



FAIR WORK
AUSTRALIA

18 February 2010

Mr Lloyd Williams
Secretary
Health Services Union
Victoria No. 2 Branch
PO Box 206
CARLTON SOUTH VIC 3053

By email: hacsu@hacsu.asn.au

Dear Mr Williams

**Fair Work (Registered Organisations) Act 2009 – (RO Act)
Financial report for year ended 30 June 2009 – FR2009/10094**

I acknowledge receipt of the full report and the concise report for the Victoria No. 2 Branch of the Health Services Union for year ended 30 June 2009. The documents were lodged with Fair Work Australia on 1 December 2009. I also acknowledge receipt of the statement of loans grants and donations lodged with Fair Work Australia on 12 October 2009.

The full report and the concise report have been filed.

Please note for future reference, the *Fair Work (Registered Organisations) Act 2009* and the *Fair Work (Registered Organisations) Regulations 2009* commenced on 1 July 2009. The Act was formerly Schedule 1 of the *Workplace Relations Act 1996* and the Regulations were formerly the *Workplace Relations (Registration and Accountability of Organisations) Regulations 2003*. The section numbering and generally the content of the legislation have remained the same with the exception of the Industrial Registrar and the Deputy Industrial Registrar which have been replaced with the General Manager and the Delegate to the General Manager, respectively. Financial reports for future years should refer to the new legislation.

If you have any queries regarding this letter I may be contacted on (03) 8661 7989 (Wednesdays to Fridays) or by email at cynthia.lobooth@fwa.gov.au

Yours sincerely

Cynthia Lo-Booth
Tribunal Services and Organisations



30th November 2009

General Manager
Fair Work Australia
GPO Box 1994
MELBOURNE VIC 3001



Ref: 091116/lw/kb

Dear Sir,

**Re: Designated Officers Certificate – s268 Fair Work (Registered Organisations)
Health Services Union of Australia Victoria No. 2 Branch.
Financial Statements for Year Ending 30 June 2009**

I, Lloyd Williams, being the Branch Secretary of the Health Services Union of Australia, Victoria No. 2 Branch, certify:

1. That the documents lodged herewith are copies of the Full Financial Report and the Concise Financial Report for the year ending 30th June 2009 referred to in s265 of the Fair Work (Registered Organisations) Act 2009; and
2. That these documents were presented to and accepted by our Branch Committee of Management meeting on the 18th August 2009. The Branch Committee of Management at this meeting also determined to distribute a concise report to members in accordance with s265; and
3. That the Concise Report was published to members on the 24th September 2009; and
4. That the full report was presented to and accepted at a General Meeting of members of the Branch (*the second meeting*) on 12th November 2009 in accordance with section 266 (1).

If you have any queries please do not hesitate to contact me.

Yours sincerely,

Lloyd Williams
STATE SECRETARY

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2009**



**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

OPERATING REPORT

In accordance with Section 254 of the Registration and Accountability of Organizations (RAO) Schedule, the Committee of Management present their Operating Report on the Health Services Union of Australia, Victorian No. 2 Branch (the Union), the relevant Reporting Unit for the financial year ended 30 June 2009.

Principal Activities

The principal activities of the Union during the financial year were industrial and professional interests of mental health and disability workers in the State of Victoria.

Operating Result

The operating profit of the Union for the financial year was \$193,922. No provision for tax was necessary as the Union is exempt from income tax.

Significant change

No significant changes in the Union's state of affairs occurred during the financial year.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

Rights of Members

Pursuant to the Reporting Unit rules and Section 174 of the Workplace Relations Act 1996, members have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Reporting Unit.

A notice of resignation from membership of the Union takes effect:

- (a) where the member ceases to be eligible to become a member of the Union
 - (i) on the day on which the notice is received by the Union
 - (ii) on the day specified in the notice which is a day not earlier than the day when the member ceases to be eligible to become a member;whichever is the later, or
- (b) in any other case:
 - (i) at the end of two weeks after the notice is received by the Union, or
 - (ii) on the day specified in the noticewhichever is the later.

Superannuation Officeholders

No officer or member of the reporting unit:

- (a) is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (b) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Other Prescribed Information

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

- (a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the RAO Schedule and who are taken to be members of the Union under section 244 of the RAO Schedule was 6,226.
- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 19.

HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580

OPERATING REPORT continued

Other Prescribed Information continued

- (c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;


Name

Jennifer Evans	President
Bella Anderson	Senior Vice President
Paul Healy	Junior Vice President
Lloyd Williams	Secretary
Denise Guppy	Assistant State Secretary
Diane Welton	Trustee
Brian Addison	Trustee
John Murphy	Committee Member
Patrick Nuzum	Committee Member
Bernadette Gambin	Committee Member
Carol Bissett	Committee Member (resigned 10 December 2008)
Mavis Jack	Committee Member
Tina Grimes	Committee Member
Joanne Petrenko	Committee Member
Sue Vander Wiel	Committee Member
Sarah Barnard	Committee Member (appointed 17 March 2009)

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

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

For Committee of Management: Lloyd Williams
Title of Office held: Branch Secretary

Signature: 

Dated: 20/8/2009

Melbourne:

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
Revenue	3	2,766,636	2,495,359
Administration expense	4	(713,900)	(829,336)
Affiliation and capitation fees	4	(156,446)	(160,762)
Communication expense		(50,948)	(54,156)
Loss on disposal of fixed assets		(4,537)	(6,868)
Depreciation and amortisation expenses	4	(67,900)	(79,607)
Employee benefits expense	4	(1,511,757)	(1,420,227)
Occupancy expense		(67,226)	(67,632)
		<hr/>	<hr/>
Profit/ (loss) before income tax expense		193,922	(123,229)
Income tax expense	1(a)	<hr/> -	<hr/> -
Net profit/ (loss) attributable to members		<hr/> 193,922	<hr/> (123,229)

The accompanying notes form part of these financial statements.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**BALANCE SHEET
AS AT 30 JUNE 2009**

	Note	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents	5	1,536,869	1,365,640
Trade and other receivables	6	50,677	38,862
Other current assets	7	<u>75,053</u>	<u>74,307</u>
TOTAL CURRENT ASSETS		<u>1,662,599</u>	<u>1,478,809</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	<u>196,791</u>	<u>231,007</u>
TOTAL NON-CURRENT ASSETS		<u>196,791</u>	<u>231,007</u>
TOTAL ASSETS		<u>1,859,390</u>	<u>1,709,816</u>
CURRENT LIABILITIES			
Trade and other payables	9	163,920	226,961
Short term provisions	10	<u>249,231</u>	<u>230,539</u>
TOTAL CURRENT LIABILITIES		<u>413,152</u>	<u>457,500</u>
TOTAL LIABILITIES		<u>413,152</u>	<u>457,500</u>
NET ASSETS		<u>1,446,238</u>	<u>1,252,316</u>
EQUITY			
Retained profits		<u>1,446,238</u>	<u>1,252,316</u>
TOTAL EQUITY		<u>1,446,238</u>	<u>1,252,316</u>

The accompanying notes form part of these financial statements.

HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2009

	Retained Profits \$	Total \$
Balance at 1 July 2007	1,375,545	1,375,545
Profit attributable to members	(123,229)	(123,229)
Balance at 30 June 2008	1,252,316	1,252,316
Profit attributable to members	193,922	193,922
Balance at 30 June 2009	1,446,238	1,446,238

The accompanying notes form part of these financial statements.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Subscriptions receipts		2,427,256	2,328,168
Payments to suppliers and employees		(2,576,744)	(2,362,758)
Interest paid		-	(217)
Interest received		67,871	89,898
Other revenue		<u>291,066</u>	<u>50,371</u>
Net cash provided by (used in) operating activities	17b	<u>209,449</u>	<u>105,462</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(55,947)	(75,301)
Proceeds on sale of fixed assets		<u>17,727</u>	<u>20,636</u>
Net cash provided by (used in) investing activities		<u>(38,220)</u>	<u>(54,665)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		-	<u>11,337</u>
Net cash used in financing activities		<u>-</u>	<u>11,307</u>
Net increase/(decrease) in cash held		171,229	62,134
Cash at beginning of year		<u>1,365,640</u>	<u>1,303,506</u>
Cash at end of year	17a	<u>1,536,869</u>	<u>1,365,640</u>

The accompanying notes form part of these financial statements.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY
CASH BASIS - FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc	-	-
Interest received on recovered money	-	-
	<hr/>	<hr/>
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:-		
- 12 months or less	-	-
- greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:-		
- the reporting unit	-	-
- other entity	-	-
Deductions of fees or reimbursements of expenses	-	-
Payments to workers in respect of recovered money	-	-
	<hr/>	<hr/>
Total payments	-	-
Cash assets in respect of recovered money at end of year	<hr/>	<hr/>

The accompanying notes form part of these financial statements.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the financial statements and notes of the Health Services Union Of Australia, Victorian No. 2 Branch as an individual entity.

Basis of Preparation

This financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the Workplace Relations Act 1996.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

a. **Income Tax**

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

b. **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Leasehold improvements and plant and equipment are measured on the cost basis.

The carrying amount of leasehold improvements and plant and equipment is reviewed annually by the committee of management to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

Depreciation

The depreciable amount of all fixed assets are depreciated on a reducing balance basis over the useful lives of the assets to the Union commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Assets	Depreciation Rate
Leasehold improvements	20%
Plant and equipment	20% - 40%

c. Leases

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

d. Employee Benefits

Provision is made for the Union's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by the Union to an employee superannuation fund and are charged as expenses when incurred.

e. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and at call deposits with banks or financial institutions.

f. Revenue

Revenue from membership subscriptions is recognised on a cash basis.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

g. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

h. Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

i. Critical Accounting Estimates and Judgements

The committee of management evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the union.

Key Estimates

The committee of management assesses impairment at each reporting date by evaluating conditions specific to the union that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculation performed in assessing recoverable amounts incorporates a number of key estimates.

Key Judgments

There are no critical judgments that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

k. New Accounting Standards for Application in Future Periods

The following Australian Accounting Standards have been issued or amended but are not yet effective. The Union does not expect them to have any material effect on the Union's financial statements.

Standard	Applicable to reporting periods commencing from:
AASB 3 and AASB 2008–7: Business Combinations and Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 July 2009 and 1 January 2009 respectively
AASB 8: Operating Segments	1 January 2009
AASB 123: Borrowing Costs	1 January 2009
AASB 2008–1: Share-based Payments: Vesting Conditions and Cancellations	1 January 2009
AASB 2008–2: Puttable Financial Instruments and Obligations arising on Liquidation	1 January 2009
 AASB 2008–5 and AASB 2008–6: Annual Improvements Project	 TBA
AASB 2008–8: Eligible Hedged Items	1 July 2009
AASB 2008–13: Distributions of Non-cash Assets to Owners	1 July 2009
AASB Interpretation 15: Agreements for the Construction of Real Estate	1 July 2009
AASB Interpretation 16: Hedges of a Net Investment in a Foreign Operation	1 July 2009
AASB Interpretation 17: Distributions of Non-cash Assets to Owners	1 July 2009

AASB101 - Presentation of Financial Statement - has also been reissued and is expected to be applicable to the Union.

The revised AASB 101 and amendments supersede the previous AASB 101 and redefine the composition of financial statements including the inclusion of a statement of comprehensive income. There is not expected to be any measurement or recognition impact on the Union. AASB 101 is applicable to reporting periods commencing from 1 January 2009 and has not been adopted in preparation of the financial statements at reporting date.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

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 sub-sections (1), (2) and (3) of Section 272 of RAO Schedule 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 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).

	2009	2008
	\$	\$
NOTE 3: REVENUE		
Operating activities		
Subscriptions	2,427,256	2,360,876
Interest received	74,402	84,112
Other	264,978	50,371
	<u>2,766,636</u>	<u>2,495,359</u>

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
NOTE 4: PROFIT FOR YEAR		
Profit for year before income tax expense has been determined after:		
Expenses:		
Administration expense		
Advertising	595	500
Bank Charges	40,736	44,185
Campaign	-	5,161
Computer software & expenses	22,047	28,337
Deputations, conferences, meetings & travel	123,040	128,882
Donations		
- APHEDA	10,000	-
- Gippsland Trades & Labour Council	181	-
- Bushfire Relief Spending Appeal	4,942	-
- ALP Corangamite Fighting Fund	455	2,000
Executive expenses	1,791	12,826
Insurance	91,106	83,846
Motor Vehicle Expenses & parking	72,046	62,354
Newspapers, awards & subscriptions	3,167	1,807
Office Equipment & building maintenance	3,202	8,063
Postage and Courier	32,562	69,041
Printing, stationery & publicity	29,809	138,534
Professional services		
- audit	15,553	12,600
- consultants	80,625	90,892
- legal	77,146	58,839
Promotion	48,784	38,208
Sponsorship	5,882	13,506
Staff Training	25,859	10,748
Sundry expenses	24,372	19,007
	713,900	829,336

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
NOTE 4: PROFIT FOR YEAR continued		
Affiliation, capitation fees and compulsory levies		
Affiliation fees:		
- APHEDA	488	236
- Australian Labor Party	20,142	22,167
- Trades and Labor Councils		
-Ballarat	1,708	2,135
-Bendigo	348	234
-Geelong	748	252
-Gippsland	565	1,518
-Goulburn Valley	159	126
-Mallee	180	220
-South West	99	198
-Victorian Trades Hall	14,416	13,262
-North East	400	300
Capitation fees:		
- Health Services Union of Australia National Council	117,192	120,114
ACTU Campaign Levy	-	-
	156,446	160,762
Depreciation and amortisation expenses		
Depreciation of plant and equipment	61,311	71,407
Amortisation of leasehold improvements	6,589	8,200
	67,900	79,607
Employee benefits expense		
Salaries and allowances		
- elected officials	200,341	173,060
- employees	1,035,330	942,284
Superannuation contributions		
- elected officials	31,336	24,617
- employees	110,822	94,243
Provision for annual leave		
- elected officials	(10,899)	18,601
- employees	(7,147)	33,231
Provision for long service leave		
- elected officials	8,322	13,246
- employees	9,419	12,161
Provision for rostered days off		
- elected officials	3,283	-
- employees	15,714	-
Other	115,237	108,784
	1,511,757	1,420,227

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
NOTE 5: CASH AND CASH EQUIVALENTS		
Cash on hand	1,311	700
Cash at bank	1,049,060	907,879
Cash on deposit	486,498	457,061
	1,536,869	1,365,640
 NOTE 6: TRADE AND OTHER RECEIVABLES		
Sundry debtors	50,677	38,862
 NOTE 7: OTHER CURRENT ASSETS		
Prepayments	75,053	74,307
 NOTE 8: PROPERTY, PLANT AND EQUIPMENT		
Leasehold improvements		
Leasehold improvements at cost	171,515	169,397
Less: accumulated amortisation	(145,979)	(139,390)
	25,536	30,007
 Plant and equipment		
Plant and equipment at cost	534,559	497,070
Less: accumulated depreciation	(363,304)	(296,070)
	171,255	200,000
	196,791	231,007

a. Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

	Leasehold improvements	Plant and equipment	Total
	\$	\$	\$
Balance at the beginning of year	30,007	200,000	231,007
Additions	2,118	53,830	55,948
Disposals	-	(22,264)	(22,264)
Depreciation expense	(6,589)	(61,311)	(67,900)
	25,536	171,255	196,791

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
NOTE 9: TRADE AND OTHER PAYABLES		
Sundry creditors	<u>163,920</u>	<u>226,961</u>
 NOTE 10: PROVISIONS		
Analysis of Total Provisions		
Employee entitlements		
Provision for annual leave		
- elected officials	35,846	49,726
- employees	<u>61,962</u>	<u>66,128</u>
	<u>97,808</u>	<u>115,854</u>
Provision for long service leave		
- elected officials	75,965	67,144
- employees	<u>56,462</u>	<u>47,541</u>
	<u>132,427</u>	<u>114,685</u>
Provision for rostered days off		
- elected officials	3,283	-
- employees	<u>15,713</u>	<u>-</u>
	<u>18,996</u>	<u>-</u>
Total employee entitlements	<u>249,231</u>	<u>230,539</u>
Number of employees at year end	<u>19</u>	<u>15</u>

NOTE 12: CONTINGENT LIABILITIES

There are no contingent liabilities at the date of this report.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

**NOTE 13: KEY MANAGEMENT PERSONNEL COMPENSATION
& RELATED PARTY TRANSACTIONS**

The names of committee of management of the Union who have held office during the financial year are:

Jennifer Evans	President
Bella Anderson	Senior Vice President
Paul Healy	Junior Vice President
Lloyd Williams	Secretary
Denise Guppy	Assistant State Secretary
Diane Welton	Trustee
Brian Addison	Trustee
John Murphy	Committee Member
Patrick Nuzum	Committee Member
Bernadette Gambin	Committee Member
Carol Bissett	Committee Member (resigned 10 December 2008)
Mavis Jack	Committee Member
Tina Grimes	Committee Member
Joanne Petrenko	Committee Member
Sue Vander Wiel	Committee Member
Sarah Barnard	Committee Member (appointed 17 March 2009)

- a. The aggregate amount of remuneration paid to elected officials during the financial year for salaries was \$200,341.(2008:\$173,060)

The aggregate amount paid during the financial year to a superannuation plan in connection with the retirement of elected officials was \$31,336. (2008: \$24,617)

- b. The aggregate amount of remuneration paid as salaries to other persons on the committee of management in their capacity as professional officer of the union was as follows:
- salaries \$4,055 and superannuation \$339.
- Remuneration paid to other persons on the committee of management in the form of honorariums was \$2,000 (2008: \$2,000)
- c. There were no transactions between the officers of the Union other than those relating to their membership of the Union and reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
NOTE 14: LEASING COMMITMENTS		
Operating Lease Commitments		
Being for rent of office		
Payable:		
not later than 1 year	57,070	55,408
later than 1 year but not later than 5 years	-	57,070
	57,070	112,478

The property lease is a non-cancellable lease with a five-year term, expiring 30 June 2010, with rent payable monthly in advance. Contingent rental provisions within the lease agreement require that the minimum lease payments shall be increased by the lower of CPI or 3% per annum. The lease allows for sub-letting of all lease areas.

NOTE 15: SEGMENT REPORTING

The Union operates predominantly in one industry, being health and community services sector. The business operates predominantly in one geographical area being Victoria, Australia.

NOTE 16: ECONOMIC DEPENDENCE

The principle source of income for the Union is from membership fees. The Union is economically dependent upon the membership levels and fees.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

	2009	2008
	\$	\$
NOTE 17: CASH FLOW INFORMATION		
a. Reconciliation of Cash		
Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash on hand	1,311	700
Cash at bank	1,049,060	907,879
Cash on deposit	486,498	457,061
	<u>1,536,869</u>	<u>1,365,640</u>
b. Reconciliation of Cash Flow from Operations with Net Profit attributable to members		
Net profit	193,922	(123,229)
Non-cash flows in profit:		
Depreciation	67,900	79,607
Net loss on disposal of plant and equipment	4,537	6,869
Non cash items		-
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(11,815)	(26,923)
(Increase)/decrease in other assets	(746)	1,177
Increase/(decrease) in payables	(63,041)	90,720
Increase/(decrease) in other provisions	18,692	77,241
	<u>209,449</u>	<u>105,462</u>
Cash flows from operations		
	<u>209,449</u>	<u>105,462</u>
c. The Union has no credit stand-by or financing facilities in place.		
d. There were no non-cash financing or investing activities during the period.		

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

NOTE 18: FINANCIAL RISK MANAGEMENT

The Union's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and loans to and from subsidiaries.

Financial Risk Management Policies

Senior management regularly reviews the financial risk exposure and puts in place appropriate risk management measures to assist the union in meeting its financial targets whilst minimising potential adverse effects on financial performance. Senior management operates under risk management policies approved and reviewed on a regular basis by the Committee of Management. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the union is exposed to through its financial instruments are interest rate risk, liquidity risk, foreign currency and credit risk.

a. Interest rate risk

Interest rate risk arises from the potential impact of future changes in interest rates on the fair value of fixed rate financial instruments or on future cash flows and interest charges of variable interest rate borrowings. Interest rate risk is managed using a mix of fixed and floating rate debt.

b. Liquidity risk

Liquidity risk arises from the possibility that the union might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. Risk is managed through the following mechanisms:

- preparing forward-looking cash flow analyses
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions.

The tables below reflect an undiscounted contractual maturity analysis for financial assets and liabilities. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

NOTE 18: FINANCIAL RISK MANAGEMENT continued

	Within 1 Year		1 to 5 Years		Total	
	2009 \$	2008 \$	2009 \$	2008 \$	2009 \$	2008 \$
Financial assets						
Cash and cash equivalents	1,536,869	1,365,640	-	-	1,536,869	1,365,640
Loans and receivables	50,677	38,862	-	-	50,677	38,862
Investments – available for sale	-	-	-	-	-	-
Total anticipated inflows	<u>1,587,546</u>	<u>1,404,502</u>	-	-	<u>1,587,546</u>	<u>1,404,502</u>
Financial liabilities						
Bank overdrafts and loans	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-
Trade and other payables	163,920	226,961	-	-	163,920	226,961
Lease liabilities	-	-	-	-	-	-
Total expected outflows	<u>163,920</u>	<u>226,961</u>	-	-	<u>163,920</u>	<u>226,961</u>
Net (outflow)/inflow	<u>1,423,626</u>	<u>1,177,541</u>	-	-	<u>1,423,626</u>	<u>1,177,541</u>

c. Foreign exchange risk

The union is not exposed to foreign currency risks.

d. Credit risk

Credit risk arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the union. Credit risk arises primarily from exposures to customers and deposits with financial institutions.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness and includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counterparties. Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that have been cleared as being financially sound.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

NOTE 18: FINANCIAL RISK MANAGEMENT CONTINUED

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the balance sheet. Credit risk also arises through the provision of financial guarantees.

The union does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into. The trade receivables balances at 30 June 2009 and 30 June 2008 do not include any counterparties with external credit ratings.

Credit risk related to balances with banks and other financial institutions is managed in accordance with approved Committee policy whereby surplus funds are only invested with counterparties with a Standard and Poor's (S&P) rating of at least AA- as disclosed in the following table.

Note	Parent Entity	
	2009	2008
	\$	\$
Cash and cash equivalents:		
— AA rated	1,536,869	1,365,640
— A rated	-	-
	1,536,869	1,365,640

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities approximate the carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

NOTE 18: FINANCIAL RISK MANAGEMENT CONTINUED

Sensitivity analysis

The following table illustrates sensitivities to the union's exposures to changes in interest rates, exchange rates and equity prices. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit \$	Equity \$
Year ended 30 June 2009		
+/- 2% in interest rates	27,313	27,313
+/-10% in listed investments	-	-
Year ended 30 June 2008		
+/- 2% in interest rates	26,070	26,070
+/-10% in listed investments	-	-

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

NOTE 19: ENTITY DETAILS

The registered office is:
Health Services Union of Australia
Victorian No. 2 Branch
Level 2
102 Victoria Street
Carlton South Vic. 3053

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

COMMITTEE OF MANAGEMENT CERTIFICATE

On 18 August 2009 the Committee of Management of the Health Services Union of Australia Victorian No. 2 Branch ("Union/Reporting Unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2009:

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; and
- (e) during the financial year to which the GPFR 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 the 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 the reporting unit have been kept and maintained in accordance with the 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 organization; and
 - (v) 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 Registrar; and
 - (vi) there has been compliance with any order for inspection of financial reports made by the Commission under section 273 of the RAO Schedule.

HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580

COMMITTEE OF MANAGEMENT CERTIFICATE
continued

- (f) in relation to recovery of wages activity:
- (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
 - (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.
- (g) that the members receive a copy of the concise financial report.

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

For Committee of Management: Lloyd Williams
Title of Office held: Branch Secretary

Signature: 

Dated: 20/8/2009

Melbourne

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH**

Report on the financial report

We have audited the accompanying financial report of Health Services Union of Australia Victorian No 2 Branch (the reporting unit), which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the committee of management's declaration of the reporting unit during the financial year.

Committee of management's responsibility for the financial report

The reporting unit's committee of management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Workplace Relations Act 1996. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the committee also state, in accordance with Accounting Standard AASB 101: "Presentation of Financial Statements", that compliance with the Australian equivalents to international Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

Auditor's responsibility

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

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

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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH**

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

Auditor's opinion

In our opinion the financial report of the reporting unit:

- (a) is in accordance with the provisions of the Workplace Relations Act 1996, other requirements imposed by these Reporting Guidelines or Part 3 of Chapter 8 of the RAO Schedule, including:
 - (i) presenting fairly the reporting unit's financial position as at 30 June 2009 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and International Financial Reporting Standards as disclosed in Note 1.

- (b) properly and fairly report all information in relation to recovery of wages activity required by the reporting guidelines of the Industrial Registrar, including:
 - (i) any fees charged to or reimbursements of expenses claimed from members and others for recovery of wages activity; and
 - (ii) any donations or other contributions deducted from recovered money.

MSI Raggweir

MSI RAGG WEIR
Chartered Accountants

L.S. Wong

L.S. WONG
Partner,
Member of the Institute of Chartered Accountants in Australia and
holder of a current public practice certificate

Melbourne *20 August 2009*

**COMPILATION REPORT
TO HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH**

Scope

We have compiled the accompanying special purpose financial statements of the Health Services Union of Australia Number 2 Branch which comprises the attached detailed profit and loss statement for the year ended 30 June 2009. The specific purposes for which the special purpose financial statements have been prepared is to provide information relating to the performance of the entity that satisfies the information needs of the committee of management.

The Responsibility of the Committee of Management

The committee of management is solely responsible for the information contained in the special purpose financial statement and has determined that the basis of accounting adopted is appropriate to meet its needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the committee of management we have compiled the accompanying special purpose financial statement in accordance with the basis of accounting and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the committee members provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statement was compiled exclusively for the benefit of the committee of management. We do not accept responsibility to any other person for the contents of the special purpose financial report.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

Melbourne: *20 August 2009*

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2009**



**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

OPERATING REPORT

In accordance with Section 254 of the Registration and Accountability of Organizations (RAO) Schedule, the Committee of Management present their Operating Report on the Health Services Union of Australia, Victorian No. 2 Branch (the Union), the relevant Reporting Unit for the financial year ended 30 June 2009.

Principal Activities

The principal activities of the Union during the financial year were industrial and professional interests of mental health and disability workers in the State of Victoria.

Operating Result

The operating loss of the Union for the financial year was \$193,922. No provision for tax was necessary as the Union is exempt from income tax.

Significant change

No significant changes in the Union's state of affairs occurred during the financial year.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Union, the results of those operations, or the state of affairs of the Union in future financial years.

Rights of Members

Pursuant to the Reporting Unit rules and Section 174 of the Workplace Relations Act 1996, members have the right to resign from membership by providing written notice addressed to and delivered to the Secretary of the Reporting Unit.

A notice of resignation from membership of the Union takes effect:

- (a) where the member ceases to be eligible to become a member of the Union
 - (i) on the day on which the notice is received by the Union
 - (ii) on the day specified in the notice which is a day not earlier than the day when the member ceases to be eligible to become a member;whichever is the later, or
- (b) in any other case:
 - (i) at the end of two weeks after the notice is received by the Union, or
 - (ii) on the day specified in the noticewhichever is the later.

Superannuation Officeholders

No officer or member of the reporting unit:

- (a) is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or
- (b) a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme.

Other Prescribed Information

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

- (a) the number of persons that were, at the end of the financial year to which the report relates, recorded in the register of members for Section 230 of the RAO Schedule and who are taken to be members of the Union under section 244 of the RAO Schedule was 6,226.
- (b) the number of persons who were, at the end of the financial year to which the report relates, employees of the Union, where the number of employees includes both full-time and part-time employees, measured on a full-time equivalent basis was 19.

HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580

OPERATING REPORT continued

Other Prescribed Information continued

- (c) the names of each person who have been a member of the Committee of Management of the Union at any time during the reporting period, and the period for which he or she held such a position were;


Name

Jennifer Evans	President
Bella Anderson	Senior Vice President
Paul Healy	Junior Vice President
Lloyd Williams	Secretary
Denise Guppy	Assistant State Secretary
Diane Welton	Trustee
Brian Addison	Trustee
John Murphy	Committee Member
Patrick Nuzum	Committee Member
Bernadette Gambin	Committee Member
Carol Bissett	Committee Member (resigned 10 December 2008)
Mavis Jack	Committee Member
Tina Grimes	Committee Member
Joanne Petrenko	Committee Member
Sue Van Der Wiel	Committee Member
Sarah Barnard	Committee Member (appointed 17 March 2009)

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

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

For Committee of Management: Lloyd Williams
Title of Office held: Branch Secretary

Signature: 

Dated: 20/8/2009

Melbourne

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
Revenue		2,766,636	2,495,359
Administration expense		(713,900)	(829,336)
Affiliation and capitation fees		(156,446)	(160,762)
Communication expense		(50,948)	(54,156)
Loss on disposal of fixed assets		(4,537)	(6,868)
Depreciation and amortisation expenses		(67,900)	(79,607)
Employee benefits expense		(1,511,757)	(1,420,227)
Occupancy expense		<u>(67,226)</u>	<u>(67,632)</u>
Profit before income tax expense		193,922	(123,229)
Income tax expense		<u>-</u>	<u>-</u>
Net profit attributable to members		<u>193,922</u>	<u>(123,229)</u>

Discussion and analysis of Income Statement

Net profits for the year have increased by \$317,151. This is due primarily to a reduction in administration expenditure of \$115,436 due to there being no major campaign expenditure this year as well as increased income due to an additional two new grants being received in this financial year.

The accompanying notes form part of these financial statements.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**BALANCE SHEET
AS AT 30 JUNE 2009**

	Note	2009 \$	2008 \$
CURRENT ASSETS			
Cash and cash equivalents		1,536,869	1,365,640
Trade and other receivables		50,677	38,862
Other current assets		<u>75,053</u>	<u>74,307</u>
TOTAL CURRENT ASSETS		<u>1,662,599</u>	<u>1,478,809</u>
NON-CURRENT ASSETS			
Property, plant and equipment		196,791	231,007
Financial assets		<u>-</u>	<u>-</u>
TOTAL NON-CURRENT ASSETS		<u>196,791</u>	<u>231,007</u>
TOTAL ASSETS		<u>1,859,390</u>	<u>1,709,816</u>
CURRENT LIABILITIES			
Trade and other payables		163,920	226,961
Short term provisions		<u>249,231</u>	<u>230,539</u>
TOTAL CURRENT LIABILITIES		<u>413,152</u>	<u>457,500</u>
TOTAL LIABILITIES		<u>404,070</u>	<u>457,500</u>
NET ASSETS		<u>1,446,238</u>	<u>1,252,316</u>
EQUITY			
Retained profits		<u>1,446,238</u>	<u>1,252,316</u>
TOTAL EQUITY		<u>1,446,238</u>	<u>1,252,316</u>

Discussion and analysis of Balance Sheet

Net Assets have increased by \$193,922 being the profit for the year. The Union remains in a strong financial position with cash and cash equivalents of \$1,536,869 and net assets of \$1,446,238.

The accompanying notes form part of these financial statements.

HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2009

	Retained profits \$	Total \$
Balance at 1 July 2007	1,375,545	1,375,545
Profit attributable to members	(123,229)	(123,229)
Revaluation increment (decrement)	-	-
Balance at 30 June 2008	1,252,316	1,252,316
Profit attributable to members	193,922	193,922
Revaluation increment (decrement)	-	-
Balance at 30 June 2009	1,446,238	1,446,238

Discussion and analysis of Statement of Changes in Equity

The equity of the Union has increased by \$193,922 from \$1,252,316 to \$1,446,238.

The accompanying notes form part of these financial statements.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Subscriptions receipts		2,427,256	2,328,168
Payments to suppliers and employees		(2,576,744)	(2,362,758)
Interest paid		-	(217)
Interest received		67,871	89,898
Other revenue		291,066	50,371
		<hr/>	<hr/>
Net cash provided by (used in) operating activities		209,449	105,462
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(55,947)	(75,301)
Proceeds on sale of fixed assets		17,727	20,636
		<hr/>	<hr/>
Net cash provided by (used in) investing activities		(38,220)	(54,665)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		-	11,337
		<hr/>	<hr/>
Net cash used in financing activities		-	11,307
Net increase/(decrease) in cash held		171,229	62,134
Cash at beginning of year		1,365,640	1,303,506
		<hr/>	<hr/>
Cash at end of year		1,536,869	1,365,640

Discussion and analysis of Statement of Cash Flows

Cashflows have increased by \$171,229 arising from increased interest received and member subscriptions.

The accompanying notes form part of these financial statements.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**STATEMENT OF RECEIPTS AND PAYMENTS FOR RECOVERY OF WAGES ACTIVITY
CASH BASIS - FOR THE YEAR ENDED 30 JUNE 2009**

	2009 \$	2008 \$
Cash assets in respect of recovered money at beginning of year	-	-
Receipts		
Amounts recovered from employers in respect of wages etc	-	-
Interest received on recovered money	-	-
	-	-
Total receipts	-	-
Payments		
Deductions of amounts due in respect of membership for:-		
- 12 months or less	-	-
- greater than 12 months	-	-
Deductions of donations or other contributions to accounts or funds of:-		
- the reporting unit	-	-
- other entity	-	-
Deductions of fees or reimbursements of expenses	-	-
Payments to workers in respect of recovered money	-	-
	-	-
Total payments	-	-
Cash assets in respect of recovered money at end of year	-	-

The accompanying notes form part of these financial statements.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The concise financial report is an extract of the full financial report for the year ended 30 June 2009. The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Report and the Workplace Relations Act 1996.

The financial statements, specific disclosure and other information included in the concise financial report are derived from and are consistent with the full financial report of Health Services Union of Australia Victorian No. 2 Branch. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and investing activities of Health Services Union of Australia Victorian No. 2 Branch as the full financial report.

The financial report of Health Services Union of Australia Victorian No. 2 Branch complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

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 sub-sections (1), (2) and (3) of Section 272 of RAO Schedule, 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 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).

NOTE 3: FINANCIAL STATEMENTS

The Union will provide a copy of the full financial report for the year ended 30 June 2009, free of charge to any member who requests it.

**HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580**

COMMITTEE OF MANAGEMENT CERTIFICATE

On 18 August 2009 the Committee of Management of the Health Services Union of Australia Victorian No. 2 Branch ("Union/Reporting Unit") passed the following resolution in relation to the general purpose financial report (GPFR) of the reporting unit for the financial year ended 30 June 2009:

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; and
- (e) during the financial year to which the GPFR 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 the 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 the reporting unit have been kept and maintained in accordance with the 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 organization; and
 - (v) 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 Registrar; and
 - (vi) there has been compliance with any order for inspection of financial reports made by the Commission under section 273 of the RAO Schedule.

HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH
ABN 48 505 905 580

COMMITTEE OF MANAGEMENT CERTIFICATE
continued

- (f) in relation to recovery of wages activity:
- (i) the financial report on recovery of wages activity has been fairly and accurately prepared in accordance with the requirements of the reporting guidelines of the Industrial Registrar; and
 - (ii) the committee of management caused the auditor to include in the scope of the audit required under subsection 257(1) of the RAO Schedule all recovery of wages activity by the reporting unit in which revenues had been derived for the financial year in respect of such activity; and
 - (iii) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers other than reported in the financial report on recovery of wages activity and the notes to the financial statements; and
 - (iv) that prior to engaging in any recovery of wages activity, the organisation has disclosed to members by way of a written policy all fees to be charged or reimbursement of expenses required for recovery of wages activity, and any likely request for donations or other contributions in acting for a worker in recovery of wages activity; and
 - (v) no fees or reimbursements of expenses in relation to recovery of wages activity or donations or other contributions were deducted from moneys recovered from employers on behalf of workers until distributions of recovered money were made to the workers.
- (g) that the members receive a copy of the concise financial report.

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

For Committee of Management: Lloyd Williams
Title of Office held: Branch Secretary

Signature:



Dated:

20/8/2009

Melbourne:

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH**

Report on the concise financial report

The accompanying concise financial report of Health Services Union of Australia Victorian No. 2 Branch comprises the balance sheet as at the 30 June 2009, the income statement, statement of changes in equity and cash flow statement for the year then ended and related notes, derived from the audited financial report of Health Services Union of Australia Victorian No. 2 Branch for the year ended 30 June 2009, and the discussion and analysis. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

Committee of management's responsibility for the concise financial report

The committee of management is responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039: Concise Financial Reports (including the Australian Accounting Interpretations), statutory and other requirements. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying the appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Health Services Union of Australia Victorian No. 2 Branch for the year ended 30 June 2009. Our audit report on the financial report for the year was signed on 14 August 2009 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039: Concise Financial Reports and whether the discussion and analysis complies with the requirements laid down in AASB 1039: Concise Financial Reports.

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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
HEALTH SERVICES UNION OF AUSTRALIA
VICTORIAN NO. 2 BRANCH**

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the concise financial report including the discussion and analysis of Health Services Union of Australia Victorian No. 2 Branch for the year ended 30 June 2008 complies with Accounting Standard AASB 1039: Concise Financial Reports and the Workplace Relations Act 1996.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L S Wong

L S WONG CA
Partner
Member of the Institute of Chartered Accountants in Australia and
holder of a current public practice certificate

Melbourne: *20 August 2009*