



6 November 2013

Jorge Navas  
Branch Secretary  
Health Services Union - South Australian Branch  
46 Greenhill Road  
Wayville SA 5034

Dear Mr Navas

**Health Services Union South Australian Branch Financial Report for the year ended 30 June 2012 - FR2012/414**

I acknowledge receipt of the financial report of the Health Services Union South Australian Branch (the Branch) for the year ended 30 June 2012. The documents were lodged with Fair Work Commission (FWC) on 21 April 2013. I acknowledge receipt of supplementary information on 4 November 2013 address the issues raised in my letter dated 10 September 2013.

The financial report has now been filed.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The FWC will confirm these concerns have been addressed prior to filing next year's report.

Materiality

As identified in my letter dated 10 September 2013, I noted that '*other expenses*' in the Income Statement accounted for approximately 24% of the overall expenditure of the Branch. In future years, where possible, this item should be broken down further to ensure that members have a greater understanding of the composition of expenditure within the Branch.

**Changes to the legislation and reporting guidelines**

I note with the change of legislation, references to Fair Work Australia will need to be updated to the Fair Work Commission.

Additionally, a third edition to the General Manager's s.253 reporting guidelines was gazetted on 26 June 2013. These guidelines will apply to all financial reports that end on or after 30 June 2013. Fair Work Commission has also developed a model set of financial statement for the 2012-2013 financial year. There is no requirement to use this model but it may be a useful resource to ensure compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 reporting guidelines and the Australian Accounting Standards.

The guidelines and model financial statements are available on the website here:

<http://www.fwc.gov.au/index.cfm?pagename=regorgsfrguidelines#finance>

If you have any queries regarding this letter, please contact me on (03) 8661 7886, or by email at [joanne.fenwick@fwc.gov.au](mailto:joanne.fenwick@fwc.gov.au).

Yours sincerely

Joanne Fenwick  
Financial Reporting Specialist  
Regulatory Compliance Branch

9<sup>th</sup> October 2013

Attn Joanne Fenwick  
Financial Reporting Specialist  
Fair Work Commission  
GPO Box 1994  
Melbourne Vic 3001

Our Ref: A4065

Dear Joanne

Re – Health Services Union – South Australian Branch

We refer to your letter dated 10<sup>th</sup> September 2013 and advise as follows;

Membership of Committee of Management

We advise that all members listed were members for the full year that the report relates to.

Disclosure of contributions to another reporting unit and disclosure of affiliation fees

Affiliation fees within the reports includes payments to;

|                         |             |
|-------------------------|-------------|
| Health Services Union   | \$13,332.54 |
| Australian Labour Party | \$2,234.55  |
| SA Unions               | \$3,469.20  |
| SA May Day              | \$200.00    |

Materiality

Other Expenses listed in the Income Statement do not include any items that require separate disclosure.

Cash Flow Statement

Notes to the Cash Flow Statement should include;

Payments to associated reporting units

|                         |             |
|-------------------------|-------------|
| Health Services Union   | \$13,332.54 |
| Australian Labour Party | \$2,234.55  |
| SA Unions               | \$3,469.20  |

No other disclosures.



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1 Alexandra Avenue  
Rose Park SA 5067  
PO Box 410  
Glenside, SA 5065  
P: 08 8333 7300

*Regional office*  
19 White Street  
Waikerie SA, 5330  
P: 08 8541 0300

info@sjnca.com.au  
www.sjnca.com.au

**Note 6 Property Plant & Equipment**

Note 6 should have read;

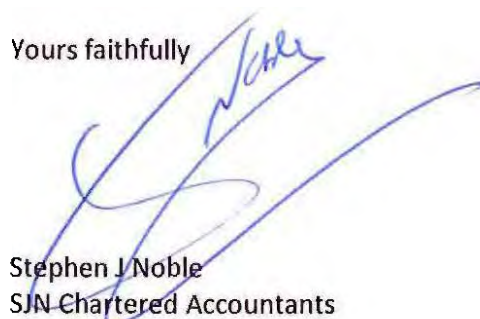
|                           | Freehold<br>Land<br>\$ | Buildings<br>\$ | Plant &<br>Equipment<br>\$ | Leased Plant<br>& Equipment<br>\$ | Total<br>\$ |
|---------------------------|------------------------|-----------------|----------------------------|-----------------------------------|-------------|
| Opening<br>Balance 2011   | Nil                    | Nil             | 26,509                     | Nil                               | 26,509      |
| Additions                 | Nil                    | Nil             | 30,949                     | Nil                               | 30,949      |
| Disposals                 | Nil                    | Nil             | 19,083                     | Nil                               | 19,083      |
| Revaluation<br>Decrements | Nil                    | Nil             | Nil                        | Nil                               | Nil         |
| Impairment<br>Loss        | Nil                    | Nil             | Nil                        | Nil                               | Nil         |
| Depreciation              | Nil                    | Nil             | 8,244                      | Nil                               | 8,244       |
| Closing Balance<br>2012   | Nil                    | Nil             | 30,131                     | Nil                               | 30,131      |

**Note 12 Employee Benefits to Elected Officers**

The total of the benefits at note 12 for the 2011 year should have been \$95,723. The difference is the Fringe Benefits Tax of \$1,961 which was included in Other Expenses in the Income Statement.

We thank you for your input into the above reports. Should you have any further queries please contact this office.

Yours faithfully



Stephen J Noble  
SJN Chartered Accountants  
[snoble@sjnca.com.au](mailto:snoble@sjnca.com.au)



28<sup>th</sup> December 2012

Joanne Fenwick  
Financial Reporting Specialist  
Fair Work Commission  
GPO Box 1994  
Melbourne VIC 3001

Dear Ms Fenwick

**Re: Health Services Union South Australian Branch Financial Report for the year ended 30 June 2012 FR2012/414**

We refer to your letter dated 10<sup>th</sup> September 2013 in which you raise a number of matters related to the above mentioned financial report. Please see responses to your queries below:

**1. Reports must be provided to members within five months of end of financial year where report is presented before Committee of Management meeting**

The reasons that the 2011-2012 financial report was not able to be provided to members until 18<sup>th</sup> April 2013 are (a) The auditors did not finalise the financial report until February/March 2013; (b) this coupled with continuous communications between Fair Work Australia and our auditors did make it impossible for us to comply with the requirements as per Section 265(5)(b) of the *Fair Work (Registered Organisations) Act 2009*.

We sincerely apologise for the delayed and respectfully request an extension of time as the events as explained above were beyond our control.

**2. Membership of Committee of Management**

The persons holding office during the 2011/2012 financial year were:

|                   |                                |
|-------------------|--------------------------------|
| Anthony Newman    | 1 Jul 2012 to 30 Jun 2013;     |
| Bruno Sonza       | 1 Jul 2012 to 30 Jun 2013;     |
| John Hristopoulos | 1 Jul 2012 to 30 Jun 2013;     |
| Lesley Dummin     | 1 Jul 2012 to 30 Jun 2013;     |
| Marget Killington | 1 Jul 2012 to 30 Jun 2013;     |
| Mark Panes        | 1 Jul 2012 to 30 Jun 2013;     |
| Michael Snigg     | 1 Jul 2012 to 30 Jun 2013;     |
| Nick Petrakos     | 1 Jul 2012 to 30 Jun 2013;     |
| Riccardo Iannella | 1 Jul 2012 to 30 Jun 2013;     |
| Sandra Alstin;    | 1 Jul 2012 to 30 Jun 2013      |
| Tony Hewitt       | 1 Jul 2012 to 30 Jun 2013; and |
| Jorge Navas       | 1 Jul 2012 to 30 Jun 2013.     |

### 3. General Purpose Financial Report

Please see letter of Stephen Noble SJN Chartered Accountants dated 9<sup>th</sup> October 2013 attached.

In addition, to the auditors' response and in relation your query regarding **disclosure of contributions to another reporting unit and disclosure of affiliation fees**, please see attached supporting "Card Transaction Report" document.

Thank you for your understanding and patience in this matter.

If you have further queries, please contact us.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jorge Navas', written in a cursive style.

Jorge Navas  
**Branch Secretary**

**Health Services Union of Aust**

46 Greenhill Road  
Wayville SA 5034

**Card Transactions [Accrual]**

**1/07/2011 To 30/06/2012**

26/10/2013  
7:34:23 AM

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| ID#                                   | Src | Date       | Memo                    | Account | Debit    | Credit      |
|---------------------------------------|-----|------------|-------------------------|---------|----------|-------------|
| HEALTH SERVICES UNION NATIONAL OFFICE |     |            |                         | *None   | Supplier |             |
| 304                                   | CD  | 28/07/2011 | HEALTH SERVICES UNION N | 1-1150  |          | \$3,197.70  |
| 328                                   | CD  | 8/11/2011  | HEALTH SERVICES UNION N | 1-1150  |          | \$4,138.22  |
| 332                                   | CD  | 23/11/2011 | HEALTH SERVICES UNION N | 1-1150  |          | \$6,092.36  |
| 373                                   | CD  | 24/04/2012 | HEALTH SERVICES UNION N | 1-1150  |          | \$1,237.51  |
|                                       |     |            |                         |         | \$0.00   | \$14,665.79 |

Affiliation Fees paid b Hsu National Office.  
inclusive GST

\$2907.00  
3762.02  
2769.25  
2769.26  
1125.01  
\$ 13332.54 exclusive GST

Health Services Union of Aust  
46 Greenhill Road  
Wayville SA 5034

Tax Invoice

A.B.N.: 35 898 865 510  
A.C.N.:

Invoice #: 00000012  
Date: 18/11/2012  
Ship Via:  
Page: 1

Bill To:

Ship To:

HEALTH SERVICES UNION NATIONAL OFFICE  
Po Box 3078  
South Melbourne VIC 3205

HEALTH SERVICES UNION NATIONAL OFFICE

Description  
Treasury on King William - Dinner 11/10/12  
Stamford Plaza Adelaide - Internet Access 11/10/12

Amount Code  
\$3,965.83 GST  
\$20.30 GST

---

Hsu National Office reimbursed this invoice  
on 29/11/13 Amount paid to  
US \$ 3986.13  
MEETING EXPENSES.

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|                |                              |                     |                           |
|----------------|------------------------------|---------------------|---------------------------|
| Your Order #:  | Customer ABN: 68 243 768 561 | Freight:            | \$0.00 GST                |
| Shipping Date: | Terms: Net 30th after        | GST:                | \$362.38                  |
| COMMENT        | CODE RATE                    | GST SALE AMOUNT     | Total Inc GST: \$3,986.13 |
|                | GST 10%                      | \$362.38 \$3,623.75 | Amount Applied: \$0.00    |
|                |                              | Balance Due:        | \$3,986.13                |

**From:** [Health Services Union SA](#)  
**To:** [PFEIFFER, Robert](#)  
**Subject:** HSU (SA Branch) -financial report - year ending 30 June 2012  
**Date:** Sunday, 21 April 2013 6:54:36 PM  
**Attachments:** [26.03.13 - Executed Audited Financials 2012.pdf](#)  
[2013-04-21 Fair Work Australia re Financial Report.pdf](#)

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Dear Robert

Enclosed is correspondence regarding Health Services Union-South Australian SA Branch Annual Returns

Regards

*Jorge Navas*

Secretary, HSU SA

Tel: 08 8279 2255, Mob: 0419 036 615, Fax: 08 8279 2223

46 Greenhill Road, Wayville SA 5034

Email: [hsusa@hsusa.asn.au](mailto:hsusa@hsusa.asn.au)

Web: [www.hsusa.asn.au](http://www.hsusa.asn.au)

**HEALTH PROFESSIONALS FIGHTING FOR A HEALTHIER COMMUNITY**





**Health Services Union**  
South Australian Branch

*Working for a healthier community*

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Robert Pfeiffer  
Senior Adviser  
Regulatory Compliance Branch  
Fair Work Commission  
GPO Box 1994  
Melbourne VIC 3001

By email: [robert.pfeiffer@fwc.gov.au](mailto:robert.pfeiffer@fwc.gov.au)

Dear Robert

**RE: Matter FR2012/414 - Financial Reporting matter re: 051V-SA Health Services Union-South Australian Branch**

Following our recent correspondence regarding "Financial Reporting matter re: 'Financial Documents for year ended 30 June 2012 [FR2012/414]. We would like to advise you that:

- The Committee of Management's Statement and Operating Report were prepared and approved at the Committee of Management meeting held on 21/11/2012.
- The General Purpose Financial Report was prepared by our auditor's and subsequently approved for signing by the SA Branch Committee of Management at the Management meeting held on 18/03/2013
- The auditor's report signed on 26/03/2013, was presented and then approved at the South Australian Branch Committee of Management meeting held on 08/04/2013.
- Members have been provided with full report by posting it on our website on 18/04/2013.
- A copy of the full report is attached with this correspondence.

If you have any queries please give me a call on 0419 036 615.

Thank you for your patience.

Yours sincerely

Jorge Navas  
Branch Secretary  
21/04/2013

# HEALTH SERVICES UNION

Audited Financial Statements  
Year Ended 30 June 2012



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

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2012**

**Liability limited by a scheme approved under  
Professional Standards Legislation**

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

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

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2012**

|                                                                  | Note     | 2012<br>\$    | 2011<br>\$    |
|------------------------------------------------------------------|----------|---------------|---------------|
| Revenue                                                          | 2        | 312,749       | 296,061       |
| Other income                                                     | 2        | (1,583)       | -             |
|                                                                  |          | 311,166       | 296,061       |
| Accountancy expenses                                             |          | (7,592)       | (6,876)       |
| Advertising expenses                                             |          | -             | (450)         |
| Affiliation Fees                                                 |          | (19,236)      | (18,927)      |
| Contractors                                                      | 13       | (11,723)      | (33,266)      |
| Other Contractors                                                | 14       | (6,629)       | -             |
| Depreciation and amortisation expenses                           |          | (8,244)       | (11,789)      |
| Employee benefits expenses                                       | 12       | (98,429)      | (93,762)      |
| Meeting Expenses                                                 |          | (6,955)       | (5,230)       |
| Travel & Accommodation                                           |          | (26,691)      | (18,239)      |
| Other expenses                                                   |          | (58,977)      | (68,893)      |
| <b>Surplus for the year</b>                                      | <b>3</b> | <b>66,690</b> | <b>38,629</b> |
| <b>Total comprehensive income for the year</b>                   |          | <b>66,690</b> | <b>38,629</b> |
| Total comprehensive income attributable to members of the entity |          | 66,690        | 38,629        |

The accompanying notes form part of these financial statements.

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

**BALANCE SHEET**  
**AS AT 30 JUNE 2012**

|                                       | Note | 2012<br>\$     | 2011<br>\$     |
|---------------------------------------|------|----------------|----------------|
| <b>ASSETS</b>                         |      |                |                |
| <b>CURRENT ASSETS</b>                 |      |                |                |
| Cash and cash equivalents             | 4    | 340,432        | 258,585        |
| Accounts receivable and other debtors | 5    | -              | 554            |
| <b>TOTAL CURRENT ASSETS</b>           |      | <u>340,432</u> | <u>259,139</u> |
| <b>NON-CURRENT ASSETS</b>             |      |                |                |
| Property, plant and equipment         | 6    | 30,131         | 26,508         |
| <b>TOTAL NON-CURRENT ASSETS</b>       |      | <u>30,131</u>  | <u>26,508</u>  |
| <b>TOTAL ASSETS</b>                   |      | <u>370,563</u> | <u>285,647</u> |
| <b>LIABILITIES</b>                    |      |                |                |
| <b>CURRENT LIABILITIES</b>            |      |                |                |
| Accounts Payable and Other Payables   | 7    | 3,670          | 3,161          |
| GST Liabilities                       | 8    | 7,985          | -              |
| Provisions                            | 9    | 139,147        | 129,415        |
| <b>TOTAL CURRENT LIABILITIES</b>      |      | <u>150,802</u> | <u>132,576</u> |
| <b>TOTAL LIABILITIES</b>              |      | <u>150,802</u> | <u>132,576</u> |
| <b>NET ASSETS</b>                     |      | <u>219,761</u> | <u>153,071</u> |
| <b>EQUITY</b>                         |      |                |                |
| Retained earnings                     | 10   | 219,761        | 153,071        |
| <b>TOTAL EQUITY</b>                   |      | <u>219,761</u> | <u>153,071</u> |

The accompanying notes form part of these financial statements.

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2012**

|                                 | Note | Retained<br>earnings<br>\$ | Total<br>\$    |
|---------------------------------|------|----------------------------|----------------|
| <b>Balance at 1 July 2011</b>   |      | 153,071                    | 153,071        |
| Surplus attributable to members |      | 66,690                     | 66,690         |
| <b>Balance at 30 June 2012</b>  |      | <u>219,761</u>             | <u>219,761</u> |

The accompanying notes form part of these financial statements.

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

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

|                                                     | 2012<br>\$ | 2011<br>\$ |
|-----------------------------------------------------|------------|------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |            |            |
| Receipts from customers                             | 304,103    | 296,061    |
| Interest Received                                   | 8,646      |            |
| Payments to suppliers and employees                 | (226,500)  | (247,988)  |
| Net cash provided by operating activities           | 86,249     | 48,073     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |            |            |
| Proceeds from employee loan                         | 553        | -          |
| Payments for other current assets                   | (13,449)   | (2,640)    |
| Net cash provided by (used in) investing activities | (12,896)   | (2,640)    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |            |            |
| Proceeds from borrowings                            | 8,494      | -          |
| Repayment of borrowings                             | -          | (12,751)   |
| Net cash provided by financing activities           | 8,494      | (12,751)   |
| Net increase in cash held                           | 81,847     | 32,682     |
| Cash at beginning of financial year                 | 258,585    | 225,903    |
| Cash at end of financial year                       | 340,432    | 258,585    |

The accompanying notes form part of these financial statements.



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012**

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**1 Statement of Significant Accounting Policies**

The financial statements covers HEALTH SERVICES UNION - SA BRANCH as an individual entity. HEALTH SERVICES UNION - SA BRANCH is an entity under the Fair Work (Registered Organisations) Act 2009.

**Basis of Preparation**

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations and the Fair Work (Registered Organisations) Act 2009.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. 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 these financial statements are presented below and have been consistently applied unless stated otherwise.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012**

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**Plant and equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

In the event the carrying value of plant and equipment is greater than the estimated recoverable amount, the carrying value is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

The cost of fixed assets constructed within the association 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 association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

**Depreciation**

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflects the pattern in which their future economic benefits are expected to be consumed by the association. Depreciation commences from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation method and useful life of assets is reviewed annually to ensure they are still appropriate.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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 recognised in profit or loss. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012**

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## **Financial Instruments**

### **Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (i.e. trade date accounting adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

### **Impairment of Assets**

At the end of each reporting period, the association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

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

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

### **Accounts Receivable and Other Receivables**

Accounts receivable are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of accounts receivable and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012**

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**Employee Benefits**

Provision is made for the association's liability for employee benefits arising from services rendered by employees at the end of the reporting period. 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. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

**Provisions**

Provisions are recognised when the association 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.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**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 borrowings in current liabilities on the statement of financial position.

**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. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period 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.

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2012**

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**Trade and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of liability.

**The Fair Work (Registered Organisations) Act 2009**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272, which reads:-

(1) A member of a reporting unit, or register, 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).

**Comparative Figures**

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

|                                               | <b>2012</b> | <b>2011</b> |
|-----------------------------------------------|-------------|-------------|
|                                               | <b>\$</b>   | <b>\$</b>   |
| <b>2 Revenue and Other Income</b>             |             |             |
| <b>Revenue</b>                                |             |             |
| Membership subscriptions                      | 312,749     | 296,061     |
| Total revenue                                 | 312,749     | 296,061     |
| <b>Other income</b>                           |             |             |
| Loss on Sale of Non-current Assets            | (1,583)     | -           |
| Total other income                            | (1,583)     | -           |
| <b>3 Surplus</b>                              |             |             |
| <b>Expenses</b>                               |             |             |
| Depreciation of property, plant and equipment | 8,244       | 11,789      |
| <b>Revenue and Other Income</b>               |             |             |
| Loss on Sale of Non-current Assets            | (1,583)     | -           |
| <b>4 Cash and Cash Equivalents</b>            |             |             |
| Credit Union Cheque Account                   | 10,219      | 18,219      |
| Bendigo Cheque A/C                            | 328,211     | 238,364     |
| CPS Credit Union                              | 2,000       | 2,000       |
| CPS Credit Union Shares                       | 2           | 2           |
|                                               | 340,432     | 258,585     |

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

|                                                                                                                                                                     | <b>2012</b> | <b>2011</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
|                                                                                                                                                                     | <b>\$</b>   | <b>\$</b>   |
| <b>Reconciliation of cash</b>                                                                                                                                       |             |             |
| 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: |             |             |
| Cash and cash equivalents                                                                                                                                           | 340,432     | 258,585     |
|                                                                                                                                                                     | 340,432     | 258,585     |

**5 Accounts Receivable and Other Debtors**

**Current**

|                  |   |     |
|------------------|---|-----|
| Loan - Employees | - | 554 |
|------------------|---|-----|

The association does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

**6 Property, Plant and Equipment**

|                                            |               |               |
|--------------------------------------------|---------------|---------------|
| Office Furniture & Equipment               | 12,740        | 12,740        |
| Less: Accumulated Depreciation             | (10,551)      | (8,789)       |
|                                            | 2,189         | 3,951         |
| Motor Vehicles                             | 30,950        | 31,818        |
| Less: Accumulated Depreciation             | (3,008)       | (9,261)       |
|                                            | 27,942        | 22,557        |
| <b>Total Plant and Equipment</b>           | <b>30,131</b> | <b>26,508</b> |
| <b>Total Property, Plant and Equipment</b> | <b>30,131</b> | <b>26,508</b> |

**Movements in Carrying Amounts**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

| Freehold Land | Buildings | Plant and Equipment | Leased Plant and Equipment | Total |
|---------------|-----------|---------------------|----------------------------|-------|
| \$            | \$        | \$                  | \$                         | \$    |
| NIL           | NIL       | NIL                 | NIL                        | NIL   |

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

|                                                          | 2012    | 2011    |
|----------------------------------------------------------|---------|---------|
|                                                          | \$      | \$      |
| <b>7 Accounts Payable and Other Payables</b>             |         |         |
| <b>Current</b>                                           |         |         |
| Visa                                                     | 833     | 752     |
| Other Creditors                                          | 306     | 2,409   |
| Amounts Withheld                                         | 2,531   | -       |
|                                                          | 3,670   | 3,161   |
| <b>8 GST Liabilities</b>                                 |         |         |
| <b>Current</b>                                           |         |         |
| GST Account                                              | 7,985   | -       |
|                                                          | 7,985   | -       |
| Total GST Liabilities                                    | 5 7,985 | 5 -     |
| <b>9 Provisions</b>                                      |         |         |
| Provision for Annual Leave                               | 26,730  | 24,604  |
| Provision for Sick Leave                                 | 65,287  | 60,747  |
| Provision for Long Service Leave                         | 47,130  | 44,064  |
| <b>Total provisions</b>                                  | 139,147 | 129,415 |
| <b>Analysis of Total Provisions</b>                      |         |         |
| Current                                                  | 139,147 | 129,415 |
|                                                          | 139,147 | 129,415 |
| <b>10 Retained Earnings</b>                              |         |         |
| Retained earnings at the beginning of the financial year | 153,071 | 114,442 |
| Net surplus attributable to the association              | 66,690  | 38,629  |
| Retained earnings at the end of the financial year       | 219,761 | 153,071 |



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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2012**

|                                                                                                                                                                                                                                                                                                                      | <b>2012</b>   | <b>2011</b>   |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
|                                                                                                                                                                                                                                                                                                                      | <b>\$</b>     | <b>\$</b>     |
| <hr/>                                                                                                                                                                                                                                                                                                                |               |               |
| <b>11 Association Details</b>                                                                                                                                                                                                                                                                                        |               |               |
| The registered office of the association is: 46 Greenhill Road, Wayville, South Australia                                                                                                                                                                                                                            |               |               |
| The principal place of business is: 46 Greenhill Road, Wayville, South Australia                                                                                                                                                                                                                                     |               |               |
| <b>12 Employee Benefits to Elected Officers</b>                                                                                                                                                                                                                                                                      |               |               |
| <b>Elected Office Holders</b>                                                                                                                                                                                                                                                                                        |               |               |
| Total income received, or due and receivable, by all office holders of each entity in the economic entity from the union, related bodies corporate, or controlled entities recognised as Related Party Transactions comprising of 1 officer whom is an employee of the organisation as measured on a fulltime basis. |               |               |
| Salaries & Wages                                                                                                                                                                                                                                                                                                     | 88,883        | 86,047        |
| Superannuation                                                                                                                                                                                                                                                                                                       | 7,654         | 7,715         |
| Fringe Benefits Tax                                                                                                                                                                                                                                                                                                  | 1,892         | 1,961         |
|                                                                                                                                                                                                                                                                                                                      | <u>98,429</u> | <u>93,762</u> |
| <b>13 Contractors</b>                                                                                                                                                                                                                                                                                                |               |               |
| Data Processing                                                                                                                                                                                                                                                                                                      | 11,723        | 33,266        |
|                                                                                                                                                                                                                                                                                                                      | <u>11,723</u> | <u>33,266</u> |
| <b>14 Other Contractors</b>                                                                                                                                                                                                                                                                                          |               |               |
| Other Contractors comprises of Related Party Transactions to the Elected Office Holder's daughter for fee for service of clerical support. The hours of fee for service vary depending on the workload however an average of 10.5 hours per week are rendered.                                                       |               |               |
| Related Party Transactions                                                                                                                                                                                                                                                                                           | 6,629         | -             |
|                                                                                                                                                                                                                                                                                                                      | <u>6,629</u>  | <u>-</u>      |

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

**COMMITTEE OF MANAGEMENT STATEMENT**

On 18/3/ 2013 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 2012.

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 General Manager;
- (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 2012.
- (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 2012 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 Fair Work (Registered Organisations) Act 2009 and the Fair Work (Registered Organisations) Regulations 2009; 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 Fair Work (Registered Organisations) Act 2009; and
  - (vi) no order for inspection of the financial records was made by the Commission under section 273 of the Fair Work (Registered Organisations) Act 2009
- (f) During the financial year ended 30 June 2012 the Branch did not participate in any recovery of wages activity.
- (g) Principle activities during the financial year were: Union Activities. No significant change in the nature of these activities occurred during the year.
- (h) A surplus for the year ended 30 June 2012 amounted to \$66,690

For the Branch Committee of Management

\_\_\_\_\_  
BRANCH SECRETARY

Date: 18/3/2013

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 30<sup>th</sup> June 2012 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 30<sup>th</sup> June 2012.

**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.

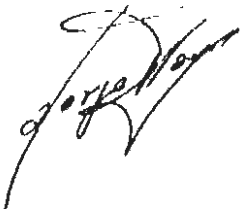
The number of Members at the end of the financial year was 662.

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:

Anthony Newman; Bruno Sonza; John Hristopoulos; Lesley Dummin; Marget Killington; Mark Panes; Michael Snigg; Nick Petrakos; Riccardo Iannella; Sandra Alstin; Tony Hewitt and Jorge Navas.



Jorge Navas  
BRANCH SECRETARY

21<sup>st</sup> November 2012

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

**Report on the Financial Report**

We have audited the accompanying financial report of HEALTH SERVICES UNION - SA BRANCH (the association) which comprises the statement of financial position as at 30 June 2012 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory information and the statement by members of the committee.

**Committee's Responsibility for the Financial Report**

The committee of the association is responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations and Fair Work (Registered Organisations) Act 2009 for such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' 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 auditors consider 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 committee, as well as evaluating the overall presentation of the financial report.

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

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

**Auditors' Opinion**

In our opinion:

The general purpose financial report of HEALTH SERVICES UNION - SA BRANCH presents fairly in accordance with the Fair Work (Registered Organisations) Act 2009 including;

- (i) giving a true and fair view of the Association's financial position as at 30 June 2012 and of their performance and cash flows for the year ended on that date; and
- (ii) complying with the Australian Accounting Standards (including Australian Accounting interpretations) and the Fair Work (Registered Organisations) Act 2009 and the requirements imposed by Part 3 of Chapter 8 of the RO Act.

**Name of Firm:** Jacobs Noble & Associates  
Chartered Accountants

**Name of Director:** \_\_\_\_\_

Stephen J Noble

Registered Company Auditor No. 5445

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

**Dated this** 26<sup>th</sup> **day of** March 2013