



FAIR WORK
AUSTRALIA

23 December 2011

Mr Chris Brown
State Secretary
Health Services Union
Tasmania No. 1 Branch
PO Box 635
NORTH HOBART TAS 7002

Dear Mr Brown,

RE: Financial Report for year ending 30 June 2011 - FR2011/2735
Fair Work (Registered Organisations) Act 2009 - (RO Act)
Fair Work (Registered Organisations) Regulations 2009 - (RO Regs)

I acknowledge receipt of the full report and the concise report for year ended 30 June 2011 for Tasmania No. 1 Branch of the Health Services Union. The documents were lodged with Fair Work Australia (FWA) on 13 December 2011. I also acknowledge receipt of the section 237 statement of loans, grants and donations lodged with FWA on 15 July 2011.

The full report and the concise reports have both been filed.

No further action is required, however, I have a number of points that I would like to raise to assist you in preparing your financial documents in future. Please ensure these amendments are made.

Committee of Management Statement

References to Industrial Registrar should be to the General Manager

Please update paragraph (b) of the Committee of Management Statement to refer to the *'reporting guidelines of the General Manager of FWA'*.

Operating Report

Member Resignation

Please find below a suggested replacement paragraph to be used in your future Operating Reports:

"In accordance with Rule 13 of the Federal Rules of the Health Services Union a member may resign from membership of the Union by notice in writing addressed and delivered to the Secretary of the member's Branch giving two weeks' notice".

Concise Report

In future years, please place the page titled "Information to be provided to members or general manager of FWA" at the front of the Concise Report as required by Paragraph 33 of AASB 1039.

Discussion and analysis

The discussion and analysis as required in Regulation 161(1)(c) provided by the reporting unit does not cover the range of factors listed in paragraph 27 of AASB 1039. In future concise reports, for the benefits of members please include more detailed information.

Notification to auditor

To ensure that these matters are addressed in the future preparation of your financial reports; a copy of this letter will be forwarded to your auditor, Gregory Harper of Camerons.

If you have any queries regarding this letter, I may be contacted on (03) 8661 7775 (Thursday & Friday) or by email at christine.walker@fwa.gov.au.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'CW', followed by a long horizontal flourish.

Christine Walker
Organisations, Research and Advice
Fair Work Australia

cc: Gregory Harper
Registered Company Auditor
Camerons
PO Box 1368
Launceston TAS 7250



PRESIDENT: Judy Richmond
SECRETARY: Chris Brown

Fair Work Australia
GPO Box 1994
MELBOURNE VIC 3001

Dear Sir

FINANCIAL RETURNS FOR 2010/2011

In accordance with reporting requirements under s268 of Fair Work (Registered Organisations) Act 2009, please find attached:

- A copy of the full report of the General Purpose Financial Report;
- A copy of the concise report provided to members;
- Designated Officer's Certificate;

for the Health Services Union, Tasmania No.1 Branch.

Yours sincerely

A handwritten signature in black ink, appearing to be "Chris Brown". The signature is fluid and cursive, written over a white background.

Chris Brown
State Secretary

7 December 2011



DESIGNATED OFFICER'S CERTIFICATE
S268 of Fair Work (Registered Organisations) Act 2009

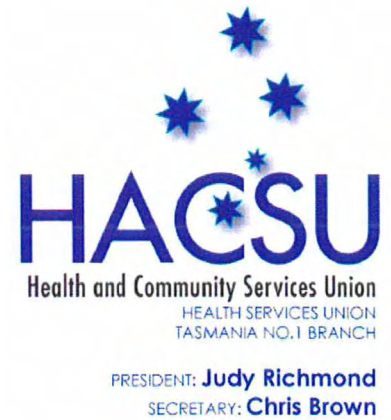
I Christopher Paul Brown being the Branch Secretary of the Health Services Union (Tasmania No.1 Branch) certify:

1. That the documents lodged herewith are copies of the full report, and of the concise report for the year ending 30 June 2011, referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
2. That these documents were presented to and accepted by our Branch Committee of Management meeting of the reporting unit on the 18 July 2011. The Branch Committee of Management at this meeting also determined to distribute the concise report to members; and
3. That the concise report, was provided to members on 5 October 2011; and
4. That the full report was presented at a meeting of the Branch Committee of Management of the reporting unit held on 6 December 2011 in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.



Chris Brown
State Secretary

16 December 2011



CONCISE REPORT

FOR THE YEAR ENDED 30 JUNE 2011

**HEALTH SERVICES UNION
TASMANIA NO. 1 BRANCH**

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

	2011	2010
	\$	\$
Revenues from ordinary activities	3,228,659	3,064,215
Employee expenses		
- Office Holders	(237,154)	(248,640)
- Others	(1,615,775)	(1,625,923)
Depreciation and amortisation expenses	(145,978)	(133,180)
Other expenses from ordinary activities	<u>(1,071,519)</u>	<u>(1,112,324)</u>
Profit from Ordinary activities before income tax expense	158,234	(55,852)
Income tax expense relating to ordinary activities	-	-
Total Changes in equity of the union	<u>158,234</u>	<u>(55,852)</u>

**HEALTH SERVICES UNION
TASMANIA NO. 1 BRANCH**

**BALANCE SHEET
AS AT 30 JUNE 2011**

	2011 \$	2010 \$
CURRENT ASSETS		
Cash	538,378	528,181
Receivables	42,637	24,236
TOTAL CURRENT ASSETS	<u>581,015</u>	<u>552,417</u>
NON-CURRENT ASSETS		
Property, Plant & Equipment	2,674,486	2,586,806
TOTAL NON-CURRENT ASSETS	<u>2,674,486</u>	<u>2,586,806</u>
TOTAL ASSETS	<u>3,255,501</u>	<u>3,139,222</u>
CURRENT LIABILITIES		
Payables	77,723	126,268
Provisions	223,061	216,473
TOTAL CURRENT LIABILITIES	<u>300,784</u>	<u>342,740</u>
NON-CURRENT LIABILITIES		
Interest-bearing liabilities	-	-
TOTAL NON-CURRENT LIABILITIES	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>300,784</u>	<u>342,740</u>
NET ASSETS	<u>2,954,716</u>	<u>2,796,482</u>
EQUITY		
Retained Earnings	2,510,327	2,352,094
Asset revaluation reserve	444,389	444,389
TOTAL EQUITY	<u>2,954,716</u>	<u>2,796,482</u>

**HEALTH SERVICES UNION
TASMANIA NO. 1 BRANCH**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011**

	Retained Earnings \$	Asset Revaluation Reserve	Total \$
Balance 30 June 2009	2,407,946	-	2,407,946
Profit attributable to members	(55,852)	444,389	388,536
Balance 30 June 2010	2,352,094	444,389	2,352,094
Profit attributable to members	158,234	-	158,234
Balance 30 June 2011	2,510,327	444,389	2,954,716

**HEALTH SERVICES UNION
TASMANIA NO. 1 BRANCH**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from members	3,078,738	2,902,178
Payments to suppliers and employees	(2,933,909)	(2,940,258)
Interest received	28,579	29,280
Interest paid	-	-
Rent received	23,635	24,848
Other	46,812	56,828
Net cash provided from operating activities	243,855	72,877
 CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed asset purchases	(266,151)	(316,768)
Proceeds from sale of fixed assets	32,493	30,546
Net cash flow from investing activities	(233,658)	(286,222)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Borrowings	-	(5,530)
Net cash flow from investing activities	-	(5,530)
 Net increase / (decrease) in cash held	 10,197	 (218,876)
Cash at the beginning of the financial year	528,181	747,057
Cash at the end of the financial year	538,378	528,181

**STATEMENT OF RECEIPTS & PAYMENTS
FOR RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2011**

	2011 \$	2010 \$
Cash assets in respect of recovered money at 1 July 2010	-	-
RECEIPTS		
Amounts recovered from employers	-	-
Other		
Interest received on recovered monies	-	-
Total Receipts	-	-
PAYMENTS		
Deductions of amounts due in respect of membership for:		
12 months or less	-	-
greater than 12 months	-	-
Deductions of donations or other contributions of:		
the reporting unit	-	-
other entity	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered monies	-	-
Total Payments	-	-
Cash assets in respect of recovered money at 30 June 2011	-	-

**HEALTH SERVICES UNION
TASMANIA NO.1 BRANCH**

**INFORMATION TO BE PROVIDED TO MEMBERS OR GENERAL MANAGER OF
FWA
YEAR ENDED 30 JUNE 2011**

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Sections 272(1), 272(2), 272(3) and 272(4) which read as follows:-

Section 272(1) - A member of a reporting unit, or the General Manager, 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.

Section 272(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.

Section 272(3) - A reporting unit must comply with an application made under subsection (1).

Section 272(4) – The General Manager may only make an application under subsection (1) at the request of a member of the reporting unit concerned, and the General Manager must provide to a member information received because of an application made at the request of the member.

Concise Report

This concise financial report has been derived from the full report and cannot be expected to provide as full an understanding of the financial performance, financial position and financial and investing activities of the reporting unit as the full report.

In accordance with Section 265(4) of the Fair Work (Registered Organisations) Act 2009, a free copy of the full Financial Report and Audit Report will be sent to members free of charge upon request.

Discussion and analysis

The net assets of the union increased by \$158,234 during the year ended 30 June 2011.

**HEALTH SERVICES UNION
TASMANIA NO.1 BRANCH**

**OPERATING REPORT
YEAR ENDED 30 JUNE 2011**

This report is compiled to meet requirements of Section 254 of the Fair Work (Registered Organisations) Act 2009.

Principal Activities during the Financial Year

The principle activities of the Union during the 2010/2011 Financial Year were as follows:

- Representing individual members in grievance disputes with employers
- Representing all members at various workplaces regarding disputes with employers
- Negotiating Collective Bargaining Agreements resulting in increased wages and conditions for members covered by those Agreements
- Providing certain classes of members with professional indemnity and legal benefits insurance
- Providing members with access to cheap affordable holidays in the Union's Union holiday homes
- Providing Union Delegates and Worksite Committee members with training and education to enable them to better represent members in the workplace.

Significant Changes in the Union's Financial Affairs during the Year

The net assets of the Union increased by \$158,234 during the Financial Year.

Member Resignation

Section 174 of Fair Work (Registered Organisations) Act 2009 states that a member of the Union may resign from membership by written notice addressed and delivered to the State Secretary giving two weeks' notice.

Members who are Trustees of a Superannuation Entity

No members of the union were Trustees of a superannuation entity during the financial year

Number of Members

The number of persons that were members of the union at 30 June 2011 was 7,787

Number of Employees

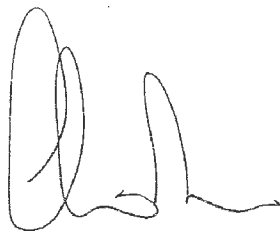
As at 30 June 2011, the number of full-time equivalent persons, excluding casuals, who were employees of the Union, was 26.5

Members of the Committee of Management

The following persons were members of the Committee of Management of the reporting unit during the 2010/2011 Financial Year.

Judy Richmond	President	1 Jul 2010 to 30 Jun 2011
Chris Brown	State Secretary	1 Jul 2010 to 30 Jun 2011
Tim Jacobson	Assistant State Secretary	1 Jul 2010 to 30 Jun 2011
John Richardson	Senior Vice President	1 Jul 2010 to 30 Jun 2011
Chris Webb	Junior Vice President	1 Jul 2010 to 30 Jun 2011
Leigh Gorringe	Branch Trustee	1 Jul 2010 to 30 Jun 2011
Peter Moore	Branch Trustee	1 Jul 2010 to 30 Jun 2011
Andrew Challis	COM Member	1 Jul 2010 to 30 Jun 2011
Theresa Garcia	COM Member	1 Jul 2010 to 30 Jun 2011
Christine Hansson	COM Member	1 Jul 2010 to 30 Jun 2011
Pru Peschur	COM Member	1 Jul 2010 to 30 Jun 2011
Carolyn Shearer	COM Member	1 Jul 2010 to 30 Jun 2011
Mike Coombs	COM Member	1 Jul 2010 to 30 Jun 2011
Pam Brock	COM Member	1 Jul 2010 to 30 Jun 2011
Marlene McHenry	COM Member	14 Sep 2010 to 30 Jun 2011

Chris Brown



State Secretary

18 July 2011

**HEALTH SERVICES UNION
TASMANIA NO.1 BRANCH**

COMMITTEE OF MANAGEMENT STATEMENT

On 18 July 2011 the Committee of Management of the Health Services Union (Tasmania No.1 Branch) passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit of the financial year ended 30 June 2011.

The Committee of Management declares in relation to the General Purpose Financial Report (GPFR) that in its opinion:

- (a) the financial statements and notes comply with Australian Accounting Standards;
- (b) the financial statements and notes comply with reporting guidelines of the industrial registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Health Services Union (Tasmania No.1 Branch) for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Health Services Union (Tasmania No.1 Branch) will be able to pay its debts as and when they become due and payable;
- (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 rules of the branch; and
 - (ii) the financial affairs of the Health Services Union (Tasmania No.1 Branch) have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the Health Services Union (Tasmania No.1 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) it has not been practical for the Committee to ascertain whether the financial records of the Health Services Union (Tasmania No.1 Branch) have been kept in a consistent manner to each of the other reporting units of the Health Services Union; and
 - (v) to the knowledge of any member of the Committee, there have been no instances where records of the union or other documents have not been furnished, or made available, to members in accordance with the requirements of Sections 272 and 273 of the Fair Work (Registered Organisations) Act 2009; and

- (vi) no orders have been made by the Commission under Section 273 of the Fair Work (Registered Organisations) Act 2009 during the reporting period.
- (f) in relation to the recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
 - (ii) the Committee of Management caused the auditor to include in the scope of the audit required under subsection 257(1) of the Fair Work (Registered Organisations) Act 2009 all recovery of wages activity by the reporting unit in which revenues have been derived for the financial year in respect of the such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on the recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely requests for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

For the Committee of Management:

Christopher Brown

Title of Office held:

Branch Secretary

Signature:



Date:

18 July 2011



CAMERONS

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF HEALTH SERVICES UNION (TASMANIA NO. 1 BRANCH)

Scope

We have audited the concise purpose financial report of the Health Services Union (Tasmania No. 1 Branch) for the year ended 30 June 2011 being the Profit and Loss Statement, Balance Sheet, Statement of Cash Flows, Statement of Changes in Equity, Notes to the Financial Statements and Committee of Management Statement. The Committee of Management is responsible for the concise purpose financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the union.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the concise purpose financial report is free of material misstatement. Our procedures include examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the concise purpose financial report is presented fairly in accordance with Australian Accounting Standards, reporting requirements under the Fair Work (Registered Organisations) Act 2009 and other mandatory professional reporting requirements so as to present a view that is consistent with our understanding of the union's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional and ethical pronouncements.

Audit Opinion

In our opinion the concise purpose financial report presents fairly in accordance with applicable Australian accounting standards and the reporting requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 and other mandatory professional reporting requirements the financial position of the Health Services Union (Tasmania No. 1 Branch) as at 30 June 2011 and the results of its operations and cash flows for the year then ended.

Our audit encompassed the audit of wages recovery activity of the Health Services Union (Tasmania No. 1 Branch) for the year ended 30 June 2011 and in our opinion the concise purpose financial report on the recovery of wages activity presents fairly in accordance with the requirements of the General Manager of FWA.

GREGORY HARPER
Registered Company Auditor
CAMERONS

46 Cameron Street, Launceston, Tas

Dated: 20th July 2011

LAUNCESTON

46-54 Cameron Street
PO Box 1368
Launceston TAS 7250
Phone: 03 6337 7777
Fax: 03 6331 7309

AUSDOC DX 7251

SCOTTSDALE

24 King Street
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Scottsdale TAS 7260
Phone: 03 6352 9999
Fax: 03 6352 2147

AUSDOC DX 72007

DEVONPORT

26 Forbes Street
PO Box 166
Devonport TAS 7310
Phone: 03 6422 7888
Fax: 03 6424 5498

AUSDOC DX 73104

ULVERSTONE

3a The Quadrant
PO Box 401
Ulverstone TAS 7315
Phone: 03 6425 0666
Fax: 03 6425 5089

AUSDOC DX 73507



CAMERONS

HEALTH SERVICES UNION
(TASMANIA NO.1 BRANCH)

AUDITOR'S INDEPENDENCE DECLARATION
FOR THE YEAR ENDED 30 JUNE 2011

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there have been

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

GREGORY HARPER
Registered Company Auditor

CAMERONS
46 Cameron Street
LAUNCESTON TAS 7250

Dated: 20th July 2011



PRESIDENT: **Judy Richmond**
SECRETARY: **Chris Brown**

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2011

**HEALTH SERVICES UNION
TASMANIA NO. 1 BRANCH**

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

	NOTES	2011 \$	2010 \$
Revenues from ordinary activities	3	3,228,659	3,064,215
Employee expenses			
- Office Holders		(237,154)	(248,640)
- Others		(1,615,775)	(1,625,923)
Depreciation and amortisation expenses		(145,978)	(133,180)
Other expenses from ordinary activities		<u>(1,071,519)</u>	<u>(1,112,324)</u>
Profit from Ordinary activities before income tax expense	4	158,234	(55,852)
Income tax expense relating to ordinary activities	1	-	-
Total Changes in equity of the union		<u>158,234</u>	<u>(55,852)</u>

**HEALTH SERVICES UNION
TASMANIA NO. 1 BRANCH**

**BALANCE SHEET
AS AT 30 JUNE 2011**

	NOTES	2011 \$	2010 \$
CURRENT ASSETS			
Cash	5	538,378	528,181
Receivables	6	<u>42,637</u>	<u>24,236</u>
TOTAL CURRENT ASSETS		<u>581,015</u>	<u>552,417</u>
NON-CURRENT ASSETS			
Property, Plant & Equipment	7	<u>2,674,486</u>	<u>2,586,806</u>
TOTAL NON-CURRENT ASSETS		<u>2,674,486</u>	<u>2,586,806</u>
TOTAL ASSETS		<u>3,255,501</u>	<u>3,139,222</u>
CURRENT LIABILITIES			
Payables	8	77,723	126,268
Provisions	9	<u>223,061</u>	<u>216,473</u>
TOTAL CURRENT LIABILITIES		<u>300,784</u>	<u>342,740</u>
NON-CURRENT LIABILITIES			
Interest-bearing liabilities	10	<u>-</u>	<u>-</u>
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>300,784</u>	<u>342,740</u>
NET ASSETS		<u>2,954,716</u>	<u>2,796,482</u>
EQUITY			
Retained Earnings	11	2,510,327	2,352,094
Asset revaluation reserve		<u>444,389</u>	<u>444,389</u>
TOTAL EQUITY		<u>2,954,716</u>	<u>2,796,482</u>

**HEALTH SERVICES UNION
TASMANIA NO. 1 BRANCH**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011**

	NOTES	Retained Earnings \$	Asset Revaluatio n Reserve	Total \$
Balance 30 June 2009	11	2,407,946	-	2,407,946
Profit attributable to members		(55,852)	444,389	388,536
Balance 30 June 2010	11	2,352,094	444,389	2,352,094
Profit attributable to members		158,234	-	158,234
Balance 30 June 2011		<u>2,510,327</u>	<u>444,389</u>	<u>2,954,716</u>

**HEALTH SERVICES UNION
TASMANIA NO. 1 BRANCH**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011**

	NOTES	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		3,078,738	2,902,178
Payments to suppliers and employees		(2,933,909)	(2,940,258)
Interest received		28,579	29,280
Interest paid		-	-
Rent received		23,635	24,848
Other		46,812	56,828
Net cash provided from operating activities	13(a)	243,855	72,877
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed asset purchases		(266,151)	(316,768)
Proceeds from sale of fixed assets		32,493	30,546
Net cash flow from investing activities		(233,658)	(286,222)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Borrowings		-	(5,530)
Net cash flow from investing activities		-	(5,530)
Net increase / (decrease) in cash held		10,197	(218,876)
Cash at the beginning of the financial year		528,181	747,057
Cash at the end of the financial year	5	538,378	528,181

**STATEMENT OF RECEIPTS & PAYMENTS
FOR RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2011**

	NOTES	2011 \$	2010 \$
Cash assets in respect of recovered money at 1 July 2010		-	-
RECEIPTS			
Amounts recovered from employers		-	-
Other	(b)	-	-
Interest received on recovered monies		-	-
Total Receipts		<u>-</u>	<u>-</u>
PAYMENTS			
Deductions of amounts due in respect of membership for:			
12 months or less		-	-
greater than 12 months		-	-
Deductions of donations or other contributions of:			
the reporting unit		-	-
other entity		-	-
Deductions of fees or reimbursement of expenses		-	-
Payments to workers in respect of recovered monies		-	-
Total Payments		<u>-</u>	<u>-</u>
Cash assets in respect of recovered money at 30 June 2011		<u>-</u>	<u>-</u>

**HEALTH SERVICES UNION
TASMANIA NO.1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2011**

Note 1 - Statement of Significant Accounting Policies

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and guidelines set out in the Fair Work (Registered Organisations) Act 2009.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values, or except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the union in preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Income Tax

No provision for income tax is necessary as 'Trade Unions' are exempt from income tax under section 50-15 of the Income Tax Assessment Act (1997).

(b) Property, Plant and Equipment

Each class of property, plant and equipment are carried at cost or fair values, where applicable, any accumulated depreciation.

Plant and Equipment

Plant and Equipment is measured on the cost basis.

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

**HEALTH SERVICES UNION
TASMANIA NO.1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2011**

Depreciation

The depreciable amount of all fixed assets are depreciated on both a straight line and diminishing value basis, decided in accordance with the expected usage cycle of the asset. All assets are depreciated over the useful lives of the assets to the union commencing from the time the assets is held ready for use. Depreciation rates vary depending the expected life cycle of the asset.

(c) Employee Benefits

Provision is made for the union's liability for employee entitlements arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries, annual leave, sick leave and long service leave which will be settled after one year, have been measured at their nominal amount.

Contributions are made to superannuation by the union to an employee superannuation fund are charged as expenses when incurred.

(d) Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand, at banks and on deposit.

(e) Revenue

Revenue from member subscriptions is recognised on the receipt of cash from the member.

Interest revenue is recognised upon being credited to the benefit of the union.

(f) Goods and Services Tax (GST)

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

**HEALTH SERVICES UNION
TASMANIA NO.1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2011**

Note 2 - Information to be provided to Members or Registrar

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of Sections 272(1), 272(2), 272(3) and 272(4) which read as follows:-

Section 272(1) - A member of a reporting unit, or the General Manager, 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.

Section 272(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.

Section 272(3) - A reporting unit must comply with an application made under subsection (1).

Section 272(4) – The General Manager may only make an application under subsection (1) at the request of a member of the reporting unit concerned, and the General Manager must provide to a member information received because of an application made at the request of the member.

**HEALTH SERVICES UNION
TASMANIA NO. 1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

CONTINUED:

	2011	2010
	\$	\$
Note 3 - Revenue		
Operating activities		
Membership Subscriptions	3,094,321	2,924,925
	<u>3,094,321</u>	<u>2,924,925</u>
Non-operating activities		
Interest Received	28,579	29,280
Management Fees	30,790	30,955
Rent Received	26,455	22,636
Sundry Income	16,021	25,873
Proceeds from Sale of Fixed Assets	32,493	30,545
	<u>134,338</u>	<u>139,290</u>
 Total Revenue	 <u>3,228,659</u>	 <u>3,064,215</u>

Note 4 - Profit from Ordinary Activities

Profit from ordinary activities before income tax expense
has been determined after :

(a) Expenses

Depreciation of property, plant & equipment	117,460	109,971
Amortisation of information systems	20,711	9,476
Carrying value of disposed of property, plant & equipment		
Remuneration of Auditor		
- Audit or review services	10,000	8,000
- other services	1,230	3,100
	<u>11,230</u>	<u>11,100</u>

**HEALTH SERVICES UNION
TASMANIA NO. 1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

CONTINUED:

	2011	2010
	\$	\$
(b) Significant Expenses		
The following expense items are relevant in explaining the financial performance		
Affiliation & Capitation Fees		
- HSUA National Office	140,676	134,995
- Unions Tasmania	39,621	37,867
- Union Shopper	545	2,836
	180,842	175,698
Commissions for Payroll Deductions	3,801	3,825
Donations	10,295	41,727
Insurance expense	4,189	125,013
Legal Fees	70,157	12,105
Meeting Expenses	26,019	29,163
Payroll Tax	93,910	105,602
Publication expense	51,127	38,218

Note 5 - Cash Assets

Cash on Hand	1,150	1,650
Cash at bank	149,208	79,094
Deposits at call	388,020	447,437
	538,378	528,181

Note 6 - Receivables

Current

Trade debtors	4,309	1,489
Other Assets	38,328	22,747
	42,637	24,236

**HEALTH SERVICES UNION
TASMANIA NO. 1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

CONTINUED:

	2011 \$	2010 \$
Note 7 - Property, Plant and Equipment		
Land & Buildings at market value	<u>2,200,846</u>	<u>2,050,905</u>
Office Equipment at cost	486,334	473,173
Accumulated Depreciation	<u>(416,400)</u>	<u>(382,533)</u>
	69,933	90,640
Furniture & Fittings at cost	121,052	121,052
Accumulated Depreciation	<u>(75,646)</u>	<u>(67,744)</u>
	45,406	53,308
Motor Vehicles at cost	432,986	433,355
Accumulated Depreciation	<u>(157,524)</u>	<u>(144,953)</u>
	275,462	288,402
Information Systems	160,588	160,588
Accumulated Depreciation	<u>(77,749)</u>	<u>(57,038)</u>
	82,839	103,551
Borrowing Costs Capitalised	<u>-</u>	<u>-</u>
	<u><u>2,674,486</u></u>	<u><u>2,586,806</u></u>

(a) 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

	Land & Buildings	Office Equipment	Furniture & Fittings	Motor Vehicles	Information Systems	Borrowing Costs	Total
Balance at beginning of year	2,050,905	90,640	53,308	288,402	103,551	-	2,586,806
Revaluations	-	-	-	-	-	-	-
Additions	149,941	13,160	-	103,051	-	-	266,152
Disposals	-	-	-	(40,300)	-	-	(40,300)
Depreciation Expense	-	(33,867)	(7,902)	(75,691)	(20,712)	-	(138,172)
Carrying Amount at end of year	<u>2,200,846</u>	<u>69,933</u>	<u>45,406</u>	<u>275,462</u>	<u>82,839</u>	<u>-</u>	<u>2,674,486</u>

**HEALTH SERVICES UNION
TASMANIA NO. 1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

CONTINUED:

	2011	2010
	\$	\$
Note 8 - Payables		
Payroll Liabilities	30,133	48,253
Goods & Services Tax	47,045	35,509
Other	545	42,506
Total Payables	77,723	126,268
 Note 9 - Provisions		
Employee Benefits - Officers		
Annual Leave	55,075	48,667
Long Service Leave	15,574	9,476
	70,649	58,143
 Employee Benefits - Others		
Annual Leave	126,040	133,336
Long Service Leave	26,372	24,994
	152,412	158,330
Total Provisions	223,061	216,473
 Number of FTE Employees at years end	26.5	23.5

Long Service Leave

The union calculates and recognises long service leave only for those employees who have been employed by the union for greater than seven (7) years.

**HEALTH SERVICES UNION
TASMANIA NO. 1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

CONTINUED:

	2011 \$	2010 \$
Note 10 - Interest-bearing Liabilities		
Non-current		
Bank loan - secured	-	-
	<u> </u>	<u> </u>
Carrying value of non-current assets pledged as security are:		
First mortgage over land & buildings	-	-
	<u> </u>	<u> </u>

Note 11 - Retained Earnings

Retained Profits at beginning of the financial year	2,352,094	2,407,946
Net profit attributable to the association	158,234	(55,852)
	<u> </u>	<u> </u>
Retained Profits at end of the financial year	2,510,327	2,352,094
	<u> </u>	<u> </u>

Note 12 - Related Parties

71 Elphin Road Pty Ltd

The union entered into the following transactions with 71 Elphin Road Pty Ltd of which CP Brown & CD Webb are the sole directors and shareholders. These committee members are involved in this company for the benefit of the union and its members.

Management fees are received from 71 Elphin Road Pty Ltd for management of rental properties.	30,790	30,955
Expenses of these properties are offset against income of those properties.	(13,315)	(11,537)

**HEALTH SERVICES UNION
TASMANIA NO. 1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

CONTINUED:

	2011	2010
	\$	\$
Note 13 - Cash Flow Information		
(a) Reconciliation of Net Cash provided by Operating Activities to Profit from Ordinary Activities after Income Tax		
Profit or loss from ordinary activities after income tax expense	158,234	(55,852)
Non-cash flows in profit from ordinary activities		
Depreciation	117,460	109,971
Amortisation	20,711	9,476
Borrowing costs	-	323
Net profit on disposal of plant & equipment	-	-
Net loss on disposal of plant & equipment	7,807	13,410
Changes in assets and liabilities		
(increase)/decrease in receivables	(18,401)	(20,535)
increase/(decrease) in payables	(48,544)	38,154
increase/(Decrease) in provisions	6,588	(22,069)
Net cash provided by operating activities	243,854	72,877

(b) The union operates various debit cards that allow for the purchase of goods and services to be direct debited from the operating account. No cash advance facilities are available on these cards

No other credit standby or financing facilities are in place.

(c) There were no non-cash financing or investing activities during the period

(d) The union operates more than one deposit account for the purposes of budgetting and internal allocation.

**HEALTH SERVICES UNION
TASMANIA NO.1 BRANCH**

**OPERATING REPORT
YEAR ENDED 30 JUNE 2011**

This report is compiled to meet requirements of Section 254 of the Fair Work (Registered Organisations) Act 2009.

Principal Activities during the Financial Year

The principle activities of the Union during the 2010/2011 Financial Year were as follows:

- Representing individual members in grievance disputes with employers
- Representing all members at various workplaces regarding disputes with employers
- Negotiating Collective Bargaining Agreements resulting in increased wages and conditions for members covered by those Agreements
- Providing certain classes of members with professional indemnity and legal benefits insurance
- Providing members with access to cheap affordable holidays in the Union's Union holiday homes
- Providing Union Delegates and Worksite Committee members with training and education to enable them to better represent members in the workplace.

Significant Changes in the Union's Financial Affairs during the Year

The net assets of the Union increased by \$158,234 during the Financial Year.

Member Resignation

Section 174 of Fair Work (Registered Organisations) Act 2009 states that a member of the Union may resign from membership by written notice addressed and delivered to the State Secretary giving two weeks' notice.

Members who are Trustees of a Superannuation Entity

No members of the union were Trustees of a superannuation entity during the financial year

Number of Members

The number of persons that were members of the union at 30 June 2011 was 7,787

Number of Employees

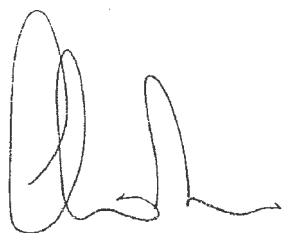
As at 30 June 2011, the number of full-time equivalent persons, excluding casuals, who were employees of the Union, was 26.5

Members of the Committee of Management

The following persons were members of the Committee of Management of the reporting unit during the 2010/2011 Financial Year.

Judy Richmond	President	1 Jul 2010 to 30 Jun 2011
Chris Brown	State Secretary	1 Jul 2010 to 30 Jun 2011
Tim Jacobson	Assistant State Secretary	1 Jul 2010 to 30 Jun 2011
John Richardson	Senior Vice President	1 Jul 2010 to 30 Jun 2011
Chris Webb	Junior Vice President	1 Jul 2010 to 30 Jun 2011
Leigh Gorringe	Branch Trustee	1 Jul 2010 to 30 Jun 2011
Peter Moore	Branch Trustee	1 Jul 2010 to 30 Jun 2011
Andrew Challis	COM Member	1 Jul 2010 to 30 Jun 2011
Theresa Garcia	COM Member	1 Jul 2010 to 30 Jun 2011
Christine Hansson	COM Member	1 Jul 2010 to 30 Jun 2011
Pru Peschur	COM Member	1 Jul 2010 to 30 Jun 2011
Carolyn Shearer	COM Member	1 Jul 2010 to 30 Jun 2011
Mike Coombs	COM Member	1 Jul 2010 to 30 Jun 2011
Pam Brock	COM Member	1 Jul 2010 to 30 Jun 2011
Marlene McHenry	COM Member	14 Sep 2010 to 30 Jun 2011

Chris Brown



State Secretary

18 July 2011

**HEALTH SERVICES UNION
TASMANIA NO.1 BRANCH**

COMMITTEE OF MANAGEMENT STATEMENT

On 18 July 2011 the Committee of Management of the Health Services Union (Tasmania No.1 Branch) passed the following resolution in relation to the General Purpose Financial Report (GPFR) of the reporting unit of the financial year ended 30 June 2011.

The Committee of Management declares in relation to the General Purpose Financial Report (GPFR) that in its opinion:

- (a) the financial statements and notes comply with Australian Accounting Standards;
- (b) the financial statements and notes comply with reporting guidelines of the industrial registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Health Services Union (Tasmania No.1 Branch) for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Health Services Union (Tasmania No.1 Branch) will be able to pay its debts as and when they become due and payable;
- (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 rules of the branch; and
 - (ii) the financial affairs of the Health Services Union (Tasmania No.1 Branch) have been managed in accordance with the rules of the organisation; and
 - (iii) the financial records of the Health Services Union (Tasmania No.1 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) it has not been practical for the Committee to ascertain whether the financial records of the Health Services Union (Tasmania No.1 Branch) have been kept in a consistent manner to each of the other reporting units of the Health Services Union; and
 - (v) to the knowledge of any member of the Committee, there have been no instances where records of the union or other documents have not been furnished, or made available, to members in accordance with the requirements of Sections 272 and 273 of the Fair Work (Registered Organisations) Act 2009; and

- (vi) no orders have been made by the Commission under Section 273 of the Fair Work (Registered Organisations) Act 2009 during the reporting period.
- (f) in relation to the recovery of wages activity:
 - (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
 - (ii) the Committee of Management caused the auditor to include in the scope of the audit required under subsection 257(1) of the Fair Work (Registered Organisations) Act 2009 all recovery of wages activity by the reporting unit in which revenues have been derived for the financial year in respect of the such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on the recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely requests for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.

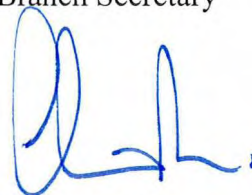
For the Committee of Management:

Christopher Brown

Title of Office held:

Branch Secretary

Signature:



Date:

18 July 2011



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF HEALTH SERVICES UNION (TASMANIA NO. 1 BRANCH)

Scope

We have audited the general purpose financial report of the Health Services Union (Tasmania No. 1 Branch) for the year ended 30 June 2011 being the Profit and Loss Statement, Balance Sheet, Statement of Cash Flows, Statement of Changes in Equity, Notes to the Financial Statements and Committee of Management Statement. The Committee of Management is responsible for the general purpose financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the union.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the general purpose financial report is free of material misstatement. Our procedures include examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the general purpose financial report is presented fairly in accordance with Australian Accounting Standards, reporting requirements under the Fair Work (Registered Organisations) Act 2009 and other mandatory professional reporting requirements so as to present a view that is consistent with our understanding of the union's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional and ethical pronouncements.

Audit Opinion

In our opinion the general purpose financial report presents fairly in accordance with applicable Australian accounting standards and the reporting requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 and other mandatory professional reporting requirements the financial position of the Health Services Union (Tasmania No. 1 Branch) as at 30 June 2011, and the results of its operations and cash flows for the year then ended.

Our audit encompassed the audit of wages recovery activity of the Health Services Union (Tasmania No. 1 Branch) for the year ended 30 June 2011 and in our opinion the general purpose financial report on the recovery of wages activity presents fairly in accordance with the requirements of the Industrial Registrar.

GREGORY HARPER
Registered Company Auditor
CAMERONS

46 Cameron Street, Launceston, Tas

Dated: 20th July 2011



CAMERONS

**HEALTH SERVICES UNION
(TASMANIA NO.1 BRANCH)**

**AUDITOR'S INDEPENDENCE DECLARATION
FOR THE YEAR ENDED 30 JUNE 2011**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there have been

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

GREGORY HARPER
Registered Company Auditor

CAMERONS
46 Cameron Street
LAUNCESTON TAS 7250

Dated: 20th July 2011