



Australian Government
Australian Industrial Registry

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GPO Box 1994, Melbourne, VIC 3001
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Dr Rosemary Kelly
Branch Secretary
Health Services Union
Victorian No. 4 Branch
Level 3, Trades Hall
54 Victoria Street
CARLTON VIC 3053

By email - enquiry@msav.org.au

Dear Dr Kelly,

Re: Financial Documents - year ended 30 June 2006 (FR2006/339)
s253 Schedule 1 - Workplace Relations Act 1996 (RAO Schedule)

I have received the financial report for the Victorian No. 4 Branch of the Health Services Union for the year ending 30 June 2006. The report was lodged under the *Registration and Accountability of Organisations (RAO) Schedule* on 22 January 2007.

The financial report has been filed.

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

Concise Report

In future financial years all of the documents in the Concise Report should be signed and dated - see s265 of the RAO Schedule and Regulation 161 of the RAO Regulations.

Complete documents before providing to members and presenting to meeting

It is noted that the documents were provided to members on 30 August 2006 however the Auditor's Report was dated 7 September 2006.

In future years please ensure that the Auditor's Report has been signed and dated before it is provided to members - see s265(1), (5) of the RAO Schedule.

If you have any queries please contact me on (03) 8661 7990.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Andrew Schultz', written over a horizontal line.

Andrew Schultz
Statutory Services Branch

24 January 2007

MEDICAL SCIENTISTS ASSOCIATION AND VICTORIAN PSYCHOLOGISTS ASSOCIATION
3RD FLOOR, REAR BUILDING, TRADES HALL, 54 VICTORIA STREET, CARLTON SOUTH
MAIL BOX 98 TRADES HALL, 54 VICTORIA STREET, CARLTON SOUTH VIC 3053
TELEPHONE 9663 8122 OR 9663 8144 FACSIMILE 9663 8109
E-MAIL enquiry@msav.org.au A.B.N. 63 009 627 460



22 January 2007

The Industrial Registrar
Australian Industrial Relations Commission
GPO Box 1994S
MELBOURNE VIC 3001

FR 2006/339

Attention: Mr Andrew Schultz

Dear Sir

Re: Certificate under s268 Schedule 1 to the Workplace Relations Act 1996 (RAO Schedule) and the RAO Schedule Regulations

Enclosed please find Certificate of the Secretary and copies of the General Purpose Financial Report, Operating Report, Concise Report and the Auditor's Report ('the Reports') of the Health Services Union Victoria No 4 Branch for the financial year 2005-2006.

Yours faithfully

Dr Rosemary Kelly

Branch Secretary
Health Services Union Victoria No 4 Branch
Encl.

Health Services Union of Australia Victoria Number 4 Branch

Certificate of Secretary

**S268 of the Registration and Accountability of Organisations
Schedule
Schedule 1**

Workplace Relations Act 1996

10 October 2006

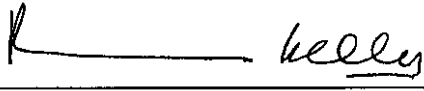
I, Rosemary Kelly, Secretary, Health Services Union of Australia Victoria Number 4 Branch, of 54 Victoria Street, Carlton South, certify as follows:

1. That I am authorised under the Rules of the Health Services Union of Australia to provide this Certificate.
2. A meeting of the Branch Committee of Management of the Health Services Union of Australia Victoria Number 4 Branch was held on 28 August 2005 ('the first meeting').
3. The General Purpose Financial Report and Operating Report and of the Concise Report for the financial year 2004-2005 were presented to the first meeting, together with the Auditor's Report.
4. The Reports were adopted by the Branch Committee of Management, and the following resolution was carried at the first meeting:

In the opinion of the Committee of Management:

1. the financial statements and notes comply with Australian Accounting Standards and other mandatory professional reporting requirements;
2. the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of Health Services Union Victoria No. 4 Branch for the financial year 2005-2006;
4. there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the general purpose financial report relates and since the end of 30 June 2006:

- a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - b. the financial affairs of Health Services Union Victoria No. 4 Branch have been managed in accordance with the rules of the organisation including the rules of the branch concerned;
 - c. the financial records of Health Services Union Victoria No. 4 Branch have been kept and maintained in accordance with the Registration and Accountability of Organisations (RAO) Schedule and RAO Regulations; and
 - d. the information sought in any request of a member of Health Services Union of Australia Victoria No. 4 Branch or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the members or Registrar; and
 - e. there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
5. A copy of the Full Report and the Concise Report was made available to members on the website www.msav.org.au on and from 30 August 2006. Members were advised that the reports were available on the website or from our offices by electronic newsletter and in the meeting notice for the Annual General Meeting.
 6. The Annual General Meeting of the Health Services was held on 26 September 2006 ('the second meeting').
 7. The General Purpose Financial Report, Operating Report, Concise Report and the Auditor's Report ('the Reports') for the financial year 2005-2006 were presented to the second meeting.
 8. The copies of the Reports provided with this Statement are true copies of the Reports presented at the second meeting.
 9. The Reports were adopted by resolution of the members present at the second meeting.



Dr Rosemary Kelly

Secretary, Health Services Union Victoria No 4 Branch

10 October 2006

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH

ABN 63 009 627 460

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2006

BGL & ASSOCIATES

Chartered Accountants

Suite One, Ground Floor, 598 St Kilda Road, Melbourne VIC 3004

PO Box 6094 St Kilda Road Central VIC 8008

Tel: (03) 9525 2511

Fax: (03) 9525 2829

Email: bgl@bglassociates.com.au

**HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460**

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**HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460**

OPERATING REPORT

Your Branch Committee of Management present their report on the union for the financial year ended 30 June 2006.

Members of Committee of Management

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

Andrew Wootton

Valena Braniff

Peter Wells

Richard Roberts

Kate Tuck

Damian McVeigh

Barbara Robinson

Matthew Wilson

Ruth Perkins

Warrick Brewer

Lillith Collins

Patricia Miach

Stephen Edwards

Liam Carter (appointed on 25 August 2005)

Karen Hirth (resigned on 25 August 2005)

Kent Garrett (appointed on 25 August 2005)

Rosemary Kelly

Jennie Bremner

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

Operating Results

The deficit of the union for the financial year amounted to \$2,906 (2005: \$9,205).

Review of Operations

A review of the operations of the union 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.

Significant Changes in State of Affairs

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

OPERATING REPORT (continued)

Principal Activities

The principal activities of the union during the financial year were the pursuit of the Objects of the Union's Rules. Specifically, the main activities of the Branch were to regulate and protect the employment conditions of its members, including negotiating certified agreements and award variations; upholding members' rights as employees, taking all necessary steps to advance the health and safety of members in the workplace and representing members individually and collectively in the Australian Industrial Relations Commission, the Equal Opportunity Commission and the Victorian Civil and Administrative Tribunal in relation to employment matter.

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

After Balance Date Events

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

Union details

The union did not have any employees during the year ended 30 June 2006. All the administrative and industrial services were provided for a fee to the Branch by the Medical Scientists Association of Victoria.

The number of members at 30 June 2006 was 2,207(2005: 2,365).

Right of members to resign

Under the registered Rules of the Health Services Union of Australia Victoria No. 4 Branch, a member may resign from membership of the Union by notice in writing addressed and delivered to the Secretary.

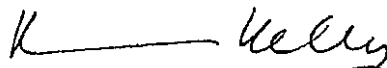
Directorships of Superannuation Fund

To the best of our knowledge and belief, no officer of the organisation, by virtue of their office of the Health Services Union of Australia Victoria No. 4 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:

Designated Officer



Rosemary Kelly

Dated this

28 August 2006

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006

	Notes	2006 \$	2005 \$
Revenue	4	<u>140,970</u>	<u>135,681</u>
Affiliation and capitation fee	6	(40,505)	(39,651)
Industrial services		(25,105)	(26,808)
Insurance expenses		(49,903)	(54,713)
IR Campaign Levy	6	(22,027)	-
Administration expenses	7	<u>(6,336)</u>	<u>(23,714)</u>
		<u>(143,876)</u>	<u>(144,886)</u>
(Deficit) for the period		<u>(2,906)</u>	<u>(9,205)</u>
(Deficit) attributable to members of the entity		<u>(2,906)</u>	<u>(9,205)</u>

The accompanying notes form part of these financial statements.

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460

BALANCE SHEET
AS AT 30 JUNE 2006

	Notes	2006 \$	2005 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	6,272	18,070
Trade and other receivables	9	<u>65,673</u>	<u>10,230</u>
TOTAL CURRENT ASSETS		<u>71,945</u>	<u>28,300</u>
TOTAL ASSETS		<u>71,945</u>	<u>28,300</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	<u>58,113</u>	<u>11,562</u>
TOTAL CURRENT LIABILITIES		<u>58,113</u>	<u>11,562</u>
TOTAL LIABILITIES		<u>58,113</u>	<u>11,562</u>
NET ASSETS		<u>13,832</u>	<u>16,738</u>
MEMBERS' FUND			
Accumulated surplus		<u>13,832</u>	<u>16,738</u>
TOTAL MEMBERS' FUND		<u>13,832</u>	<u>16,738</u>

The accompanying notes form part of these financial statements.

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2006

	Notes	2006 \$	2005 \$
Balance at the beginning of the financial year		<u>16,738</u>	<u>25,943</u>
Surplus (Deficit) for the period		(2,906)	(9,205)
Changes in reserve		<u>-</u>	<u>-</u>
Total recognised income and expenses for the year		<u>(2,906)</u>	<u>(9,205)</u>
Balance at the end of the financial year		<u>13,832</u>	<u>16,738</u>

The accompanying notes form part of these financial statements.

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
 ABN 63 009 627 460

CASH FLOW STATEMENT
 FOR THE YEAR ENDED 30 JUNE 2006

	Notes	2006 \$	2005 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members and other associations		108,306	149,357
Capitation fee and Levy to National Office		(45,640)	(43,616)
Payments to suppliers and employees		(74,518)	(115,898)
Interest received		<u>54</u>	<u>64</u>
Net cash outflows from operating activities	11(a)	<u>(11,798)</u>	<u>(10,093)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowing		<u>-</u>	<u>4,832</u>
Net cash inflows from financing activities		<u>-</u>	<u>4,832</u>
Net decrease in cash and cash equivalents held		(11,798)	(5,261)
Cash and cash equivalents at beginning of financial year		<u>18,070</u>	<u>23,331</u>
Cash and cash equivalents at end of financial year	8	<u>6,272</u>	<u>18,070</u>

The accompanying notes form part of these financial statements.

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

NOTE 1: ENTITY INFORMATION

The financial report of Health Services Union of Australia Victoria No. 4 Branch for the year ended 30 June 2006 was authorised for the issue in accordance with the resolution of Committee of Management on 28th August 2006.

Health Services Union of Australia Victoria No. 4 Branch is a registered trade union under the Workplace Relations Act 1996. The purpose of the entity is to protect and improve conditions and entitlements for members in the health service sector. The union's members consist of the members from the Medical Scientist Association of Victoria, the Victorian Psychologists and the Australian Health Pharmacists Association

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basic of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on an accruals basis and is based on 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.

In the application of the Australian equivalents to International Financial Reporting Standards (A-IFRS) management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the periods in which the estimates is revised if the revision affects only that period or in the period of the revision and future periods in the revision effects both current and future periods. Judgments made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transaction or other events is reported.

The entity changed its accounting policies on 1 July 2005 to comply with A-IFRS. The transition to A-IFRS is accounted for in accordance with the requirements of AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards', with 1 July 2004 as the date of transition.

The accounting policies set out below have been applied in preparing the financial statement for the year ended 30 June 2006, the comparative information presented in these financial statements for the year ended 30 June 2005, and in the preparation of the opening A-IFRS balance sheet at 1 July 2004, the entity date of transition.

The accounting policies have been consistently applied, unless otherwise stated.

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards, which include A-IFRS. A Statement of compliance with International Financial Reporting Standards cannot be made due to the entity applying the not for profit sector requirements contained in A-IFRS.

This is the first report prepared based on A-IFRS and the figures for year ended 30 June 2005 have been restated accordingly, excluding cases where optional exemptions available under AASB 1 have been applied. There are no

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

material differences between the financial statements presented under A-IFRS and the financial statements presented under the superseded policies. Consequently, no reconciliation of A-IFRS equity and profit from previous AGAAP to A-IFRS for the year ended 30 June 2005 are provided.

(c) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(e) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and that it can be reliably measured. Revenue is recognised for the major operating activities as follows:

Member Fees and Subscriptions

Membership fees are recognised when the right to receive the revenue has been established.

Interest

Interest revenue is recognised as interest accrues, taking into account the yield on the financial assets.

Other revenue

Other revenue is recognised when the right to receive the revenue has been established.

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

(f) 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 Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are included in the Cash Flow Statement on a gross basis and GST components of cash flows arising from investing and financing activities, which is recoverable from, or payable to the ATO as classified as operating cash flows.

Commitments and contingencies are disclosed inclusive of GST.

(g) Comparative Figures

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

**HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006**

NOTE 3: 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).

NOTE 4: REVENUE

	2006 \$	2005 \$
From continuing operations		
- interest	54	64
- member subscriptions	90,853	69,802
- PI reimbursement	49,903	54,758
- other revenue	<u>160</u>	<u>11,057</u>
	<u>140,970</u>	<u>135,681</u>

NOTE 5: DEFICIT FOR THE YEAR

	2006 \$	2005 \$
Deficit for the year include the following specific expenses:		
(a) Expenses		
Remuneration of the auditors for		
- audit or review services	625	615

NOTE 6: FEE TO HSUA NATIONAL OFFICE

	2006 \$	2005 \$
Capitation fees	40,505	39,651
Levy - IR Campaign	<u>22,027</u>	<u>-</u>
	<u>62,532</u>	<u>39,651</u>

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
 ABN 63 009 627 460

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2006

NOTE 7: ADMINISTRATION

	2006	2005
	\$	\$
Auditor's remuneration - audit fees	625	615
Bank charges	36	71
Conference expenses	1,635	1,680
General expenses	13	357
Legal costs	2,045	19,829
Meeting expenses	368	-
Travelling and entertainment	<u>1,614</u>	<u>1,162</u>
	<u>6,336</u>	<u>23,714</u>

NOTE 8: CASH AND CASH EQUIVALENTS

	2006	2005
	\$	\$
Cash at banks	<u>6,272</u>	<u>18,070</u>

(a) Cash at banks - these are bearing floating interest rates between 0% and 0.25% (2005: 0% and 0.3%). These deposits are on call deposits.

(b) The above figures are reconciled to the cash and cash equivalents at the end of the financial year as shown in the cash flow statement.

NOTE 9: TRADE AND OTHER RECEIVABLES

	2006	2005
	\$	\$
CURRENT		
Association of Hospital Pharmacists	5,814	4,401
Net GST refund	-	1,134
Medical Scientists Association of Victoria	40,357	3,713
Victorian Psychologists Association	<u>19,502</u>	<u>982</u>
	<u>65,673</u>	<u>10,230</u>

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 10: TRADE AND OTHER PAYABLES

	2006 \$	2005 \$
CURRENT		
Amounts payable to:		
- HSUA National Office	8,005	-
- Victorian Psychologists Association	4,972	4,972
- Medical Scientists Association of Victoria	43,451	-
Sundry creditors and accruals	<u>1,685</u>	<u>6,590</u>
	<u>58,113</u>	<u>11,562</u>

NOTE 11: CASH FLOW INFORMATION

	2006 \$	2005 \$
(a) Reconciliation of cash flow from operations with (deficit) for the period		
(Deficit) for the period	(2,906)	(9,205)
Changes in assets and liabilities		
Increase in receivables	(56,577)	(1,559)
Increase in payables	<u>47,685</u>	<u>671</u>
Cash flows from operations	<u>(11,798)</u>	<u>(10,093)</u>

NOTE 12: FINANCIAL INSTRUMENTS

(a) Financial Risk Management

The entity's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The financial instruments of the entity consist mainly of deposits with banks, accounts receivable and payable. The executive committee meets on a regular basis to analyse interest rate exposure and to evaluate strategies in the context of the most recent economic conditions and forecasts.

Market Risk

Market risk for the entity is mainly a price risk. Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The entity is not exposed to commodity price risk.

Credit Risk

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the balance sheet and notes to the financial statements.

The entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the entity.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2006

NOTE 12: FINANCIAL INSTRUMENTS (Continued)

Liquidity Risk

The entity manages liquidity risk by monitoring forecast cash flows to ensure that there is sufficient cash and marketable securities available.

(b) Interest Rate Risk

The entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates by maturity periods, is as follows:

	Floating Interest Rate		Non Interest Bearing		Total	
	2006	2005	2006	2005	2006	2005
	\$	\$	\$	\$	\$	\$
Financial Assets:						
Cash and cash equivalents	6,272	18,070	-	-	6,272	18,070
Receivables	-	-	65,674	10,230	65,674	10,230
Total Financial Assets	<u>6,272</u>	<u>18,070</u>	<u>65,674</u>	<u>10,230</u>	<u>71,946</u>	<u>28,300</u>
Weighted Average Interest rate %	0.25	0.3				
Financial Liabilities:						
Trade and sundry creditors	-	-	1,622	5,831	1,622	5,831
Amounts payable related parties	-	-	56,491	5,730	56,491	5,730
Total Financial Liabilities	<u>-</u>	<u>-</u>	<u>58,113</u>	<u>11,561</u>	<u>58,113</u>	<u>11,561</u>

(c) Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair value.

NOTE 13: TRANSITION TO AIFRS

For all the periods up to and including the year ended 30 June 2005, the entity prepared its financial statements in accordance with Australian generally accounting practices (AGAAP). These financial statements for the year ended 30 June 2006 are the first entity is required to prepare in accordance with AIFRS. Accordingly, the entity has prepared financial statements that comply with AIFRS applicable for the reporting period. In complying with AIFRS, there has been no adjustments or restatement of balances for the year ended 30 June 2005.

NOTE 14: UNION DETAILS

The principal place of operation of the union is:
 Health Services Union of Australia Victoria No. 4 Branch
 3rd Floor, New Building, Trades Hall
 54 Victoria Street
 CARLTON VIC 3053

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 15: NEW AUSTRALIAN ACCOUNTING STANDARDS

The following Australian Accounting Standards issued or amended which may be applicable but are not yet effective and have not been adopted in the preparation of the financial statements at the reporting date.

AASB Standard Affected	Nature of Change in Accounting Policy and Impact	Application Date of the Standard
AASB 119: Employee Benefits: Accounting for actuarial gains and losses and group plans	No change, no impact	1 January 2006
AASB 2005-1: Amendments to Australian Accounting Standard[AASB 139] Cash flow hedge accounting of forecast intra-group transactions	No change, no impact	1 January 2006
AASB 2005-4: Amendments to Australian Accounting Standard[AASB 139, AASB 132, AASB1, AASB 1023 & AASB 1038] Fair value option	No change, no impact	1 January 2006
UIG 4: Determining whether an asset contains a lease	No change, no impact	1 January 2006
UIG 5: Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	No change, no impact	1 January 2006
AASB 2005-6: Amendments to Australian Accounting Standard[AASB 3]: Business combinations involving entities under common control	No change, no impact	1 January 2006
AASB 2005-9: Amendments to Australian Accounting Standard[AASB 4, AASB 1023, AASB 139 & AASB 132]: Financial guarantee contracts	No change, no impact	1 January 2006
AASB 7: Financial instruments: Disclosures	No change, no impact	1 January 2007
AASB 2005-10 Amendments to Australian Accounting Standard[AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]: consequential amendments arising from the issue of AASB 7	No change, no impact	1 January 2007
UIG 6: Liabilities arising from Participating in a specific Market - Waste Electrical and Electronic Equipment	No change, no impact	1 December 2005
AASB 2006-1 Amendments to Australian Accounting Standard[AASB 121]: Clarification regarding monetary items forming part of net investment in a foreign operation	No change, no impact	Financial years ending 31 December 2006
UIG 7: Applying the Restatement Approach under AASB129 Financial Reporting in Hyperinflationary Economies	No change, no impact	1 March 2006
UIG 8: Scope of AASB 2	No change, no impact	1 May 2006
UIG 9: Reassessment of Embedded Derivatives	No change, no impact	1 June 2006

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460

STATEMENT BY COMMITTEE OF MANAGEMENT

I, Rosemary Kelly, being the designated officer of Health Services Union of Australia Victoria No. 4 Branch state that on behalf of the Committee of Management and in accordance with a resolution passed by the Committee of Management on 28th August 2006 that:

In the opinion of the Committee of Management:

1. the financial statements and notes, as set out on pages 3 to 13 comply with Australian Accounting Standards and other mandatory professional reporting requirements;
2. the financial statements and notes, as set out on pages 3 to 13 comply with the reporting guidelines of the Industrial Registrar;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of Health Services Union of Australia Victoria No. 4 Branch for the financial year to which they relate;
4. there are reasonable grounds to believe that the union will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the general purpose financial report relates and since the end of 30 June 2006:
 - a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of branches concerned; and
 - b. the financial affairs of Health Services Union of Australia Victoria No. 4 Branch have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - c. the financial records of Health Services Union of Australia Victoria No. 4 Branch have been kept and maintained in accordance with the Registration and Accountability of Organisations (RAO) Schedule and the RAO Regulations; and
 - d. 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 organisation ; and
 - e. the information sought in any request of a member of Health Services Union of Australia Victoria No. 4 Branch or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the members or Registrar; and
 - f. there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

Designated Officer


Rosemary Kelly

Dated this

28 August 2006

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH**

Scope

The financial report and Committee of Management's responsibility

The financial report comprises the income statement, balance sheet, statement of changes in equity, cash flow statement, accompanying notes to the financial statements and the Statement by Committee of Management for Health Services Union of Australia Victoria No. 4 Branch, for the year ended 30 June 2006.

The Committee of Management is responsible for the preparation and true and fair presentation of the financial report, in accordance with the Workplace Relations Act 1996. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to form opinion whether, in all material respects, the financial report is presented fairly, in accordance with the Workplace Relations Act 1996 and Accounting Standards in Australia so as to present a view which is consistent with our understanding of the entity's financial position, and of its performance as represented by the results of its operations, its changes in equity and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Divisional Executive.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion, the financial report of Health Services Union of Australia Victoria No. 4 Branch presents fairly the financial position of Health Services Union of Australia Victoria No. 4 Branch as at 30 June 2006 and the results of its operations, its changes in equity and cash flows for the financial year then ended, in accordance with any of the following that apply to the entity:

- a) the Australian Accounting Standards; and
- b) the requirements imposed by Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996.

BGL & Associates

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

I. A. Hinds

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

Melbourne
7 September 2006

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460

**CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2006**

BGL & ASSOCIATES
Chartered Accountants
Suite One, Ground Floor, 598 St Kilda Road, Melbourne VIC 3004
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**HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460**

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DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

Information on Health Services Union of Australia Victoria No. 4 Branch Concise Financial Report:

The financial statements and disclosures in the concise financial report have been derived from the 2006 financial report of Health Services Union of Australia Victoria No. 4 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 Health Services Union of Australia Victoria No. 4 Branch financial statements and the information contained in the concise financial report has been derived from the full 2006 Financial Report of Health Services Union of Australia Victoria No. 4 Branch.

Income Statement:

The deficit attributable to members for the year is \$2,906 compared to a deficit of \$9,205 in 2005. This decrease in deficit is mainly due to revenue by growing 4% since 2005 while expenses have decreased by 1% over the same period. The decrease in expenses was due to decrease in legal cases initiated on behalf of members.

Balance Sheet:

Cash and cash equivalents are lower than 2005 due to delays in settlement of debtors. Total assets increased by \$43,645 or 154% from 30 June 2005 mainly due to increases in debtors while total liabilities increased \$46,551 from 30 June 2005 or 402% mainly due to increases in creditors. As a consequence members fund decreased by \$2,906 from the 2005 year.

Cash Flow Statement:

Cash assets increased from \$18,070 as at 30 June 2005 to \$6,272 as at 30 June 2006.

Cash flows from operations reduced by 17% during the year from a deficit cash of \$10,093 in 2005 to a deficit of cash of \$11,798 in 2006.

Designated Officer

Rosemary Kelly

Dated:

**HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460**

OPERATING REPORT

Your Committee of Management present the report on the union for the financial year ended 30 June 2006.

Members of Committee of Management

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

Andrew Wootton

Valena Braniff

Peter Wells

Richard Roberts

Kate Tuck

Damian McVeigh

Barbara Robinson

Matthew Wilson

Ruth Perkins

Warrick Brewer

Lillith Collins

Patricia Miach

Stephen Edwards

Liam Carter (appointed on 25 August 2005)

Karen Hirth (resigned on 25 August 2005)

Kent Garrett (appointed on 25 August 2005)

Rosemary Kelly

Jennie Bremner

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

Operating Results

The deficit of the union for the financial year amounted to \$2,906.

Review of Operations

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

Significant Changes in State of Affairs

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

**HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460**

OPERATING REPORT (continued)

Principal Activities

The principal activities of the union during the financial year were the pursuit of the Objects of the Union's Rules. Specifically, the main activities of the Branch were to regulate and protect the employment conditions of its members, including negotiating certified agreements and award variations; upholding members' rights as employees, taking all necessary steps to advance the health and safety of members in the workplace and representing members individually and collectively in the Australian Industrial Relations Commission, the Equal Opportunity Commission and the Victorian Civil and Administrative Tribunal in relation to employment matter.

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

After Balance Date Events

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

Union's Details

The union did not have any employees during the year ended 30 June 2006. All the administrative and industrial services were provided for a fee to the Branch by the Medical Scientists Association of Victoria.

The number of members at 30 June 2006 was 2,207 (2005: 2,365)

Rights of members to resign

Under the registered Rules of the Health Services Union of Australia Victoria No. 4 Branch, a member may resign from membership of the Union by notice in writing addressed and delivered to the Secretary.

Directorships of Superannuation Fund

To the best of our knowledge and belief, no officer of the organisation, by virtue of their office of the Health Services Union of Australia Victoria No. 4 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:

Designated Officer

Rosemary Kelly

Dated this

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006

	Notes	2006 \$	2005 \$
Revenues	4	<u>140,970</u>	<u>135,680</u>
Affiliation and capitation fee		(40,505)	(39,651)
Industrial services		(25,105)	(26,808)
Insurance expenses		(49,903)	(54,713)
IR Campaign Levy		(22,027)	-
Administration expenses		<u>(6,336)</u>	<u>(23,713)</u>
		<u>(143,876)</u>	<u>(144,885)</u>
(Deficit) for the period		<u>(2,906)</u>	<u>(9,205)</u>
(Deficit) attributable to members of the entity		<u>(2,906)</u>	<u>(9,205)</u>

The accompanying notes form part of this concise financial report.

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460

BALANCE SHEET
AS AT 30 JUNE 2006

	2006 \$	2005 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	6,272	18,070
Trade and other receivables	<u>65,673</u>	<u>10,230</u>
TOTAL CURRENT ASSETS	<u>71,945</u>	<u>28,300</u>
TOTAL ASSETS	<u>71,945</u>	<u>28,300</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	<u>58,113</u>	<u>11,562</u>
TOTAL CURRENT LIABILITIES	<u>58,113</u>	<u>11,562</u>
TOTAL LIABILITIES	<u>58,113</u>	<u>11,562</u>
NET ASSETS	<u>13,832</u>	<u>16,738</u>
MEMBERS' FUND		
Accumulated surplus	<u>13,832</u>	<u>16,738</u>
TOTAL MEMBERS' FUND	<u>13,832</u>	<u>16,738</u>

The accompanying notes form part of this concise financial report.

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2006

	2006 \$	2005 \$
Balance at the beginning of the financial year	<u>16,738</u>	<u>25,943</u>
Deficit for the period	(2,906)	(9,205)
Changes in reserve	<u>-</u>	<u>-</u>
Total recognised income and expenses for the year	<u>(2,906)</u>	<u>(9,205)</u>
Balance at the end of the financial year	<u><u>13,832</u></u>	<u><u>16,738</u></u>

The accompanying notes form part of this concise financial report.

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006

	2006 \$	2005 \$
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from members and other associations	108,306	149,357
Capitation fee and Levy to National Office	(45,640)	(43,616)
Payments to suppliers and employees	(74,518)	(115,898)
Interest received	<u>54</u>	<u>64</u>
Net cash inflows from operating activities	<u>(11,798)</u>	<u>(10,093)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of bank loan	<u>-</u>	<u>4,832</u>
Net cash outflows from financing activities	<u>-</u>	<u>4,832</u>
Net increase/(decrease) in cash and cash equivalents held	(11,798)	(5,261)
Cash and cash equivalents at beginning of financial year	<u>18,070</u>	<u>23,331</u>
Cash and cash equivalents at end of financial year	<u><u>6,272</u></u>	<u><u>18,070</u></u>

The accompanying notes form part of this concise financial report.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 1: BASIC OF PREPARATION OF THE CONCISE FINANCIAL REPORT

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 Health Services Union of Australia Victoria No. 4 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 Health Services Union of Australia Victoria No. 4 Branch as the full financial report.

The entity changed its policies on 1 July 2005 to comply with the Australian equivalents to International Financial Reporting Standards ("A-IFRS"). The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1: First time Adoption of Australian Equivalents to International Financial Reporting Standards, with 1 July 2004 as the date of transition. An explanation of how the transition from superseded policies to A-IFRS has affected the entity's financial position, financial performance and cash flows is discussed at Note 3.

A full description of the accounting policies adopted by the entity is provided in the 2006 Financial Statements which form part of the full report.

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).

NOTE 3: TRANSITION TO A-IFRS

For all the periods up to and including the year ended 30 June 2005, the entity prepared its financial statements in accordance with Australian generally accounting practices (AGAAP). These financial statements for the year ended 30 June 2006 are the first entity is required to prepare in accordance with AIFRS. Accordingly, the entity has prepared financial statements that comply with AIFRS applicable for the reporting period. In complying with AIFRS, there has been no adjustments or restatement of balances for the year ended 30 June 2005.

HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

NOTE 4: REVENUE

	2006 \$	2005 \$
For continuing activities		
- members subscription	90,853	69,802
- interest	54	64
- PI reimbursement	49,903	54,758
- other revenue	160	11,056
	<u>140,970</u>	<u>135,680</u>

**HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH
ABN 63 009 627 460**

STATEMENT BY COMMITTEE OF MANAGEMENT

I, Rosemary Kelly, being the designated officer of Health Services Union of Australia Victoria No. 4 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:

1. the financial statements and notes, as set out on pages 4 to 9 comply with Australian Accounting Standards and other mandatory professional reporting requirements;
2. the financial statements and notes, as set out on pages 4 to 9 comply with the reporting guidelines of the Industrial Registrar;
3. the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of Health Services Union of Australia Victoria No. 4 Branch for the financial year to which they relate;
4. there are reasonable grounds to believe that the union will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the general purpose financial report relates and since the end of 30 June 2006:
 - a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of branches concerned; and
 - b. the financial affairs of Health Services Union of Australia Victoria No. 4 Branch have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - c. the financial records of Health Services Union of Australia Victoria No. 4 Branch have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
 - d. 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 organisation ; and
 - e. the information sought in any request of a member of Health Services Union of Australia Victoria No. 4 Branch or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the members or Registrar; and
 - f. there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.

Designated Officer

Rosemary Kelly

Dated

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
HEALTH SERVICES UNION OF AUSTRALIA VICTORIA NO. 4 BRANCH**

Scope

We have audited the concise financial report of Health Services Union of Australia Victoria No. 4 Branch for the year ended 30 June 2006 as set out on pages 4 to 10, in order to express an opinion on it to the members of the entity. The Committee of Management is responsible for the concise financial report.

Our audit was conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the concise financial report is free of material misstatement. We have also performed an independent audit of the full report of the entity for the year ended 30 June 2006. Our audit report on the full financial report was signed on 8 September 2006, 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 Standard AASB 1039: Concise Financial Reports.

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

Audit Opinion

In our opinion, the concise financial report of Health Services Union of Australia Victoria No. 4 Branch complies with Accounting Standard AASB 1039: Concise Financial Reports and the Workplace Relations Act 1996.

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

I. A. Hinds - A.C.A.
Partner
Melbourne
8 September 2006