



FAIR WORK
AUSTRALIA

16 November 2010

Ms. Zita Mitchell
Secretary
HSUA Tas No 2 Branch
c/- University of Tasmania,
Private Bag No 40
HOBART TAS 7001

Ms. Mitchell,

Re: Financial Report 2009-2010 - FR2010/2722

Fair Work (Registered Organisations) Act 2009

I acknowledge receipt of the financial report of the Tasmania No 2 Branch of the Health Services Union of Australia ('the reporting unit') for the year ended 30 June 2010. The documents were lodged with Fair Work Australia ('FWA') on 1 September 2010.

The financial report has now been filed.

I make the following comments to assist your reporting unit in the preparation of its financial reports in future years. Please note that it is not necessary that you take any further action in respect of the 2010 report lodged.

Auditor's Report

The audit report must satisfy the Australian Auditing Standards (ASA 700) for a General Purpose Financial Report ('GPFR'). In particular, the scope of the audit report should refer to a complete GPFR, including identifying each of the components of the financial report and the significant accounting policies. Further it should reference the Committee of Management Statement as is required under the FWA General Manager's Reporting Guidelines ('the RG') at Item 24 and the *Fair Work (Registered Organisations) Act 2009* ('the RO Act'), sections 255 and 253(2)(c) respectively.

ASA700(23) sets out the form of the introductory paragraph that the auditor 'shall' include in their report which also reflects the above. In future years please also ensure that the scope of the auditor's report includes the appropriate introductory paragraph.

Auditor's qualifications

Regulation 4 of the *Fair Work (Registered Organisations) Regulations 2009* defines an approved auditor as a person who is a member of either CPA Australia, The Institute of Chartered Accountants in Australia or the National Institute of Accountants and holds a current Public Practice Certificate. Although it is assumed on this occasion that the auditor is such a person, please ensure that the auditor's qualifications are explicitly stated in future auditor's reports.

Operating Report

Subsection 254(2)(a) of the RO Act requires an operating report to contain a review of the principal activities of the reporting unit, the results of those activities and any significant changes in the nature of those activities. Subsection 254(2)(b) of the RO Act which requires an operating report to give details of any significant changes in the RU's financial affairs during the year.

It is noted that the 2010 Operating Report only makes reference to principal activities. There is no reference as to whether there was any significant changes to the reporting unit's financial activities during the reporting period. Please ensure that this is included in future years.

Recovery of Wages

I note that the accounts do not provide any information in relation to any recovery of wages activity. Items 16 - 23, 25(f) and 27(b) of the RG govern the financial reporting of recovery of wages activity.

In circumstances where the reporting unit has not undertaken any recovery of wages activity for the financial year, a statement by the auditor or a declaration in the Committee of Management Statement to the effect that there was no recovery of wages activity for the financial year would be sufficient.

General purpose financial report to be prepared on accrual basis

Section 252 of the RO Act places obligations upon organisations to *keep* financial records. Under section 252(4) an organisation may *keep* the financial records for its membership subscriptions on a cash basis.

This is distinct from the obligation under s253 to *prepare* a GPFR. Section 253 stipulates that '...a reporting unit must cause a general purpose financial report to be prepared, in accordance with the Australian Accounting Standards, from the financial records kept under subsection 252(1) in relation to the financial year...'. The Australian Accounting Standard ('AASB') 101 at paragraph 27 states that 'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting'. Sections 252 and 253 of the RO Act impose quite separate and distinct obligations upon reporting units. When read together they require that, while some financial records may be *kept* on a cash basis, a GPFR must be *prepared* on an accrual basis whether or not records were kept on a cash or accrual basis.

In future the GPFR should be prepared on an accrual basis as required by section 253 of the RO Act and the relevant Australian Accounting Standard (AASB 101(27)). It is further noted that this may result in a change of accounting policy that will need to be disclosed in accordance with AASB 108 (Accounting Policies, Changes in Accounting Estimates and Errors). You may need to discuss this with your auditor.

The RG and AASB 101 require specific disclosures in the GPFR. The Branch should familiarise itself with these requirements and ensure that all required disclosures are made.

Accounts to include a Notice reflecting s272(1)-(3) RO Act

There should be included in the accounts a notice drawing attention to the fact that prescribed information is available to members on request. This requirement is set out in subsection 272(5) of the RO Act, and it specifically requires the accounts to include a copy of subsections 272(1), (2) & (3) as follows:

(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.

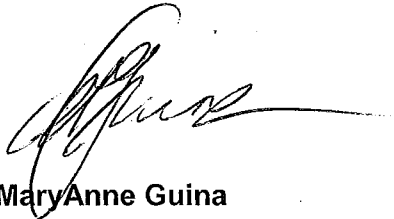
(2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.

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

This information should be set out in the Notes to the Accounts.

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 7984 or by email at maryanne.guina@fwa.gov.au.

Yours faithfully,



MaryAnne Guina

Tribunal Services and Organisations

FAIR WORK AUSTRALIA

FR 2010/2722



Health Services Union
TASMANIA NO 2 BRANCH
University of Tasmania

1 September 2010

Mr Robert Pfeiffer
Tribunal Services and Organisations
Fair Work Australia

Dear Sir/Madam

Please find attached a copy of the Full Report of this branch of the HSUA Tas 2 Annual Financial Statements which includes:

- Statement of Financial Performance
- Statement of Financial Position
- Notes to and forming part of the accounts
- Statement of Cash Flows
- Notes to the Statement of Cash Flows
- Committee of Management Statement
- Auditors Report
- Operating Report
- Designated Officers Certificate

As requested under the Fair Work (Registered Organisation) Act 2009

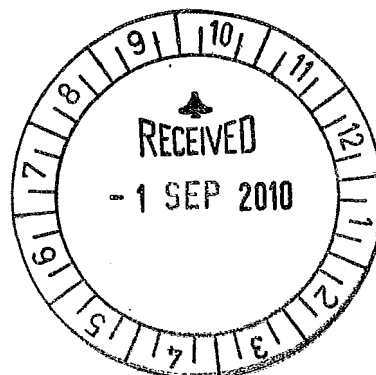
The Financial Statements were sent to all members on 11 August 2010

The Financial Statements / Audit were passed by members at today's Annual General Meeting, 1 September 2010

Yours faithfully

Zita D Mitchell

Zita D Mitchell
Branch Secretary



**HEALTH SERVICES UNION OF AUSTRALIA
(TASMANIA NO. 2 BRANCH)**

AUDITORS REPORT

Scope

I have audited the attached financial report of the Health Services Union of Australia (Tasmania No. 2 Branch) for the year ended 30th June 2010. The Branch Council is responsible for the preparation and presentation of the financial report and the information contained therein. I have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Health Services Union of Australia (Tasmania No. 2 Branch). No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Committee of Management's financial reporting requirements under the Branch's constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

✓ Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the Australian Accounting concepts and standards (and relevant statutory and other requirements) so as to present a view of the Health Services Union of Australia (Tasmania No. 2 Branch) which is consistent with our understanding of its financial position and the results of its operations.

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

In my opinion,

- (i) There were kept by the Branch in respect of the year under review, satisfactory accounting records detailing the sources and nature of the income of the Branch (including income from members) and the nature and purposes of expenditure and;
- ✓ (ii) The attached General Purpose financial report is presented fairly in accordance with applicable Australian Accounting Standards and the requirements of the *Fair Work (Registered Organisations) Act 2009* Schedule 1. The accounts set out within the financial report have been prepared by the Branch and are properly drawn up so as to give a true and fair view of:
 - (a) The financial affairs of the branch as at 30th June 2010, and;
 - (b) The income and expenditure, and surplus of the Branch for the period ended on that date.



Michael Burnett
Steele Burnett & Nelson
Registered Company Auditor
Chartered Accountant (Holder of Practising Certificate)

4th August 2010

**HEALTH SERVICES UNION OF AUSTRALIA
(TASMANIA NO. 2 BRANCH)**

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2010**

	<u>2010</u>	<u>2009</u>
	\$	\$
INCOME		
Fees & Contributions	4,656	3,802
Interest Received	4,397	9,141
	<u>9,052</u>	<u>12,943</u>
LESS: EXPENSES		
Affiliation Fee	203	193
Audit Fees	660	550
Depreciation - Plant	0	0
Federal Office Capitation Fees	836	836
Honorariums	619	603
HSU - IR Campaign Contributions	0	0
Staff Functions/Meetings	535	402
Sundry Expenses	87	93
Travelling & Conference Exp	1,060	214
	<u>3,999</u>	<u>2,891</u>
SURPLUS FOR THE YEAR	5,054	10,052

**HEALTH SERVICES UNION OF AUSTRALIA
(TASMANIA NO. 2 BRANCH)**

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2010**

	Note	<u>2010</u>	<u>2009</u>
		\$	\$
Surplus for the year before income tax	1	5,054	10,052
Income tax attributable to surplus		0	0
		<u>5,054</u>	<u>10,052</u>
Surplus after Income Tax			
Retained Surplus at the beginning of the financial year		131,793	121,741
		<u>131,793</u>	<u>121,741</u>
Total available for appropriation		136,846	131,793
Retained surplus at the end of the Financial Year		<u><u>136,846</u></u>	<u><u>131,793</u></u>

**HEALTH SERVICES UNION OF AUSTRALIA
(TASMANIA NO. 2 BRANCH)**

**STATEMENT OF FINANCIAL POSITION
AS AT 30th JUNE 2010**

	Note	<u>2010</u> \$	<u>2009</u> \$
Current Assets			
Cash	2	136,846	131,793
Non-Current Assets			
Property Plant & Equipment		0	0
NET ASSETS		<u>136,846</u>	<u>131,793</u>
MEMBERS EQUITY			
Reserves		0	0
Retained Surplus		<u>136,846</u>	<u>131,793</u>
Total Members Equity		<u>136,846</u>	<u>131,793</u>

**HEALTH SERVICES UNION OF AUSTRALIA
(TASMANIA NO. 2 BRANCH)**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2010**

	<u>2010</u>	<u>2009</u>
	\$	\$
Note 1 - Operating Revenue		
Other Revenue		
Fees & Contributions	657	911
Interest Received	4,397	9,136
	5,054	10,047
Note 2 - Cash		
Bank Accounts		
Cash at Bank S1	10,592	9,926
Cash at Bank I22	126,254	121,867
Other Cash Items		
Cash on Hand	0	0
	136,846	131,793

**HEALTH SERVICES UNION OF AUSTRALIA
(TASMANIA NO. 2 BRANCH)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30th JUNE 2010**

	<u>2010</u>	<u>2009</u>
	\$	\$
Cash flows from operating activities		
Cash Receipts from members	4,656	3,802
Cash paid to suppliers	3,999	2,891
Cash Generated from operations	<u>657</u>	<u>911</u>
Net Cash flows from operating activities	657	911
Cash flows from investing activities		
Interest Received	4,397	9,141
Net cash flows from investing activities	<u>4,397</u>	<u>9,141</u>
Net Increase in cash and cash equivalents (Note 3)	5,054	10,052
Cash & cash equivalents at beginning of period	131,793	121,741
Cash & cash equivalents at end of period (Note 1)	<u>136,846</u>	<u>131,793</u>

**HEALTH SERVICES UNION OF AUSTRALIA
(TASMANIA NO. 2 BRANCH)**

**NOTES FORMING PART OF THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30th JUNE 2010**

	<u>2010</u>	<u>2009</u>
	\$	\$
Note 1. Reconciliation of Cash		
Bank Accounts		
Cash at Bank S1	10,592	9,926
Cash at Bank I22	126,254	121,867
Cash on Hand	0	0
	136,846	131,793
 Note 3. Reconciliation of Net Cash from Operating Activities to Operating Results		
Operating Result	5,054	10,047
Depreciation	0	0
Net cash from operating activities	5,054	10,047

HEALTH SERVICES UNION OF AUSTRALIA
(TASMANIA NO. 2 BRANCH)

COMMITTEE OF MANAGEMENT STATEMENT

We, K Bolton and Z Mitchell, being Vice-President and Secretary/Treasurer of the Branch Council of the Health Services Union of Australia (Tasmania No. 2 Branch), do state on behalf of the Council and in accordance with a resolution passed by the Council that:-

- a. The financial statements and notes comply with the Australian Accounting Standards;
- b. The financial statements and notes comply with the reporting guidelines of the industrial registrar;
- c. The financial statements and notes give a true and fair view of the financial performance, financial position and cash position of the Branch;
- d. There are reasonable grounds to believe that the Health Services Union of Australia (Tasmania No. 2 Branch) will be able to pay its' debts as and when they become due and payable; and
- e. During the financial year:-
 - (i) meetings of the committee were held in accordance with the rules of the Union.
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the Union.
 - (iii) the financial records of the reporting entity have been kept and maintained in accordance with the RO Schedule and the RO regulations.
 - (iv) The rights of members or a Registrar to obtain information from the Union exist under subsections 272(1), (2) and (3) of the RO schedule.
 - (v) there has been compliance with any order for inspection of financial records made by the Commissioner under section 273 of the RO schedule.

ON BEHALF OF THE BRANCH COUNCIL



K Bolton

3/8/2010
Date



Z Mitchell

3/8/2010
Date

HEALTH SERVICES UNION OF AUSTRALIA
(TASMANIA NO. 2 BRANCH)

OPERATING REPORT

Number of Members

The number of members who, at the end of the reporting period, were recorded on the Register of Members of the Branch was 35.

Number of Employees

No employees were engaged by the Branch during the reporting period.

Principal Activities

The principal activities of the Branch during the reporting period were to provide industrial and representational services to the members consistent with the objectives of the Union and particularly the objective of protecting and improving the interests of the members.

The Branch's principal activities resulted in maintaining and improving the wages and conditions of employment of the membership, particularly for those members in collective enterprise agreements negotiated by the Union.

Significant Changes

There were no significant changes in the nature of the Branch's principal activities during the reporting period.

Manner of Resignation

Members may resign from the Branch in accordance with rule 13 "Termination of Membership".


Trustee or Director of Trustee company of superannuation entity or exempt public sector superannuation scheme

No officers or members of the Branch held positions as a trustee or director of a trustee company of a superannuation entity or exempt public sector superannuation scheme where the criteria for the officer or member being the trustee or director is that the officer or member is an officer or member of the Union.

Members of Committee of Management

The persons who held office as members of the Committee of Management of the Branch during the reporting period are:

Marshall Hughes	(Branch President)
Keith Bolton	(Senior Branch Vice President)
Geoffery Piggott	(Junior Vice President)
Zita Mitchell	(Branch Secretary/Treasurer)
Andrea Kingston	(Branch Assistant Secretary)
Geoffery Appleby	(Branch Trustee)
Christine Davey	(Committee Member)
Tula Lord	(Committee Member)
Jenni Kendray	(Committee Member)
Peter Thompson	(Committee Member)


Zita Mitchell
(Secretary)

Date:

3/8/2010

HEALTH SERVICES UNION OF AUSTRALIA
(TASMANIA NO. 2 BRANCH)

DESIGNATED OFFICER'S CERTIFICATE

I, Zita Mitchell, being the secretary of the Branch Council of the Health Services Union of Australia (Tasmania No. 2 Branch) certify:

- That the documents lodged herewith are copies of the full report, referred to in s268 of the Fair Work (Registered Organisations) Act.
- That the full report was provided to members on the 11/8/2010..... 2010; and
- That the full report was presented to the Annual General Meeting of the Branch on the 11/9/2010..... 2010 in accordance with s268 of the RO Act.

Signature:

Z. D. Mitchell

Date:

2/9/2010