



Australian Government
Australian Industrial Registry

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GPO Box 1994, Melbourne, VIC 3001
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Email – andrew.schultz@air.gov.au

Mr Jeff Jackson
Branch Secretary
Health Services Union
Victoria No. 1 Branch
106 – 108 Victoria St
CARLTON SOUTH VIC 3053

Dear Mr Jackson,

By email: info@hsvic.asn.au

Re: Financial Documents for year ended 30 June 2005 - FR2005/413

Schedule 1B - Workplace Relations Act 1996 (RAO Schedule)

The Financial Report and Concise Report for the Victoria No 1 Branch of the Health Services Union were lodged on 23 December 2005. Following a request from the Registry on 9 February 2006 the branch presented the documents to a general meeting of the branch on 28 June 2006 and relodged the documents on 21 July 2006.

The documents have been filed. The following information is provided to assist you in future financial years. No further action is required with respect to the lodged documents.

Presentation of documents to Committee Meeting

The branch is now able to present the documents just to a Committee of Management meeting rather than a general meeting as a result of the alteration to HSU Branch Rule 63(b) which was certified by the Registrar on 30 March 2006 – see also s266.

Documents to be signed and dated before meeting

Please note that if any financial documents (with the exception of the Designated Officer's Certificate) are signed or dated *after* the date of the meeting at which they were purportedly presented, the branch will be required to present the documents to a further meeting.

Concise Report is optional

Please also note that for each financial year:

- A Full Financial Report is mandatory under s253 of the RAO Schedule,
- A Concise Report is *optional*

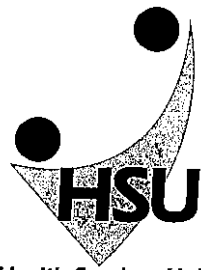
Thus there is no obligation to prepare a Concise Report under the RAO Schedule. But if the branch *chooses* to prepare a Concise Report it must ensure that it complies with the requirements of s265 (1) – (4) of the RAO Schedule and Reg 161 of the RAO Regulations.

I apologise for the delay in finalising this matter. Please contact me if you have any queries.

Yours faithfully,

Andrew Schultz
Statutory Services Branch

6 November 2006



Health Services Union
Victorian Branch

10 July 2006

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

FR 2005/413

Attention: Andrew Schultz

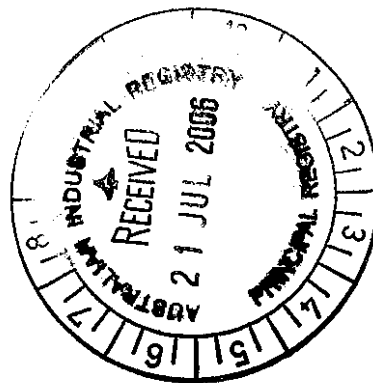
Dear Sir,

Re: Financial Return – Year Ending 30 June 2005

Please find attached the Designated Officers Certificate and a full copy of the financial statements in accordance with the s268 of the Workplace Relations Act.

Yours sincerely,

Jeff Jackson
Secretary



Designated Officer's Certificate

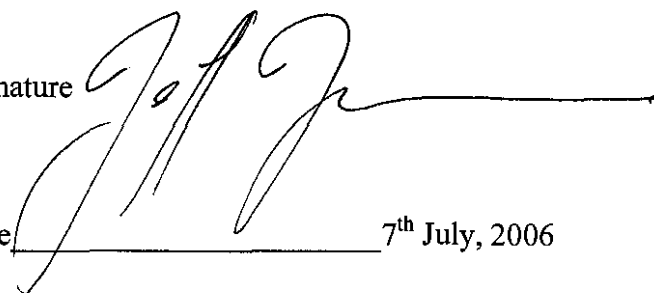
S 268 of Schedule 1B Workplace Relations Act 1996

I Jeff Jackson being the Secretary of the Health Services Union of Australia Victoria No.1 Branch certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- that a complete copy of the full financial reports was provided to members on 27th March, 2006 by posting it on the website at www.hsuvic.asn.au
- that the full report was presented to a general meeting of members of the reporting unit on the 28th June, 2006 in accordance with section 266 of RAO Schedule.

Signature

Date


7th July, 2006

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

**FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2005**

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**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 2005 as set out on pages 4 to 16. 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, 2005; 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

Iuan G F Dick

Registered Company Auditor

Dated this day *31st* of *August* 2005.

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

COMMITTEE OF MANAGEMENT STATEMENT

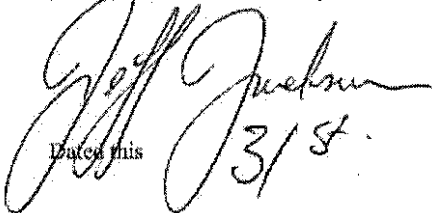
On the ^{25th} day of *October* 2005 the Committee of Management of the Health Services Union of Australia Victoria No. 1 Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30th June 2005

The Committee of Management declares in relation to the GPFR that in its opinion:

- (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 flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - 1) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - 2) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - 3) the financial records of the reporting unit have been managed in accordance with the RAO Schedule and the RAO Regulations; and
 - 4) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - 5) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member of the registrar; and
 - 6) there has been compliance with any order for the inspection of financial records made by the Commission under section 273 of the RAO Schedule

For Committee of Management:

Jeff Jackson Branch Secretary


Dated this *31st*

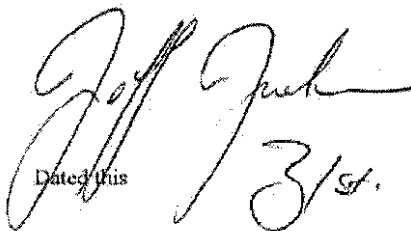
day of *August* 2005

1, Jeff Jackson being the officer responsible for keeping the accounting records of the Health Services Union of Australia (Victoria) No.1 Branch, certify that as at 30 June, 2005 the number of members of the Branch was 13586

In my opinion:

1. the attached financial report shows a true and fair view of the Branch results as at 30 June, 2005.
2. a record has been kept of all monies paid by, or collected from, members and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the organisation;
3. ~~before any expenditure was incurred by the branch approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation;~~
4. with regard to funds of the branch raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for the purposes other than those for which the fund was operated;
5. no loans or other financial benefits, other than remuneration in respect of their full time employment with the organisation, were made to persons holding office in the branch.
6. the register of members of the branch was maintained in accordance with the Act.

JEFF JACKSON
Branch Secretary


Dated this 31st

day of August 2005

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIA NO 1 BRANCH**

OPERATING REPORT FOR THE YEAR ENDED 30TH JUNE 2005

In accordance with Sec 254 of the Workplace Relations Act 1996 ("the ACT"), your Committee of Management report as follows

Principal Activities

The principal activity of the organisation during the year was that of a registered trade union. No significant change occurred in the nature of those activities during the year

Operating Result

The operating result of the organisation for the year ended 30th June 2005 was a surplus of \$312,650.

Significant Changes

There was no significant change in the financial affairs of the organisation during the year.

Rights of Members

Subject to the rules of the organisation and Sec 174 of the Act, members have the rights to resign from membership of the organisation by written notice addressed to and delivered to the secretary of the organisation.

Superannuation Office Holders

There are no officers and/or members of the organisation that are directors of companies that are trustees of superannuation funds which require one or more of their directors to be a member of a registered organisation -

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration of Accountability of Organisations) Regulations -

- (a) the number of persons that were at the end of the financial year recorded in the register of members for Sec 230 of the RAO Schedule and who are taken to be members of the registered organisation under Sec 240 of the RAO Schedule was 13586
- (b) the number of persons who were at the end of the financial year employees of the organisation including both full and part-time employees measured on a full-time equivalent basis was 36.2.

OPERATING REPORT FOR THE YEAR ENDED 30TH JUNE 2004

(c) the names of those who have been members of the Committee of Management of the organisation any time during the financial year and the periods for which they held office were –

Name	Period
Jeff Jackson	01/07/04 to 30/06/05
Peter Ellison	01/07/04 to 30/06/05
Denise Gregor	01/07/04 to 27/04/05
Pauline Pegan	01/07/04 to 30/06/05
Sonyu McCormack	01/07/04 to 30/06/05
Veronica Fahey	01/07/04 to 30/06/05
Barbara Riggs	01/07/04 to 30/06/05
Glenda Meaddings	01/07/04 to 30/06/05
Robert McCubbin	01/07/04 to 30/06/05
Gail Noonan	01/07/04 to 30/06/05
Toni Joyce	01/07/04 to 30/06/05
Donna Conquo	01/07/04 to 30/06/05
David Bray	01/07/04 to 01/04/05
April Johnston	01/07/04 to 30/06/05
Shaun Hudson	01/05/05 to 30/06/05
Maria Toro	01/07/04 to 30/06/05
Ben Morgan	01/07/04 to 30/06/05

Other Relevant Information

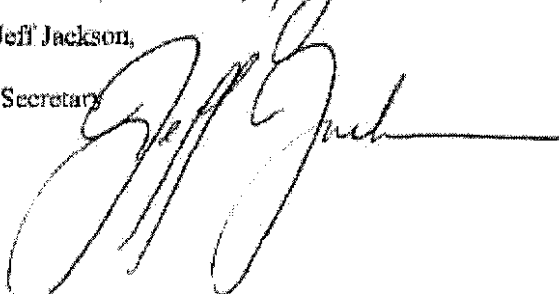
Nil

Signed for and on behalf of the Committee of Management

Date 31st day of August 2005

Jeff Jackson,

Secretary



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

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005**

	Note	2005 \$	2004 \$
MEMBERS' FUNDS			
Accumulated General Fund		923,259	610,609
TOTAL MEMBERS FUNDS		<u>923,259</u>	<u>610,609</u>
Represented by:			
CURRENT ASSETS			
Cash on Hand and at Bank	4	468,710	226,489
Accounts Receivable	5	18,518	52,711
Investments	6	154,232	68,268
TOTAL CURRENT ASSETS		<u>641,460</u>	<u>347,469</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	2,081,006	2,093,110
TOTAL ASSETS		<u>2,722,466</u>	<u>2,440,578</u>
CURRENT LIABILITIES			
Bank Overdraft	8	-	152,273
Accounts Payable	9	712,768	746,274
Monies Held in Trust	12	180,600	262,600
Provision for Annual Leave		307,650	285,919
Provision for Long Service Leave		108,929	86,805
TOTAL CURRENT LIABILITIES		<u>1,309,947</u>	<u>1,533,871</u>
NON-CURRENT LIABILITIES			
Provision for Long Service Leave		489,260	296,098
TOTAL LIABILITIES		<u>1,799,207</u>	<u>1,829,969</u>
NET ASSETS		<u>923,259</u>	<u>610,609</u>

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 2005**

	Note	2005 \$	2004 \$
Operating Surplus/(Deficit) for the year before Abnormal Items		<u>312,650</u>	<u>323,542</u>
Operating Deficit for the year after Abnormal Items		312,650	323,542
Accumulated Funds at the beginning of the financial year		<u>610,609</u>	<u>287,067</u>
Accumulated Funds at the end of the financial year		<u>923,259</u>	<u>610,609</u>

The accompanying notes form part of this financial report.

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

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005**

	Note	2005 \$	2004 \$
REVENUE			
Subscriptions		4,610,693	4,078,601
Interest Received		7,588	2,535
Rental Income Received		138,499	170,322
Rental Recovery - National Office		82,000	82,000
Sundry Income		126,416	37,670
		<u>4,965,196</u>	<u>4,371,128</u>
EXPENDITURE			
Audit Fees		7,500	7,500
Advertising		2,503	6,178
Affiliation Fees & Levies		95,159	60,073
Bank Charges		36,755	39,396
Capitation Fee - National Council		242,306	214,758
Cleaning		22,216	24,510
Commission		15,593	4,092
Computer Expenses		77,704	74,234
Consultant Fees		2,045	5,060
Courier		681	1341.15
Depreciation		49,337	50,249
Donations		2,636	18,950
Education & Training Expenses		48,942	22,426
Entertainment Expenses - Members		28,728	37,500
Fines & Penalties		2,897	1797.27
Fringe Benefits Tax		75,786	29,116
Indemnity Insurance		117,453	179,366
Insurance		22,902	48,721
Interest Paid		12,964	11,933
Journal Publications		34,555	54,232
Legal Fees		56,999	53,784
Light, Power & Heating		35,738	37,000

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

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005**

EXPENDITURE	<i>continued</i>	Note	2005 \$	2004 \$
Meeting Expenses			15,719	13,600
Motor Vehicle Expenses			59,815	82,090
Motor Vehicle Rental			132,888	129,661
Office Machine Rental			50,282	69,926
Payroll Tax			126,975	92,281
Postage			68,260	79,615
Printing & Stationary			47,568	59,667
Provision for Annual Leave			21,731	(11,371)
Provision for Long Service Leave			215,286	56,185
Rates & Taxes			14,118	14,159
Rental Property Expenses			-	57,184
Repairs & Maintenance - Buildings			39,111	32,528
Repairs & Maintenance - Office Equipment			47,319	10,323
Salaries & Allowances - Officials			222,324	181,154
Salaries & Allowances - Employees			2,102,376	1,706,147
Staff Amenities & Recruitment			5,948	13,062
Superannuation			281,561	266,219
Sundry Expenses			14,774	17,630
Telephone			152,310	140,590
Welfare/Fighting Fund			2,200	5,850
Workcover			40,583	48,869
			4,652,546	4,047,586
OPERATING SURPLUS/(DEFICIT) FOR THE YEAR			312,650	323,542

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 2005**

	Note	2005 \$	2004 \$
CASHFLOWS FROM OPERATING ACTIVITIES			
Subscription Revenue		4,610,693	4,078,601
Other Revenue		264,915	207,992
Interest received		7,588	2,535
Payments to Suppliers & Employees		(4,311,845)	(4,311,845)
Interest Paid		12,964	11,933
Net Cash Provided by/(Used in) Operating Activities	10 (b)	584,315	(10,784)
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(37,234)	(39,968)
Net Cash Used in Investing Activities		(37,234)	(39,968)
Net Increase/(Decrease) in cash held		480,457	(50,752)
Cash at Beginning of Year		137,360	188,112
Cash at End of Year	10 (a)	617,818	137,360

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 2005**

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, 2005, 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 2005**

(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.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
	\$	\$
NOTE 4: CASH ON HAND AND AT BANK		
Cash on Hand	890	890
Cash at Bank - Operating Account's	462,695	220,475
Cash at Bank - Monies Held in Trust	5,125	5,125
	<u>468,710</u>	<u>226,489</u>

NOTE 5: RECEIVABLES

Sundry Debtors	18,518	52,711
	<u>18,518</u>	<u>52,711</u>

NOTE 6: INVESTMENTS

Bank Deposit - State Fighting Fund	154,232	58,594
Bank Deposit - Welfare Fund	-	9,674
	<u>154,232</u>	<u>68,268</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
	\$	\$
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	(413,448)	(375,483)
	<u>1,100,969</u>	<u>1,138,934</u>
Total Freehold Land & Buildings	<u>1,974,917</u>	<u>2,012,882</u>
Furniture & Fittings	165,358	163,094
Less accumulated depreciation	(146,960)	(144,008)
	<u>18,398</u>	<u>19,086</u>
Office Equipment	502,768	467,798
Less: Accumulated Depreciation	(415,077)	(406,657)
	<u>87,691</u>	<u>61,141</u>
	<u>2,081,006</u>	<u>2,093,110</u>
NOTE 8: BANK OVERDRAFT		
Bank Overdraft - Operating Account	-	152,273
	-	<u>152,273</u>
NOTE 9: ACCOUNTS PAYABLE		
Trade Creditors & Accruals	712,768	746,274
	<u>712,768</u>	<u>746,274</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 10: CASH FLOW INFORMATION

(a) Reconciliation of Cash

2005 2004
\$ \$

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	462,695	68,202
Investment Accounts	154,232	68,268
	617,818	137,360

**(b) Reconciliation of Net Cash Provided by
Operating Activities to Operating Surplus**

Operating Surplus/(Deficit) before Abnormal Items	312,650	323,542
Non-cash flows in Operating Surplus/(Deficit)		
Depreciation	49,337	50,249
Changes in Assets and Liabilities		
(Increase)/Decrease in Accounts Receivable	34,193	(39,541)
Increase/(Decrease) in Creditors & Accruals	(33,506)	(314,106)
Increase/(Decrease) in Monies Held in Trust	(82,000)	(82,000)
Increase/(Decrease) in Employee Provisions	237,017	51,072
Net Cash Provided by/(Used in) Operating Activities	517,692	(10,784)

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
	\$	\$

NOTE 11: 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 12: MONIES HELD IN TRUST

National Office	180,600	262,600
	180,600	262,600

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 \$82,000 (2004 \$82,000).

NOTE 13: 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 2005.

FINANCIAL REPORT

HEALTH SERVICES UNION OF AUSTRALIA - VICTORIA NO. 1 BRANCH

SUMMARY OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

The Financial Statements of the Health Services Union Of Australia - Victoria No. 1 Branch have been audited in accordance with the provisions of the Workplace Relations Act 1996 (the Act), and the following summary is provided for members in accordance with Section 279 (1) of the Act.

A copy of the Auditors' Report, Accounts and Statements will be supplied free of charge to members who request them

Certificates required to be given under the Act by the Accounting Officer and the Committee of Management have been completed in accordance with the provisions of the Act and contain no qualifications.

In accordance with the requirements of the Act, the attention of members is drawn to the provisions of subsections (1), (2) and (3) of Section 274 which reads as follows:

(1) A member of an Organisation, or Registrar, may apply to the Organisation for specified prescribed information in relation to the Organisation.

(2) An Organisation shall, on application 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.

**HEALTH SERVICES UNION OF AUSTRALIA
- VICTORIA NO.1 BRANCH**

**SUMMARY FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE
2005**

DICK & SMITH (ELSTERNWICK) PTY LTD
Chartered Accountants
22 Hoddle Street, Elsternwick VIC 3185

Tel: (03) 9523 7750 Fax: (03) 9528 6921

**HEALTH SERVICES UNION OF AUSTRALIA
- VICTORIA NO.1 BRANCH**

**AUDITORS' CERTIFICATE
FOR THE YEAR ENDED 30 JUNE 2005**

We certify that the attached summary is a fair and accurate summary of the Statement of Financial Performance (Statement of Income and Expenditure), Statement of Financial Position (Balance Sheet), Statement of Cash Flows and Notes to and Forming Part of the Accounts of the Health Services Union Of Australia - Victoria No. 1 Branch for the year ended 30 June 2005.

Our Auditors' Report for the 2005 financial year on the Financial Statements did not contain particulars of any deficiency, failure or shortcoming as referred to in the Workplace Relations Act 1996.

STOP PRESS

The HSU has become aware of an interesting site on the internet that reports on issues in the Health and Aged Care Sectors.

It is worth a look.

<http://victorianhealthreport.blogspot.com>

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 1 BRANCH**SUMMARY STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005**

	2005 \$	2004 \$
ASSETS		
Current Assets	<u>641,460</u>	<u>347,469</u>
Non-Current Assets	<u>2,081,006</u>	<u>2,093,110</u>
TOTAL ASSETS	<u>2,722,466</u>	<u>2,440,579</u>
LIABILITIES		
Current Liabilities	<u>1,309,947</u>	<u>1,533,871</u>
Non-Current Liabilities	<u>489,260</u>	<u>296,098</u>
TOTAL LIABILITIES	1,799,207	1,829,969
NET ASSETS	923,259	610,610
MEMBERS FUNDS		
Accumulated Surplus/(Deficit) brought forward	610,609	287,067
Surplus / (Deficit) for Year	<u>312,650</u>	<u>323,542</u>
TOTAL MEMBERS FUNDS	<u>923,259</u>	<u>610,609</u>

HEALTH SERVICES UNION OF AUSTRALIA - VICTORIA NO. 1 BRANCH**SUMMARY STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005**

	Note	2005 \$	2004 \$
INCOME			
Member Contributions		4,610,693	4,078,601
Other income		<u>354,503</u>	<u>292,527</u>
TOTAL INCOME		<u>4,965,196</u>	<u>4,371,128</u>
LESS EXPENSES			
Operating Expenses		<u>4,652,546</u>	<u>4,047,586</u>
OPERATING SURPLUS(DEFICIT) FOR THE YEAR		<u>312,650</u>	<u>323,542</u>



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 St
CARLTON SOUTH VIC 3053

Dear Mr Jackson,

By email: info@hsuvic.asn.au

Re: Financial Documents for year ended 30 June 2005 - FR2005/413
Schedule 1B - Workplace Relations Act 1996 (RAO Schedule)

I acknowledge receipt of the Full Financial Report for the Victoria No. 1 Branch of the Health Services Union of Australia for the year ended 30 June 2005. The documents were lodged in the Registry on 23 December 2005.

This is the second lodgment by the branch of its financial reports under the *Registration and Accountability of Organisations (RAO) Schedule* which commenced on 12 May 2003.

The documents have not been yet been filed.

The branch is required to:

- Present the Full Financial Report to a General Meeting of the members, and then
- Lodge a revised Designated Officer's Certificate that confirms that this has occurred together with a full copy of the Concise Report.

Would you be able to advise me in writing by Friday 24th February 2006 regarding what steps the branch is taking to achieve this.

The following comments provide more information regarding these issues:

Presentation to meeting

If a branch of the HSUA wishes to present the financial reports to a Committee of Management meeting then the federal body of the Union must delete the word *financial* from Rule 61(d) or insert a new rule to specifically deal with the requirements of s266(3) of the RAO Schedule.

Accordingly, a copy of this letter will be forwarded to the National Secretary.

Explanation: The financial reports were presented to the Committee of Management, rather than to a General Meeting of members.

RAO s266(3) provides for presentation to the Committee of Management only if:

the rules of the reporting unit provide for a specified percentage (not exceeding 5%) of members to be able to call a general meeting of the reporting unit for the purpose of

considering the auditor's report, the general purpose financial report and the operating report".

The section makes no allowance for restricting the number of members required to call the meeting to financial members.

Rule 61(d) of the HSUA rules provides that:

A Special General Meeting of the branch shall be called by the Branch President or the Branch Secretary upon receipt by him/her of a request signed by not less than 200 financial members or five per cent of the financial members of the branch, whichever is the lesser amount." (underlining added)

It is the view of the Registry that this rule does not meet the requirement set out in RAO s266(3). Accordingly, the documents for year ending 30 June 2005 must be presented to a General Meeting of members.

If the branch wishes to present the financial reports to a Committee of Management meeting in future financial years then the federal body of the Union will need to delete the word financial from Rule 61(d) or insert a new rule to specifically deal with the requirements of s266.

Timing of financial documents

One of the key requirements of the RAO Schedule is that *all financial documents must be signed and dated before they are presented to a meeting* – see the enclosed *Timeline*.

The dates of the various events for the lodged documents were as follows:

- 30 Aug 2005 - Documents presented to a Committee of Management meeting
- 31 Aug 2005 - Auditor's Report
- 31 Aug 2005 - Committee of Management Statement
- 31 Aug 2005 - Operating Report

As you can see, the timing of these events was flawed because all of the financial documents were signed and dated *after* they were presented to the meeting.

Concise Report

The Designated Officer's Certificate states that a Concise Report was provided to members on 1 October 2005 however a copy of the Concise Report was not lodged in the Registry

I note that the Concise Reports lodged by a number of other branches of the HSUA for year ending 30 June 2005 have not complied fully with the RAO Schedule.

Therefore the following information may assist the branch in determining in future financial years whether or not it wishes to utilise a Concise Report.

The primary issue is that:

- A Full Financial Report is mandatory
- A Concise Report is optional.

Accordingly, the branch must choose either:

- Not to prepare a Concise Report at all, or
- To prepare a Concise Report that complies fully with the requirements of s265 of the RAO Schedule and Reg 161 of the RAO Regulations.

The Concise Report provisions are designed to make it easier for organisations to provide financial information to members. However, now that the internet is readily available, in many cases the most straightforward way of providing financial information to members is to post the Full Financial Report on the organisation/branch website rather than using a Concise Report. For more information regarding publication via the internet see Points 7 to 12 of the enclosed Fact Sheet regarding Financial Reporting under the RAO Schedule.

Alternatively, the branch may wish to continue utilising Concise Reports. If that is the case then the branch must comply with s265 and Regulation 161. I have enclosed a Concise Report as lodged by another organisation that provides a useful sample format to follow.

Please also note that if a Concise Report is produced then:

- a *complete copy* of the Full Financial Report, and
- a *complete copy* of the Concise Report

must be lodged in the Registry.

Comments to assist in future financial years

The following comments may assist you when you next prepare financial reports. No further action is required regarding the issues set out below with respect to the lodged documents.

Auditor's Report

The opinion of the auditor in the Auditor's Report has been expressed in terms previously required under subsection 276(4) of the *Workplace Relations Act 1996*. The RAO Schedule, under subsection 257(5), now sets out the matters upon which an auditor is required to make an opinion. The following wording would satisfy the requirements of the Schedule:

In our 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 Schedule 1B of the Workplace Relations Act 1996

You may wish to forward a copy of this letter to the reporting unit's auditor.

Committee of Management Statement

The Committee of Management Statement must confirm that it has been made in accordance with a resolution of the Committee *and* provide the date of the resolution – see Items 16 to 18 of the Reporting Guidelines.

Accounting Officer's Certificate

The Accounting Officer's Certificate was a document required under the former financial reporting requirements of the *Workplace Relations Act*. This certificate is not required under the RAO Schedule as it has, in effect, been replaced by the Operating Report.

Documents not lodged in Registry within 14 days of meeting

The documents were presented to a Committee of Management meeting on 30 August 2005 but were not lodged in the Registry until 23 December 2005.

In future financial years the documents should be lodged in the Industrial Registry within 14 days of the meeting at which they were presented - see s268 of the RAO Schedule.

If you have any queries please contact me on (03) 8661 7799.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Andrew Schultz', with a long, sweeping underline that extends to the right.

Andrew Schultz
Statutory Services Branch

9 February 2006

Fact Sheet No. 08/2003 7 May 2003, Australian Industrial Registry

Registration and Accountability of Organisations Legislation Fact Sheet

Financial Reporting Process and Time-Limits

The Registration and Accountability of Organisations Schedule (Schedule 1B to the *Workplace Relations Act 1996*) [the RAO Schedule], generally comes into operation on 12 May 2003. The RAO Schedule contains most of the matters previously dealt with in the body of the *Workplace Relations Act 1996* [the Act], which relate to the registration and functioning of organisations of employers and employees under the Act. The *Workplace Relations Legislation Amendment (Registration and Accountability of Organisations) (Consequential Provisions) Act 2002* [the RAOCP Act], deals with various transitional provisions arising from the introduction of the Schedule.

Steps in the Financial Reporting Process

The financial reports of a reporting unit must be prepared, audited, provided to members, presented to a meeting and lodged in the Industrial Registry within certain time-limits as set out in the RAO Schedule. These requirements are discussed below. The meaning of "reporting unit" is provided by section 242 and discussed in Registry Fact Sheet No. 06/2003 **Accounting, Auditing and Reporting Obligations** at http://www.airc.gov.au/fact_sheets/06_fact_sheet.htm.

Preparation of reports

1. A *general purpose financial report* ('GPFR') - that includes a *committee of management statement* - and an *operating report* ('OPR') must be prepared "as soon as practicable after the end of each financial year" [s253(1), s254(1)].

The time-limit "as soon as practicable" is constrained by the time-limit for subsequent steps in the financial reporting process particularly the requirement to present both reports together with an auditor's report to a meeting within 6 months after the end of the financial year [s266].

2. Preparation of a committee of management statement is required by the reporting guidelines issued by the Industrial Registrar under section 255 and must contain the declarations set out in those guidelines. The statement must be made in accordance with a resolution of the committee of management.

3. If the committee wishes to provide members with a copy of a *concise report* rather than of the full report it must pass a resolution to that effect [s265(2)].

4. The Registry refers to a meeting at which the resolutions referred to in 2 and 3 above are passed as the *first meeting* or the *preparation meeting*.

5. A statement showing the particulars of any loan, grant or donation of an amount exceeding \$1,000 must be prepared in time for it to be lodged in the Registry within 90 days after the end of the financial year [s237(1)].

Audit of financial report

6. An auditor's report must be prepared, signed and given to the reporting unit within a reasonable time of the auditor having received the GPFR. The auditor's report must be dated as at the date on which the auditor signs it [s257(9)].

The time-limit "within a reasonable time" is constrained by the time-limit for subsequent steps in the financial reporting process particularly the requirement to present the reports together with an auditor's report to a meeting within 6 months after the end of the financial year [s266].

Provision of reports to members and presentation to general meeting of members

7. The reporting unit must provide free of charge to its members copies of the GPFR, the OPR and the Auditor's report (the **full report**) or (where the committee of management has resolved under the rules of the reporting unit to do so) a **concise report** [s265(1), (2), (3) and Reg 161].

8. The copies must be provided to the members of the reporting unit at least 21 days before presentation of the full report to a general meeting of the members [s265(5)(a)].

9. The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in a journal that is available to the members free of charge [s265(6)]. In the view of the Registry a reporting unit may meet this obligation in whole or in part by publication of the report in a journal published on a web site on the Internet dependent on:

a. the extent of the accessibility of the members of the reporting unit to the Internet (see also Reg 18); and

b. that the members are notified by the reporting unit in the usual manner in which it communicates with its members that the report has been so published at a specified Internet address.

10. The full report must be presented to a general meeting of members within 6 months after the end of the financial year [s266(1)]. The Registry refers to this meeting as the **second meeting** or the **presentation meeting**.

11. Reporting units with membership widely dispersed should note that if the rules of the reporting unit permit a general meeting to be a series of meetings at different locations, the presenting of the full report to such a series of meetings will suffice [s266(2)].

12. A reporting unit may apply to the Registrar to have the 6 months time-limit for convening the general meeting of members extended by one month [s266(1) and s265(5)]. This has the dual effect of extending the time-limit for provision of documents to members by one month [s265(5)].

Provision of reports to members and presentation to a committee of management meeting

13. The full report may be presented to a meeting of the committee of management **instead of** a general meeting of members if the rules provide that a general meeting of members can be called by 5% or less of members for the purpose of considering the full report [s266(3)]. The Registry also refers to this meeting as the **second meeting** or the **presentation meeting**.

14. Where the full report is to be presented to a committee of management meeting, the reporting unit must provide free of charge to its members copies of the full report or the concise report to the members of the reporting unit within 5 months after the end of the financial year [s265(5)(b)]. A Registrar may extend this time-limit by no more than one month [s265(5)].

15. The reporting unit can meet its obligation to provide copies of the full or concise report to members by publishing the report in the same manner discussed at 9 above.

16. The committee of management meeting must also be held within 6 months after the end of the financial year [s266(3)]. There is no provision for extending the time-limit for holding this form of meeting.

Lodgment of documents in Registry

17. A statement showing the relevant particulars of any loan, grant or donation of an amount exceeding \$1,000 must be lodged in the Registry within 90 days after the end of the financial year. Such a statement is not a public document but may be inspected at any registry, during office hours, by a member of the organisation or branch concerned [s237(4) and Reg 20(1)].

18. The following documents must be lodged in the Registry within 14 days after the presentation meeting [s268]:

a. a copy of the full report;

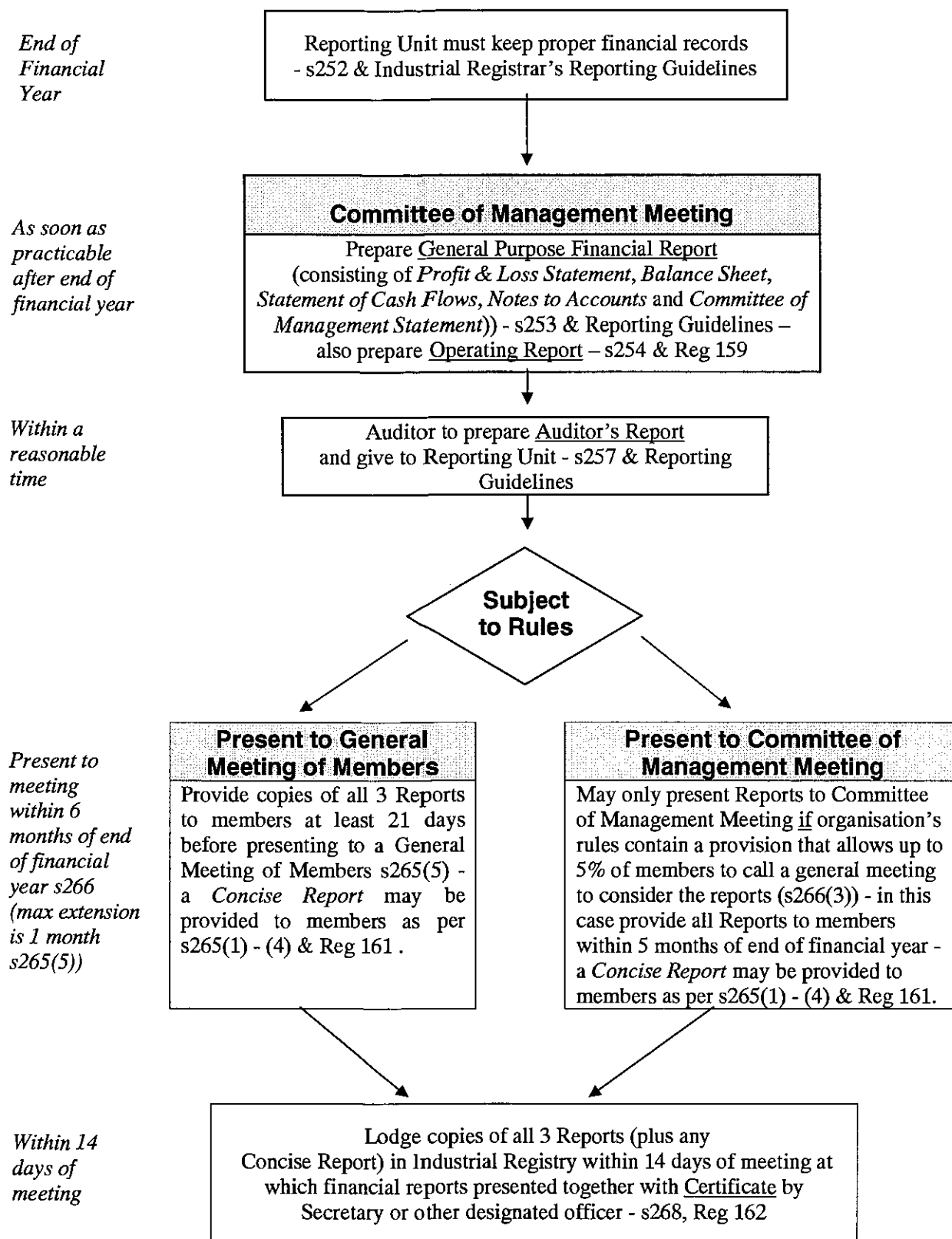
- b. a copy of any concise report provided to the members; and
- c. a certificate by the secretary or other officer of the reporting unit authorised by the rules of the reporting unit for the purpose that the documents lodged are copies of the documents provided to members and presented to the presentation meeting.

The certificate should indicate the date on which the documents were provided to the members as well as the nature and date of the presentation meeting.

This material has been prepared by the Australian Industrial Registry as a general guide to the Workplace Relations (Registration and Accountability of Organisations) legislation. This material should not be treated as advice on the circumstances of any particular case. This material does not have any legal status; the relevant law is set out in Schedule 1B to the Workplace Relations Act 1996 (the RAO Schedule), the RAO Schedule Regulations, the reporting guidelines of the Industrial Registrar issued under s255 of the RAO Schedule and the Workplace Relations Legislation Amendment (Registration and Accountability of Organisations) (Consequential Provisions) Act 2002.

Financial Reporting Timeline (RAO Schedule)

Lodge financial reports within 6½ months of end of financial year by completing the following steps:



COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH
ABN 38 968 067 748

CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2005

BGL & ASSOCIATES
Chartered Accountants
Suite One, Ground Floor, 598 St Kilda Road, Melbourne VIC 3004
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COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH
ABN 38 968 067 748

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DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

Information on Community And Public Sector Union SPSF Group Victorian Branch Concise Financial Report:

The financial statements and disclosure in the concise financial report have been derived from the 2005 financial report of Community And Public Sector Union SPSF Group Victorian Branch.

A copy of the full financial report and auditors report can be sent to any member, free of charge, upon request.

This discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on Community And Public Sector Union SPSF Group Victorian Branch financial statements and the information contained in the concise financial report has been derived from the full 2005 Financial Report of Community And Public Sector Union SPSF Group Victorian Branch.

Statement of Financial Performance:

The surplus from ordinary activities attributable to members for the year is \$409,332 compared to a surplus of \$132,320 for the 2004 year. This result is mainly due to 5.8% decrease in total expenses.

Statement of Financial Position:

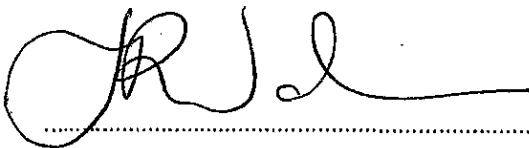
Total assets increased by \$384,426 from 30 June 2004 or 40% mainly due to an increase in cash on hand. Total liabilities fell by \$24,906 or 2.5% mainly due to a reduction in payables. As a consequence members fund increased by \$409,332 from 30 June 2004. Apart from the items noted, there has been no significant change in the composition of the assets and liabilities from the 2004 year.

Statement of Cash Flows:

Cash assets increased from \$308,914 at 30 June 2004 to \$760,841 as at 30 June 2005.

Cash flows provided by operations increased by 270% during the year from \$162,614 at 30 June 2004 to \$602,002 at 30 June 2005. This improvement was caused by the timing effect of payments made to suppliers and receipts from the members.

The net increase in cash held during the year was higher when compared to the 2004 year. This is primarily due to the effect of the decreased loan repayments.



Jim Walton

Dated this 27/9/05

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH
ABN 38 968 067 748

OPERATING REPORT

Your branch committees present their report on the union for the financial year ended 30 June 2005.

Members of Branch Council

The names of the members of the branch council in office at any time during or since the end of the financial year are:

Branch Executive

Karen Batt

Jim Walton

Kelvin Goodall

Judy Mead

Peter Lilywhite

Branch Councillor

Michael Tiliacos

Pierre Rispoli

Chris Naqvi

Christine Hughes

Mary Roose

Deidre Carlile

Mary Sullivan

Rosalia Bruzzese

Jeremy Barnes

Andrew Liston

Richard Wadsworth

Gwen Cornelius

Cheryl Douglas

Roy Burns

Alice Tudehope

Ron Dean

Elizabeth Free

Gavan Cook

Catherine Davies

Alan Gee

Pushi Brown

Helen Fatouros

Lydia Spicer

Micharel Donohoe

David Nugara

Christine Mitchell

Alan Woodroffe

Franca Genio

Ian Goulden

Rod Spence

Bill Lyons

Mark Nestor

Steve Walsh

Peter Kershaw

Susan Taylor

Jenny Leishman

Paul Coglan

Ronald Kennelly

Ian Thomas

The members of the Branch Council have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating Results

The surplus of the entity for the financial year amounted to \$409,332.

Review of Operations

A review of the operations of the entity during the financial year and the results of those operations found that during the year, the union continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

OPERATING REPORT (continued)

Significant Changes in State of Affairs

No significant changes in the state of affairs of the union occurred during the financial year.

Principal Activity

The principal activity of the entity during the financial year was promoting union activities within the Victorian state public services sector.

No significant change in the nature of these activities occurred during the year.

Union's details

The union had 43 employees at 30 June 2005.

At 30 June 2005, the total number of financial members, inclusive of the Retired Officers Division was 13,397.

Members Right

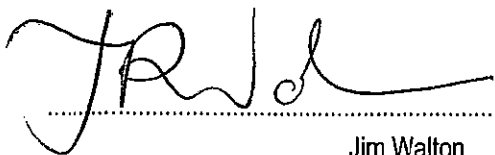
A member may resign from membership of the Union by notice in writing, addressed to the Branch Secretary, if the member cease to be eligible to become a member of the Union or the member give notice not less than two weeks before the resignation is to take effect.

Directorship of Superannuation Fund

To the best of our knowledge and belief, no officer of the union, by virtue of their office of the Community And Public Sector Union SPSF Group Victorian Branch is:

- (i) a trustee of a superannuation entity or exempt public sector superannuation scheme; or
- (ii) a director of a company that is the trustee of a superannuation entity or an exempt public sector superannuation scheme; and
- (iii) where a criterion for the officer being the trustee or director is that the officer is an officer of a registered organisation.

Signed in accordance with a resolution of the Committee of Management:



.....

Jim Walton

Dated this

27/9/05

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH
ABN 38 968 067 748

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005

	Notes	2005 \$	2004 \$
Revenue from ordinary activities	3	<u>4,760,293</u>	<u>4,754,339</u>
Salaries and related expenses		(3,018,502)	(2,898,650)
Office operation and maintenance		(225,327)	(191,344)
Motor vehicles expenses		(58,533)	(47,020)
Communication		(155,599)	(232,354)
Professional fees		(80,667)	(447,714)
Library		(5,663)	(8,629)
Meeting expenses		(77,852)	(106,530)
Printing and publications		(213,797)	(192,411)
Affiliation and capitation		(250,780)	(235,086)
Computer expenses		(16,840)	(16,147)
Training and campaigns		(64,347)	(63,553)
Other expenses from ordinary activities		<u>(183,054)</u>	<u>(182,581)</u>
		<u>(4,350,961)</u>	<u>(4,622,019)</u>
Surplus from ordinary activities		<u><u>409,332</u></u>	<u><u>132,320</u></u>

The accompanying notes form part of this concise financial report.

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH
ABN 38 968 067 748

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005

	Notes	2005 \$	2004 \$
CURRENT ASSETS			
Cash assets		760,841	308,914
Receivables		44,856	172,778
Other		<u>42,978</u>	<u>40,198</u>
TOTAL CURRENT ASSETS		<u>848,675</u>	<u>521,890</u>
NON-CURRENT ASSETS			
Property, plant and equipment		<u>493,063</u>	<u>435,422</u>
TOTAL NON-CURRENT ASSETS		<u>493,063</u>	<u>435,422</u>
TOTAL ASSETS		<u>1,341,738</u>	<u>957,312</u>
CURRENT LIABILITIES			
Payables		344,189	356,855
Interest-bearing liabilities		98,830	49,875
Provisions		462,844	481,166
Other		<u>-</u>	<u>4,026</u>
TOTAL CURRENT LIABILITIES		<u>905,863</u>	<u>891,922</u>
NON-CURRENT LIABILITIES			
Interest-bearing liabilities		46,641	92,815
Provisions		<u>19,478</u>	<u>12,151</u>
TOTAL NON-CURRENT LIABILITIES		<u>66,119</u>	<u>104,966</u>
TOTAL LIABILITIES		<u>971,982</u>	<u>996,888</u>
NET ASSETS/NET LIABILITIES		<u>369,756</u>	<u>(39,576)</u>
MEMBERS FUND			
Accumulated surplus (deficit)		<u>369,756</u>	<u>(39,576)</u>
TOTAL MEMBERS FUND		<u>369,756</u>	<u>(39,576)</u>

The accompanying notes form part of this concise financial report.

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH
ABN 38 968 067 748

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2005

	Notes	2005 \$	2004 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members		5,030,123	4,802,712
Other income		274,578	337,063
Receipts from grant		25,000	50,000
Payments in relation to grant		(29,026)	(85,014)
Payments to suppliers and employees		(4,567,109)	(4,758,279)
Payments to the Federal Office		(182,376)	(200,013)
Interest received		20,808	9,694
Receipts from the Federal Office		<u>30,004</u>	<u>6,451</u>
Net cash provided by operating activities		<u>602,002</u>	<u>162,614</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	17,272
Payment for property, plant and equipment		<u>(118,541)</u>	<u>(32,732)</u>
Net cash used in investing activities		<u>(118,541)</u>	<u>(15,460)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings		43,000	-
Repayment of borrowings		<u>(74,534)</u>	<u>(106,726)</u>
Net cash used in financing activities		<u>(31,534)</u>	<u>(106,726)</u>
Net increase in cash held		451,927	40,428
Cash at beginning of financial year		<u>308,914</u>	<u>268,486</u>
Cash at end of financial year		<u>760,841</u>	<u>308,914</u>

The accompanying notes form part of this concise financial report.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports and the Workplace Relations Act 1996.

The financial statements, specific disclosures and other information included in the concise financial report are derived from and are consistent with the full report of Community And Public Sector Union SPSF Group Victorian Branch. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Community And Public Sector Union SPSF Group Victorian Branch as the full financial report.

The accounting policies have been consistently applied by the entity and are consistent with those of the previous financial year.

NOTE 2: INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Workplace Relations Act 1996 the attention of members is drawn to the provisions of subsection (1), (2) and (3) of sections 272, which read as follows:

(1) a member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

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

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

COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH
ABN 38 968 067 748

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 \$	2004 \$
NOTE 3: REVENUE			
Operating activities			
- member contribution		4,583,277	4,353,685
- printing revenue		1,459	3,568
- interest	3(a)	20,808	9,694
- income from the Federal Office		15,830	4,168
- legal fees reimbursement		129,918	321,741
- training		8,407	33,001
- other revenue		<u>594</u>	<u>11,210</u>
		<u>4,760,293</u>	<u>4,737,067</u>
Non - operating activities			
- proceeds of sale of property, plant and equipment		<u>-</u>	<u>17,272</u>
Total Revenue		<u>4,760,293</u>	<u>4,754,339</u>
 (a) Interest from:			
- other persons		20,808	9,694

NOTE 4: CONTINGENT LIABILITIES AND ASSETS

Contingent Liabilities

Employee disputes

The union is currently defending a number of outstanding litigation claims brought against the union by former employees in relation to her past employment. All claims are expected to settle within the next 12 months. The potential financial amount that the union may be liable for is \$50,000.

Litigation by third party

A claim for defamation has been brought against the union. The action is being defended and the potential amount that the union may be liable for is \$15,000.

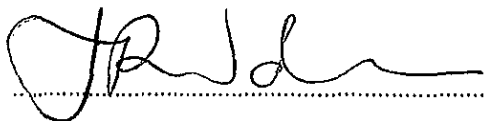
COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH
ABN 38 968 067 748

COMMITTEE OF MANAGEMENT STATEMENT

I, Jim Walton, being the designated officer of Community And Public Sector Union SPSF Group Victorian Branch, state that on behalf of the Committee of Management and in accordance with a resolution passed by the Committee of Management on that:

In the opinion of the Committee of Management:

- (a) the financial statements and notes, as set out on pages 4 to 8 comply with Australian Accounting Standards;
- (b) the financial statements and notes, as set out on pages 4 to 8 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 flows of Community And Public Sector Union SPSF Group Victorian Branch for the financial year to which they relate;
- (d) there are reasonable grounds to believe that Community And Public Sector Union SPSF Group Victorian Branch will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the general purpose financial report relates and since the end of that year:
 - (i) meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of reporting unit have been kept and maintained in accordance with the Registration and Accountability of Organisation (RAO) Schedule and the RAO Regulations; and
 - (iv) where the organisation consists of 2 or more reporting units, the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisations; and
 - (v) the information sought in any request of a member of reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the members or Registrar; and
 - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
- (f) The necessary resolution to provide concise report to members has been passed in accordance with section 265(2) of the RAO Schedule.



Jim Walton

Dated

27/9/05

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
COMMUNITY AND PUBLIC SECTOR UNION SPSF GROUP VICTORIAN BRANCH**

Scope

We have audited the concise financial report of Community And Public Sector Union SPSF Group Victorian Branch for the financial year ended 30 June 2005 comprising of the Committee of Management Statement, Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and notes to the financial statements. The responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the Community And Public Sector Union SPSF Group Victorian Branch.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full financial report of Community And Public Sector Union SPSF Group Victorian Branch for the year ended 30 June 2005. Our audit report on the full financial report was signed on the 29th of September 2005 , and was not subject to any qualification.

Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report, and examination, on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the full financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report is presented fairly in accordance with Accounting Standards .

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

Audit Opinion

In our opinion, the concise financial report of Community And Public Sector Union SPSF Group Victorian Branch complies with Accounting Standard AASB 1039: Concise Financial Report.

BGL & Associates

BGL & Associates
Chartered Accountants
Suite One, Ground Floor
598 St Kilda Road
Melbourne VIC 3004

I Hinds

I. A. Hinds - A.C.A.
Partner

29 September 2005

Melbourne

FR 2005/415

Rec'd
23/12/05



Health Services Union
Victorian Branch

20th December, 2005

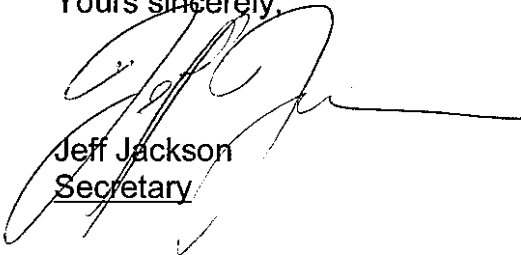
The Industrial Registrar
Australian Industrial Registry
GPO Box 1994S
Melbourne VIC 3001

Dear Sir,

Re: Financial Return – Year Ending 30 June 2005

Please find attached the Designated Officers Certificate and financial statements in accordance with s268 of the Workplace Relations Act.

Yours sincerely,



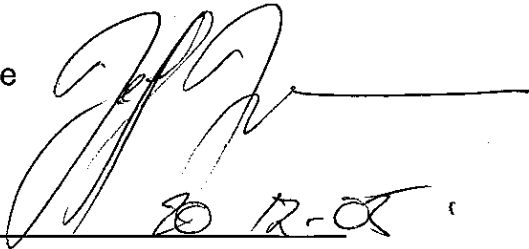
Jeff Jackson
Secretary

Designated Officer's Certificate
S 268 of Schedule 1B Workplace Relations Act 1996

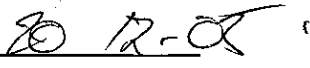
I, Jeff Jackson being the Secretary of the Health Services Union of Australia Victoria No.1 Branch certify:

- that the documents lodged herewith are copies of the full report referred to in s268 of the RAO Schedule; and
- that the concise report was provided to members on 1st October, 2005
- that the full report was presented a meeting of the Branch Committee of Management of the reporting unit on 30th August, 2005; in accordance with section 266 of RAO Schedule.

Signature

A handwritten signature in black ink, appearing to be 'J. Jackson', written over a horizontal line.

Date:

A handwritten date '30-12-05' written in black ink below a horizontal line.

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

**FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2005**

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**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 2005 as set out on pages 4 to 16. 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, 2005; 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 3rd of, August 2005.

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

COMMITTEE OF MANAGEMENT STATEMENT

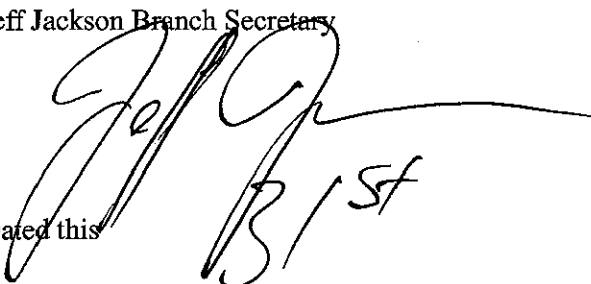
On the day of 2005 the Committee of Management of the Health Services Union of Australia . Victoria No. 1 Branch passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30th June 2005

The Committee of Management declares in relation to the GPFR that in its opinion:

- (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 flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GBFR relates and since the end of that year:
 - 1) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - 2) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - 3) the financial records of the reporting unit have been managed in accordance with the RAO Schedule and the RAO Regulations; and
 - 4) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - 5) the information sought in any request of a member of the reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member of the registrar; and
 - 6) there has been compliance with any order for the inspection of financial records made by the Commission under section 273 of the RAO Schedule

For Committee of Management:

Jeff Jackson Branch Secretary


Dated this 31st

day of August 2005

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

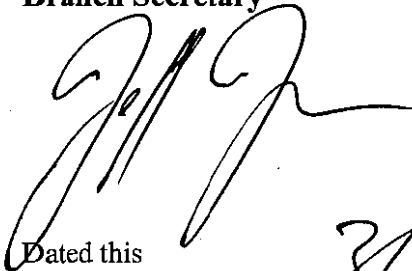
ACCOUNTING OFFICERS CERTIFICATE

I, Jeff Jackson being the officer responsible for keeping the accounting records of the Health Services Union of Australia (Victoria) No.1 Branch, certify that as at 30 June, 2005 the number of members of the Branch was 13586

In my opinion:

1. the attached financial report shows a true and fair view of the Branch results as at 30 June, 2005.
2. a record has been kept of all monies paid by, or collected from, members and all monies so paid or collected have been credited to the bank account to which those monies are to be credited, in accordance with the rules of the organisation;
3. before any expenditure was incurred by the branch approval of the incurring of the expenditure was obtained in accordance with the rules of the organisation;
4. with regard to funds of the branch raised by compulsory levies or voluntary contributions from members, or funds other than the General Fund operated in accordance with the rules, no payments were made out of any such fund for the purposes other than those for which the fund was operated;
5. no loans or other financial benefits, other than remuneration in respect of their full time employment with the organisation, were made to persons holding office in the branch.
6. the register of members of the branch was maintained in accordance with the Act.

JEFF JACKSON
Branch Secretary



Dated this

31st

day of



2005

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIA NO 1 BRANCH**

OPERATING REPORT FOR THE YEAR ENDED 30TH JUNE 2005

In accordance with Sec 254 of the Workplace Relations Act 1996 ("the ACT"), your Committee of Management report as follows

Principal Activities

The principal activity of the organisation during the year was that of a registered trade union. No significant change occurred in the nature of those activities during the year

Operating Result

The operating result of the organisation for the year ended 30th June 2005 was a surplus of \$312,650.

Significant Changes

There was no significant change in the financial affairs of the organisation during the year.

Rights of Members

Subject to the rules of the organisation and Sec 174 of the Act, members have the rights to resign from membership of the organisation by written notice addressed to and delivered to the secretary of the organisation.

Superannuation Office Holders

There are no officers and/or members of the organisation that are directors of companies that are trustees of superannuation funds which require one or more of their directors to be a member of a registered organisation –

Other Prescribed Information

In accordance with Regulation 159 of the Workplace Relations (Registration of Accountability of Organisations) Regulations –

- (a) the number of persons that were at the end of the financial year recorded in the register of members for Sec 230 of the RAO Schedule and who are taken to be members of the registered organisation under Sec 240 of the RAO Schedule was 13586
- (b) the number of persons who were at the end of the financial year employees of the organisation including both full and part-time employees measured on a full-time equivalent basis was 36.2.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIA NO 1 BRANCH**

OPERATING REPORT FOR THE YEAR ENDED 30TH JUNE 2004

(c) the names of those who have been members of the Committee of Management of the organisation at any time during the financial year and the periods for which they held office were –

Name	Period
Jeff Jackson	01/07/04 to 30/06/05
Peter Ellison	01/07/04 to 30/06/05
Denise Gregor	01/07/04 to 27/04/05
Pauline Fegan	01/07/04 to 30/06/05
Sonya McCormack	01/07/04 to 30/06/05
Veronica Fahey	01/07/04 to 30/06/05
Barbara Riggs	01/07/04 to 30/06/05
Glenda Meddings	01/07/04 to 30/06/05
Robert McCubbin	01/07/04 to 30/06/05
Gail Noonan	01/07/04 to 30/06/05
Toni Joyce	01/07/04 to 30/06/05
Donna Conquo	01/07/04 to 30/06/05
David Bray	01/07/04 to 01/04/05
April Johnston	01/07/04 to 30/06/05
Shaun Hudson	01/05/05 to 30/06/05
Maria Toro	01/07/04 to 30/06/05
Ben Morgan	01/07/04 to 30/06/05

Other Relevant Information

Nil

Signed for and on behalf of the Committee of Management

Date 3/8 day of August 2005

Jeff Jackson,

Secretary



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

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005**

	Note	2005 \$	2004 \$
MEMBERS' FUNDS			
Accumulated General Fund		923,259	610,609
TOTAL MEMBERS FUNDS		923,259	610,609
 Represented by:			
CURRENT ASSETS			
Cash on Hand and at Bank	4	468,710	226,489
Accounts Receivable	5	18,518	52,711
Investments	6	154,232	68,268
TOTAL CURRENT ASSETS		641,460	347,469
NON-CURRENT ASSETS			
Property, Plant and Equipment	7	2,081,006	2,093,110
TOTAL ASSETS		2,722,466	2,440,578
CURRENT LIABILITIES			
Bank Overdraft	8	-	152,273
Accounts Payable	9	712,768	746,274
Monies Held in Trust	12	180,600	262,600
Provision for Annual Leave		307,650	285,919
Provision for Long Service Leave		108,929	86,805
TOTAL CURRENT LIABILITIES		1,309,947	1,533,871
NON-CURRENT LIABILITIES			
Provision for Long Service Leave		489,260	296,098
TOTAL LIABILITIES		1,799,207	1,829,969
NET ASSETS		923,259	610,609

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 2005**

	Note	2005 \$	2004 \$
Operating Surplus/(Deficit) for the year before Abnormal Items		<u>312,650</u>	<u>323,542</u>
Operating Deficit for the year after Abnormal Items		312,650	323,542
Accumulated Funds at the beginning of the financial year		610,609	287,067
Accumulated Funds at the end of the financial year		<u>923,259</u>	<u>610,609</u>

The accompanying notes form part of this financial report.

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

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005**

	Note	2005 \$	2004 \$
REVENUE			
Subscriptions		4,610,693	4,078,601
Interest Received		7,588	2,535
Rental Income Received		138,499	170,322
Rental Recovery - National Office		82,000	82,000
Sundry Income		126,416	37,670
		<u>4,965,196</u>	<u>4,371,128</u>
 EXPENDITURE			
Audit Fees		7,500	7,500
Advertising		2,503	6,178
Affiliation Fees & Levies		95,159	60,073
Bank Charges		36,755	39,396
Capitation Fee - National Council		242,306	214,758
Cleaning		22,216	24,510
Commision		15,593	4,092
Computer Expenses		77,704	74,234
Consultant Fees		2,045	5,060
Courier		681	1341.15
Depreciation		49,337	50,249
Donations		2,636	18,950
Education & Training Expenses		48,942	22,426
Entertainment Expenses - Members		28,728	37,500
Fines & Penalties		2,897	1797.27
Fringe Benefits Tax		75,786	29,116
Indemnity Insurance		117,453	179,366
Insurance		22,902	48,721
Interest Paid		12,964	11,933
Journal Publications		34,555	54,232
Legal Fees		56,999	53,784
Light, Power & Heating		35,738	37,000

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

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005**

EXPENDITURE	<i>continued</i>	Note	2005 \$	2004 \$
Meeting Expenses			15,719	13,600
Motor Vehicle Expenses			59,815	82,090
Motor Vehicle Rental			132,888	129,661
Office Machine Rental			50,282	69,926
Payroll Tax			126,975	92,281
Postage			68,260	79,615
Printing & Stationary			47,568	59,667
Provision for Annual Leave			21,731	(11,371)
Provision for Long Service Leave			215,286	56,185
Rates & Taxes			14,118	14,159
Rental Property Expenses			-	57,184
Repairs & Maintenance - Buildings			39,111	32,528
Repairs & Maintenance - Office Equipment			47,319	10,323
Salaries & Allowances - Officials			222,324	181,154
Salaries & Allowances - Employees			2,102,376	1,706,147
Staff Amenities & Recruitment			5,948	13,062
Superannuation			281,561	266,219
Sundry Expenses			14,774	17,630
Telephone			152,310	140,590
Welfare/Fighting Fund			2,200	5,850
Workcover			40,583	48,869
			<u>4,652,546</u>	<u>4,047,586</u>
OPERATING SURPLUS/(DEFICIT) FOR THE YEAR			312,650	323,542

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 2005**

	Note	2005 \$	2004 \$
CASHFLOWS FROM OPERATING ACTIVITIES			
Subscription Revenue		4,610,693	4,078,601
Other Revenue		264,915	207,992
Interest received		7,588	2,535
Payments to Suppliers & Employees		(4,311,845)	(4,311,845)
Interest Paid		12,964	11,933
		<hr/>	<hr/>
Net Cash Provided by/(Used in) Operating Activities	10 (b)	<u>584,315</u>	<u>(10,784)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(37,234)	(39,968)
		<hr/>	<hr/>
Net Cash Used in Investing Activities		<u>(37,234)</u>	<u>(39,968)</u>
Net Increase/(Decrease) in cash held		480,457	(50,752)
Cash at Beginning of Year		<hr/>	<hr/>
Cash at End of Year	10 (a)	<u>617,818</u>	<u>137,360</u>

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 2005**

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, 2005, 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 2005**

(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.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
	\$	\$
NOTE 4: CASH ON HAND AND AT BANK		
Cash on Hand	890	890
Cash at Bank - Operating Account's	462,695	220,475
Cash at Bank - Monies Held in Trust	5,125	5,125
	<u>468,710</u>	<u>226,489</u>
 NOTE 5: RECEIVABLES		
Sundry Debtors	18,518	52,711
	<u>18,518</u>	<u>52,711</u>
 NOTE 6: INVESTMENTS		
Bank Deposit - State Fighting Fund	154,232	58,594
Bank Deposit - Welfare Fund	-	9,674
	<u>154,232</u>	<u>68,268</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
	\$	\$
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	(413,448)	(375,483)
	1,100,969	1,138,934
 Total Freehold Land & Buildings	 1,974,917	 2,012,882
 Furniture & Fittings	 165,358	 163,094
Less accumulated depreciation	(146,960)	(144,008)
	18,398	19,086
 Office Equipment	 502,768	 467,798
Less: Accumulated Depreciation	(415,077)	(406,657)
	87,691	61,141
	2,081,006	2,093,110
 NOTE 8: BANK OVERDRAFT		
Bank Overdraft - Operating Account	-	152,273
	-	152,273
 NOTE 9: ACCOUNTS PAYABLE		
Trade Creditors & Accruals	712,768	746,274
	712,768	746,274

**HEALTH SERVICES UNION OF AUSTRALIA
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

NOTE 10: CASH FLOW INFORMATION

(a) Reconciliation of Cash

2005	2004
\$	\$

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	462,695	68,202
Investment Accounts	154,232	68,268
	<u>617,818</u>	<u>137,360</u>

**(b) Reconciliation of Net Cash Provided by
Operating Activities to Operating Surplus**

Operating Surplus/(Deflcit) before Abnormal Items	312,650	323,542
Non-cash flows in Operating Surplus/(Deflcit)		
Depreciation	49,337	50,249
Changes in Assets and Liabilities		
(Increase)/Decrease in Accounts Receivable	34,193	(39,541)
Increase/(Decrease) in Creditors & Accruals	(33,506)	(314,106)
Increase/(Decrease) in Monies Held in Trust	(82,000)	(82,000)
Increase/(Decrease) in Employee Provisions	237,017	51,072
Net Cash Provided by/(Used in) Operating Activities	<u>517,692</u>	<u>(10,784)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

2005 **2004**
\$ **\$**

NOTE 11: 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 12: MONIES HELD IN TRUST

National Office	180,600	262,600
	<hr/>	<hr/>
	180,600	262,600

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 \$82,000 (2004 \$82,000).

NOTE 13: 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 2005.