicable in Australia, and the requirements of the Workplace Relations Act – 1996 as amended.

Contributions are accounted for on a cash basis. Excepting for contributions the Financial Report has been prepared on an accruals basis and is based on historical costs, modified by the revaluation of selected non-current assets.

The following is a summary of the material accounting policies adopted by the Branch in the preparation of this Financial Report. The accounting policies have been consistently applied unless otherwise stated.

- (a) **Income Tax**  
The Branch is exempt from Income Tax under Section 50-15 of the Income Tax Assessment Act – 1997.
- (b) **Plant & Equipment**  
Motor Vehicles and Plant and Equipment are carried at cost or fair values, less accumulated depreciation and impairment losses.
- (c) **Contributions**  
Contributions are accounted for on a cash basis.
- (d) **Employee Benefits**  
Provision for Employee Benefits in the form of Long Service Leave, Accrued Annual Leave, etc., have been made for the accrued entitlements of all Employees on the basis of their Terms of Employment.

**NOTE 2. WORKPLACE RELATIONS ACT 1996**

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, which reads

- (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 sub section (1).

**TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT**

Two handwritten signatures are present at the bottom of the page. The signature on the left is a vertical, stylized mark, while the signature on the right is a more horizontal, cursive-style mark.

**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**NOTES TO AND FORMING PART OF THE ACCOUNTS**  
**For the Year Ended 30 June 2007 (Cont'd)**

**NOTE 3. CASH FLOW INFORMATION**

**(a) Reconciliation of Cash**

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:

	2007	2006
	\$	\$
Cash at Bank & on deposits		
- Credit Union Cheque & Visa A/C	89,303	47,074
- Credit Union Investment A/C	<u>2,868</u>	<u>2,866</u>
	<u><b>\$92,171</b></u>	<u><b>\$49,940</b></u>

**(b) Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax**

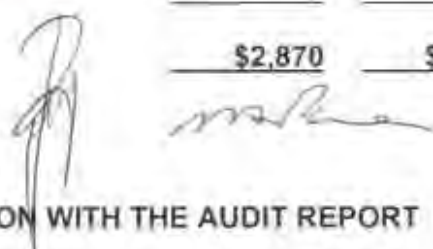
	2007	2006
	\$	\$
Profit/(Loss) from Ordinary Activities	27,337	5,944
<i>Non-Cash flows in profit from ordinary activities:</i>		
- Depreciation	4,711	5,199
- Adjustment on Plant	<u>(1,264)</u>	<u>-</u>
	30,784	11,143
<i>Change in Assets and Liabilities:</i>		
Decrease/(Increase) in Receivables	(332)	(1,162)
(Decrease)/Increase in Payables	(11,940)	18,754
Increase/(Decrease) in Provisions	<u>25,000</u>	<u>2,480</u>
<b>Cash Flows from Operations</b>	<u><b>\$43,512</b></u>	<u><b>\$31,215</b></u>

**NOTE 4. RECEIVABLES**

GST Credits Claimable	1,195	1,162
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**NOTE 5. INVESTMENTS**

CPS Credit Union – Savings A/c	2,868	2,866
CPS Credit Union Shares	<u>2</u>	<u>2</u>
	<u><b>\$2,870</b></u>	<u><b>\$2,868</b></u>



**TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT**



**HEALTH SERVICES UNION OF AUSTRALIA**  
**SOUTH AUSTRALIAN BRANCH**  
**ABN: 35 898 865 510**

**NOTES TO AND FORMING PART OF THE ACCOUNTS (Cont'd)**  
**For the Year Ended 30 June 2007**

	30/6/07	30/6/06
<b>NOTE 6. PROPERTY, PLANT &amp; EQUIPMENT</b>		
Office Furniture & Equipment at Cost	8,651	10,698
Deduct Accumulated Depreciation	<u>(4,916)</u>	<u>(3,566)</u>
	<u>3,735</u>	<u>7,132</u>
Motor Vehicles	20,131	20,131
Deduct Accumulated Depreciation	<u>(12,857)</u>	<u>(10,745)</u>
	<u>7,274</u>	<u>9,386</u>
	<b><u>\$11,009</u></b>	<b><u>\$16,518</u></b>
<b>NOTE 7. CREDITORS AND BORROWINGS</b>		
Sundry Creditors & Accruals	9,903	19,635
Loan SA Unions	-	3,478
Payroll Liabilities	5,687	4,740
GST Liabilities	<u>4,493</u>	<u>7,813</u>
	<b><u>\$20,083</u></b>	<b><u>\$35,666</u></b>
<b>NOTE 8. PROVISIONS - OFFICIALS</b>		
Provision for Annual Leave	21,500	12,500
Provision for Long Service Leave	<u>34,500</u>	<u>18,500</u>
	<u>56,000</u>	<u>31,000</u>
<b>NOTE 9. AFFILIATION</b>		
SA Unions	532	1,100
ALP	622	551
Other	<u>-</u>	<u>30</u>
	<b><u>\$1,154</u></b>	<b><u>\$1,681</u></b>
<b>NOTE 10. RENT &amp; OCCUPANCY COSTS</b>		
SA Unions	4,176	1,235
Other	<u>409</u>	<u>-</u>
	<u>4,585</u>	<u>1,235</u>
<b>NOTE 11. PAYMENTS TO OFFICIALS</b>		
Reportable Fringe Benefits	3,989	7,534
Salaries	47,517	40,542
Contributions for retirement benefits	5,105	2,805
Payments to related parties		
Clerical, Data Processing	6,455	-

**NOTE 12. SEGMENT REPORTING**

The Branch operates as a trade union and provides employee support to members.

**TO BE READ IN CONJUNCTION WITH THE AUDIT REPORT**