



FAIR WORK
AUSTRALIA

28 September 2011

Ms. Zita Mitchell
Branch Secretary
Health Services Union of Australia
Tasmania No. 2 Branch
c/- University of Tasmania
Private Bag No 40
HOBART TAS 7001

Ms. Mitchell,

**Re: Health Services Union - Tasmania No. 2 Branch
Financial Report for the year ended 30 June 2011 – FR2011/2731
Fair Work (Registered Organisations) Act 2009 (the Act)**

I acknowledge receipt of the above financial report for the Tasmania No. 2 Branch of the Health Services Union of Australia for the year ended 30 June 2011.

Based on the auditor's correspondence dated 27 September 2011 that the General Purpose Financial Report (GPFR) was prepared using the accrual basis of accounting this financial report has been filed and does not require further action.

Please note there were some matters requiring attention for future financial reports.

A copy of this letter should be provided to your auditor.

1. General purpose financial report to be prepared on accrual basis

It should be evident in future financial reports that requirements under Section 252 and 253 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act) have been met. The following comments were highlighted in recommendations on the previous year's financial report and should be clearly reflected in future financial reports:

[Section 252](#) of the *Fair Work (Registered Organisations) Act 2009* 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 [section 253](#) to *prepare* a GPFR. Section 253 requires 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...'. Please note that paragraph 27 of Australian Accounting Standard 101 states that 'an entity shall prepare its financial statements, except for cash flow information, using the accrual basis of accounting'.

In future the GPFR must 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 will 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).

2. Missing statement of changes in equity document

There was no Statement of Changes in Equity in the general purpose financial report. This is a financial document required under AASB 101(106) of the Australian Accounting Standards and s253(2)(iv) of the RO Act. This Statement must be provided in future.

When preparing financial reports for future years please note the following Australian Accounting Standards and ensure that they are complied with:

- AASB 101(11) requires all the financial statements in a complete set of financial statements be presented with equal prominence. Therefore, the Statement of Change in Equity should appear on its own page to give it equal prominence as the other financial documents.

3. 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.

If you have any queries regarding this letter I may be contacted on (03) 8661 7921 or by email at Samuel.lynch@fwa.gov.au.

Regards,



Sam Lynch
Tribunal Services and Organisations

FR2011/2731



Health Services Union



FACSIMILE TRANSMISSION

HEALTH SERVICES UNION of Australia, Tasmania No 2

To Mr Robert Pfeiffer, Fair Work Australia

Fax number 96550410

Total pages 13 inc. this page

From Zita Mitchell, Hon. Sec

Subject HSU TAS NO 2 Audit



Health Services Union
TASMANIA NO 2 BRANCH
University of Tasmania

20 September 2011

Mr Robert Pfeiffer
Tribunal Services and Organisations
Fair Work Australia

Dear Sir

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 Financial Statements
- Cash Flow Statement
- 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 4 August 2011

The Financial Statements / Audit were passed by members at today's Annual General meeting, 7 September 2011

Yours faithfully

Zita D Mitchell
Branch Secretary

INDEPENDENT AUDITOR'S REPORT

To the members of the Health Services Union of Australia (Tasmania No. 2 Branch)

We have audited the accompanying financial report of the Health Services Union of Australia (Tasmania No. 2 Branch), which comprises the statement of financial position as at 30 June 2011, the statement of financial performance, cash flow statement for the year then ended, other explanatory notes and the Branch Committee of Management statement.

Committee of Management and Branch Secretary's Responsibility for the Financial Report

The Committee of Management and Branch Secretary of the Health Services Union of Australia (Tasmania Branch No. 2) are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee of Management as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit we have complied with the independence requirements of the Australian professional accounting bodies and the Fair Work (Registered Organisations) Act 2009.

Auditor's Opinion

In our opinion, the general purpose financial report of the Health Services Union of Australia (Tasmania No. 2 Branch) presents fairly, in all material respects, the financial position as of 30 June 2011 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards and the requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.

Michael Burnett



Partner

Accru/Hobart

19-9-11

Fellow of Institute of Chartered Accountants

Holder of current Practising Certificate

Registered Company Auditor

Rosny Park TAS 7018

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

**DETAILED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2011**

	<u>2011</u>	<u>2010</u>
	\$	\$
INCOME		
Fees & Contributions	3,256	4,656
Interest Received	7,580	4,397
	<u>10,836</u>	<u>9,052</u>
LESS: EXPENSES		
Affiliation Fee	929	203
Audit Fees	704	660
Federal Office Capitation Fees	0	836
Honorariums	693	619
Staff Functions/Meetings	357	535
Telephone & Internet Expenses	1,547	0
Sundry Expenses	0	87
Travelling & Conference Exp	0	1,060
	<u>4,230</u>	<u>3,999</u>
SURPLUS FOR THE YEAR	6,607	5,054

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

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

	Note	<u>2011</u>	<u>2010</u>
		\$	\$
Surplus for the year before income tax	1	6,607	5,054
Income tax attributable to surplus		0	0
		<u>6,607</u>	<u>5,054</u>
Surplus after Income Tax			
Retained Surplus at the beginning of the financial year		136,846	131,793
		<u>136,846</u>	<u>131,793</u>
Total available for appropriation		143,453	136,846
Retained surplus at the end of the Financial Year		<u><u>143,453</u></u>	<u><u>136,846</u></u>

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30th JUNE 2011**

	Note	<u>2011</u> \$	<u>2010</u> \$
Current Assets			
Cash	2	143,453	136,846
Non-Current Assets			
Property Plant & Equipment		0	0
NET ASSETS		<u>143,453</u>	<u>136,846</u>
MEMBERS EQUITY			
Reserves		0	0
Retained Surplus		<u>143,453</u>	<u>136,846</u>
Total Members Equity		<u>143,453</u>	<u>136,846</u>

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

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

	<u>2011</u>	<u>2010</u>
	\$	\$
Cash flows from operating activities		
Cash Receipts from members	3,256	4,656
Cash paid to suppliers	4,230	8,999
Cash Generated from operations	<u>-974</u>	<u>657</u>
Net Cash flows from operating activities	-974	657
Cash flows from investing activities		
Interest Received	7,580	4,397
Net cash flows from investing activities	<u>7,580</u>	<u>4,397</u>
Net Increase in cash and cash equivalents (Note 3)	6,607	5,054
Cash & cash equivalents at beginning of period	136,846	131,793
Cash & cash equivalents at end of period (Note 4)	<u>143,453</u>	<u>136,846</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 2011**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian equivalents to the International Financial Reporting Standards (AIFRS), other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Fair Work (Registered Organisations) Act 2009.

Compliance with Australian equivalents of International Financial Reporting Standards ensures that the financial report comprising the financial statements and notes thereto complies with International Financial Reporting Standards (IFRS) except for:

- Segment Reporting because AASB 114 "Segment Reporting" does not apply to not-for-profit organisations.

Basis of Preparation

The financial report is for the Tasmania No. 2 Branch of the Health Services Union of Australia. In accordance with the Fair Work (Registered Organisations) Act 2009 the Branch is a reporting unit. The Health Services Union is an organisation registered under the Fair Work (Registered Organisations) Act 2009. The Tasmania No. 2 Branch is a branch of the registered organisation. In accordance with the Act the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Union and the Tasmania No. 2 Branch are not subject to the Corporations Act 2001.

The financial report has been prepared on the basis of historical costs. Cost is based on the fair values of the considerations given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the Branch in the preparation of the financial report.

(a) Revenue

Contributions are accounted for on a cash receipts basis.

(b) Income Tax

No provision for income tax is necessary as industrial trade unions are exempt from income tax under Section 50-15 of the Income Tax Assessment Act 1997.

**2. INFORMATION TO BE PROVIDED TO MEMBERS OR GENERAL MANAGERS OF
FAIR WORK AUSTRALIA**

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

- (1) A member of the reporting unit, or the General Manager of Fair Work Australia, may apply to the reporting unit for specific prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be made in writing and must specify the period in 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).

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

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2011**

	<u>2011</u>	<u>2010</u>
	\$	\$
Note 1 - Operating Revenue		
Other Revenue		
Fees & Contributions	-974	657
Interest Received	7,580	4,397
	<u>6,607</u>	<u>5,054</u>
Note 2 - Cash		
Bank Accounts		
Cash at Bank S1	9,624	10,592
Cash at Bank I22	133,829	126,254
Other Cash Items		
Cash on Hand	0	0
	<u>143,453</u>	<u>136,846</u>
	<u>2011</u>	<u>2010</u>
	\$	\$
Note 3. Reconciliation of Net Cash from Operating Activities to Operating Results		
Operating Result	6,607	5,054
Depreciation	0	0
Net cash from operating activities	<u>6,607</u>	<u>5,054</u>
Note 4. Reconciliation of Cash		
Bank Accounts		
Cash at Bank S1	9,624	10,592
Cash at Bank I22	133,829	126,254
Cash on Hand	0	0
	<u>143,453</u>	<u>136,846</u>

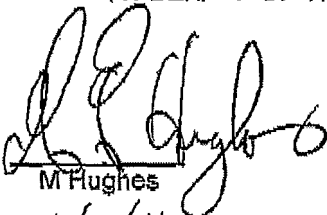
HEALTH SERVICES UNION OF AUSTRALIA
(TASMANIA NO. 2 BRANCH)


COMMITTEE OF MANAGEMENT STATEMENT

We, M Hughes 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


M Hughes
6/7/11
Date


Z Mitchell
6/7/11
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 33.

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. There were no significant changes to the financial activities of the Branch during the reporting period.

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.

Recovery of Wages

There were no recovery of wages activity for the financial year.

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)
Rodney Teague	(Committee Member)
Peter Cornish	(Committee Member)

Zita Mitchell
Zita Mitchell
(Secretary)

Date:

4/8/11

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 4/8/11 2011; and
- That the full report was presented to the Annual General Meeting of the Branch on the 7 September 2011 in accordance with s268 of the RO Act.

Signature: Zita Mitchell

Date: 8/9/11

