



Australian Government
Australian Industrial Registry

Level 35, Nauru House
80 Collins Street, Melbourne, VIC 3000
GPO Box 1994S, Melbourne, VIC 3001
Telephone: (03) 8661 7799
Fax: (03) 9654 6672

Mr Jeff Jackson
Branch Secretary
Health Services Union of Australia
Victoria No. 1 Branch
106 -108 Victoria Street
CARLTON SOUTH VIC 3053

Dear Mr Jackson,

Re: Financial Documents for year ended 30 June 2003 (FR2004/240)

I acknowledge receipt of the financial documents lodged under s280(1) of the *Workplace Relations Act 1996* for the abovementioned organisation for the year ended 30 June 2003. The documents were lodged in the Industrial Registry on 27 April 2004, with the Accounting Officer's Certificate being received on 30 April 2004.

The documents have been filed.

The following matter requires your further attention:-

Loans, Grants and Donations - s269(1)

An organisation is required to lodge in the Industrial Registry, as soon as practicable after each financial year, a statement showing the relevant particulars in relations to each loan, grant or donation of an amount exceeding \$1,000 made by the organisation during the financial year - see Attachment A.

As the income and expenditure statement indicates a total for donations of \$1,895 could you please arrange for lodgement in the Industrial Registry of a section 269(1) statement covering any donation(s) exceeding \$1,000 within the next 14 days.

If there was no donation in excess of \$1,000 it would be appreciated if you could still advise the Registry of this within the abovementioned time frame.

Please note that the requirement to lodge the relevant particulars in relations to loans, grants and donations will also exist under the new financial reporting requirements of the RAO Schedule - see Attachment A.

The following matter should be noted when lodging future financial documents:-

Future financial returns to be lodged under Schedule 1B (RAO Schedule)

On 12 May 2003 all provisions concerning registered organisations were amended and removed from the *Workplace Relations Act 1996* and now form Schedule 1B to the Act (the *RAO (Registration and Accountability of Organisations) Schedule*). These new financial reporting requirements take effect from 1 July 2003.

The RAO Schedule is available at:

- http://www.airc.gov.au/procedures/schedule_1b/schedule_1b.html

The RAO Regulations are available at:

- <http://www.airc.gov.au/procedures/raoreg/raorg.html>.

In addition, the Registry has forwarded to each organisation a *Fact Sheets Folder* which set out the requirements of the RAO legislation. A copy of each of these Fact Sheets is also available on the internet at:

- http://www.airc.gov.au/fact_sheets/factsheets.html.

Please also refer to the *Determination of reporting guidelines for the purposes of section 253 of RAO Schedule* at:

- <http://www.airc.gov.au/organisations/rao/rao.html>.

If you have any queries about the new financial reporting requirements under the RAO Schedule please contact me on (03) 8661 7799.

Yours faithfully,



Andrew Schultz
Statutory Services Branch
Principal Registry

24 May 2004

Workplace Relations Act 1996

Section 269 - Organisation to notify particulars of loans, grants and donations

(1) An organisation shall, as soon as practicable after the end of each financial year, lodge in the Industrial Registry a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 made by the organisation during the financial year.

(2) A statement lodged in the Industrial Registry under subsection (1) shall be signed by an officer of the organisation.

...

(5) The relevant particulars, in relation to a grant or donation made by an organisation, are:

(a) the amount of the grant or donation;

(b) the purpose for which the grant or donation was made; and

(c) except where the grant or donation was made to relieve a member of the organisation, or a dependent of a member of the organisation, from severe financial hardship - the name and address of the person to whom the grant or donation was made.

Workplace Relations Act 1996 - Schedule 1B - Registration and Accountability of Organisations

Section 237 - Organisations to notify particulars of loans, grants and donations

(1) **[Duty of organisation]** An organisation must, within 90 days after the end of each financial year (or such longer period as the Registrar allows), lodge in the Industrial Registry a statement showing the relevant particulars in relations to each loan, grant or donation of an amount exceeding \$1,000 made by the organisation during the financial year.

(2) **[Signature of officer]** A statement lodged in the Industrial Registry under subsection (1) must be signed by an officer of the organisation.

(3) **[False or misleading statements]** An organisation must not, in a statement under subsection (1), make a statement if the person knows, or is reckless as to whether, the statement is false or misleading.

...

(6) **[Grant or donation particulars]** The relevant particulars, in relation to a grant or donation made by an organisation are:

(a) the amount of the grant or donation; and

(b) the purpose for which the grant or donation was made; and

(c) except where the grant or donation was made to relieve a member of the organisation, or a dependant of a member of the organisation, from severe financial hardship - the name and address of the person to whom the grant or donation was made.



21 April 2004

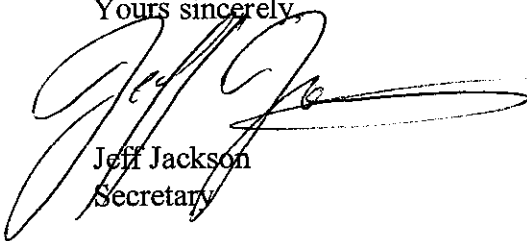
The Industrial Registrar
Australian Industrial Registry
GPO Box 1994S
Melbourne VIC 3001

Dear Sir,

RE: FINANCIAL STATEMENTS FOR YEAR ENDING 30 JUNE 2003

Pursuant to s279(6) of the Workplace Relations Act 1996 the Financial Statements for year ending June 2003 were presented and accepted by the Branch Committee of Management on 26 August 2003. The Branch Committee of Management at this meeting also determined to distribute the Auditors Summary of Financial Statements for the year ending 30 June 2003. This was distributed to the membership seven days prior to the Annual General Meeting of the Branch held on the 24 September 2003

Yours sincerely,



Jeff Jackson
Secretary

**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

INDEPENDENT AUDIT REPORT

Scope

We have audited the financial report of the Health Services Union of Australia (Victoria) No.1 Branch for the financial year ended 30 June 2003 as set out on pages 4 to 17. The Branch's Committee of Management are responsible for the preparation of the financial report. We have conducted an independent audit of the financial report in order to express an opinion on them to the members of the Branch.

Our audit has been conducted in accordance with Australian Accounting Standards to provide reasonable assurance whether the financial statements are free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and statutory requirements so as to present a view which is consistent with our understanding of the Branch's financial position, the results of its operations and its cash flows.

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

Audit Opinion

In our opinion,

- (i) there were kept by the Branch, in respect of the year, satisfactory accounting records detailing the source and nature of the income of the Branch (including income from members) and the nature and purpose of the expenditure; and
- (ii) the attached financial report, prepared in accordance with applicable Accounting Standards and other mandatory professional reporting requirements and in accordance with Section 273 of the Workplace Relations Act 1996, are properly drawn up so as to give a true and fair view of:
 - (a) the financial affairs of the Branch as at 30 June, 2003; and
 - (b) the income and expenditure, results and cash flows of the Branch for the year then ended.
- (iii) all information and explanations required for the purpose of the audit under Section 276(2), were provided by the officers or employees of the Branch.

**Dick & Smith (Elsternwick) Pty Ltd
Chartered Accountants**



Iaan G F Dick

Registered Company Auditor

Dated this day 16th December, of, 2003.

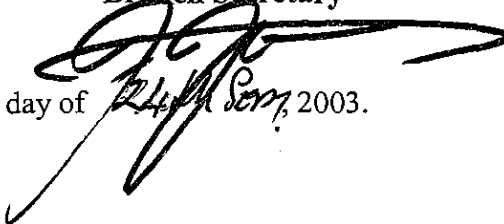
**HEALTH SERVICES TJMON OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

COMMITTEE OF MANAGEMENT CERTIFICATE

We, Jeff Jackson and Peter Ellison being two members of the Committee of Management of the Health Services Union of Australia (Victoria) No 1 Branch do state on behalf of the Committee and in accordance with a resolution passed by the Committee, that:

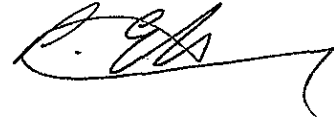
1. in the opinion of the Committee of Management the attached financial report shows a true and fair view of the Health Services Union of Australia (Victoria) No.1 Branch financial affairs of the branch as at 30 June, 2003;
2. in the opinion of the Branch Executive Committee, meetings of the Committee were held during the year ended 30 June, 2003 in accordance with the rules of the organisation;
3. to the knowledge of any member of the Committee, there have been no instances where records of the organisation or other documents (not being documents containing information made available to a member of the organisation under sub-section 274(2) of the Workplace Relations Act 1996) or copies of those records or documents, or copies of the rules of the organisation, have not been furnished, or made available, to members in accordance with the requirements of the Workplace Relations Act 1996, the Regulations thereto, or the rules of the organisation; and
4. the branch has complied with sub-section 279(1) and (6) of the Act in relation to the financial report in respect of the year ended 30 June, 2003, being the immediately preceding financial period and the auditor's report thereon.

JEFF JACKSON
Branch Secretary



Dated this. day of *24th Sep*, 2003.

PETER ELLISON
Branch President



**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

**BALANCE SHEET
AS AT 30 JUNE 2003**

| | Note | 2003 \$ | 2002 \$ |
|----------------------------------|------|------------------|------------------|
| MEMBERS' FUNDS | | | |
| Accumulated General Fund | | 287,067 | 908,706 |
| TOTAL MEMBERS FUNDS | | 287,067 | 908,706 |
| Represented by: | | | |
| CURRENT ASSETS | | | |
| Cash on Hand and at Bank | 5 | 156,364 | 198,814 |
| Accounts Receivable | 6 | 13,170 | - |
| Investments | 7 | 36,873 | 90,596 |
| TOTAL CURRENT ASSETS | | 206,407 | 289,410 |
| NON-CURRENT ASSETS | | | |
| Property, Plant and Equipment | 8 | 2,103,390 | 2,136,583 |
| TOTAL ASSETS | | 2,309,797 | 2,425,993 |
| CURRENT LIABILITIES | | | |
| Bank Overdraft | 9 | - | 80,275 |
| Accounts Payable | 10 | 1,060,380 | 748,390 |
| Monies Held in Trust | 14 | 344,600 | 430,751 |
| Provision for Annual Leave | | 289,104 | 106,030 |
| Provision for Long Service Leave | | 109,549 | 120,862 |
| TOTAL CURRENT LIABILITIES | | 1,803,632 | 1,486,308 |
| NON-CURRENT LIABILITIES | | | |
| Provision for Long Service Leave | | 219,097 | 241,725 |
| TOTAL LIABILITIES | | 2,022,730 | 1,728,032 |
| NET ASSETS | | 287,067 | 697,961 |

The accompanying notes form part of this financial report.

**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2003**

| | Note | 2003 \$ | 2002 \$ |
|---|------|------------------|------------------|
| Operating Surplus/(Deficit) for the year before Abnormal Items | | <u>(410,893)</u> | <u>(602,076)</u> |
| Operating Deficit for the year after Abnormal Items | | (410,893) | (602,076) |
| Accumulated Funds at the beginning of the financial year | | 697,960 | 1,300,036 |
| Accumulated Funds at the end of the financial year | | <u>287,067</u> | <u>697,960</u> |

The accompanying notes form part of this financial report.

**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

**REVENUE AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2003**

| | Note | 2003 \$ | 2002 \$ |
|-----------------------------------|------|------------|------------|
| REVENUE | | | |
| Subscriptions | | 3,232,904 | 2,510,940 |
| Interest Received | | 4,239 | 13,636 |
| Indemnity Insurance Levy | | - | 210,100 |
| Rental Income Received | | 224,019 | 88,135 |
| Rental Recovery - National Office | | 86,150 | |
| Reimbursement of SFF Expenses | | - | 284,838 |
| Sundry Income | | 16,344 | 11,939 |
| State Fighting Fund | | - | 210,100 |
| | | 3,563,656 | 3,329,688 |
| EXPENDITURE | | | |
| Audit Fees | | 7,500 | 8,095 |
| Advertising | | 2,576 | 1,867 |
| Affiliation Fees & Levies | | 105,210 | 78,880 |
| Amorisation of Leases | | - | 18,454 |
| Bank Charges | | 43,982 | 38,732 |
| Capitation Fee - National Council | | 152,661 | 131,865 |
| Cleaning | | 10,677 | 3,411 |
| Commision | | 3,502 | 3,897 |
| Computer Expenses | | 46,978 | 35,805 |
| Consultant Fees | | 9,557 | 38,388 |
| Courier | | 1,289 | 431.52 |
| Delegates Fees | | - | 1,224 |
| Depreciation | | 54,614 | 61,385 |
| Donations | | 1,895 | 1,127 |
| Education & Training Expenses | | 20,909 | 10,037 |
| Entertainment Expenses - Members | | 17,643 | 5,950 |
| Fines & Penalties | | 1,093 | 3711.82 |
| Fringe Benefits Tax | | 49,371 | 39,630 |
| Indemnity Insurance | | 176,491 | 222,925 |
| Insurance | | 25,079 | 39,093 |
| Interest Paid | | 827 | 8,873 |
| Journal Publications | | 25,914 | 52,399 |
| Legal Fees | | 217,533 | 265,318 |
| Light, Power & Heating | | 37,134 | 17,067 |

**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

**REVENUE AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2003**

| | Note | 2003 \$ | 2002 \$ |
|--|------|------------|------------|
| EXPENDITURE | | | |
| <i>continued</i> | | | |
| Meeting Expenses | | 10,264 | 8,060 |
| Motor Vehicle Expenses | | 91,935 | 85,307 |
| Motor Vehicle Rental | | 163,780 | 216,953 |
| Office Machine Rental | | 75,012 | 76,375 |
| Payroll Tax | | 107,202 | 98,435 |
| Postage | | 49,969 | 50,387 |
| Printing & Stationary | | 92,232 | 75,499 |
| Provision for Annual Leave | | 183,074 | (5,359) |
| Provision for Long Service Leave | | (33,941) | 39,996 |
| Rates & Taxes | | 13,588 | 9,063 |
| Rental Property Expenses | | 94,348 | 10,121 |
| Repairs & Maintenance - Buildings | | 17,502 | 26,261 |
| Repairs & Maintenance - Office Equipment | | 24,570 | 13,662 |
| Salaries & Allowances - Officials | | 220,173 | 200,184 |
| Salaries & Allowances - Employees | | 1,411,094 | 1,194,875 |
| Staff Amenities & Recruitment | | 6,586 | * 4,220 |
| State Fighting Fund | | - | 285,788 |
| Superannuation | | 241,360 | 245,663 |
| Sundry Expenses | | 14,031 | 5,803 |
| Telephone | | 147,167 | 185,938 |
| Welfare/Fighting Fund | | 3,250 | 2,300 |
| Workcover | | 28,920 | 13,668 |
| | | 3,974,549 | 3,931,765 |
| | | | |
| OPERATING SURPLUS/(DEFICIT) FOR THE YEAR | | (410,893) | (602,076) |

The accompanying notes form part of this financial report.

**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2003**

| | Note | 2003 \$ | 2002 \$ |
|---|--------|-------------|-------------|
| CASHFLOWS FROM OPERATING ACTIVITIES | | | |
| Subscription Revenue | | 3,232,904 | 2,931,140 |
| Other Revenue | | 240,363 | 100,075 |
| Interest received | | 4,239 | 13,636 |
| Payments to Suppliers & Employees | | (3,471,707) | (3,171,117) |
| Interest Paid | | (827) | (8,873) |
| Net Cash Provided by/(Used in) Operating Activities | 11 (b) | 4,972 | (135,139) |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Payment for property, plant and equipment | | (20,870) | (3,889) |
| Net Cash Used in Investing Activities | | (20,870) | (3,889) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Repayment of Lease Liability | | - | - |
| Net Cash Used in Financing Activities | | - | - |
| Net Increase/(Decrease) in cash held | | (15,898) | (139,028) |
| Cash at Beginning of Year | | 204,010 | 343,038 |
| Cash at End of Year | 11 (a) | 188,112 | 204,010 |

The accompanying notes form part of this financial report.

**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report which has been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the Workplace Relations Act 1996. The financial report is prepared on the basis of historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

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

(a) Property, Plant & Equipment

Property, Plant and Equipment are brought to account at cost. The depreciable amount of all fixed assets are depreciated over their estimated useful lives commencing from the time the asset is held ready for use.

The various straight line rates used are as follows;

- (i) Furniture & fittings - 10% p.a.
- (ii) Office equipment - 15% - 33.3% p.a
- (iii) Buildings - 2.5% pa.

(b) Income Tax

No provision for income tax is required as the Branch is exempt from income tax under Section 50-15 (3.2) of the Income Tax Assessment Act 1997.

(c) Employee Entitlements

Provision is made for the Branch's liability for annual leave and long service leave arising from services rendered by employees to balance date.

These provisions have been calculated under terms of and conditions outlined by the Australian Conciliation and Arbitration Commissions, Private Arbitration dated 2nd October, 1985, and the respective awards that apply to employees.

The calculation of the liability for annual leave and long service leave recognised in these financial statements as at 30 June, 2003, includes the provision for employment on-costs payable on the entitlements.

Contributions are made by the Branch to various Superannuation Funds and are charged as expenses when incurred. The Branch has no legal obligation to meet any shortfall in these fund's obligation to provide benefits to employees or officials on retirement.

**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

(d) Leases

Leased assets classified as finance leases are capitalised as fixed assets, The amount initially brought to account is the present value of minimum lease payments.

A finance lease is one which effectively transfers from the lessor to the lessee substantially all the risks and benefits incident to ownership of the leased property.

Capitalised leased assets are amortised on a straight line basis over the estimated useful life of the asset.

Finance lease payments are allocated between interest expense and reduction of lease liability over the term of the lease. The interest expense is determined by applying the interest rate implicit in the lease to the outstanding lease liability at the beginning of each lease payment period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as an expense in the period in which they are incurred.

**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRARS

In accordance with the requirements of the Workplace Relations Act 1996, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of section 274 which reads as follows:

- (1) A member of an organisation, or a Registrar, may apply to the organisation for specified prescribed information in relation to the organisation.
- (2) An organisation shall, on application made under subsection (1) by a member of the organisation or a Registrar, make the specified information available to the member or Registrar in such manner, and within such time, as is prescribed.
- (3) A Registrar may only make an application under subsection (1) at the request of a member of the organisation concerned, and the Registrar shall provide to a member information received because of an application made at the request of the member.

NOTE 3: RELATED PARTY INFORMATION

- (a) The names of persons who formed part of the Committee of Management at any time during the year were:-

| | |
|--|--|
| Branch President - | Jeff Jackson |
| Senior Vice President - | Peter Ellison |
| Junior Vice President | Jenny Jenz <i>resigned 13/08/2002</i> Denise Gregor <i>appointed 13/08/2002</i> |
| Branch Secretary - | Zora Marko |
| Branch Assistant Secretary - | Robert McCubbin |
| Committee of Management – | |
| Pauline Fegan | Peter Ellison |
| Jenny Jenz <i>resigned 13/08/2002</i> | Zora Marko |
| Maria Gorgal <i>resigned 13/08/2002</i> | Robert McCubbin |
| Sonya McCormack | Robert Van Arend <i>resigned 13/08/2002</i> |
| Denise Gregor | Veronica Fahey |
| Nada Vujasan <i>resigned 13/08/2002</i> | Joanne Borci |
| David Bray <i>resigned 13/08/2002</i> | Jeff Jackson |
| Gail Noonan <i>appointed 13/08/2002</i> | Barbara Riggs <i>appointed 13/08/2002</i> |
| Toni Joyce <i>appointed 13/08/2002</i> | Glenda Meddings <i>appointed 13/08/2002</i> |
| Donna Conquo <i>appointed 13/08/2002</i> | |

Trustees:

| | |
|--|--|
| Danny Gillespie <i>resigned 13/08/2002</i> | Frank Carroll <i>resigned 13/08/2002</i> |
| David Bray <i>appointed 13/08/2002</i> | April Johnston <i>appointed 13/08/2002</i> |

- (b) Transactions between the Committee of Management and the Branch were conducted on normal commercial terms in respect of membership fees and reimbursements.

**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

| | 2003 | 2002 |
|---|---------|---------|
| | \$ | \$ |
| NOTE 4: CASH ON HAND AND AT BANK | | |
| Cash on Hand | 890 | 890 |
| Cash at Bank - Operating Account's | 150,349 | 77,839 |
| Cash at Bank - State Fighting Fund | - | 114,960 |
| Cash at Bank - Welfare Fund | - | - |
| Cash at Bank - Monies Held in Trust | 5,125 | 5,125 |
| | 156,364 | 198,814 |

NOTE 5: RECEIVABLES

| | | |
|----------------|--------|---|
| Sundry Debtors | 13,170 | - |
| | 13,170 | - |

NOTE 6: INVESTMENTS

| | | |
|--|--------|----------|
| Bank Deposit - State Fighting Fund | 27,574 | 31,596 |
| Bank Deposit - Welfare Fund | 9,299 | 39,000 |
| Bank Deposit - Long Service Leave Fund | - | 20,000 |
| | 36,873 | * 90,596 |

**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

| | 2003 \$ | 2002 \$ |
|---|------------------|------------------|
| NOTE 7: PROPERTY, PLANT AND EQUIPMENT | | |
| Freehold Land & Buildings: | | |
| 102 - 104 Victoria Street, Carlton | | |
| 106 - 108 Victoria Street, Carlton | | |
| Land - at cost | 490,583 | 490,583 |
| Land - at Committee of Management Valuation (May, 1994) | 350,000 | 350,000 |
| Improvements - at cost | 33,365 | 33,365 |
| Building at Committee of Management Valuation (May, 1994) | 1,514,417 | 1,514,417 |
| Less: Accumulated Depreciation | (337,517) | (299,552) |
| | 1,176,900 | 1,214,865 |
| Total Freehold Land & Buildings | 2,050,848 | 2,088,813 |
| Furniture & Fittings | 163,094 | 158,004 |
| Less accumulated depreciation | (141,173) | (138,119) |
| | 21,921 | 19,885 |
| Office Equipment | 427,830 | 412,050 |
| Less: Accumulated Depreciation | (397,209) | (384,165) |
| | 30,621 | 27,885 |
| | 2,103,390 | 2,136,583 |

**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

| | 2003 \$ | 2002 \$ |
|------------------------------------|------------------|----------------|
| NOTE 8: BANK OVERDRAFT | | |
| Bank Overdraft - Operating Account | - | 80,275 |
| | - | <u>80,275</u> |
| NOTE 9: ACCOUNTS PAYABLE | | |
| Trade Creditors & Accruals | 1,060,380 | 748,390 |
| | <u>1,060,380</u> | <u>748,390</u> |

**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

| | 2002 | 2001 |
|--|-------------|-------------|
| | \$ | \$ |
| NOTE 10: CASH FLOW INFORMATION | | |
| (a) Reconciliation of Cash | 2003 | 2002 |
| | \$ | \$ |
| For the purposes of the Statement of Cashflows, cash includes cash on hand, cash at bank and investments money market instruments. | | |
| Cash at the end of the reporting period is reconciled to the related items in the balance sheet as follows: | | |
| Cash on Hand | 890 | 890 |
| Cash at Bank(Overdraft) - Operating Account | 150,349 | (2,436) |
| Cash at Bank - State Fighting Fund | - | 114,960 |
| Cash at Bank-Welfare Fund | - | - |
| Investment Accounts | 36,873 | 90,596 |
| | 188,112 | 204,010 |
| | | |
| (b) Reconciliation of Net Cash Provided by Operating Activities to Operating Surplus | | |
| Operating Surplus/(Deflcit) before Abnormal Items | (410,893) | (602,076) |
| Non-cash flows in Operating Surplus/(Deflcit) | | |
| Amortisation | 0 | 18,454 |
| Depreciation | 54,614 | 61,385 |
| Changes in Assets and Liabilities | | |
| (Increase)/Decrease in Accounts Receivable | (13,170) | 89,419 |
| (Increase)/Decrease in Prepayments | - | 41,962 |
| Increase/(Decrease) in Creditors & Accruals | 311,990 | (79,196) |
| Increase/(Decrease) in Monies Held in Trust | - | - |
| Increase/(Decrease) in Employee Provisions | 149,133 | (110,356) |
| Net Cash Provided by/(Used in) Operating Activities | 91,673 | (580,408) |

**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

| | 2003 | 2002 |
|---|---------|---------|
| | \$ | \$ |
| NOTE 11: CAPITAL AND LEASING COMMITMENTS | | |
| (a) Finance Lease Commitments | | |
| | - | - |
| (b) Operating Lease Commitments | | |
| Non-cancellable operating leases contracted for but not capitalised in the accounts | | |
| Payable: | | |
| - not later than one year | 130,362 | 138,516 |
| - later than one year but not later than five years | 186,528 | 104,110 |
| | 316,890 | 242,626 |

NOTE 12: CONTINGENT LIABILITY

Legal proceedings have been instituted for and against the Branch and its representatives in respect to various matters. The Branch has agreed to indemnify its representatives and members against any liability arising from these actions, Should the decision in these actions be awarded against the Branch by any Court, damages and costs as determined by the Court would have to be paid by the Branch.

NOTE 13: MONIES HELD IN TRUST

| | | |
|-----------------|---------|---------|
| National Office | 344,600 | 430,751 |
| | 344,600 | 430,751 |

The Committee of Management agreed on the 19th September 2002 that outstanding amounts owing to the National Office as at 30th June 2002 shall be repaid over five years by the provision of serviced office facilities. Provision of these facilities has been included as income \$86,150 (2002 Nil).

**HEALTH SERVICES UNION OF AUSTRALIA
(VICTORIA) NO.1 BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003**

NOTE 14: FINANCIAL INSTRUMENTS

(a) Terms, conditions and accounting policies

The Branch's terms, conditions and accounting policies of financial instruments are those adopted by businesses in Australia generally.

(b) Interest rate risk

The Branch's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised are not significant.

(c) Credit Risk

The Branch has no significant exposure to credit risk.

(d) Net Fair values

The net fair values of the Branch's financial assets and financial liabilities are not expected to be significant different from each class of asset and liability as disclosed above and recognised in the balance sheet as at 30 June 2003.