



FAIR WORK
AUSTRALIA

26 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

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

Dear Mr Navas

**Fair Work (Registered Organisations) Act 2009 (RO Act)
Financial Report for year ended 30 June 2008 – FR2008/228**

I acknowledge receipt of the financial report for the South Australian Branch of the Health Services Union for the year ended 30 June 2008 and the operating report and amended designated officer's certificate. The financial report was lodged with Fair Work Australia (FWA) on 15 February and the subsequent documents were lodged on 22 February 2010.

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. Auditor's report

Opinion

The auditor is required to state an opinion on whether the "GPFR is presented fairly in accordance with the Australian Accounting Standards and any other requirements imposed by this Part", namely Part 3, Chapter 8 of the RO Act. If the auditor is not of that opinion the auditor's report must say why [see s257(5)].

The lodged 2008 auditor's opinion states that the financial report is in accordance with the "company's constitution", "giving a true and fair view of the company's financial position" and "(complies) with Australian Accounting Standards (including the Australian Accounting Interpretations) and the company's constitution". There is no mention of whether the GPFR is presented fairly in accordance with Part 3, Chapter 8 of the RO Act. Also the term "presented fairly" is preferred over the accounting term "true and fair view" as these are the prescribed words used in s257(5). In future please ensure s257(5) is complied with.

The following suggested wording would satisfy the requirements of s257(5):

"In our opinion the general purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisation) Act 2009."

General Purpose Financial Report (GPFR)

The GPFR must include the committee of management statement, cash flow statement and disclose certain expense items which have been incurred by the reporting unit.

Sub-section 253(2) specifies the documents that make up a GPFR. The committee of management statement, which is a statement required by the reporting guidelines, and the cash flow statement are documents specified in s253(2) as forming part of the GPFR.

It appears that the committee of management statement did not form part of the audited documents as the statement was signed on 20 April 2009 (although the resolution was passed on 20 February) and the auditor's report was signed two months earlier on 23 February 2009. Although the scope of the auditor's report includes the director's declaration as part of the audit this is not clear according to the dates of the documents.

There was no cash flow statement in the financial documents lodged.

Item 11 of the General Manager's Reporting Guidelines (copy provided for your information) require certain expense items be disclosed in the audited accounts. However the Income and Expenditure Statement that disclose balances for many of these expense items appears on page 17 after the auditor's report. Therefore, it is not clear whether this statement was audited. I note that an Income Statement appears to be audited on page 2 but this statement lacks the disclosure required by the Reporting Guidelines and further expense related details could not be found in the notes of the financial report. In future please ensure the Income and Expenditure Statement is also audited, if not, the expense items should appear in the notes of the GPFR.

Approved auditor

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.

3. 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.

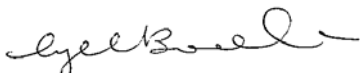
Please ensure that the order of events and timeline is adhered to.

4. 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

Yours sincerely,



Cynthia Lo-Booth
Tribunal Services and Organisations

Enc.

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 10th March 2008;
- That the full 2008 report was provided to members on; 29th 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 3rd 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 20th April 2009 and 18th 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

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

OPERATING REPORT

The **principle activities** as a Trade Union during the financial year ended 30th June 2008 were to improve the rights of members, maintain reasonable hours of work and obtain fair wages and industrial condition for members.

No **significant changes** in nature of those activities occurred during the year.

No **significant changes** occurred in the unions **financial affairs** during the year ended 30th June 2008.

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 in 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 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 later
- 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 by 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 and entity.

The number of Members at the end of the financial year was 595.

The number of persons who were employees of the Branch at the end of the financial year was 01.

Members of the Committee of Management

The persons holding office during the year were: Mark Panes; Bruno Sonza; Andrew Coleman; Marilyn Betchley; Riccardo Iannella; Elizabeth Reid; Lesley Dummin; Anthony Newman; Cherry Mitchell; Nick Petrakas; and Jorge Navas

Jorge Navas
BRANCH SECRETARY



.....

Dated.....16/2/09.....

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 20th 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 3rd 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 20th April 2009 and 18th 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



16th February 2010

**HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510**

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2008**

**HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510**

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HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

| | Note | 2008 \$ | 2007 \$ |
|--|----------|----------------|---------------|
| Revenue | 2 | 237,462 | 214,167 |
| Accountancy expenses | | (8,964) | (3,000) |
| Advertising expenses | | (45) | - |
| Depreciation and amortisation expenses | | (7,772) | (4,711) |
| Employee benefits expenses | | (70,191) | (53,724) |
| Other expenses | | (77,650) | (125,395) |
| Profit before income tax | 3 | <u>72,840</u> | <u>27,337</u> |
| Retained earnings at the beginning of the financial year | | 28,294 | 957 |
| Profit attributable to members of the company | | <u>101,134</u> | <u>28,294</u> |

The accompanying notes form part of these financial statements

HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510

BALANCE SHEET
AS AT 30 JUNE 2008

| | Note | 2008 \$ | 2007 \$ |
|----------------------------------|------|----------------|----------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 4 | 129,119 | 92,173 |
| Trade and other receivables | 5 | 756 | - |
| TOTAL CURRENT ASSETS | | <u>129,875</u> | <u>92,173</u> |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 6 | 25,764 | 11,009 |
| TOTAL NON-CURRENT ASSETS | | <u>25,764</u> | <u>11,009</u> |
| TOTAL ASSETS | | <u>155,639</u> | <u>103,182</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 7 | 4,075 | 18,888 |
| Provisions | 8 | 50,430 | 56,000 |
| TOTAL CURRENT LIABILITIES | | <u>54,505</u> | <u>74,888</u> |
| TOTAL LIABILITIES | | <u>54,505</u> | <u>74,888</u> |
| NET ASSETS | | <u>101,134</u> | <u>28,294</u> |
| EQUITY | | | |
| Retained earnings | 9 | 101,134 | 28,294 |
| TOTAL EQUITY | | <u>101,134</u> | <u>28,294</u> |

The accompanying notes form part of these financial statements.

HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510

STATEMENT OF RECOGNISED INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2008

| Note | Retained earnings \$ | Total \$ |
|--------------------------------|----------------------------|-------------|
| Profit attributable to members | 27,337 | 27,337 |
| Balance at 30 June 2007 | 27,337 | 27,337 |
| Profit attributable to members | 72,840 | 72,840 |
| Balance at 30 June 2008 | 100,177 | 100,177 |

The accompanying notes form part of these financial statements.

HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

1 Statement of Significant Accounting Policies

This financial report covers Health Services Union of Australia SA Branch as an individual entity. Health Services Union of Australia SA Branch is a company limited by shares, incorporated and domiciled in Australia.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity, all other decreases are charged to the income statement.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the director to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity, all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset.

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Impairment of Assets

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

Defined superannuation schemes

In respect of defined benefit plans, the cost of providing the benefits is determined using the projected unit credit method. Actuarial valuations are conducted every three years, with interim valuations performed on an annual basis. Consideration is given to any event that could impact the funds up to balance sheet date where the interim valuation is performed at an earlier date.

HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

The amount recognised in the balance sheet represents the present value of the defined benefit obligations adjusted for any unrecognised actuarial gains and losses and unrecognised past service costs less the fair value of the plan's assets. Any asset recognised is limited to unrecognised actuarial losses, plus the present value of available refunds and reductions in future contributions to the plan.

Actuarial gains and losses are amortised over the expected average remaining working lives of the participating employees in the scheme. Gains or losses on the curtailment or settlement of a defined benefit plan are recognised in the income statement when the company is demonstrably committed to the curtailment or settlement.

Past services costs are recognised when incurred to the extent that benefits are vested, and are otherwise amortised on a straight-line basis over the vesting period.

Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at reporting date and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

Goods and Services Tax (GST)

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

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Comparative Figures

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

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

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.

(1)

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

(2)

(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 SA BRANCH
A.B.N 358 98 865 510

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

| | 2008 | 2007 |
|---|-----------------|-----------------|
| | \$ | \$ |
| 2 Revenue | | |
| Operating activities | | |
| Rendering of services | 237,462 | 214,167 |
| Total revenue | <u>237,462</u> | <u>214,167</u> |
| 3 Profit | | |
| Expenses | | |
| Depreciation of property, plant and equipment | 7,772 | 4,711 |
| 4 Cash and Cash Equivalents | | |
| Current | | |
| CPS Credit Union | 2,585 | 2,870 |
| Credit Union Cheque & Visa A/C | 774 | 89,303 |
| Bendigo Cheque A/C | 125,760 | - |
| | <u>129,119</u> | <u>92,173</u> |
| 5 Trade and Other Receivables | | |
| Current | | |
| Sundry Debtors | <u>756</u> | <u>-</u> |
| 6 Property, Plant and Equipment | | |
| Office Furniture & Equipment | 8,651 | 8,651 |
| Less: Accumulated Depreciation | <u>(6,499)</u> | <u>(4,916)</u> |
| | <u>2,152</u> | <u>3,735</u> |
| Motor Vehicles | 42,658 | 20,131 |
| Less: Accumulated Depreciation | <u>(19,046)</u> | <u>(12,867)</u> |
| | <u>23,612</u> | <u>7,274</u> |
| Total Plant and Equipment | <u>25,764</u> | <u>11,009</u> |
| Total Property, Plant and Equipment | <u>25,764</u> | <u>11,009</u> |

HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

| | 2008 | 2007 |
|--|-------------|-------------|
| | \$ | \$ |
| 7 Trade and Other Payables | | |
| Current | | |
| American Express | 438 | - |
| Trade Creditors | 3,637 | 9,903 |
| Input Tax Credits | - | (1,195) |
| GST Receivable | - | 4,493 |
| Payroll Liabilities | - | 5,687 |
| | 4,075 | 18,888 |
| 8 Provisions | | |
| Provision for Annual Leave | 20,000 | 21,500 |
| Provision for Long Service Leave | 30,430 | 34,500 |
| | 50,430 | 56,000 |
| Total provisions | 50,430 | 56,000 |
| Analysis of Total Provisions | | |
| Current | 50,430 | 56,000 |
| | 50,430 | 56,000 |
| 9 Retained Earnings | | |
| Retained earnings at the beginning of the financial year | 28,294 | 957 |
| Net profit attributable to members of the company | 72,840 | 27,337 |
| Retained earnings at the end of the financial year | 101,134 | 28,294 |

HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2008

2008
\$

2007
\$

10 Financial Risk Management

Financial Risk Management Policies

The company's financial instruments consists primarily of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, loans to and from subsidiaries, bills and leases.

The director's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These included the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finance for company operations.

The company does not have any derivative instruments at 30 June 2008.

11 Change in Accounting Policy

12 Company Details

Health Services Union of Australia SA Branch

HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510

STATEMENT BY MEMBERS OF THE COMMITTEE

On 20 February 2009 the Branch Committee of Management of the Health Services Union of Australia South Australia Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the Branch for the year ended 30 June 2008.

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

- (a) the financial report and notes comply with the Australian Accounting Standards;
- (b) the financial report and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial report and notes give a true and fair view of the financial performance, financial position, changes in equity and cash flows of the branch for the financial year ended 30 June 2008.
- (d) there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year ended 30 June 2008 and since the end of the financial year,
 - (i) meetings of the Branch Committee of Management were held in accordance with the rules of the organisation and the rules of the Branch; and
 - (ii) the financial affairs of the Branch have been managed in accordance with the rules of the organisation and the rules of the Branch; and
 - (iii) the financial records of the Branch have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - (iv) the financial records of the Branch have been kept, as far as practicable, in a consistent manner to each of the other branches of the organisation; and
 - (v) no information has been sought in any request of a member of the branch or a Registrar under section 272 of the RAO Schedule; and
 - (vi) no order for inspection of the financial records was made by the Commission under section 273 of the RAO Schedule
- (f) during the financial year ended 30 June 2008 the Branch did not participate in any recovery of wages activity.

For the Branch Committee of Management



BRANCH SECRETARY

Date: 20 APRIL 09

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B,N 358 98 865 510**

Report on the Financial Report

I have audited the accompanying financial report of Health Services Union of Australia SA Branch which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the director's declaration.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporations Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances. In Note 1, the director also states, in accordance with Accounting Standard AASB 101 "Presentation of Financial Statements", that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I 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 judgment, 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 and fair presentation of the financial report 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 director, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of Australian professional ethical pronouncements.

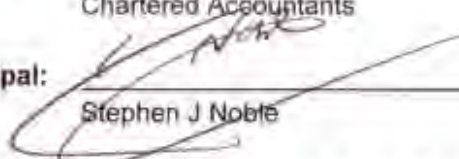
**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510**

Auditor's Opinion

In my opinion:

- (a) the financial report of Health Services Union of Australia SA Branch is in accordance with the company's constitution, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2008 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the company's constitution.
- (b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Name of Firm: Jacobs Noble & Associates
Chartered Accountants

Name of Principal: 
Stephen J Noble

Address: 1 Alexandra Avenue, Rose Park, SA 5067

Dated this 23rd **day of** February **2009**

HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510

CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, Jorge Navas certify that:

- (a) We are members of the committee of Health Services Union of Australia SA Branch.
- (b) We attended the annual general meeting of the association held on .
- (c) We are authorised by the attached resolution of the committee to sign this certificate.
- (d) This annual statement was submitted to the members of the association at its annual general meeting.

Committee Member: _____

Jorge Navas



Dated this 20 day of April 2009

HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH
A.B.N 358 98 865 510

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2008

| | 2008 \$ | 2007 \$ |
|---|----------------|----------------|
| REVENUE | | |
| Member Contributions | 235,271 | 212,561 |
| Interest Received | 2,191 | 148 |
| Other Income | - | 1,458 |
| | <u>237,462</u> | <u>214,167</u> |
| EXPENDITURE | | |
| Accountancy & Audit Fees | 8,964 | 3,000 |
| Advertising | 45 | - |
| Affiliation Fees | 4,630 | 1,154 |
| Bank Charges | 1,964 | - |
| Campaign Expenses | 4,778 | 4,983 |
| Computer Expenses | 3,880 | 3,567 |
| Contract Data Processing & Clerical | 11,835 | 9,785 |
| Depreciation | 7,772 | 4,711 |
| Fees & Taxes | - | 1,216 |
| Fringe Benefits Tax | - | 1,102 |
| Insurance | 17,503 | 35,731 |
| Interest Paid | - | 1,326 |
| Legal Costs | 350 | 1,499 |
| Meetings & Public Relations | 1,671 | 2,117 |
| Motor Vehicle Expenses | 6,092 | 8,301 |
| Postage, Printing & Stationery | 3,238 | 6,669 |
| Provision for Employee Entitlements | (5,570) | 25,000 |
| Rent & Occupancy Expenses | 3,046 | 4,585 |
| Repairs & Maintenance | - | 570 |
| Salaries & Wages | 64,010 | 47,517 |
| Sundry Expenses | 560 | 2,908 |
| Superannuation Contributions | 6,181 | 5,105 |
| Telephone | 9,378 | 6,067 |
| Travel & Accommodation | 12,954 | 9,073 |
| WorkCover | 1,341 | 844 |
| | <u>164,622</u> | <u>186,830</u> |
| Profit before income tax | 72,840 | 27,337 |
| Profit for the year | 72,840 | 27,337 |
| Retained earnings at the beginning of the financial year | 28,294 | 957 |
| Retained earnings at the end of the financial year | <u>101,134</u> | <u>28,294</u> |

The accompanying notes form part of these financial statements.

HEALTH SERVICES UNION OF AUSTRALIA SA BRANCH

TAXATION DEPRECIATION SCHEDULE
From 01/07/2007 To 30/06/2008

| Asset Code | Description | Acq/Disp Date | Priv. Use | Orig Cost | Bal. Char. | Accum Dept. | Open. W.D.V | Add/Disp. | P/L Sale | Cap. Gains | | Depreciation | | Close W.D.V | |
|-------------------------------------|---------------------------|---------------|-----------|--------------|------------|--------------|--------------|--------------|----------|------------|---------|--------------|-------|-------------|------------|
| | | | | | | | | | | Tax | Non Tax | Method | % YTD | | |
| <u>1</u> <u>Motor Vehicles</u> | | | | | | | | | | | | | | | |
| 1.0001 | Motor Vehicle | 03/07/2003 | | 20131 | | 12857 | 7274 | | | | | D | 22.50 | 1637 | 56 |
| 1.0002 | Toyota Prius | 08/08/2007 | | 22327 | | | | 22527 | | | | D | 22.50 | 4552 | 179 |
| | | | | <u>42658</u> | | <u>12857</u> | <u>7274</u> | <u>22527</u> | | | | | | <u>6189</u> | <u>236</u> |
| <u>2</u> <u>Plant and Equipment</u> | | | | | | | | | | | | | | | |
| 2.0001 | FILING CABINET (4 DRAWER) | 01/07/1998 | | 110 | | 95 | 11 | | | | | D | 7.50 | 1 | |
| 2.0002 | STATIONERY CABINET | 01/07/1998 | | 70 | | 60 | 10 | | | | | D | 7.50 | 1 | |
| 2.0003 | CALCULATOR | 01/07/1998 | | 36 | | 36 | | | | | | D | 15.00 | | |
| 2.0004 | CHAIRS x2 | 01/07/2000 | | 320 | | 290 | 22 | | | | | D | 20.00 | 4 | |
| 2.0005 | FILING CABINET | 01/07/2000 | | 120 | | 105 | 15 | | | | | D | 7.50 | 1 | |
| 2.0006 | FAX MACHINE | 27/10/2000 | | 769 | | 697 | 72 | | | | | D | 30.00 | 22 | |
| 2.0007 | COLOUR PRINTER | 26/08/2005 | | 818 | | 469 | 349 | | | | | D | 37.50 | 131 | 2 |
| 2.0008 | COMPUTER RECYCLERS | 14/09/2005 | | 780 | | 438 | 342 | | | | | D | 37.50 | 128 | 2 |
| 2.0009 | LAPTOP COMPUTER | 28/02/2006 | | 2802 | | 1837 | 1165 | | | | | D | 50.00 | 582 | 8 |
| 2.0010 | LASER PRINTER | 30/04/2006 | | 1545 | | 641 | 904 | | | | | D | 37.50 | 339 | 5 |
| 2.0011 | CAMERA | 15/11/2006 | | 636 | | 189 | 477 | | | | | D | 40.00 | 191 | 2 |
| 2.0012 | SCREEN & TFT EQUIP | 19/08/2006 | | 645 | | 279 | 366 | | | | | D | 50.00 | 183 | 1 |
| | | | | <u>8651</u> | | <u>4918</u> | <u>3733</u> | | | | | | | <u>1583</u> | <u>21</u> |
| TOTAL | | | | <u>51309</u> | | <u>17775</u> | <u>11007</u> | <u>22527</u> | | | | | | <u>7772</u> | <u>281</u> |

* Depreciation Limit

Balancing Charges

^ Balancing Charges in previous year