



1 November 2013

Chris Brown  
Branch Secretary  
Health Services Union - Tasmania No. 1 Branch  
PO Box 635  
North Hobart TAS 7002

Dear Mr Brown

**Health Services Union Tasmania No. 1 Branch Financial Report for the year ended 30 June 2012 - FR2012/413**

I acknowledge receipt of the financial report of the Health Services Union Tasmania No. 1 Branch for the year ended 30 June 2012. The documents were lodged with Fair Work Australia on 21 September 2012. I acknowledge receipt of supplementary information on 31 October 2013 address the issues raised in my letter dated 21 August 2013.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

**Changes to the legislation and reporting guidelines**

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

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

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

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

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

Yours sincerely

Joanne Fenwick  
Financial Reporting Specialist  
Regulatory Compliance Branch



# CAMERONS

09 September 2013

Health & Community Services Union  
P O Box 635  
NORTH HOBART TAS 7002

Dear Chris

Re: Fairwork Commission  
2012 Financial Statements

Please refer to the correspondence you received from FairWork Commission dated 21<sup>st</sup> August 2013. Please find following our response to the matters outlined in this correspondence as requested by you.

## 1. General Purpose Financial Report

### General purpose financial report to be prepared on an accrual basis

It is generally accepted that in accordance with Australian Accounting Standards 'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting'. However, in the case of Health Services Union Tasmanian No.1 Branch, the annual variance in income and expenditure between cash and accrual accounting is generally less than \$1,000 and immaterial.

For the benefit of the FairWork Commission, Health Services Union Tasmanian No.1 Branch has for the year ended 30 June 2013 prepared its financial statements on an accrual basis.

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

For the year ended 30 June 2012 the Affiliation Fees and Capitation fees paid to the National Office were consolidated. For the year ended 30 June 2013 these amounts have been segregated in the financial report as per the guidelines.

### Depreciation

The correct amount of depreciation is \$127,589 as stated at Note 8 a). This amount should be consistent for Note 4 a), Note 8 a) and Note 13 a).



## Materiality

The amounts included in 'other expenses' is the sum of a number of non critical minor amounts that have been summed for the ease of reading the financial statements.

For the benefit of the FairWork Commission, please find listed below are a list of itemised expenses for the 2012 Financial Report. All other expenses are under \$20,000:.

Advertising	\$44,261
Affiliation Fees	
- HSU National Office	\$81,024
- Unions Tasmania	\$40,806
Computer Expenses	\$38,651
Depreciation	\$127,589
Electricity	\$37,286
Insurance	\$110,296
Meeting Expenses	\$23,763
Motor Vehicle Expenses	\$56,590
Payroll Tax	\$105,499
Photocopier Costs	\$20,001
Postage	\$21,177
Rates & Taxes	\$25,454
Travel & Accommodation	\$30,027
Training	\$119,137
Telephone	\$94,246

## Key Management Personnel

The two key management personnel are Chris Brown (State Secretary) and Tim Jacobson (Assistant State Secretary).

Compensation paid to Key Management Personnel for 2012;

Wages and Salaries	\$205,118
Superannuation	\$50,772
Leave and other entitlements	\$25,750

For the year ended 30 June 2013 these amounts have been segregated in the financial report as per the guidelines.

## Cash Flow Statement

There were no cash inflows from another reporting unit for the 2012 financial year. The only cash outflow was \$81,024 to the HACSU – National Office for Capitation fees.

For the benefit of the FairWork Commission, Health Services Union Tasmanian No.1 Branch has for the year ended 30 June 2013 has prepared its financial statements in accordance with the guidelines and the Model Financial Statements as provided by the FairWork Commission

Should you have any queries in relation to the above please do not hesitate to contact our office.

Yours sincerely  
CAMERONS

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

**GREG HARPER**  
Our ref 11480-01  
675022\_1.DOC



21 August 2013

Chris Brown  
Branch Secretary  
Health Services Union - Tasmania No. 1 Branch  
PO Box 635  
North Hobart TAS 7002

Dear Mr Brown

**Health Services Union Tasmania No. 1 Branch Financial Report for the year ended 30 June 2012 - FR2012/413**

I acknowledge receipt of the financial report for the year ended 30 June 2012 for the Health Services Union Tasmania No. 1 Branch. The financial report was lodged with Fair Work Australia on 21 September 2012.

The report has not been filed. I have examined the report. Following the examination I have identified a number of matters, the details of which are set out below, that I require you to attend to before the report can be filed.

**1. General Purpose Financial Report**

The following items within either the income statement, balance sheet, cash flow statement or their relevant Notes require further explanation or information.

General purpose financial report to be prepared on accrual basis

According to the Australian Accounting Standard AASB101(27) *'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting.'*

The notes to the financial statements state that revenue from membership subscription is recognised on the receipt of cash from the member. Membership subscriptions must be brought to account on an accruals basis in accordance with the Australian Accounting Standards.

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

Reporting Guideline 11(b) requires that where contributions to another reporting unit are made, the amount and the name of each reporting unit are to be disclosed in either the profit and loss statement or the notes.

Reporting Guideline 11(d) requires separate disclosure of affiliation fees paid to political parties and industrial bodies need to be made.

Within note 4(b) the item *'affiliation and capitation fee'* for the HSUA National Office is reported as \$81,024. The Health Services Union National Office has confirmed that the reported figure is the combined total of capitation and affiliation fees received. Please note that in future years to ensure compliance with the above requirements that the figure to the National office will need to be itemised.

### Depreciation

It is noted that the depreciation figure identified in the Income Statement does not match the depreciation figure reported in Note 4(a), Note 8(a) and in Note 13(a). Can you please provide information to explain why there is a difference between these figures?

### Materiality

Australian Accounting Standard AASB 101(29) requires material items to be presented separately. In the Income Statement it reports \$1,590,266 as 'other expenses'. In Note 4(a) and (b) \$411,631 of this expenditure is itemised however \$1,178,635 has not been give explanation which is a material amount. Can you please provide, where appropriate, further information into the composition of the above mentioned amount.

### Key Management Personnel

General Purpose Financial Report's are required to disclose within the statements or the notes compensation paid to key management personnel.

This normally includes a listing 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*.

### Cash Flow Statement

Reporting Guideline 15 states that where another reporting unit of the organisation is the source of cash inflow or the application of a cash outflow, such cash flow should be separately disclosed in the notes to the financial statements and show the name of the other reporting unit concerned.

This information has not been provided within the Cash Flow Statement.

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 7886 or by email at [joanne.fenwick@fwc.gov.au](mailto:joanne.fenwick@fwc.gov.au)

Yours sincerely



Joanne Fenwick  
Financial Reporting Specialist  
Regulatory Compliance Branch



Health and Community Services Union  
HEALTH SERVICES UNION  
TASMANIA NO.1 BRANCH

PRESIDENT: Judy Richmond  
SECRETARY: Chris Brown

Fair Work Australia  
GPO Box 1994  
MELBOURNE VIC 3001



Dear Sir

### FINANCIAL RETURNS FOR 2011/2012

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

Chris Brown  
State Secretary

14 September 2012



HACSUassist 1300 880 032  
ABN 80 085 253 953


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HACSU Admin Fax (03) 6231 4142  
EMAIL: admin@hacsutas.net.au

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**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 2012, 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 17 July 2012. 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 31 August 2012; and
4. That the full report was presented at a meeting of the Branch Committee of Management of the reporting unit held on 13 September 2012 in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.



Chris Brown  
State Secretary

14 September 2012





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

# CONCISE REPORT

FOR THE YEAR ENDED  
30 JUNE 2012

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

**INFORMATION TO BE PROVIDED TO MEMBERS OR GENERAL MANAGER OF  
FWA  
YEAR ENDED 30 JUNE 2012**

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 \$56,200 during the year ended 30 June 2012.

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

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

	2012 \$	2011 \$
Revenues from ordinary activities	3,771,519	3,228,659
Employee expenses		
- Office Holders	(255,840)	(237,154)
- Others	(1,737,081)	(1,615,775)
Depreciation and amortisation expenses	(132,133)	(145,978)
Other expenses from ordinary activities	<u>(1,590,266)</u>	<u>(1,071,519)</u>
Profit from Ordinary activities before income tax expense	56,200	158,234
Income tax expense relating to ordinary activities	-	-
Total Changes in equity of the union	<u>56,200</u>	<u>158,234</u>

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

**BALANCE SHEET  
AS AT 30 JUNE 2012**

	2012 \$	2011 \$
<b>CURRENT ASSETS</b>		
Cash	630,879	538,378
Receivables	5,133	17,666
Inventories	142,708	24,972
<b>TOTAL CURRENT ASSETS</b>	<u>778,719</u>	<u>581,015</u>
<b>NON-CURRENT ASSETS</b>		
Property, Plant & Equipment	<u>2,622,982</u>	<u>2,674,486</u>
<b>TOTAL NON-CURRENT ASSETS</b>	<u>2,622,982</u>	<u>2,674,486</u>
<b>TOTAL ASSETS</b>	<u>3,401,701</u>	<u>3,255,501</u>
<b>CURRENT LIABILITIES</b>		
Payables	137,258	77,723
Provisions	253,527	223,061
<b>TOTAL CURRENT LIABILITIES</b>	<u>390,785</u>	<u>300,784</u>
<b>TOTAL LIABILITIES</b>	<u>390,785</u>	<u>300,784</u>
<b>NET ASSETS</b>	<u>3,010,916</u>	<u>2,954,716</u>
<b>EQUITY</b>		
Retained Earnings	2,566,527	2,510,327
Asset revaluation reserve	444,389	444,389
<b>TOTAL EQUITY</b>	<u>3,010,916</u>	<u>2,954,716</u>

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

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

	Retained Earnings \$	Asset Revaluation Reserve	Total \$
<b>Balance 30 June 2010</b>	<u>2,352,094</u>	<u>444,389</u>	<u>2,352,094</u>
Profit attributable to members	158,234	-	158,234
			-
<b>Balance 30 June 2011</b>	<u>2,510,327</u>	<u>444,389</u>	<u>2,954,716</u>
Profit attributable to members	56,200	-	56,200
			-
<b>Balance 30 June 2012</b>	<u>2,566,527</u>	<u>444,389</u>	<u>3,010,916</u>

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

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2012**

	<b>2012</b>	<b>2011</b>
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from members	3,271,004	3,078,738
Payments to suppliers and employees	(3,589,853)	(2,933,909)
Interest received	15,740	28,579
Interest paid	-	-
Rent received	35,082	23,635
Discount Cards	275,215	-
Movie Tickets	89,652	-
Merchandise - Promotional	4,959	-
Other	71,331	46,811
<b>Net cash provided from operating activities</b>	173,129	243,854
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed asset purchases	(88,811)	(266,151)
Proceeds from sale of fixed assets	8,182	32,493
<b>Net cash flow from investing activities</b>	(80,628)	(233,658)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of Borrowings	-	-
<b>Net cash flow from investing activities</b>	-	-
<b>Net increase / (decrease) in cash held</b>	92,501	10,197
<b>Cash at the beginning of the financial year</b>	538,378	528,181
<b>Cash at the end of the financial year</b>	630,879	538,378

**STATEMENT OF RECEIPTS & PAYMENTS  
FOR RECOVERY OF WAGES ACTIVITY  
FOR THE YEAR ENDED 30 JUNE 2012**

	2012 \$	2011 \$
<b>Cash assets in respect of recovered money at 1 July 2011</b>	-	-
<b>RECEIPTS</b>		
Amounts recovered from employers	-	-
Other		
Interest received on recovered monies	-	-
<b>Total Receipts</b>	<u>          -</u>	<u>          -</u>
<b>PAYMENTS</b>		
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	-	-
<b>Total Payments</b>	<u>          -</u>	<u>          -</u>
<b>Cash assets in respect of recovered money at 30 June 2012</b>	<u>          -</u>	<u>          -</u>

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

**OPERATING REPORT  
YEAR ENDED 30 JUNE 2012**

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 2011/2012 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 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 \$56,200 during the financial year.

**INCOME**

Operating Income increased by \$196,103 compared to the previous financial year due primarily to a growth in membership during the financial year.

Other Income was up \$369,826 due mainly to the increase in sales to members of discount Coles and Woolworth cards and discount movie tickets. This was offset by the cost of the purchase of those products for sale to members.

**EXPENSES**

Advertising costs increased by \$16,826 to \$28,092 due to heightened industrial campaign activity.



Computer Expenses were up \$12,173 to \$38,651 due to the installation of a new membership database for the Union.

Electricity costs were up \$11,573 as a result of increased electricity prices and more Union tenants occupying the Launceston Office.

Insurance costs were up by \$106,107 to \$110,296. This insurance covers both business cover and members legal indemnity insurance. This was due to adjustment in the timing of the payment of premiums which resulted in no premiums been paid in the 2010/2011 financial year resulting in this anomaly.

Legal Fees & Costs were down by \$61,755 to \$8,402 due to less litigation during the financial year.

National Expenses were down by \$16,232 to \$142,799 as a result of a temporary reduction in capitation fees payable to the National Union by branches.

Promotional costs rose by \$9,547 due to increased industrial campaign activity.

Repairs & Maintenance on Union owned buildings increased by \$6,342 as a result of additional building maintenance obligations.

Telecommunication costs dropped by \$11,252 to \$94,245 as a result of a renegotiation of a telecommunications contract.

Delegate training expenditure increased by \$29,142 to \$52,983 due to an increased investment in the training and development of Union delegates during the financial year.

Staff training expenditure also increased by \$8,484 to \$27,291 due to more staff attending training courses.

Wage Related Expenses increased by \$209,557 to \$2,179,248 as a result of an annual wage increase provided for in the HACSU Staff Enterprise Agreement and due the employment of additional casual staff in the Growth and Recruitment Team.

The cost of maintaining and running HACSU's four member Holiday Homes increased by \$24,763 to \$44,448 during the financial year due to an increase of maintenance on the properties and an increase in operating costs such as electricity and rates.

### **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 2012 was 8,157

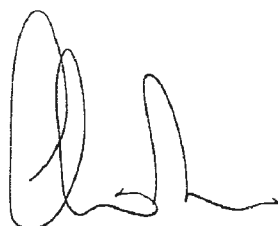
### **Number of Employees**

As at 30 June 2012, the number of full-time equivalent persons, excluding casuals, who were employees of the Union, was 24

### **Members of the Committee of Management**

The following persons were members of the Committee of Management of the reporting unit during the 2011/2012 Financial Year.

Judy Richmond	President	1 Jul 2011 to 30 Jun 2012
Chris Brown	State Secretary	1 Jul 2011 to 30 Jun 2012
Tim Jacobson	Assistant State Secretary	1 Jul 2011 to 30 Jun 2012
John Richardson	Senior Vice President	1 Jul 2011 to 30 Jun 2012
Chris Webb	Junior Vice President	1 Jul 2011 to 30 Jun 2012
Leigh Gorringe	Branch Trustee	1 Jul 2011 to 30 Jun 2012
Peter Moore	Branch Trustee	1 Jul 2011 to 30 Jun 2012
Andrew Challis	COM Member	1 Jul 2011 to 30 Jun 2012
Theresa Garcia	COM Member	1 Jul 2011 to 30 Jun 2012
Christine Hansson	COM Member	1 Jul 2011 to 30 Jun 2012
Pru Peschur	COM Member	1 Jul 2011 to 30 Jun 2012
Carolyn Shearer	COM Member	1 Jul 2011 to 30 Jun 2012
Mike Coombs	COM Member	1 Jul 2011 to 30 Jun 2012
Pam Brock	COM Member	1 Jul 2011 to 30 Jun 2012
Marlene McHenry	COM Member	1 Jul 2011 to 30 Jun 2012



Chris Brown  
State Secretary

17 July 2012

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

**COMMITTEE OF MANAGEMENT STATEMENT**

On 17 July 2012 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 2012.

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 General Manager of FWA;
- (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: 17 July 2012



## 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 2012 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 2012 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 2012 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: 19th July 2012



# CAMERONS

HEALTH SERVICES UNION  
(TASMANIA NO. 1 BRANCH)

AUDITOR'S INDEPENDENCE DECLARATION  
FOR THE YEAR ENDED 30 JUNE 2012

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012 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: 19th July 2012

# FINANCIAL REPORT

**FOR THE YEAR ENDED  
30 JUNE 2012**

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

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

	NOTES	2012 \$	2011 \$
Revenues from ordinary activities	3	3,771,519	3,228,659
Employee expenses			
- Office Holders		(255,840)	(237,154)
- Others		(1,737,081)	(1,615,775)
Depreciation and amortisation expenses		(132,133)	(145,978)
Other expenses from ordinary activities		<u>(1,590,266)</u>	<u>(1,071,519)</u>
Profit from Ordinary activities before income tax expense	4	56,200	158,234
Income tax expense relating to ordinary activities	1	-	-
Total Changes in equity of the union		<u>56,200</u>	<u>158,234</u>



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

**BALANCE SHEET  
AS AT 30 JUNE 2012**

	NOTES	2012 \$	2011 \$
<b>CURRENT ASSETS</b>			
Cash	5	630,879	538,378
Receivables	6	5,133	17,666
Inventories	7	<u>142,708</u>	<u>24,972</u>
<b>TOTAL CURRENT ASSETS</b>		<u>778,719</u>	<u>581,015</u>
<b>NON-CURRENT ASSETS</b>			
Property, Plant & Equipment	8	<u>2,622,982</u>	<u>2,674,486</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>2,622,982</u>	<u>2,674,486</u>
<b>TOTAL ASSETS</b>		<u>3,401,701</u>	<u>3,255,501</u>
<b>CURRENT LIABILITIES</b>			
Payables	9	137,258	77,723
Provisions	10	<u>253,527</u>	<u>223,061</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>390,785</u>	<u>300,784</u>
<b>TOTAL LIABILITIES</b>		<u>390,785</u>	<u>300,784</u>
<b>NET ASSETS</b>		<u>3,010,916</u>	<u>2,954,716</u>
<b>EQUITY</b>			
Retained Earnings	11	2,566,527	2,510,327
Asset revaluation reserve		<u>444,389</u>	<u>444,389</u>
<b>TOTAL EQUITY</b>		<u>3,010,916</u>	<u>2,954,716</u>

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

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

	NOTES	Retained Earnings \$	Asset Revaluatio n Reserve	Total \$
<b>Balance 30 June 2010</b>		<u>2,352,094</u>	<u>444,389</u>	<u>2,352,094</u>
Profit attributable to members		158,234	-	158,234
				-
<b>Balance 30 June 2011</b>		<u>2,510,327</u>	<u>444,389</u>	<u>2,954,716</u>
Profit attributable to members		56,200	-	56,200
				-
<b>Balance 30 June 2012</b>		<u>2,566,527</u>	<u>444,389</u>	<u>3,010,916</u>

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

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2012**

	NOTES	2012 \$	2011 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members		3,271,004	3,078,738
Payments to suppliers and employees		(3,589,853)	(2,933,909)
Interest received		15,740	28,579
Interest paid		-	-
Rent received		35,082	23,635
Discount Cards		275,215	-
Movie Tickets		89,652	-
Merchandise - Promotional		4,959	-
Other		71,331	46,811
<b>Net cash provided from operating activities</b>	<b>13(a)</b>	<b>173,129</b>	<b>243,854</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed asset purchases		(88,811)	(266,151)
Proceeds from sale of fixed assets		8,182	32,493
<b>Net cash flow from investing activities</b>		<b>(80,628)</b>	<b>(233,658)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of Borrowings		-	-
<b>Net cash flow from investing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash held</b>		<b>92,501</b>	<b>10,197</b>
<b>Cash at the beginning of the financial year</b>		<b>538,378</b>	<b>528,181</b>
<b>Cash at the end of the financial year</b>	<b>5</b>	<b>630,879</b>	<b>538,378</b>

**STATEMENT OF RECEIPTS & PAYMENTS  
FOR RECOVERY OF WAGES ACTIVITY  
FOR THE YEAR ENDED 30 JUNE 2012**

	NOTES	2012 \$	2011 \$
<b>Cash assets in respect of recovered money at 1 July 2011</b>		-	-
<b>RECEIPTS</b>			
Amounts recovered from employers		-	-
Other	(b)	-	-
Interest received on recovered monies		-	-
<b>Total Receipts</b>		<u>          </u>	<u>          </u>
<b>PAYMENTS</b>			
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		-	-
<b>Total Payments</b>		<u>          </u>	<u>          </u>
<b>Cash assets in respect of recovered money at 30 June 2012</b>		<u>          </u>	<u>          </u>

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

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

**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 2012**

**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 2012**

**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 2012**

**CONTINUED:**

	2012	2011
	\$	\$
<b>Note 3 - Revenue</b>		
Operating activities		
Membership Subscriptions	3,271,004	3,094,321
	3,271,004	3,094,321
Non-operating activities		
Interest Received	15,740	28,579
Management Fees	32,033	30,790
Rent Received	35,436	26,455
Sundry Income	39,298	16,021
Movie Tickets	89,652	
Discount Cards	275,215	
Merchandise - Promotional	4,959	
Proceeds from Sale of Fixed Assets	8,182	32,493
	500,515	134,338
 Total Revenue	 3,771,519	 3,228,659

**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	110,338	117,460
Amortisation of information systems	17,251	20,711
Carrying value of disposed of property, plant & equipment		
Remuneration of Auditor		
- Audit or review services	10,000	10,000
- other services	-	1,230
	10,000	11,230



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

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

CONTINUED:

	2012	2011
	\$	\$
<b>(b) Significant Expenses</b>		
The following expense items are relevant in explaining the financial performance		
Affiliation & Capitation Fees		
- HSUA National Office	81,024	140,676
- Unions Tasmania	40,806	39,621
- Union Shopper	-	545
	121,830	180,842
Commissions for Payroll Deductions		3,801
Donations	5,824	10,295
Insurance expense	110,296	4,189
Legal Fees	8,402	70,157
Meeting Expenses	23,763	26,019
Payroll Tax	105,499	93,910
Publication expense	26,017	51,127

**Note 5 - Cash Assets**

Cash on Hand	1,400	1,150
Cash at bank	191,335	149,208
Deposits at call	438,143	388,020
	630,879	538,378

**Note 6 - Receivables**

<b>Current</b>		
Trade debtors	4,663	4,309
Other Assets	470	13,357
	5,133	17,666

**Note 7 - Inventories**

<b>Current</b>		
Gift Cards and Movie tickets	142,708	24,972
	142,708	24,972

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

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

CONTINUED:

	2012 \$	2011 \$
<b>Note 8 - Property, Plant and Equipment</b>		
Land & Buildings at market value	<u>2,200,846</u>	<u>2,200,846</u>
Office Equipment at cost	508,903	486,334
Accumulated Depreciation	<u>(447,307)</u>	<u>(416,400)</u>
	61,597	69,933
Furniture & Fittings at cost	132,161	121,052
Accumulated Depreciation	<u>(84,531)</u>	<u>(75,646)</u>
	47,630	45,406
Motor Vehicles at cost	433,636	432,986
Accumulated Depreciation	<u>(206,484)</u>	<u>(157,524)</u>
	227,152	275,462
Information Systems	180,758	160,588
Accumulated Depreciation	<u>(95,000)</u>	<u>(77,749)</u>
	85,757	82,839
Borrowing Costs Capitalised	<u>-</u>	<u>-</u>
	<u><u>2,622,982</u></u>	<u><u>2,674,486</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	2,200,846	69,933	45,406	275,462	82,839	-	2,674,486
Revaluations	-	-	-	-	-	-	-
Additions	-	22,570	11,109	34,962	20,170	-	88,811
Disposals	-	-	-	(12,726)	-	-	(12,726)
Depreciation Expense	-	(30,907)	(8,885)	(70,546)	(17,251)	-	(127,589)
Carrying Amount at end of year	<u>2,200,846</u>	<u>61,597</u>	<u>47,630</u>	<u>227,152</u>	<u>85,757</u>	<u>-</u>	<u>2,622,982</u>

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

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

CONTINUED:

	2012	2011
	\$	\$
<b>Note 9 - Payables</b>		
Payroll Liabilities	38,966	30,133
Goods & Services Tax	70,440	47,045
Other	<u>27,852</u>	<u>545</u>
Total Payables	<u>137,258</u>	<u>77,723</u>
<b>Note 10 - Provisions</b>		
Employee Benefits - Officers		
Annual Leave	74,458	55,075
Long Service Leave	<u>21,939</u>	<u>15,574</u>
	96,397	70,649
Employee Benefits - Others		
Annual Leave	123,216	126,040
Long Service Leave	<u>33,914</u>	<u>26,372</u>
	157,130	152,412
Total Provisions	<u>253,527</u>	<u>223,061</u>
Number of FTE Employees at years end	<u>24.0</u>	<u>26.5</u>

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 2012**

**CONTINUED:**

	2012	2011
	\$	\$
<b>Note 11 - Retained Earnings</b>		
Retained Profits at beginning of the financial year	2,510,327	2,352,094
Net profit attributable to the association	<u>56,200</u>	<u>158,234</u>
Retained Profits at end of the financial year	<u>2,566,527</u>	<u>2,510,327</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.	32,033	30,790
Expenses of these properties are offset against income of those properties.	(34,709)	(13,315)

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

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

**CONTINUED:**

	<b>2012</b>	<b>2011</b>
	\$	\$
<b>Note 13 - Cash Flow Information</b>		
<b>(a) Reconciliation of Net Cash provided by Operating Activities to Profit from Ordinary Activities after Income Tax</b>		
Profit or loss from ordinary activities after income tax expense	56,200	158,234
Non-cash flows in profit from ordinary activities		
Depreciation	110,338	117,460
Amortisation	17,251	20,711
Borrowing costs	-	-
Net profit on disposal of plant & equipment	-	-
Net loss on disposal of plant & equipment	4,544	7,807
Changes in assets and liabilities		
(increase)/decrease in receivables	12,533	6,570
(increase)/decrease in receivables	(117,736)	(24,972)
increase/(decrease) in payables	59,534	(48,544)
increase/(Decrease) in provisions	30,466	6,588
Net cash provided by operating activities	173,129	243,854

- (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 budgeting and internal allocation.

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

**OPERATING REPORT  
YEAR ENDED 30 JUNE 2012**

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 2011/2012 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 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 \$56,200 during the financial year.

**INCOME**

Operating Income increased by \$196,103 compared to the previous financial year due primarily to a growth in membership during the financial year.

Other Income was up \$369,826 due mainly to the increase in sales to members of discount Coles and Woolworth cards and discount movie tickets. This was offset by the cost of the purchase of those products for sale to members.

**EXPENSES**

Advertising costs increased by \$16,826 to \$28,092 due to heightened industrial campaign activity.

Computer Expenses were up \$12,173 to \$38,651 due to the installation of a new membership database for the Union.

Electricity costs were up \$11,573 as a result of increased electricity prices and more Union tenants occupying the Launceston Office.

Insurance costs were up by \$106,107 to \$110,296. This insurance covers both business cover and members legal indemnity insurance. This was due to adjustment in the timing of the payment of premiums which resulted in no premiums been paid in the 2010/2011 financial year resulting in this anomaly.

Legal Fees & Costs were down by \$61,755 to \$8,402 due to less litigation during the financial year.

National Expenses were down by \$16,232 to \$142,799 as a result of a temporary reduction in capitation fees payable to the National Union by branches.

Promotional costs rose by \$9,547 due to increased industrial campaign activity.

Repairs & Maintenance on Union owned buildings increased by \$6,342 as a result of additional building maintenance obligations.

Telecommunication costs dropped by \$11,252 to \$94,245 as a result of a renegotiation of a telecommunications contract.

Delegate training expenditure increased by \$29,142 to \$52,983 due to an increased investment in the training and development of Union delegates during the financial year.

Staff training expenditure also increased by \$8,484 to \$27,291 due to more staff attending training courses.

Wage Related Expenses increased by \$209,557 to \$2,179,248 as a result of an annual wage increase provided for in the HACSU Staff Enterprise Agreement and due the employment of additional casual staff in the Growth and Recruitment Team.

The cost of maintaining and running HACSU's four member Holiday Homes increased by \$24,763 to \$44,448 during the financial year due to an increase of maintenance on the properties and an increase in operating costs such as electricity and rates.

### **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 2012 was 8,157

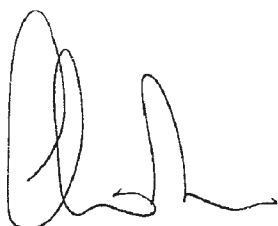
### **Number of Employees**

As at 30 June 2012, the number of full-time equivalent persons, excluding casuals, who were employees of the Union, was 24

### **Members of the Committee of Management**

The following persons were members of the Committee of Management of the reporting unit during the 2011/2012 Financial Year.

Judy Richmond	President	1 Jul 2011 to 30 Jun 2012
Chris Brown	State Secretary	1 Jul 2011 to 30 Jun 2012
Tim Jacobson	Assistant State Secretary	1 Jul 2011 to 30 Jun 2012
John Richardson	Senior Vice President	1 Jul 2011 to 30 Jun 2012
Chris Webb	Junior Vice President	1 Jul 2011 to 30 Jun 2012
Leigh Gorringe	Branch Trustee	1 Jul 2011 to 30 Jun 2012
Peter Moore	Branch Trustee	1 Jul 2011 to 30 Jun 2012
Andrew Challis	COM Member	1 Jul 2011 to 30 Jun 2012
Theresa Garcia	COM Member	1 Jul 2011 to 30 Jun 2012
Christine Hansson	COM Member	1 Jul 2011 to 30 Jun 2012
Pru Peschur	COM Member	1 Jul 2011 to 30 Jun 2012
Carolyn Shearer	COM Member	1 Jul 2011 to 30 Jun 2012
Mike Coombs	COM Member	1 Jul 2011 to 30 Jun 2012
Pam Brock	COM Member	1 Jul 2011 to 30 Jun 2012
Marlene McHenry	COM Member	1 Jul 2011 to 30 Jun 2012



Chris Brown  
State Secretary

17 July 2012



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

**COMMITTEE OF MANAGEMENT STATEMENT**

On 17 July 2012 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 2012.

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

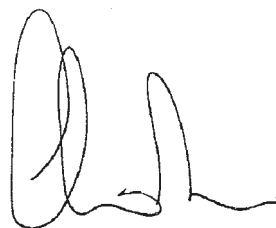
- (a) the financial statements and notes comply with Australian Accounting Standards;
- (b) the financial statements and notes comply with reporting guidelines of the General Manager of FWA;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position 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: 17 July 2012



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 2012 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 2012, 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 2012 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: 19th July 2012



# CAMERONS

HEALTH SERVICES UNION  
(TASMANIA NO.1 BRANCH)

AUDITOR'S INDEPENDENCE DECLARATION  
FOR THE YEAR ENDED 30 JUNE 2012

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2012 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: 19th July 2012