



20 September 2013

Zita Mitchell
Branch Secretary
Health Services Union - Tasmania No. 2 Branch
C/o University of Tasmania
Private Bag No. 40
Hobart TAS 7001

Dear Ms Mitchell

Health Services Union Tasmania No. 2 Branch Financial Report for the year ended 30 June 2012 - FR2012/409

I acknowledge receipt of the financial report of the Health Services Union Tasmania No. 2 Branch for the year ended 30 June 2012. The documents were lodged with Fair Work Australia on 16 September 2012. I acknowledge receipt of supplementary information on 28 October 2012, 7 November 2012, 9 November 2012, 6 June 2013 and 20 September 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.

Yours sincerely

Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch

**Health Service Union of Australia
Tasmanian No.2 Branch**

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

Contents	Page No
Operating Report	1-2
Committee of Management Statement	3
Auditors Independence Declaration	4
Statement of Comprehensive Income	5
Statement of Financial Performance	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Cash Flow Statement	9
Notes Forming Part of the Statement of Cash Flows	10
Notes to and Forming Part of the Financial Statements	11-12
Designated Officer's Certificate	13
Independent Auditors Report	14-15

ACCRU+ HOBART
Chartered Accountants & Business Advisors
62 440 544

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

Operating Report

Operating Result

The profit of the company for the financial year after providing for income tax amounted to: \$9029
2011: \$8,606

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.

Manner of Resignation

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

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those

Future Developments

The association expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Environmental Issues

The association's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends

The association's constitution prohibits dividends being paid to members.

Share Options

The association's constitution does not allow shareholders to have an equity interest.

Directors Benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the association or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Indemnifying Officer or Auditor

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of the association.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the association or intervene in any proceedings to which the association is a party for the purpose of taking responsibility on behalf of the association for all or any part of those proceedings. The association was not a party to any such proceedings during the year.


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:

- | | |
|------------------|--------------------------------|
| Christine Davey | (Acting Branch President) |
| Keith Bolton | (Senior Branch Vice President) |
| Geoffrey Piggott | (Junior Vice President) |
| Zita Mitchell | (Branch Secretary/Treasurer) |
| Andrea Kingston | (Branch Assistant Secretary) |
| | |
| Tula Lord | (Committee Member) |
| Jenni Kendray | (Committee Member) |
| Peter Thompson | (Committee Member) |
| Rodney Teague | (Committee Member) |
| Peter Cornish | (Committee Member) |



Zita Mitchell
(Secretary)

Date: 8/11/12


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


COMMITTEE OF MANAGEMENT STATEMENT

We, C Davey 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 dated 8.11.12. by the Council that:-

- a. The financial statements and notes comply with the Australian Accounting Standards;
- b. The financial statements have been prepared as General Purpose financial reports and 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 Act and the RO regulations.
 - (iv) The rights of members or a General Manager to obtain information from the Union exist under subsections 272(1), (2) and (3) of the RO Act.
 - (v) there has been compliance with any order for inspection of financial records made by the Commissioner under section 273 of the RO Act.
 - (vi) All financial records of the reporting unit have been kept, as far as practicable, in a consistent manner, under section 272 of the RO Act and has been furnished to the general manager under Item 25(v) per the reporting guidelines.

ON BEHALF OF THE BRANCH COUNCIL


C Davey
4.12.12
Date


Z Mitchell
4.12.12
Date

AUDITORS' INDEPENDENCE DECLARATION

Directors of Health Services Union of Australia (Tasmania No.2 Branch)

Dear Sirs

As auditor for the Health Services Union of Australia (Tasmania No.2 Branch) for the year ended 30 June 2012 I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of the above-mentioned company.

Yours faithfully,
Accru+ Hobart Pty Ltd


Michael Burnett FCA
Registered Company Auditor
Partner, Accru+ Hobart

4-12-2012

Page 4

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30th JUNE 2012**

	<u>2012</u>	<u>2011</u>
	\$	\$
INCOME		
Fees & Contributions	3,188	3,256
HSU Reimbursement of expenses to attend meetings	4,756	-
Interest Received	8,461	7,580
	16,404	10,836
LESS: EXPENSES		
Federal Capitation Fees	340	560
Affiliation Fee (ACTU & Union Tas)	262	369
Audit Fees	770	704
Honorariums	-	693
Staff Functions/Meetings	130	357
Telephone & Internet Expenses	665	1,547
Travelling & Conference Exp	5,207	-
	7,375	4,230
 TOTAL COMPREHENSIVE INCOME	9,029	6,606

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

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2012**

	Note	<u>2012</u> \$	<u>2011</u> \$
Surplus for the year before income tax	4	9,029	6,606
Income tax attributable to surplus		-	-
		<u>9,029</u>	<u>6,608</u>
Surplus after Income Tax			
Retained Surplus at the beginning of the financial year		143,452	136,846
		<u>143,452</u>	<u>136,846</u>
Total available for appropriation		152,481	143,452
Retained surplus at the end of the Financial Year		<u><u>152,481</u></u>	<u><u>143,452</u></u>

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30th JUNE 2012**

	Note	2012 \$	2011 \$
Current Assets			
Cash	3	152,481	143,452
NET ASSETS		<u>152,481</u>	<u>143,452</u>
MEMBERS EQUITY			
Retained Surplus		<u>152,481</u>	<u>143,452</u>
Total Members Equity		<u>152,481</u>	<u>143,452</u>

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

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

	<u>2012</u> \$	<u>2011</u> \$
Opening balance	143,452	136,846
Comprehensive Income		
Surplus for the year attributable to members of the entity	<u>9,029</u>	<u>6,606</u>
Total comprehensive income attributable to members of the entity	<u>9,029</u>	<u>6,606</u>
Closing balance	<u>152,481</u>	<u>143,452</u>

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

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

	<u>2012</u>	<u>2011</u>
	\$	\$
Cash flows from operating activities		
Cash Receipts from members	7,944	3,256
Cash paid to suppliers	<u>7,375</u>	<u>4,230</u>
Cash Generated from operations	569	(974)
Net Cash flows from operating activities	569	(974)
Cash flows from investing activities		
Interest Received	<u>8,481</u>	<u>7,580</u>
Net cash flows from investing activities	<u>8,481</u>	<u>7,580</u>
Net Increase in cash and cash equivalents (Note 2)	9,029	6,807
Cash & cash equivalents at beginning of period	143,452	136,845
Cash & cash equivalents at end of period (Note 1)	<u>152,481</u>	<u>143,452</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 2012**

	<u>2012</u> \$	<u>2011</u> \$
Note 1. Reconciliation of Cash		
Bank Accounts		
Cash at Bank S1	10,198	9,624
Cash at Bank I22	142,283	133,829
	<u>152,481</u>	<u>143,453</u>
 Note 2. Reconciliation of Net Cash from Operating Activities to Operating Results		
Operating Result	<u>9,029</u>	<u>6,806</u>
Net cash from operating activities	<u>9,029</u>	<u>6,806</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 2012**

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 there to complies with International Financial Reporting Standards (IRFS) 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) **Basis of Preparation of Financial Report**
This report has been prepared on an accruals basis net of GST.
- (b) **Revenue and Other Income**
Interest received is recognised as it accrues using the effective interest rate method.
HSU Reimbursements are recognised as revenue when received.
Fees and contributions are recognised when received at fair value of the consideration received.
- (c) **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 TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2012**

	<u>2012</u> \$	<u>2011</u> \$
Note 3 - Cash		
Bank Accounts		
Cash at Bank 51	10,198	9,629
Cash at Bank 122	142,283	133,829
	<u>152,481</u>	<u>143,458</u>

**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 ...8/11/12..... 2012; and
- That the full report was presented to the Annual General Meeting of the Branch on the ...14/12/12..... 2012 in accordance with s268 of the RO Act.

Signature:

Zita Mitchell

Date:

14/12/12

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 2012, the statement of financial performance, cash flow statement for the year then ended, other explanatory notes and the Branch Committee of Management statement as set out on pages 1-13 of this report.

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.

Page 14

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 2012 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

4 (12) 12
Partner

Accru Hobart

Fellow of Institute of Chartered Accountants

Holder of current Practising Certificate

Registered Company Auditor

Rosny Park TAS 7018

From: zita_mitchell@pacific.net.au
To: [FRASER, Ingrid](#)
Subject: HSU Tasmania No 2 Branch Financial Report 30 June 2012
Date: Friday, 2 November 2012 3:49:56 PM

Dear Ms Fraser

thank you for your correspondence yesterday.

The Auditor, Mr Michael Burnett has completed and sent his new Audit to me late yesterday.

I should imagine I can keep with in the time frame I proposed last week. That is return to work 50% of normal time Monday 5 November, organise a Branch Committee meeting for Thursday 8 November, dispatch new Audit to the Membership as soon as possible, call a General Meeting of the Membership on the 30 November or 3 December.

The National Office is correct in saying they received \$560 from this branch in capitation fees for the year - the balance of the \$182 88 also went to the National Office but for Affiliation fees to the ACTU.

I am sorry I was not diligent enough to list them separately but will be careful in future of the Reporting Guidelines and will certainly use FWA assistance if in doubt.

Thanks you for your help with this matter.

Kind Regards.

Zita

Zita Mitchell
Honorary Secretary
HSU Tasmania No 2 Branch
University of Tasmania



FAIR WORK
AUSTRALIA

1 November 2012

Ms Zita Mitchell
Secretary
Tasmania No. 2 Branch
Health Services Union
c/- University of Tasmania
Private Bag 140
HOBART TAS 7001

By email: Zita.Mitchell@utas.edu.au;
zita_mitchell@pacific.net.au

Dear Ms Mitchell,

**Financial report for year ended 30 June 2012 - FR2012/409
Fair Work (Registered Organisations) Act 2009 (RO Act)**

I refer to your correspondence dated 28 October and 30 October 2012 in relation to the above matter.

Anticipated timeline for completion of documents

I acknowledge receipt of the anticipated timeline for completing the financial document, dated 28 October 2012. From your subsequent correspondence dated 30 October 2012, I understand that due to availability of your auditor, you may need to revise the timeline that was provided. When the new auditor's report is completed, please provide Fair Work Australia with an updated anticipated timeline for completing the documents.

Financial report for year ended 30 June 2011 - Capitation fees

I acknowledge receipt of the further information pertaining to the amount of capitation fees that were paid to the Federal Office during the financial year ended 30 June 2011. The amount of \$731.52 (i.e. the four payments of \$182.88) paid in capitation fees to the Federal Office is not consistent with the amount of \$560 disclosed by the Federal Office in their financial report of the year ended 30 June 2011. However, Fair Work Australia will seek a further explanation from the Federal Office regarding the discrepancy disclosed. I will contact you should I require any further information regarding the capitation fees paid in the financial year ended 30 June 2011.

Please be aware that Item 11 of the Reporting Guidelines provides that capitation fees and affiliation fees must be disclosed separately on the Statement of Comprehensive Income or the notes to the financial statements.

Item 11(b) concerns capitation fees, and provides that where, under the rules of the organisation, the reporting unit must pay to another reporting unit of the organisation as a contribution towards the administrative expenses of the other reporting unit a proportion of the total amount derived by the reporting unit as entrance fees or membership subscriptions, the reporting unit must disclose the amount and the name in respect of each such reporting unit. As such, the capitation fees paid to the National Office must be disclosed pursuant to this item, generally under the heading 'Capitation fees'.

11 Exhibition Street Telephone: (03) 8661 7777
Melbourne VIC 3000 International: (613) 8661 7777
GPO Box 1994 Facsimile: (03) 9655 0401
Melbourne VIC 3001 Email: melbourne@fwa.gov.au

Item 11(d) concerns affiliation fees, and provides that fees and periodic subscriptions in respect of affiliation to any political party, any federation, congress, council or group of organisations, or any international body having an interest in industrial matters must be disclosed. For example, money paid to Unions Tasmania would be disclosed pursuant to this item, generally under the heading 'Affiliation fees'.

When preparing financial reports in future years, please ensure that the capitation fees and affiliation fees are disclosed separately. If you require any assistance in classifying the expenses paid, please do not hesitate to contact Fair Work Australia.

I look forward to receiving an updated anticipated timeline for completion of the documents outlined in my letter of 22 October 2012 in due course.

If you have any queries in relation to this correspondence, please contact me on (03) 8661 7603.

Kind regards,

A handwritten signature in blue ink, appearing to read 'Ingrid Fraser', written in a cursive style.

Ingrid Fraser

Regulatory Compliance Branch
Fair Work Australia

From: zita_mitchell@pacific.net.au
To: [FRASER, Ingrid](#)
Subject: Tasmania No 2 Branch HSU
Date: Sunday, 28 October 2012 11:36:19 AM

Dear Ms Fraser

Further to our conversation on Monday and Friday last I have spoken to the Auditor, Mr Michael Burnett of ACCRU, Chartered Accountants and he is currently in the proces of preparing a new Audit for the above Branch and should have it completed next Monday, 29 October or Tuesday 30 October.

As you are aware I am on leave with a broken hand and will not resume duties until the 5th November, if all thing being equal. when the plaster cast is removed next week I would anticipate having a branch committee meeting approximately 8 November then advising the membership of a new meeting date taking into account the 21 day period the members must have the amended Audit to peruse, prior to the said meeting. The General meeting will probable be 30 November or 3 December. That is our proposed time frame I hope will take place.

My apologies for not having complied with Affiliation the FWA obligations, it was certainly not intenional.

FINANCIAL FOR THE YEAR ENDED 30 JUNE 2011

The explanation for the Affiliation / Capitation fees being paid to the National Office. The Branch paid \$182.88 on 12/7/2010, 11/10/10, 4/1/11 and 18/4/11 to as per the National Office Tax Invoices which I have retained the emailed copies - the Tax Invoices listed both Affiliation and Capitation fees together on each invoice. Added to these four amounts was \$197 08 paid to Unions Tasmania for Affiliation fees making the total of \$929 as shown in the Annual Return to FWA.

Thank you for assisting me in attempting to rectify the anomalies.

Kind regards,

Zita

Zita Mitchell
Honorary Secretary
HSU Tasmania No 2 Branch
21 Waverley Court
BELLERIVE 7018 TAS



FAIR WORK
AUSTRALIA

22 October 2012

Ms Zita Mitchell
Secretary
Tasmania No. 2 Branch
Health Services Union
c/- University of Tasmania
Private Bag 140
HOBART TAS 7001

By email: Zita.Mitchell@utas.edu.au

Dear Ms Mitchell,

**Financial report for year ended 30 June 2012 - FR2012/409
Fair Work (Registered Organisations) Act 2009 (RO Act)**

I acknowledge receipt of the financial report of the Tasmania No. 2 Branch of the Health Services Union (the Branch) for the year ended 30 June 2012. The documents were lodged with Fair Work Australia (FWA) on 16 September 2012.

The financial report has not been filed as an examination of the financial report shows elements of non-compliance with the financial reporting obligations.

As such, the Branch is required to re-submit with Fair Work Australia an amended financial report for the year ended 30 June 2012. You are required to provide Fair Work Australia with an anticipated timeline for completing the documents by **Friday, 2 November 2012**.

The amended financial report should address the following requirements:

1. General Purpose Financial Report (GPFR)

1.1 Failure to disclose information in the notes to the financial statements

The notes to the financial statements do not provide all of the information required by the Australian Accounting Standards, Reporting Guidelines and the RO Act, for example:

- whether the report was prepared in accordance with the Australian Accounting Standards (AASB101(15))
- a statement that the report is a general purpose financial report (AASB101(15))
- a summary of significant accounting policies (AASB101(117))
- a statement of the policy regarding recognition of revenue (AASB 118(35)).
- the notice required by subsection 272(5) of the RO Act, drawing attention to subsections (1), (2) and (3) of section 272 and setting out those subsections (s.272(5) RO Act, item8(c), reporting guidelines).

The Branch is therefore required to prepare a GPFR that includes the abovementioned information.

2.2 Failure to disclose information regarding capitation fees and other transactions

Where an organisation pays capitation fees to another reporting unit, the amount and name of the reporting unit must be disclosed (items 11, 15, reporting guidelines).

No capitation fees paid or payable to the Federal Office have been disclosed. However, I note that rule 36(c) of the Health Services Union's rules provides that each Branch is required to pay capitation fees to the National Council (including the Branch's proportion of the affiliation fee to the ACTU).

Furthermore, the Branch has not disclosed any payables to the Federal Office, as required by item 13 of the reporting guidelines.

When preparing the new GPFR, please ensure you provide the name of the reporting unit and amount of capitation fees paid to that reporting unit. Furthermore, if there were any payables to another reporting unit as at 30 June 2012, such as the Federal Office, please ensure you disclose the name of the reporting unit and the cost or value attributable to the other reporting unit.

2. Auditor's Report

2.1 Basis of accounting - reference to a 'note' that has not been provided

Under the heading 'Basis of Accounting', the auditor's report draws attention to 'Note 1 to the financial report, which describes the basis of accounting'.

However, Note 1 to the financial report does not in fact describe the basis of accounting. Note 1 to the Cash Flow Statement refers to reconciliation of cash, and Note 1 to the Financial Statements refers to the operating revenue. As mentioned above, there does not appear to be a summary of significant accounting policies in the GPFR.

As such, the auditor's report does not appear to be based on sufficient information.

Once a new GPFR has been prepared with notes, the GPFR will need to be audited again and a new auditor's report is required.

2.2 Financial report - prepared in accordance with special purpose framework

Each reporting unit is required to prepare a general purpose financial report (s.253(1) RO Act).

However, the auditor's report states that:

'The financial report has been prepared for the purpose of fulfilling the directors' financial reporting requirements under the *Fair Work (Registered Organisations) Act 2009*. As a result, the financial report may not be suitable for another purpose'.

This paragraph follows the template for audit opinions regarding special purpose financial reports, set out in Australian Auditing Standard 800, and suggests that the financial report is limited in its purpose.

When the new auditor's report is prepared, the auditor should ensure that the opinion does not limit the purpose of the financial report to that of a special purpose.

2.3 Auditor's opinion not consistent with s.257(5) RO Act

The opinion of the auditor's report does not strictly comply with subsection 257(5) of the RO Act, as the auditor states that the financial report is '*compliant with* the requirements of Part 3 of chapter 8 of the *Fair Work (Registered Organisations) Act 2009*' (emphasis added).

The following wording would satisfy the requirements of the RO Act:

In my opinion the general purpose financial report is presented fairly 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.

Please note that a copy of this letter has also been sent to the auditor, Mr Michael Burnett.

3. Committee of Management Statement

The Branch is also required to prepare a new Committee of Management Statement. This is because the financial statements referred to in the Committee of Management Statement dated 2 July 2012 will be the financial statements lodged on 16 September 2012, rather than the new financial statements that are required to be prepared. Please ensure the following issues are addressed when preparing the new Committee of Management Statement:

3.1 Date of Resolution not provided

The Committee of Management Statement must be made in accordance with such resolution as is passed by the Committee of Management, and must state the date of passage of the resolution (item 26(b), reporting guidelines). This is in addition to the date that the designated office signs the statement.

I note that the date of the resolution was not provided. Please ensure the Branch includes the date of resolution in the new Committee of Management Statement.

3.2 Missing information about keeping consistent records with other reporting units

The Committee of Management Statement must include whether the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner (item 25 (iv), reporting guidelines).

The statement must also include whether the information sought in any request of a member of the reporting unit or the General Manager duly made under section 272 of the RO Act has been furnished to the member or the General Manager (item 25(v), reporting guidelines).

The Committee of Management Statement does not appear to include the abovementioned information. Please ensure this information is included in the new Committee of Management Statement.

3.3 Outdated references to legislation

I refer to the Committee of Management Statement, in particular paragraphs (a), (e)(iii), (iv) & (v).

Please note that the RAO Schedule is now referred to as the RO Act, and the Register is now referred to as the General Manager.

Please ensure the references are correct when preparing the new Committee of Management Statement.

4. Financial report for year ended 30 June 2011 - discrepancy between the Branch and the Federal Office's financial report

Upon further examination of the financial report lodged for the year ended 30 June 2011, I have discovered what appears to be a discrepancy between the financial report for the year ended 30 June 2011 for the Federal Office, and that lodged by the Branch.

The Federal Office disclosed that it received \$560 in capitation fees from the Tasmania No. 2 Branch. The Tasmania No. 2 Branch disclosed that it paid \$0 in capitation fees to the Federal Office.

We now require you to provide an explanation for the discrepancy in capitation fees disclosed in the financial report for the year ended 30 June 2011. Please advise Fair Work Australia by **Friday, 2 November 2012** whether any capitation fees were paid to the Federal Office during the year ended 30 June 2011, and if so, the amount paid.

Summary of requirements

Accordingly, in order to ensure compliance with your obligations, please:

- Provide FWA with an anticipated timeline for completing the documents, by **Friday, 2 November 2012**.
- Prepare a new GPFR with notes, and a new Committee of Management Statement
- Have the documents audited and have your auditor prepare a new auditor's report
- Provide the full report including the new GPFR, new Committee of Management Statement and new auditor's report to the members
- Present the documents to a general meeting
- Lodge the full report and a new Designated Officers Certificate with FWA
- Also provide an explanation to FWA regarding the discrepancy between the capitation fees disclosed in the financial reports for the Federal Office and the Tasmania No. 2 Branch for the year ended 30 June 2011, by **Friday, 2 November 2012**. If you are not able to provide the explanation by this date, please provide FWA with a anticipated date for completion of the explanation.

Should you have any queries, please do not hesitate to contact me on (03) 8661 7603 or by email at ingrid.fraser@fwa.gov.au.

Kind regards,



Ingrid Fraser
Regulatory Compliance Branch
Fair Work Australia

CC: Mr Michael J Burnett
Registered Company Auditor
Partner, Accru+Hobart
By email: m.burnett@accruhob.com.au



Health Services Union
TASMANIA NO 2 BRANCH
University of Tasmania

12 September 2012

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:

- Directors Reports
- Operating Reports
- Committee of Management Statement
- Auditors Independence Declaration
- Statement of Comprehensive Income
- Statement of Financial Performance
- Statement of Financial Position
- Statement of Changes in Equity
- Cash Flow Statement
- Notes Forming Part of the Statement of Cash Flows
- Notes to and Forming Part of the Financial Statements
- Designated Officer's Certificate
- Independent Auditors Report

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

The Financial Statements were sent to all members on 9 August 2012

The Financial Statements / Audit were passed by members at today's Annual General meeting, 12 September 2012

Yours faithfully

Zita D Mitchell
Branch Secretary

**Health Service Union of Australia
Tasmanian No.2 Branch**

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2012

Contents

Director Reports
Operating Reports
Committee of Management Statement
Auditors Independence Declaration
Statement of Comprehensive Income
Statement of Financial Performance
Statement of Financial Position
Statement of Changes in Equity
Cash Flow Statement
Notes Forming Part of the Statement of Cash Flows
Notes to and Forming Part of the Financial Statements
Designated Officer's Certificate
Independent Auditors Report

ACCRU+ HOBART

Chartered Accountants & Business Advisors
62 440 544

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

Director Report

Operating Result

The profit of the company for the financial year after providing for income tax amounted to: \$9029
2011: \$6,606

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.

Manner of Resignation

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

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those

Future Developments

The association expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Environmental Issues

The associations operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends

The association's constitution prohibits dividends being paid to members.

Share Options

The associations constitution does not allow shareholders to have an equity interest.

Directors Benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the association or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Indemnifying Officer or Auditor

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of the association.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the association or intervene in any proceedings to which the association is a party for the purpose of taking responsibility on behalf of the association for all or any part of those proceedings. The association was not a party to any such proceedings during the year.

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:

- | | |
|------------------|--------------------------------|
| Christine Davey | (Acting Branch President) |
| Keith Bolton | (Senior Branch Vice President) |
| Geoffery Piggott | (Junior Vice President) |
| Zita Mitchell | (Branch Secretary/Treasurer) |
| Andrea Kingston | (Branch Assistant Secretary) |
| | |
| 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: *7/8/12*

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

OPERATING REPORT

The Committee of Management, for the purposes of the Fair Work (Registered Organisations) Act 2009, presents its operating report of the Health Services Union of Australia (Tasmania No.2 Branch) for the financial year ended 30 June 2012.

1. The principal activities of the Association during the financial year were promoting the Health Industry to government, business and the wider community. No significant change in the nature of these activities occurred during the year.
2. The profit of the Association for the financial year amounted to \$8,249. There were no significant changes to the Association's financial affairs during the year.
3. Members retain the right to resign from the Health Services Union of Australia (Tasmania No.2 Branch) in accordance with section 174 of Fair Work (Registered Organisations) Act 2009, by written notice addressed to the Manager.
4. The number of members of the Association at the end of the financial year amounted to 33.
5. The Association has no employees...
6. The names of each company and it's representative who were members of the Association, at any time, during the financial year are as follows:

Signed in accordance with a resolution of the Committee of Management

Zita Mitchell - Secretary
Zita Mitchell - Secretary

7 August 2012


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


COMMITTEE OF MANAGEMENT STATEMENT

We, Christine Davey and Zita Mitchell, being Acting 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 and have been prepared on an accrual basis as required by section 253 of the RO and the relevant Australian Accounting Standard (AASB 101(27)).
- 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.
 - (vi) there were no recovery of wages activity for the financial year.

ON BEHALF OF THE BRANCH COUNCIL


C Davey
02/07/12
Date


Z Mitchell
2/7/12
Date

AUDITORS' INDEPENDENCE DECLARATION

Directors of Health Services Union of Australia (Tasmania No.2 Branch)

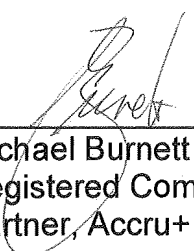
Dear Sirs

As auditor for the Health Services Union of Australia (Tasmania No.2 Branch) for the year ended 30 June 2012 I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of the above-mentioned company.

Yours faithfully,
Accru+ Hobart Pty Ltd


Michael Burnett FCA
Registered Company Auditor
Partner, Accru+ Hobart

8-8 2012

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30th JUNE 2012**

	<u>2012</u>	<u>2011</u>
	\$	\$
INCOME		
Fees & Contributions	3,188	3,256
HSU Reimbursement of expenses to attend meetings	4,756	-
Interest Received	8,461	7,580
	16,404	10,836
LESS: EXPENSES		
Affiliation Fee	602	929
Audit Fees	770	704
Honorariums	-	693
Staff Functions/Meetings	130	357
Telephone & Internet Expenses	665	1,547
Sundry Expenses	-	-
Travelling & Conference Exp	5,207	-
	7,375	4,230
TOTAL COMPREHENSIVE INCOME	9,029	6,606

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

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2012**

	Note	<u>2012</u>	<u>2011</u>
		\$	\$
Surplus for the year before income tax	1	9,029	6,606
Income tax attributable to surplus		-	-
		<hr/> 9,029	<hr/> 6,606
Surplus after Income Tax			
Retained Surplus at the beginning of the financial year		143,452	136,846
		<hr/> 143,452	<hr/> 136,846
Total available for appropriation		152,481	143,452
Retained surplus at the end of the Financial Year		<hr/> 152,481 <hr/>	<hr/> 143,452 <hr/>

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30th JUNE 2012**

	Note	<u>2012</u> \$	<u>2011</u> \$
Current Assets			
Cash	2	152,481	143,452
NET ASSETS		<u>152,481</u>	<u>143,452</u>
MEMBERS EQUITY			
Retained Surplus		<u>152,481</u>	<u>143,452</u>
Total Members Equity		<u>152,481</u>	<u>143,452</u>

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

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

	<u>2012</u>	<u>2011</u>
	\$	\$
Opening balance	143,452	136,846
Comprehensive income		
Surplus for the year attributable to members of the entity	<u>9,029</u>	<u>6,606</u>
Total comprehensive income attributable to members of the entity	<u>9,029</u>	<u>6,606</u>
Closing balance	<u>152,481</u>	<u>143,452</u>

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

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

	<u>2012</u>	<u>2011</u>
	\$	\$
Cash flows from operating activities		
Cash Receipts from members	7,944	3,261
Cash paid to suppliers	<u>7,375</u>	<u>4,230</u>
Cash Generated from operations	569	(969)
Net Cash flows from operating activities	569	(969)
Cash flows from investing activities		
Interest Received	<u>8,461</u>	<u>7,580</u>
Net cash flows from investing activities	<u>8,461</u>	<u>7,580</u>
Net Increase in cash and cash equivalents (Note 3)	9,029	6,612
Cash & cash equivalents at beginning of period	143,452	136,846
Cash & cash equivalents at end of period (Note 1)	<u>152,481</u>	<u>143,458</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 2012

	<u>2012</u>	<u>2011</u>
	\$	\$
Note 1. Reconciliation of Cash		
Bank Accounts		
Cash at Bank S1	10,198	9,629
Cash at Bank I22	142,283	133,829
	<u>152,481</u>	<u>143,458</u>
 Note 3. Reconciliation of Net Cash from Operating Activities to Operating Results		
Operating Result	<u>9,029</u>	<u>6,612</u>
Net cash from operating activities	<u><u>9,029</u></u>	<u><u>6,612</u></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 2012

	<u>2012</u>	<u>2011</u>
	\$	\$
Note 1 - Operating Revenue		
Other Revenue		
Fees & Contributions	7,944	-969
Interest Received	<u>8,459</u>	<u>7,580</u>
	<u>16,402</u>	<u>6,611</u>
Note 2 - Cash		
Bank Accounts		
Cash at Bank S1	10,198	9,629
Cash at Bank I22	142,283	133,829
	<u><u>152,481</u></u>	<u><u>143,458</u></u>

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 ...9/8..... 2012; and
- That the full report was presented to the Annual General Meeting of the Branch on the 12/9..... 2012 in accordance with s268 of the RO Act.

Signature: Z Mitchell

Date: 15/9/12

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial report, being a general purpose report of Health Services Union of Australia (Tasmania No.2 Branch), which comprises the statement of financial position as at 30 June 2012, the statement of financial performance, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors declaration.

Director's Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Fair Work (Registered Organisations) Act 2009* and is appropriate to meet the needs of the members.

The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those 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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence 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 *Fair Work (Registered Organisations) Act 2009* and the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of Health Services Union of Australia (Tasmania No.2 Branch), would be in the same terms if given to the directors at the time of the auditor's report.


Opinion

In our opinion the financial report of Health Services Union of Australia (Tasmania No.2 Branch) is in accordance with the *Fair Work (Registered Organisations) Act 2009*, including:

- (a) Is presented fairly in accordance with Australian Accounting Standards.
- (b) Is compliant with the requirements of Part 3 of chapter 8 of the *Fair Work (Registered Organisations) Act 2009*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting requirements under the *Fair Work (Registered Organisations) Act 2009*. As a result, the financial report may not be suitable for another purpose.


.....
Michael J Burnett B.Com. FCA
Registered Company Auditor
PARTNER, Accru+ Hobart
Lvl 3, 6 Bayfield Street
ROSNY PARK TAS 7018

Date: 8-8 2012