



2 February 2015

Mr Jorge Navas
Secretary
Health Services Union-South Australian Branch
by email: hsusa@hsusa.asn.au

Dear Mr Navas,

**Health Services Union-South Australian Branch
Financial Report for the year ended 30 June 2014 [FR2014/249]**

I acknowledge receipt of the financial report of the Health Services Union-South Australian Branch. The documents were lodged with the Fair Work Commission on 11 December 2014. Additional documentation was provided on 2 February 2015.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and Reporting Guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2015 may be subject to an advanced compliance review.

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 Fair Work Commission will confirm these concerns have been addressed prior to filing next year's report.

Going concern

Auditor's report: declaration regarding going concern

Paragraph 39 of the Reporting Guidelines requires an auditor to include in their report a declaration that as part of the audit of the financial statements they have concluded that management's use of the going concern basis of accounting in the preparation of the reporting unit's financial statements is appropriate. This declaration was not initially included in the auditor's report but an amended report was subsequently provided. Please ensure in future years that this requirement is addressed.

Related parties

Key management personnel

Australian Accounting Standard *AASB 124 Related Party Disclosures* paragraph 17 requires that the General Purpose Financial Report disclose within the statements or the notes compensation paid to key management personnel.

This normally includes a list of the key management personnel for the organisation, the total amount of compensation paid to all key management personnel, and then totals for each of the following categories:

- Short term employee benefits.
- Post employment benefits.
- Other long term employee benefits.
- Termination benefits.
- Any share based payments.

The definition for these categories can be found within accounting standard *AASB 119: Employee Benefits*. Please note that this is in addition to the requirement in Paragraph 16 of the Reporting Guidelines to disclose employee expenses for office holders and other employees.

Statement of comprehensive income & statement of financial position

Disclosure of capitation fees paid to another reporting unit

Paragraph 16(b) of the Reporting Guidelines requires that where capitation fees are paid to another reporting unit, the amount and the name of each reporting unit are to be disclosed in either the Statement of Comprehensive Income or the notes. The Reporting Guidelines define *capitation fees* as amounts paid to another reporting unit under the rules of the organisation or branch for the purposes of ongoing general administrative expenses.

Note 13 Affiliation fees discloses expenditure of \$15,729 to the Health Services Union. If this expenditure fits the definition of 'capitation fees' set out above, it is preferable that this terminology be used in order to accurately reflect the income and expenditure of the Branch.

Disclosure of employee expenses for office holders and other employees

The Reporting Guidelines require reporting units to disclose in the statement of comprehensive income or in the notes to the financial statements employee expenses for holders of office (Paragraph 16(f)) and employee expenses for other employees (Paragraph 16(g)). The Reporting Guidelines also require these expenses to be separately disclosed as follows:

- wages and salaries;
- superannuation;
- leave and other entitlements;
- separation and redundancies; and
- other employee expenses.

Note 6 to the financial statements discloses wages and salaries and superannuation separately for office holders and other employees, but does not separately disclose leave and other entitlements, separation and redundancies and other employee expenses for office holders and other employees.

Please note that Reporting Guideline 17 states that if any of the activities identified in Paragraph 16 have not occurred in the reporting period, a statement to this effect must be included in the GPRF.

Disclosure of employee provisions to office holders and other employees

The Reporting Guidelines also require either the statement of financial position or the notes to disclose any liability for employee benefits in respect of office holders and other employees (Paragraphs 20(c) and 20 (d)). The Reporting Guidelines also require these provisions to be separately disclosed as follows:

- annual leave;
- long service leave;
- separation and redundancies; and
- other employee provisions.

The updated note 13 to the financial statements discloses annual leave and long service leave separately for office holders and employees, but does not separately disclose separation and redundancies and other employee provisions for office holders and employees. Further correspondence has been received advising that there are no provisions for separation and redundancies and no other employee provisions.

Please note in future that Reporting Guideline 21 states that if any of the activities identified in Paragraph 20 have not occurred in the reporting period, a statement to this effect must be included in the GPFR.

Reporting requirements

A number of factsheets in relation to the financial reporting process and associated timelines are available on the FWC website. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the *Fair Work (Registered Organisations) Act 2009*, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7942 or by email at rebecca.lee@fwc.gov.au.

Yours sincerely,



Rebecca Lee
Regulatory Compliance Branch

HEALTH SERVICES UNION SA BRANCH

Audited Financial Statements
Year Ended 30 June 2014



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

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2014**

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Revenue	2	<u>346,408</u>	<u>316,266</u>
		<u>346,408</u>	<u>316,266</u>
Accountancy Expenses		(9,924)	(7,427)
Affiliation Fees	3	(20,821)	(13,900)
Contract Expenses	4	(5,236)	(4,602)
Other Contractors	5	(14,582)	(13,910)
Depreciation and Amortisation Expenses		(12,093)	(11,434)
Employee benefits expense	6	(227,797)	(131,277)
Meetings Expenses		(4,175)	(9,716)
Travel & Accommodation		(12,289)	(12,559)
Provision for Employee Entitlements		53,409	(11,472)
Other expenses	7	<u>(73,142)</u>	<u>(70,033)</u>
Surplus/(Deficit) for the Year		19,758	29,936
Total Comprehensive Income for the Year		<u>19,758</u>	<u>29,936</u>
Total comprehensive income attributable to members of the entity		<u>19,758</u>	<u>29,936</u>

The accompanying notes form part of these financial statements.

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

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	362,616	357,023
TOTAL CURRENT ASSETS		<u>362,616</u>	<u>357,023</u>
NON CURRENT ASSETS			
Fixed Assets			
Property, plant and equipment	10	35,138	46,596
TOTAL NON CURRENT ASSETS		<u>35,138</u>	<u>46,596</u>
TOTAL ASSETS		<u>397,754</u>	<u>403,619</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable and Other Payables	11	23,001	(4,712)
GST Account	12	8,088	8,016
Provisions	13	97,211	150,619
TOTAL CURRENT LIABILITIES		<u>128,300</u>	<u>153,923</u>
TOTAL LIABILITIES		<u>128,300</u>	<u>153,923</u>
NET ASSETS		<u>269,454</u>	<u>249,696</u>
EQUITY			
Retained earnings	14	269,454	249,696
TOTAL EQUITY		<u>269,454</u>	<u>249,696</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
AS AT 30 JUNE 2014**

	Note	Retained earnings \$	Total \$
Balance at 1 July 2012		219,760	219,760
Surplus/(Deficit) attributable to members		29,936	29,936
Closing balance at 30 June 2013		249,696	249,696
Surplus/(Deficit) attributable to members		19,758	19,758
Closing balance at 30 June 2014		<u>269,454</u>	<u>269,454</u>

The accompanying notes form part of these financial statements.

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

STATEMENT OF CASHFLOWS
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		342,150	310,188
Interest Received		4,258	6,078
Payments to suppliers and employees		(321,322)	(249,492)
Payments to associated reporting units			
Health Services Union		(15,729)	(8,556)
Australian Labour Party		(1,707)	(1,839)
SA Unions		(3,385)	(3,305)
SA May Day		-	(200)
Net cash provided by operating activities	15	<u>4,265</u>	<u>52,874</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant & equipment		(635)	(27,901)
Net cash provided by (used in) investing activities		<u>(635)</u>	<u>(27,901)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase / (decrease) in credit card funding		1,963	(8,380)
Net cash provided by financing activities		<u>1,963</u>	<u>(8,380)</u>
Net increase / (decrease) in cash held		5,593	16,593
Cash at beginning of financial year		357,023	340,430
Cash at end of financial year	9	<u>362,616</u>	<u>357,023</u>

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
AS AT 30 JUNE 2014**

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 statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

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.

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
AS AT 30 JUNE 2014**

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 organisation 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 organisation 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 organisation. 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
AS AT 30 JUNE 2014**

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 organisation 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 organisation 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 organisation 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
AS AT 30 JUNE 2014**

Employee Benefits

Provision is made for the organisation'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 organisation 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 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
AS AT 30 JUNE 2014**

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 organisation 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.

Going Concern

(1) Going Concern

The Branch's ability to continue as a going concern is not reliant on financial support from another reporting unit.

(2) Financial Support

No financial support has been provided to another reporting unit to ensure that it continues as a going concern.

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

NOTES TO THE FINANCIAL STATEMENTS
AS AT 30 JUNE 2014

	2014	2013
	\$	\$
2 Revenue and Other Income		
Revenue		
Membership subscriptions	342,150	310,188
Interest Received	4,258	6,078
Total revenue	346,408	316,266
 3 Affiliation Fees		
Australian Labor Party	1,707	1,839
SA Unions	3,385	3,305
Health Services Union	15,729	8,556
SA May Day	-	200
	20,821	13,900
 4 Contractors		
Data Processing	5,236	4,602
	5,236	4,602
 5 Other Contractors		
<p>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 9 hours per week are rendered.</p>		
Related Party Transactions	14,582	13,910
	14,582	13,910

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
AS AT 30 JUNE 2014

	2014	2013
	\$	\$
6 Employee Expenses Payment		
Office Holders		
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 who is an employee of the organisation as measured on a fulltime basis.		
Salaries & Wages	109,700	86,405
Superannuation	10,089	7,776
Provision for back-pay	13,000	-
Fringe Benefits Tax	-	-
	132,789	94,181
Employees other than office holders:		
Total income received, or due and receivable, by all non-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 employee of the organisation as measured on a fulltime basis.		
Salaries and Wages	84,829	33,121
Superannuation	10,179	3,975
	95,008	37,096

7 Other Expenses
Other Expenses included in the Statement of comprehensive income do not include any items that require separate disclosure considering these items are individually less than 10% of the total expenses incurred.

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
AS AT 30 JUNE 2014

	2014	2013
	\$	\$
9 Cash and Cash Equivalents		
Credit Union Cheque Account	5,447	5,405
Bendigo Cheque A/C	355,167	349,617
CPS Credit Union	2,000	2,000
CPS Credit Union Shares	2	2
	<u>362,616</u>	<u>357,024</u>
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash and cash equivalents	<u>362,616</u>	<u>357,024</u>
	<u>362,616</u>	<u>357,024</u>
10 Property, Plant and Equipment		
Office Furniture & Equipment	15,389	14,754
Less: Accumulated Depreciation	<u>(13,163)</u>	<u>(12,041)</u>
	<u>2,226</u>	<u>2,713</u>
Motor Vehicles	56,835	56,835
Less: Accumulated Depreciation	<u>(23,923)</u>	<u>(12,952)</u>
	<u>32,912</u>	<u>43,883</u>
Total Plant and Equipment	<u>35,138</u>	<u>46,596</u>
Total Property, Plant and Equipment	<u>35,138</u>	<u>46,596</u>

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
AS AT 30 JUNE 2014

2014
\$

2013
\$

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.

	Office furniture & equipment	Motor vehicles	Total
	\$	\$	\$
Opening balance 1 July 2013	2,713	43,883	46,596
Additions	635	-	635
Disposals	-	-	-
Revaluation Decrements	-	-	-
Impairment Loss	-	-	-
Depreciation	(1,122)	(10,971)	(12,093)
Closing balance at 30 June 2014	2,226	32,912	35,138

11 Accounts Payable and Other Payables

Current

Visa	(6,737)	(7,466)
Visa 2	(655)	(176)
Other Creditors	1,863	150
Payroll Liabilities	23,598	-
Amounts Withheld	4,932	2,780
	23,001	(4,712)

12 GST Liabilities

Current

GST payable	8,088	8,016
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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
AS AT 30 JUNE 2014

13 Provisions

Provision for Annual Leave

Opening Balance at 1 July 2013	28,421	26,730
Additional provision raised during year	32,183	10,964
Amounts used/paid out	(22,896)	(9,272)
Balance at 30 June 2014	37,709	28,421

Provision for Sick Leave

Opening Balance at 1 July 2013	71,631	65,287
Reversal of provision	71,631	6,344
Amounts used/paid out	-	-
Balance at 30 June 2014	-	71,631

Provision for Long Service Leave

Opening Balance at 1 July 2013	50,567	47,130
Additional provision raised during year	8,935	3,437
Amounts used/paid out	-	-
Balance at 30 June 2014	59,502	50,567

Total provisions

<u>97,211</u>	<u>150,619</u>
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Analysis of Total Provisions

Current	<u>97,211</u>	<u>150,619</u>
	<u>97,211</u>	<u>150,619</u>

Office Holders

Provision For Annual Leave	26,573	25,236
Provision for Sick Leave	-	70,357
Provision for Long Service Leave	59,502	50,567
	<u>86,075</u>	<u>146,161</u>

Employees other than office holders:

Provision for Annual Leave	11,136	3,185
Provision for Sick Leave	-	1,274
	<u>11,136</u>	<u>4,459</u>
Provisions Total	<u>97,211</u>	<u>150,619</u>

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
AS AT 30 JUNE 2014

14 Retained Earnings

Retained earnings at the beginning of the financial year	249,696	219,760
Net surplus attributable to the organisation	<u>19,758</u>	<u>29,936</u>
Retained earnings at the end of the financial year	<u>269,454</u>	<u>249,696</u>

15 Cash Flow Information

Reconciliation of Cash Flow from Operations with Profit after Income Tax

Profit/(Deficit) after Income Tax	19,758	29,936
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Adjustment for non-cash activities

Depreciation	<u>12,093</u>	<u>11,434</u>
	<u>31,851</u>	<u>41,370</u>

Changes in assets/liabilities

Increase/(decrease) in GST payable	72	32
Increase/(decrease) in provision for employee entitlements	(53,408)	11,472
Increase/(decrease) in payables	25,750	-

Net Cash from Operating Activities per Cash Flow	<u>4,265</u>	<u>52,875</u>
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16 Organisation Details

The registered office of the organisation is: 170 Greenhill Road, Parkside, South Australia

The principal place of business is: 170 Greenhill Road, Parkside, South Australia

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

**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014**

On the _____ 2014 the Committee of Management of the Health Services Union – SA Branch passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30 June 2014:

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the report period.

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer:

Name and title of designated officer:.....

Dated:

The accompanying notes form part of these financial statements.

**OPERATING REPORT
TO THE MEMBERS OF HEALTH SERVICES UNION – SA BRANCH
A.B.N 358 98 865 510**

The principle activities as a Trade Union during the financial year ended 30th June 2014 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 2014.

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.

**OPERATING REPORT
TO THE MEMBERS OF HEALTH SERVICES UNION – SA BRANCH
A.B.N 358 98 865 510**

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

No officer, employee and/or officials of the reporting unit held reserved positions in such entities.

The number of Members at the end of the financial year was 749.

The number of persons who were employees of the Branch at the end of the financial year was 02.

Members of the Committee of Management

The persons holding office during the 2013/2014 year were:

Anthony Newman	01 Jul 2013 to 30 Jun 2014;
Bruno Sonza	01 Jul 2013 to 30 Jun 2014;
John Hristopoulos	01 Jul 2013 to 30 Jun 2014;
Lesley Dummin	01 Jul 2013 to 30 Jun 2014;
Marget Killington	01 Jul 2013 to 25 Nov 2013;
Thomas Di Santo	17 Mar 2014 to 30 Jun 2014;
Mark Panes	01 Jul 2013 to 30 Jun 2014;
Michael Snigg	01 Jul 2013 to 25 Nov 2013;
Mark Fearenside	17 Mar 2014 to 30 Jun 2014;
John Drysdale	25 Nov 2013 to 30 Jun 2014;
Nick Petrakos	01 Jul 2013 to 25 Nov 2013;
Riccardo Iannella	01 Jul 2013 to 30 Jun 2014;
Sandra Alstin;	01 Jul 2013 to 30 Jun 2014;
Tony Hewitt	01 Jul 2013 to 30 Jun 2014; and
Jorge Navas	01 Jul 2013 to 30 Jun 2014;

Jorge Navas
BRANCH SECRETARY



10 Oct 2014

**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 organisation) which comprises the statement of financial position as at 30 June 2014 and the statement of comprehensive income 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 organisation 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 and 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 financial report of HEALTH SERVICES UNION - SA BRANCH is in accordance with the Fair Work (Registered Organisations) Act 2009 (RO Act) including:

- (i) giving a true and fair view of the Organisation's financial position as at 30 June 2014 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.

Management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Name of Firm: SJN CA Pty Ltd
Chartered Accountants

Name of Director:



Stephen J Noble

Registered Company Auditor No. 5445

Address: 1 Alexandra Avenue, Rose Park SA 5067

Dated this 28th day of January 2015

**DISCLOSURES TO MEMBERS REQUIRED BY
HEALTH SERVICES UNION RULES
A.B.N 358 98 865 510**



In accordance with Rule 85 - Disclosure of Remuneration and Non-Cash Benefits by Officers, I:

Name of Officer:	Jorge Navas
Position Held:	Branch Secretary, SA Branch National Executive Member
Declare that no fees as a director, board member have been received by me for the 2013/2014 financial year (I am not appointed to any board or directorship)	

Rule 86 - DISCLOSURE OF REMUNERATION PAID TO THE HIGHEST PAID OFFICERS

Name of Officer:	Jorge Navas		
Position Held:	Branch Secretary, SA Branch National Executive Member		
Item	Payment or Non-Cash Benefit	Amount	Payment by
Rule 86 Disclosures			
Wages		\$ 86,633	SA Branch
Back Pay	Underpayment of wages	\$ 10,404	SA Branch
Holiday Leave	payout of 7weeks A/Leave	\$ 11,300	SA Branch
Leave Loading	leave loading 5 weeks A/Leave	\$ 1,361	SA Branch
Gross Wages Payment	2013/2014	\$ 109,699	SA Branch
Mandatory Superannuation	9.25%	\$10,089	SA Branch
Non-Cash Benefit	Private use of Union Supplied Motor Vehicle	\$ 2,850 Est.	SA Branch

**DISCLOSURES TO MEMBERS REQUIRED BY
HEALTH SERVICES UNION RULES
A.B.N 358 98 865 510**

Rule 87 - DISCLOSURE OF MATERIAL PERSONAL INTERESTS

Name of Officer:	Jorge Navas
Position Held:	Branch Secretary, SA Branch National Executive Member
Declare that my daughter received fees for service for clerical support and that the hours of fee for service vary depending on workload however and average of 9 hours per week are rendered.	

Rule 88 - DISCLOSURE OF PAYMENTS

Name of Officer:	Jorge Navas
Position Held:	Branch Secretary, SA Branch National Executive Member
Declare that I don't have any disclosures under Rule 88	



19 December 2014

Mr Jorge Navas
Secretary
Health Services Union-South Australian Branch
email: hsusa@hsusa.asn.au

Dear Mr Navas,

**Health Services Union, South Australian Branch
Financial Report for the year ended 30 June 2014 [FR2014/249]**

I acknowledge receipt of the financial report of the Health Services Union, South Australian Branch. The documents were lodged with the Fair Work Commission on 11 December 2014.

The report has **not** been filed.

Non compliance with previous requests

While we filed last year's financial report, we raised certain issues for the reporting unit to address in the preparation of future financial reports. I note that the same errors have appeared in the current report. The report cannot be filed until the following issues have been addressed:

Auditor's statement: declaration relating to management's use of the going concern basis of accounting

Item 39 of the Reporting Guidelines requires that the auditor's statement include a declaration that as part of the audit of the financial statements they have concluded that management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Please provide a supplementary declaration by your auditor as soon as possible.

Disclosure of employee provisions for office holders and other employees

The Reporting Guidelines require either the statement of financial position or the notes to disclose any liability for employee benefits in respect of office holders and other employees (items 20(c) and 20(d)). Items 20(c) and 20(d) of the Reporting Guidelines also require these provisions to be separately disclosed as follows:

- Annual leave;
- Long service leave;
- Separation and redundancies; and
- Other employee provisions.

Note 3 discloses provisions for annual leave, sick leave and long service leave but does not distinguish between provisions for office holders and other employees, nor does it separately disclose the employee provisions based on the categories indicated above. Please note that item 21 requires that if any of the activities identified in item 20 did not occur, a statement to this effect must be included in the GPFR.

Please provide a breakdown of provisions for office holders and other employees as soon as possible.

If you have any queries regarding this letter, please contact me on (03) 8661 7942 or via email at rebecca.lee@fwc.gov.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Rebecca', with a stylized flourish at the end.

Rebecca Lee
Regulatory Compliance Branch



170 Greenhill Road
Parkside SA 5063
Telephone (08) 8279 2255
Mobile 0419 036 615
Facsimile (08) 8279 2223
hsusa@hsusa.asn.au
www.hsusa.asn.au

Working for a healthier community

Health Services Union South Australia
s.268 *Fair Work (Registered Organisations) Act 2009*

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER

Certificate for the period ended 30 June 2014

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

- that the documents lodged herewith are copies of the full report for the Health Services Union South Australia for the period ended 30 June 2014 referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on 28 October 2014; and
- that the full report was presented to meeting of the branch committee of management of the reporting unit on 9 December 2014 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:

A handwritten signature in black ink, appearing to read 'Jorge Navas', is written over a faint circular stamp.

Name of prescribed designated officer: Jorge Navas

Title of prescribed designated officer: Branch Secretary

Dated: 11 December 2014

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

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2014**

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
Revenue	2	<u>346,408</u>	<u>316,266</u>
		<u>346,408</u>	<u>316,266</u>
Accountancy Expenses		(9,924)	(7,427)
Affiliation Fees	3	(20,821)	(13,900)
Contract Expenses	4	(5,236)	(4,602)
Other Contractors	5	(14,582)	(13,910)
Depreciation and Amortisation Expenses		(12,093)	(11,434)
Employee benefits expense	6	(227,797)	(131,277)
Meetings Expenses		(4,175)	(9,716)
Travel & Accommodation		(12,289)	(12,559)
Provision for Employee Entitlements		53,409	(11,472)
Other expenses	7	<u>(73,142)</u>	<u>(70,033)</u>
Surplus/(Deficit) for the Year		19,758	29,936
Total Comprehensive Income for the Year		<u>19,758</u>	<u>29,936</u>
Total comprehensive income attributable to members of the entity		<u>19,758</u>	<u>29,936</u>

The accompanying notes form part of these financial statements.

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

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	362,616	357,023
TOTAL CURRENT ASSETS		<u>362,616</u>	<u>357,023</u>
NON CURRENT ASSETS			
Fixed Assets			
Property, plant and equipment	10	35,138	46,596
TOTAL NON CURRENT ASSETS		<u>35,138</u>	<u>46,596</u>
TOTAL ASSETS		<u>397,754</u>	<u>403,619</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable and Other Payables	11	23,001	(4,712)
GST Account	12	8,088	8,016
Provisions	13	97,211	150,619
TOTAL CURRENT LIABILITIES		<u>128,300</u>	<u>153,923</u>
TOTAL LIABILITIES		<u>128,300</u>	<u>153,923</u>
NET ASSETS		<u>269,454</u>	<u>249,696</u>
EQUITY			
Retained earnings	14	269,454	249,696
TOTAL EQUITY		<u>269,454</u>	<u>249,696</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
AS AT 30 JUNE 2014**

	Note	Retained earnings \$	Total \$
Balance at 1 July 2012		219,760	219,760
Surplus/(Deficit) attributable to members		29,936	29,936
Closing balance at 30 June 2013		249,696	249,696
Surplus/(Deficit) attributable to members		<u>19,758</u>	<u>19,758</u>
Closing balance at 30 June 2014		<u>269,454</u>	<u>269,454</u>

The accompanying notes form part of these financial statements.

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

STATEMENT OF CASHFLOWS
AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		342,150	310,188
Interest Received		4,258	6,078
Payments to suppliers and employees		(321,322)	(249,492)
Payments to associated reporting units			
Health Services Union		(15,729)	(8,556)
Australian Labour Party		(1,707)	(1,839)
SA Unions		(3,385)	(3,305)
SA May Day		-	(200)
Net cash provided by operating activities	15	<u>4,265</u>	<u>52,874</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant & equipment		(635)	(27,901)
Net cash provided by (used in) investing activities		<u>(635)</u>	<u>(27,901)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase / (decrease) in credit card funding		1,963	(8,380)
Net cash provided by financing activities		<u>1,963</u>	<u>(8,380)</u>
Net increase / (decrease) in cash held		5,593	16,593
Cash at beginning of financial year		357,023	340,430
Cash at end of financial year	9	<u>362,616</u>	<u>357,023</u>

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
AS AT 30 JUNE 2014**

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 statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the Fair Work (Registered Organisation) Act 2009. For the purpose of preparing the general purpose financial statements.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

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.

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
AS AT 30 JUNE 2014**

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 organisation 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 organisation 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 organisation. 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.

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
AS AT 30 JUNE 2014**

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 organisation 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 organisation 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 organisation 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.

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
AS AT 30 JUNE 2014**

Employee Benefits

Provision is made for the organisation'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 organisation 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 from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

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
AS AT 30 JUNE 2014**

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 organisation 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.

Going Concern

(1) Going Concern

The Branch's ability to continue as a going concern is not reliant on financial support from another reporting unit.

(2) Financial Support

No financial support has been provided to another reporting unit to ensure that it continues as a going concern.

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
AS AT 30 JUNE 2014**

		2014 \$	2013 \$
2	Revenue and Other Income		
	Revenue		
	Membership subscriptions	342,150	310,188
	Interest Received	<u>4,258</u>	<u>6,078</u>
	Total revenue	<u>346,408</u>	<u>316,266</u>
3	Affiliation Fees		
	Australian Labor Party	1,707	1,839
	SA Unions	3,385	3,305
	Health Services Union	15,729	8,556
	SA May Day	<u>-</u>	<u>200</u>
		<u>20,821</u>	<u>13,900</u>
4	Contractors		
	Data Processing	<u>5,236</u>	<u>4,602</u>
		<u>5,236</u>	<u>4,602</u>
5	Other Contractors		
	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 9 hours per week are rendered.		
	Related Party Transactions	<u>14,582</u>	<u>13,910</u>
		<u>14,582</u>	<u>13,910</u>

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
AS AT 30 JUNE 2014

		2014	2013
		\$	\$
6	Employee Expenses Payment		
	Elected Office Holders		
	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 who is an employee of the organisation as measured on a fulltime basis.		
	Salaries & Wages	109,700	86,405
	Superannuation	10,089	7,776
	Provision for back-pay	13,000	-
	Fringe Benefits Tax	-	-
		<u>132,789</u>	<u>94,181</u>
	Staff		
	Total income received, or due and receivable, by all non-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 employee of the organisation as measured on a fulltime basis.		
	Salaries and Wages	84,829	33,121
	Superannuation	10,179	3,975
		<u>95,008</u>	<u>37,096</u>

- 7 Other Expenses**
Other Expenses included in the Statement of comprehensive income do not include any items that require separate disclosure considering these items are individually less than 10% of the total expenses incurred.

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
AS AT 30 JUNE 2014

	2014	2013
	\$	\$
9 Cash and Cash Equivalents		
Credit Union Cheque Account	5,447	5,405
Bendigo Cheque A/C	355,167	349,617
CPS Credit Union	2,000	2,000
CPS Credit Union Shares	<u>2</u>	<u>2</u>
	<u>362,616</u>	<u>357,024</u>
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash and cash equivalents	<u>362,616</u>	<u>357,024</u>
	<u>362,616</u>	<u>357,024</u>
10 Property, Plant and Equipment		
Office Furniture & Equipment	15,389	14,754
Less: Accumulated Depreciation	<u>(13,163)</u>	<u>(12,041)</u>
	<u>2,226</u>	<u>2,713</u>
Motor Vehicles	56,835	56,835
Less: Accumulated Depreciation	<u>(23,923)</u>	<u>(12,952)</u>
	<u>32,912</u>	<u>43,883</u>
Total Plant and Equipment	<u>35,138</u>	<u>46,596</u>
Total Property, Plant and Equipment	<u>35,138</u>	<u>46,596</u>

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
AS AT 30 JUNE 2014

2014
\$

2013
\$

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.

	Office furniture & equipment	Motor vehicles	Total
	\$	\$	\$
Opening balance 1 July 2013	2,713	43,883	46,596
Additions	635	-	635
Disposals	-	-	-
Revaluation Decrements	-	-	-
Impairment Loss	-	-	-
Depreciation	(1,122)	(10,971)	(12,093)
Closing balance at 30 June 2014	2,226	32,912	35,138

11 Accounts Payable and Other Payables

Current

Visa	(6,737)	(7,466)
Visa 2	(655)	(176)
Other Creditors	1,863	150
Payroll Liabilities	23,598	-
Amounts Withheld	4,932	2,780
	23,001	(4,712)

12 GST Liabilities

Current

GST payable	8,088	8,016
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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
AS AT 30 JUNE 2014

13 Provisions

Provision for Annual Leave

Opening Balance at 1 July 2013	28,421	26,730
Additional provision raised during year	32,183	10,964
Amounts used/paid out	(22,896)	(9,272)
Balance at 30 June 2014	37,709	28,421

Provision for Sick Leave

Opening Balance at 1 July 2013	71,631	65,287
Reversal of provision	71,631	6,344
Amounts used/paid out	-	-
Balance at 30 June 2014	-	71,631

Provision for Long Service Leave

Opening Balance at 1 July 2013	50,567	47,130
Additional provision raised during year	8,935	3,437
Amounts used/paid out	-	-
Balance at 30 June 2014	59,502	50,567

Total provisions	97,211	150,619
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Analysis of Total Provisions

Current	97,211	150,619
	97,211	150,619

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
AS AT 30 JUNE 2014**

14 Retained Earnings

Retained earnings at the beginning of the financial year	249,696	219,760
Net surplus attributable to the organisation	<u>19,758</u>	<u>29,936</u>
Retained earnings at the end of the financial year	<u>269,454</u>	<u>249,696</u>

15 Cash Flow Information

Reconciliation of Cash Flow from Operations with Profit after Income Tax

Profit/(Deficit) after Income Tax	19,758	29,936
Adjustment for non-cash activities		
Depreciation	<u>12,093</u>	<u>11,434</u>
	<u>31,851</u>	<u>41,370</u>
Changes in assets/liabilities		
Increase/(decrease) in GST payable	72	32
Increase/(decrease) in provision for employee entitlements	(53,408)	11,472
Increase/(decrease) in payables	25,750	-
Net Cash from Operating Activities per Cash Flow	<u>4,265</u>	<u>52,875</u>

16 Organisation Details

The registered office of the organisation is: 170 Greenhill Road, Parkside, South Australia

The principal place of business is: 170 Greenhill Road, Parkside, South Australia

The accompanying notes form part of these financial statements.

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

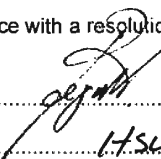
**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014**

On the 28/10 2014 the Committee of Management of the Health Services Union – SA Branch passed the following resolution in relation to the general purpose financial report (GPRF) for the year ended 30 June 2014:

The Committee of Management declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPRF relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where the organisation consists of two or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner with each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the RO Act has been provided to the member or General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the report period.

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer: 

Name and title of designated officer: HSU SA STATE SECRETARY

Dated: 28/10/2014

The accompanying notes form part of these financial statements.

**OPERATING REPORT
HEALTH SERVICES UNION – SA BRANCH
A.B.N 358 98 865 510**

The **principle activities** as a Trade Union during the financial year ended 30th June 2014 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 2014.

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.

**OPERATING REPORT
HEALTH SERVICES UNION – SA BRANCH
A.B.N 358 98 865 510**

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

No officer, employee and/or officials of the reporting unit held reserved positions in such entities.

The number of Members at the end of the financial year was 749.

The number of persons who were employees of the Branch at the end of the financial year was 02.

Members of the Committee of Management

The persons holding office during the 2013/2014 year were:

Anthony Newman	01 Jul 2013 to 30 Jun 2014;
Bruno Sonza	01 Jul 2013 to 30 Jun 2014;
John Hristopoulos	01 Jul 2013 to 30 Jun 2014;
Lesley Dummin	01 Jul 2013 to 30 Jun 2014;
Marget Killington	01 Jul 2013 to 25 Nov 2013;
Thomas Di Santo	17 Mar 2014 to 30 Jun 2014;
Mark Panes	01 Jul 2013 to 30 Jun 2014;
Michael Snigg	01 Jul 2013 to 25 Nov 2013;
Mark Fearenside	17 Mar 2014 to 30 Jun 2014;
John Drysdale	25 Nov 2013 to 30 Jun 2014;
Nick Petrakos	01 Jul 2013 to 25 Nov 2013;
Riccardo Iannella	01 Jul 2013 to 30 Jun 2014;
Sandra Alstin;	01 Jul 2013 to 30 Jun 2014;
Tony Hewitt	01 Jul 2013 to 30 Jun 2014; and
Jorge Navas	01 Jul 2013 to 30 Jun 2014;

Jorge Navas
BRANCH SECRETARY



10 Oct 2014

**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 organisation) which comprises the statement of financial position as at 30 June 2014 and the statement of comprehensive income 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 organisation 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 and 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 financial report of HEALTH SERVICES UNION - SA BRANCH is in accordance with the Fair Work (Registered Organisations) Act 2009 (RO Act) including:

- (i) giving a true and fair view of the Organisation's financial position as at 30 June 2014 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: SJN CA Pty Ltd
Chartered Accountants



Name of Director: Stephen J Noble
Registered Company Auditor No. 5445

Address: 1 Alexandra Avenue, Rose Park SA 5067

Dated this 28th day of October 2014

**DISCLOSURES TO MEMBERS REQUIRED BY
HEALTH SERVICES UNION RULES
A.B.N 358 98 865 510**



In accordance with Rule 85 - Disclosure of Remuneration and Non-Cash Benefits by Officers, I:

Name of Officer:	Jorge Navas
Position Held:	Branch Secretary, SA Branch National Executive Member
<p>Declare that no fees as a director, board member have been received by me for the 2013/2014 financial year (I am not appointed to any board or directorship)</p>	

Rule 86 - DISCLOSURE OF REMUNERATION PAID TO THE HIGHEST PAID OFFICERS

Name of Officer:	Jorge Navas		
Position Held:	Branch Secretary, SA Branch National Executive Member		
Item	Payment or Non-Cash Benefit	Amount	Payment by
Rule 86 Disclosures			
Wages		\$ 86,633	SA Branch
Back Pay	Underpayment of wages	\$ 10,404	SA Branch
Holiday Leave	payout of 7weeks A/Leave	\$ 11,300	SA Branch
Leave Loading	leave loading 5 weeks A/Leave	\$ 1,361	SA Branch
Gross Wages Payment	2013/2014	\$ 109,699	SA Branch
Mandatory Superannuation	9.25%	\$10,089	SA Branch
Non-Cash Benefit	Private use of Union Supplied Motor Vehicle	\$ 2,850 Est.	SA Branch

**DISCLOSURES TO MEMBERS REQUIRED BY
HEALTH SERVICES UNION RULES
A.B.N 358 98 865 510**

Rule 87 - DISCLOSURE OF MATERIAL PERSONAL INTERESTS

Name of Officer:	Jorge Navas
Position Held:	Branch Secretary, SA Branch National Executive Member
Declare that my daughter received fees for service for clerical support and that the hours of fee for service vary depending on workload however and average of 9 hours per week are rendered.	

Rule 88 - DISCLOSURE OF PAYMENTS

Name of Officer:	Jorge Navas
Position Held:	Branch Secretary, SA Branch National Executive Member
Declare that I don't have any disclosures under Rule 88	