



23 March 2014

Dr Rosemary Kelly
Secretary
Health Services Union-Victorian No. 4 Branch

Sent by email: VeronicaB@msav.org.au

Dear Dr Kelly,

Health Services Union, Victorian No. 4 Branch - Financial Report for year ended 30 June 2013 - (FR2013/313)

I refer to the financial report of the Health Services Union, Victorian No. 4 Branch (the reporting unit). The documents were lodged with the Fair Work Commission on 20 September 2013. The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2014 may be subject to an advanced compliance review.

If you have any queries regarding this letter, I may be contacted on (02) 6723 723 or by email at stephen.kellett@fwc.gov.au.

Yours sincerely

Stephen Kellett
Senior Adviser, Regulatory Compliance Branch

From: KELLETT, Stephen
To: ["VeronicaB@msav.org.au"](mailto:VeronicaB@msav.org.au)
Subject: Attention Dr Rosemary Kelly - HSU Victorian No 4 Branch - Financial report y/e 30 June 2013 - filing
Date: Sunday, 23 March 2014 9:05:00 PM
Attachments: [HSU_VIC_4_FR2013_313_\(primary_final\).pdf](#)

Dear Ms Belot,

Please see attached my letter to Dr Kelly, in relation to the above.

Yours sincerely

STEPHEN KELLETT
Regulatory Compliance Branch
FAIR WORK COMMISSION

80 William Street
EAST SYDNEY NSW 2011

(ph) (02) 6723 7237
(email) stephen.kellett@fwc.gov.au

From: [KELLETT, Stephen](mailto:KELLETT.Stephen)
To: [KELLETT, Stephen](mailto:KELLETT.Stephen)
Subject: FW: [Kellett] ON CMS - HSU (VN4 Branch) Financial reports for 30 June 2013
Date: Sunday, 23 March 2014 8:22:05 PM
Attachments: [20092013 Letter Lodgement FWA 2013.pdf](#)
[HSU4 -2013 final CONCISE financial report.pdf](#)
[HSU4 -2013 final financial report.pdf](#)

From: Veronica Belot [<mailto:VeronicaB@msav.org.au>]
Sent: Friday, 20 September 2013 3:00 PM
To: Melbourne@fwc.gov.au
Cc: Rosemary Kelly
Subject: HSU#4 Financial reports for lodgement with FWA

To whom it may concern,

Please find attached *by way of lodgment*, the Health Services Union Victoria Number 4 Branch's ("HSU4") Financial Documents for the year ended 30 June 2013. These documents are lodged in accordance with section 268 of the *Fair Work (Registered Organisations) Act 2009*.

This email contains the following attachments for the purposes of *lodgment*:

- HSU4 Designated Officer's Certificate
- HSU4 Concise Financial Report
- HSU4 Final Financial Report

Please note that these documents are for the attention of the General Manager of the Commission.

Yours sincerely,

Veronica

Veronica Belot

Industrial Officer
Medical Scientists Association of Victoria
& Association of Hospital Pharmacists

Industrial Officer
Victorian Psychologists Association Inc

veronicab@msav.org.au
Tel 9623 9623
Fax 9663 8109

Level1
62 Lygon Street
Carlton South VIC 3053
www.msav.org.au
www.ahpv.asn.au
www.vicpsych.org.au



MEDICAL SCIENTISTS ASSOCIATION
VICTORIAN PSYCHOLOGISTS ASSOCIATION INC
ASSOCIATION OF HOSPITAL PHARMACISTS
LEVEL 1, 62 LYGON STREET, CARLTON SOUTH, VIC 3053
TELEPHONE 9623 9623 OR 9623 9625 FACSIMILE 9663 8109
E-MAIL enquiry@msav.org.au A.B.N. 63 009 627 460



The General Manager
Fair Work Australia
11 Exhibition Street
MELBOURNE VICTORIA 3000

S268 Fair Work (Registered Organisations) Act 2009

Lodgement of Financial Documents for year ended 30 June 2013

Designated Officer's Certificate

I, Rosemary Kelly, being the Secretary of the Health Services Union Victoria Number 4 Branch, certify:

- That the documents lodged herewith are copies of the full report and the concise report for the financial year 2012-2013 referred to in s268 of the *Fair Work (Registered Organisations) Act 2009*; and
- That the concise report was provided to members on the Union's website (www.msav.org.au) from 9 August 2012. All members were advised that the report was available on the website.
- That the full report was presented to a meeting of the committee of management of the Health Services Union Victoria Number 4 Branch on 7 August 2013 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*
- That the full report was presented to a general meeting of members on 11 September 2013 in accordance with section 266 of the *Fair Work (Registered Organisations) Act 2009*

Yours sincerely

A handwritten signature in black ink that reads 'Rosemary Kelly'.

Dr Rosemary Kelly

Secretary

Health Services Union Victoria No 4 Branch

20 September 2013

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

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013**



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

TABLE OF CONTENTS

Operating Report	1 - 3
Financial Report	
Statement of Comprehensive Income	4
Balance Sheet	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 – 22
Committee of Management Statement	23
Independent Auditor's Report	24

This financial report covers the Health Services Union Victoria No. 4 Branch as an individual entity. The financial report is presented in the Australian currency.

The Health Services Union Victoria No. 4 Branch is a registered trade union under the Fair Work (Registered Organisations) Act 2009 ("RO Act"). The purpose of the entity is to protect and improve conditions and entitlements for members. Its principle activities are the pursuit of the Objects of the Union's Rules. Specifically, the main activities of the Branch are 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 Fair Work Australia, the Equal Opportunity Commission and the Victorian Civil and Administrative Tribunal in relation to employment matters.

The principal place of business is:

Health Services Union Victoria No. 4 Branch
Level 1, 62 Lyon Street
CARLTON VIC 3053

The financial report was authorised for issue by the Branch Committee on the 7th August 2013.

HEALTH SERVICES UNION 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 2013.

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:

<i>Name</i>	<i>Position</i>
Adrian Warmington	President
Max Cowey	Senior Vice-President
Victor Reginato	Vice-President – Pharmacists & Delegate to National Council
Lina Forlano (resigned on 5 February 2013)	Vice-President - Psychologists
Jacinta Bleeser (appointed on 20 February 2013)	Vice-President - Psychologists
Peter Wells	Trustee
Stephen Edwards	Trustee
Rosemary Kelly	Secretary
Rosemary Kelly (ceased on 30 June 2012)	Delegate to National Council
Paul Elliott	Assistant Secretary & Delegate to National Council
Sue Melbourne	Committee member - Pharmacist
Valena Braniff	Ordinary Committee member
Maria Bisignano	Ordinary Committee member
Belinda Jude (resigned on 19 June 2013)	Ordinary Committee member
Leanne Augusteyn	Ordinary Committee member
Cathy Durkin	Ordinary Committee member
Megan Chapman (appointed on 19 June 2013)	Ordinary Committee member
Aron Hill	Ordinary Committee member
Daniel Kidd	Ordinary Committee member
Ryan Smith	Ordinary Committee member
Julie King	Ordinary Committee member
Jacinta Bleeser (resigned on 20 February 2013)	Ordinary Committee member
Jacinta Bleeser (appointed on 23 May 2013)	Delegate to National Council
Darrow Wendolski	Ordinary Committee member

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.

Significant changes in financial affairs

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

OPERATING REPORT (continued)

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

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 Fair Work Australia, 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.

A review of the operations of the Branch indicate that it continued to engage in its principal activity of representing members in industrial, technical and operational matters. In pursuing these activities The Branch has sought to protect and enhance the profession of members through representation of individuals in grievances and disputes and by representing members in collective bargaining. In pursuing such, the Branch has initiated and activated legal and industrial action when appropriate. In enhancing the professional aspects of members, representations have been made to regulatory bodies, government inquiries and international forums when so required.

Union Details

Number of employees

The union did not have any employees during the year ended 30 June 2013. All the administrative and industrial services were provided for a fee by the Medical Scientists Association of Victoria.

Number of members

The number of financial members at 30 June 2013 was 2,775 (2012: 2,548).

Right of members to resign

Pursuant to Rules 13(b) of the Branch and s174 of the Fair Work (Registered Organisations) Act 2009, a member may resign from membership of the Union by notice in writing addressed and delivered to the Secretary.

A notice of resignation from membership of the Union shall take effect:-

- (i) where the member ceases to be eligible to become a member of the Union -
 - A. on the day upon which the notice is received by the Union, or
 - B. on the day specified in the notice, which is a day not earlier than the day when the member ceased to be eligible to become a member,whichever is the later; or

- (ii) in any other case -
 - A. at the end of two weeks after the notice is received by the Union, or
 - B. on the day specified in the notice,whichever is the later.

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

OPERATING REPORT (continued)

Directorships of Superannuation Fund

To the best of our knowledge and belief, the following officers and employees of the Branch are superannuation fund trustee(s) or a director of a company that is a superannuation fund trustee:

Name of Officer	Trustee Company	Name of Superannuation Fund	Position	Whether position held because nominated for by the reporting unit or by a peak council
Rosemary Kelly	First State Superannuation Trustee Corporation • Appointed 30 Aug 2012	FSS Super	Director	YES
	HEST Australia Limited • Resigned 27 Sept 2012	HESTA	Director	YES
	Rimbanda Pty Ltd	Rimbanda Superannuation Benefits Fund	Director	NO

Directorships of company or a member of a board

To the best of our knowledge and belief, the following officers and employees of the Branch is a director of a company or a member of a board by virtue of their position in the Branch or by being nominated by the Branch or by a peak council.

Name of Officer	Name of the Company or Board	Position Held	The principal activities of the Company or Board	Whether position held because nominated for by the reporting unit or by a peak council
Paul Elliott	Medical Scientists Association of Victoria	Assistant Executive Officer	Registered trade union under the Victorian <i>Trade Union Act 1958</i>	No
	Victorian Trades Hall Council & Executive	Member	Victorian Unions peak body	No
Rosemary Kelly	Victorian Psychologists Association Inc	Secretary/Public Officer	Organisation of psychologists promoting their industrial interests	No
	Medical Scientists Association of Victoria	Executive Officer	Registered trade union under the Victorian <i>Trade Union Act 1958</i>	No
	Victorian Trades Hall and Literary Association	Committee Member	Trustee of the Victorian Trades Hall Building	YES Nominated by Victorian Trades Hall Council

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

Signature of designated officer: 

Name of designated officer: **ADRIAN WARRINGTON**

Title of designated officer: **PRESIDENT**

Dated **7 AUG 2013**

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013 \$	2012 \$
Revenue from continuing operations	4	<u>115,281</u>	<u>93,223</u>
Affiliation and capitation fee	6	(35,162)	(24,194)
Employee expenses	7	-	-
Industrial expenses	8	(49,472)	(34,765)
Administration expenses	9	<u>(42,389)</u>	<u>(7,114)</u>
		<u>(127,023)</u>	<u>(66,073)</u>
(Deficit) Surplus for the year		(11,742)	27,150
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(11,742)</u>	<u>27,150</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

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

BALANCE SHEET
AS AT 30 JUNE 2013

	Notes	2013 \$	2012 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	4,392	30,389
Trade and other receivables	11	<u>47,907</u>	<u>24,149</u>
TOTAL CURRENT ASSETS		<u>52,299</u>	<u>54,538</u>
TOTAL ASSETS		<u>52,299</u>	<u>54,538</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	19,047	9,544
Employee provisions	13	<u>-</u>	<u>-</u>
TOTAL CURRENT LIABILITIES		<u>19,047</u>	<u>9,544</u>
TOTAL LIABILITIES		<u>19,047</u>	<u>9,544</u>
NET ASSETS		<u>33,252</u>	<u>44,994</u>
MEMBERS' FUND			
Accumulated surplus	14	<u>33,252</u>	<u>44,994</u>
TOTAL MEMBERS' FUND		<u>33,252</u>	<u>44,994</u>

The above balance sheet should be read in conjunction with the accompanying notes.

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Accumulated Surplus \$	Other Funds \$	Total \$
Balance at 1 July 2011	17,844	-	17,844
Total comprehensive income for the year	27,150	-	27,150
Transfer to/from accumulated surplus	-	-	-
Transfer to/from other funds	-	-	-
Balance at 30 June 2012	<u>44,994</u>	<u>-</u>	<u>44,994</u>
Balance at 1 July 2012	44,994	-	44,994
Total comprehensive income for the year	(11,742)	-	(11,742)
Transfer to/from accumulated surplus	-	-	-
Transfer to/from other funds	-	-	-
Balance at 30 June 2013	<u>33,252</u>	<u>-</u>	<u>33,252</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	Notes	2013 \$	2012 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members and other associations		56,054	89,146
Receipts from court awarded penalty		12,000	-
Receipts from other reporting units		-	-
Payments to HSU National Office		(36,439)	(55,740)
Payments to suppliers and employees		(58,097)	(46,269)
Interest received		485	1,779
Net cash (outflow) from operating activities	20	<u>(25,997)</u>	<u>(11,084)</u>
Net (decrease) in cash and cash equivalents held		(25,997)	(11,084)
Cash and cash equivalents at beginning of financial year		<u>30,389</u>	<u>41,473</u>
Cash and cash equivalents at end of financial year	10	<u><u>4,392</u></u>	<u><u>30,389</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report for the Health Services Union Victoria No. 4 Branch are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basic of Preparation

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisation) Act 2009*. For the purpose of preparing the general purpose financial statements, the Health Services Union Victoria No. 4 Branch ("the Branch") is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities at measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

Statement of Compliance

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). A statement of compliance with AIFRS cannot be made due to the Health Services Union Victoria No. 4 Branch applying the not-for-profit sector requirements contained in AIFRS.

New and amended standards adopted by the Branch

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2012 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

Early adoption of standards

The Branch has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2012.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and liabilities at fair value through profit or loss.

Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

(b) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Section 50-1 of the Income Tax Assessment Act 1997.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes 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 value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(d) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. The Branch recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Branch's activities as described below. The Branch bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

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.

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

(e) 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 Statement of Cash Flows 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.

(f) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollected are written off. A provision for impairment of trade receivables is established when there is objective evidence that the entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the income statement in other expenses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Trade and other payables

These amounts represent liabilities for goods and services provided to the entity prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

(h) Impairment of assets

Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(i) Comparative Figures

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

(j) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting periods. The entity's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 9 Financial Instruments, AASB 2009- 11 Amendments to Australian Accounting Standards arising from AASB 9, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) and AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transitional Disclosures (effective from 1 January 2015)

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2015 but is available for early adoption. When adopted, the standard will affect in particular the Branch's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss. This change will not impact the Branch as current accounting for gains and losses on available-for-sale financial assets is consistent with proposed changes.

There will be no impact on the Branch's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Branch does not have any such liabilities. The derecognition rules have been transferred from AASB139 *Financial Instruments: Recognition and Measurement* and have not been changed. The Branch has not yet decided when to adopt AASB 9.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) New accounting standards and interpretations

(ii) AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2012-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective 1 January 2013)

In August 2012, the AASB issued a suite of five new and amended standards which address the accounting for joint arrangements, consolidated financial statements and associated disclosures. AASB 10 replaces all of the guidance on control and consolidation in AASB 127 *Consolidated and Separate Financial Statements*, and Interpretation 12 *Consolidation – Special Purpose Entities*. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns. Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. Control exists when the investor can use its power to affect the amount of its returns. There is also new guidance on participating and protective rights and on agent/principal relationships. While the Branch does not expect the new standard to have a significant impact on its composition, it has yet to perform a detailed analysis of the new guidance in the context of its various investees that may or may not be controlled under the new rules.

AASB 11 introduces a principles based approach to accounting for joint arrangements. The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement. Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture. Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted. Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard. AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control. The Branch's investment in the joint venture partnership will be classified as a joint venture under the new rules. As the Branch already applies the equity method in accounting for this investment, AASB 11 will not have any impact on the amounts recognised in its financial statements.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128. Application of this standard by the Branch will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to the Branch's investments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa. The amendments also introduce a "partial disposal" concept. The Branch is still assessing the impact of these amendments.

The Branch does not expect to adopt the new standards before their operative date. They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2014.

(iii) AASB 13 Fair Value Measurement and AASB 2012-8 Amendments to Australian Accounting Standards arising from AASB 13 (effective 1 January 2013)

AASB 13 was released in September 2012. It explains how to measure fair value and aims to enhance fair value disclosures. The Branch has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance. It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements. However, application of the new standard will impact the type of information disclosed in the notes to the financial statements. The Branch does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2014.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) New accounting standards and interpretations

(iv) Revised AASB 119 Employee Benefits, AASB 2012-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2012) and AASB 2012-11 Amendments to AASB 119 (September 2012) arising from Reduced Disclosure Requirements (effective 1 January 2013)

In September 2012, the AASB released a revised standard on accounting for employee benefits. It requires the recognition of all remeasurements of defined benefit liabilities/assets immediately in other comprehensive income (removal of the so-called 'corridor' method) and the calculation of a net interest expense or income by applying the discount rate to the net defined benefit liability or asset. This replaces the expected return on plan assets that is currently included in profit or loss. The standard also introduces a number of additional disclosures for defined benefit liabilities/assets and could affect the timing of the recognition of termination benefits. The amendments will have to be implemented retrospectively. This standard does not impact the Branch as the Branch does not have any employees.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The entity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. None of the estimates and assumptions are expected to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(b) Critical judgments in applying the entity's accounting policies

No critical judgements have been made in applying the entity's accounting policies.

3: SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009* the attention of members is drawn to the provisions of subsection (1) to (3) of sections 272, which read as follows:

Information to be provided to members or the General Manager of Fair Work Commission:

(1) a member of a reporting unit, or the General Manager of Fair Work Commission, 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).

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2013

4: REVENUE

	2013 \$	2012 \$
From continuing operations		
- capitation fees – other	70,070	73,680
- capitation fees – other reporting units	-	-
- contribution for campaigns	-	6,784
- court awarded penalty	12,000	-
- expenses reimbursed by Medical Scientists Association Victoria	31,624	-
- financial support from another reporting unit	-	-
- grants or donations	-	-
- interest	485	1,779
- levies	-	-
- member subscriptions	-	-
- other revenue	1,102	10,980
	<u>115,281</u>	<u>93,223</u>

5: (DEFICIT) SURPLUS FOR THE YEAR

	2013 \$	2012 \$
--	------------	------------

(Deficit) Surplus for the year include the following specific expenses:

Remuneration of the auditors for		
- audit or review services	910	850

6: AFFILIATION AND CAPITATION FEES

	2013 \$	2012 \$
Capitation fees paid to HSU National Office	35,162	24,194
Affiliation fees	-	-
	<u>35,162</u>	<u>24,194</u>

7: EMPLOYEE EXPENSES

	2013 \$	2012 \$
Holders of office	-	-
Employees other than holders of office	-	-
	<u>-</u>	<u>-</u>

The union did not have any employees during the year ended 30 June 2013

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

8: INDUSTRIAL EXPENSES

	2013	2012
	\$	\$
Industrial services fee to Medical Scientists Association Victoria	29,302	28,370
Campaign expenses	<u>20,170</u>	<u>6,395</u>
	<u><u>49,472</u></u>	<u><u>34,765</u></u>

9: ADMINISTRATION

	2013	2012
	\$	\$
Auditor's remuneration	910	875
Bank charges	60	60
Consideration to employers for payroll deduction	-	-
Compulsory levies	-	-
Fees/allowances – meeting and conferences	-	-
Grants or donations	-	-
Training	-	1,000
Legal costs		
- litigation	39,696	-
- other legal matters	1,037	5,106
Conference and meeting expenses	456	73
Penalties – via RO Act or RO Regulations	-	-
Travelling and accommodation	<u>230</u>	<u>-</u>
	<u><u>42,389</u></u>	<u><u>7,114</u></u>

10: CASH AND CASH EQUIVALENTS

	2013	2012
	\$	\$
Cash at bank	<u><u>4,392</u></u>	<u><u>30,389</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2013

11: TRADE AND OTHER RECEIVABLES

	2013 \$	2012 \$
CURRENT		
<i>Receivables from other reporting unit</i>		
- HSU National Office	-	2,239
- Less provision for doubtful debts	-	-
- Net receivables from other reporting unit	<u>-</u>	<u>2,239</u>
<i>Other receivables</i>		
- Association of Hospital Pharmacists	4,661	2,087
- Medical Scientists Association of Victoria	36,299	16,332
- Victorian Psychologists Association	6,947	3,491
	<u>47,907</u>	<u>24,149</u>

12: TRADE AND OTHER PAYABLES

	2013 \$	2012 \$
CURRENT		
<i>Payables to other reporting units</i>		
- HSU National office	-	-
<i>Other payables</i>		
- Medical Scientists Association of Victoria	17,421	7,802
- Consideration to employers for payroll deductions	-	-
- Legal costs	-	-
- Net GST payable	1,626	1,742
	<u>19,047</u>	<u>9,544</u>

(a) Settlement

The above payables are expected to be settled within 30 days.

13: EMPLOYEE PROVISIONS

	2013 \$	2012 \$
Holders of office	-	-
Employees other than office holders	-	-
	<u>-</u>	<u>-</u>

The union did not have any employees during the year ended 30 June 2013

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

14: MEMBERS FUND

	2013 \$	2012 \$
<i>Accumulated surplus</i>		
Accumulated surplus at the beginning of the financial year	44,994	17,844
Net (deficit) surplus attributable to members of the entity	<u>(11,742)</u>	<u>27,150</u>
Accumulated surplus at the end of the financial year	<u><u>33,252</u></u>	<u><u>44,994</u></u>

Other Funds

No funds or accounts have been operated in respect of compulsory levies or voluntary contributions.

15: EVENTS OCCURRING AFTER REPORTING PERIOD

There were no events that occurred after 30 June 2013, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

16: COMMITMENTS FOR EXPENDITURE

There are no capital or lease commitments or contingencies at the end of the financial year.

17: CONTINGENT LIABILITIES

There are no known contingent liabilities at 30 June 2013.

18: WAGE RECOVERY ACTIVITIES

No recovery of wages activity has occurred in the reporting period or the previous reporting period,

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

19: RELATED PARTY DISCLOSURES

(i) Related party transactions for the reporting period

a) The union paid \$29,302 (2012: \$28,371) to the Medical Scientists Association of Victoria which in return provides a full industrial and administration service.

b) The union paid \$35,162 (2012: \$24,194) to the HSU National Office as capitation fee.

c) Outstanding balances arising from sales and purchases of goods and services: These balances are disclosed in the "Trade receivables" and "Trade payables" notes to the accounts. No provision for impairment has been raised in relation to any of these outstanding balances and no expense has been recognised in respect of bad or doubtful debts due from related parties.

(ii) The members of the committee of management during the financial year were:

<i>Name</i>	<i>Position</i>
Adrian Warrington	President
Max Cowey	Senior Vice-President
Victor Reginato	Vice-President – Pharmacists & Delegate to National Council
Lina Forlano (resigned on 5 February 2013)	Vice-President - Psychologists
Jacinta Bleeser (appointed on 20 February 2013)	Vice-President - Psychologists
Peter Wells	Trustee
Stephen Edwards	Trustee
Rosemary Kelly	Secretary
Rosemary Kelly (ceased on 30 June 2012)	Delegate to National Council
Paul Elliott	Assistant Secretary & Delegate to National Council
Sue Melbourne	Committee member - Pharmacist
Valena Braniff	Ordinary Committee member
Maria Bisignano	Ordinary Committee member
Belinda Jude (resigned on 19 June 2013)	Ordinary Committee member
Leanne Augusteyn	Ordinary Committee member
Cathy Durkin	Ordinary Committee member
Megan Chapman (appointed on 19 June 2013)	Ordinary Committee member
Aron Hill	Ordinary Committee member
Daniel Kidd	Ordinary Committee member
Ryan Smith	Ordinary Committee member
Julie King	Ordinary Committee member
Jacinta Bleeser (resigned on 20 February 2013)	Ordinary Committee member
Jacinta Bleeser (appointed on 23 May 2013)	Delegate to National Council
Darrow Wendolski	Ordinary Committee member

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

19: RELATED PARTY DISCLOSURES

(iii) Transactions with key management personnel and remuneration

- (a) The branch did not pay any remuneration to its key management personnel during the year for the administration of the Branch.
- (b) There are no loans between the key management personnel and the union.
- (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 is reasonable to expect would have been adopted by parties at arm's length.

20: CASH FLOW INFORMATION

	2013 \$	2012 \$
(a) Reconciliation of cash flow from operations with (deficit) surplus for the period		
(Deficit) Surplus for the period	(11,742)	27,150
<i>Adjustment for non-cash items</i>		
Write back of liabilities	-	(10,980)
<i>Changes in assets and liabilities</i>		
(Increase) Decrease in receivables	(23,758)	139
Increase (Decrease) in payables	<u>9,503</u>	<u>(27,393)</u>
Cash flows from operations	<u>(25,997)</u>	<u>(11,084)</u>

21: OTHER INFORMATION

(i) Going Concern

The Branch's ability to continue as a going concern is not reliant on financial support from another reporting unit.

(ii) Financial Support

No financial support has been provided to another reporting unit to ensure that it continues as a going concern.

(iii) Acquisition of assets and liability under specific sections:

The Branch did not acquire any asset or a liability during the financial year as a result of:

- an amalgamation under part 2 of Chapter 3, of the RO Act;
- a restructure of the branches of the organisation;
- a determination by the General Manager under s245(1) of the RO Act;
- a revocation by the General Manager under s249(1) of the RO Act;

(iv) Acquisition of assets and liability as part of a business combination:

If assets and liabilities were acquired during the financial year as part of a business combination, the requirement of the Australian Accounting Standards will be complied with. No such acquisition has occurred during the financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

22: FINANCIAL RISK MANAGEMENT

The Branch's financial instruments consist mainly of deposits with banks, receivables and payables.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2013 \$	2012 \$
Financial assets			
Cash on hand	10	4,392	30,389
Trade and other receivables	11	47,907	24,149
Total financial assets		<u>52,299</u>	<u>54,538</u>
Financial liabilities			
Financial liabilities at amortised cost:			
Trade and other payables	12	19,047	9,544
Total financial liabilities		<u>19,047</u>	<u>9,544</u>

Financial Risk Management Policies

The committee of management is responsible for monitoring and managing the Branch's compliance with its risk management strategy. The committee's overall risk management strategy is to assist the Branch in meeting its financial targets while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the committee on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Branch is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk and other price risk.

There have been no substantive changes in the types of risks the Branch is exposed to, how these risks arise, or the committee's objectives, policies and processes for managing or measuring the risks from the previous period.

a. **Credit risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the Branch.

The Branch does not have any material credit risk exposures as its major source of revenue is the receipt of capitation fee.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Accounts receivable and other debtors that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 11.

The Branch has no significant concentrations of credit risk exposure to any single counterparty or group of counterparties. Details with respect to credit risk of accounts receivable and other debtors are provided in Note 11.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2013

22: Financial risk management (Continued)

a. Credit risk (Continued)

Credit risk related to balances with banks and other financial institutions is managed by the branch committee in accordance with approved policy. Such policy requires that surplus funds are only invested with counterparties with a Standard & Poor's rating of at least AA-. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

	Note	2013 \$	2012 \$
Cash at banks			
– AA rated	10	4,392	30,389

b. Liquidity risk

Liquidity risk arises from the possibility that the Branch might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Branch manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The Branch's policy is to ensure no borrowings at any time.

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. The Branch does not hold directly any derivative financial 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. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
	\$	\$	\$	\$	\$	\$	\$	\$
<i>Financial liabilities due for payment</i>								
Trades and other payables (excluding estimated annual leave and deferred income)	19,047	9,544	-	-	-	-	19,047	9,544
Total expected outflows	19,047	9,544	-	-	-	-	19,047	9,544

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

22: Financial risk management (Continued)

a. Liquidity risk (Continued)

Financial liability and financial asset maturity analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
	\$	\$	\$	\$	\$	\$	\$	\$
<i>Financial assets – cash flows realisable</i>								
Cash on hand	4,392	30,389	-	-	-	-	4,392	30,389
Trade and other receivables	47,907	24,149					47,907	24,149
Total anticipated inflows	52,299	54,538	-	-	-	-	52,299	54,538
Net inflow on financial instruments	33,252	44,994	-	-	-	-	33,252	44,994

c. Market risk

(i) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Branch is also exposed to earnings volatility on floating rate instruments.

The financial instruments that expose the Branch to interest rate risk are limited to fixed interest securities and cash on hand.

Interest rate risk is managed using a mix of fixed and floating rate debt. At 30 June 2013 the branch did not have any debts.

The Branch also manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

(ii) Other price risk

Other price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) of securities held. The Branch does not expose to other price risk.

Sensitivity analysis

The following table illustrates sensitivities to the Branch's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period 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	
	2013	2012	2013	2012
	\$	\$	\$	\$
+/- 2% in interest rates	87	607	87	607

No sensitivity analysis has been performed on foreign exchange risk as the Branch has no material exposures to currency risk. There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

22: Financial risk management (Continued)

Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position. Fair value is the amount at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value 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. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair values 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.

Differences between fair values and carrying amounts of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Branch. Most of these instruments, which are carried at amortised cost (ie accounts receivables, loan liabilities), are to be held until maturity and therefore the fair value figures calculated bear little relevance to the Branch.

	Note	2013		2012	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
		\$	\$	\$	\$
Financial assets					
Cash on hand	(i)	4,392	4,392	30,389	30,389
Trade and other receivables	(i)	47,907	47,907	24,149	24,149
Total financial assets		52,299	52,299	54,538	54,538
Financial liabilities					
Trade and other payables	(i)	19,047	19,047	9,544	9,544
Total financial liabilities		19,047	19,047	9,544	9,544

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash on hand, accounts receivable and other debtors, and accounts payable and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is outside the scope of AASB 139.

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

COMMITTEE OF MANAGEMENT STATEMENT

On the 7 August 2013, the Committee of Management of Health Services Union Victoria No. 4 Branch (the Branch) passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2013:

The Committee of Management declares that in its opinion:

1. the financial statements and notes comply with Australian Accounting Standards;
2. the financial statements and notes comply with the reporting guidelines of the General Manager;
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 to which they relate;
4. there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the GPFR relates and since the end of that year:
 - 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 a branch concerned; and
 - c. the financial records of Health Services Union Victoria No. 4 Branch have been kept and maintained in accordance with the RO Act; and
 - d. 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 Victoria No. 4 Branch or General Manager duly made under section 272 of the RO Act has been furnished to the members or the General Manager; and
 - f. no order for inspection of financial records have been made by the Fair Work Commission under section 273 of the RO Act.
6. There has been no recovery of wage activity undertaken by the reporting unit.

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer: 

Name of designated officer: ADRIAN WARRINGTON

Title of designated officer: PRESIDENT

Dated 7 AUG 2013

*All correspondence to*PO Box 6094
St Kilda Road Central
MELBOURNE VIC 8008E bgl@bglpartners.com.au

T (03) 9525 2511

F (03) 9525 2829

W bglpartners.com.au

ABN 96 006 935 459

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH

Report on the Financial Report

We have audited the accompanying financial report of Health Services Union Victoria No. 4 Branch (the Branch) which comprises the balance sheet as at 30 June 2013 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2013, a summary of significant accounting policies and other explanatory notes and the Statement by Committee of Management.

Committee of Management's Responsibility for the Financial Report

The Committee of Management is responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards and the Fair Work (Registered Organisations) Act 2009, and for such internal control as the management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those 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 of material misstatement.

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

Our audit did not involve an analysis of the prudence of business decisions made by the Committee of Management.

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

*All correspondence to*PO Box 6094
St Kilda Road Central
MELBOURNE VIC 8008E bgl@bglpartners.com.au

T (03) 9525 2511

F (03) 9525 2829

W bglpartners.com.au

ABN 96 006 935 459

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH (Continued)***Independence*

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

Opinion

In our opinion:

- the general purpose financial report of Health Services Union Victoria No. 4 Branch presents fairly, in all material respects, the financial position of Health Services Union Victoria No. 4 Branch as at 30 June 2013 and the results of its operations, its changes in equity and cash flows for the year then ended, in accordance with any of the following that apply to the entity:
 - a) the Australian Accounting Standards; and
 - b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009*.
- the Committee of Management's use of the going concern basis of accounting in the preparation of the Branch's financial statements is appropriate.

BGL Partners
Chartered Accountants

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

Partner

Approved Auditor and Member of The Institute of Chartered Accountants in Australia and
holder of current Public Practice Certificate

8 August 2013

Melbourne

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

**ANNUAL CONCISE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013**



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

TABLE OF CONTENTS

Discussion and analysis of the financial statement	1
Operating Report	2 - 4
Concise Financial Report	
Statement of Comprehensive Income	5
Balance Sheet	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 – 10
Committee of Management Statement	11
Independent Auditor's Report	12

Relationship of the concise financial report to the full financial reports

The concise financial report is an extract from the full financial report for the year ended 30 June 2013. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Health Services Union Victoria No. 4 Branch as the full financial report. Further financial information can be obtained from the full financial report.

The full financial report and auditor's report will be sent to members on request, free of charge. Please contact Health Services Union Victoria No. 4 Branch's office and a copy will be forwarded to you. Alternatively, you can access both the full financial report and the concise report via the internet at our Members' Centre on our website.

The committee of management has resolved on 7 August 2013 that this concise report be provided in accordance with s265(2) of the Fair Work (Registered Organisations) Act 2009.

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

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

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

The financial statements and disclosures in the concise financial report have been derived from the 2013 financial report of Health Services Union Victoria No. 4 Branch.

A copy of full financial report and auditor's 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 Victoria No. 4 Branch financial statements and the information contained in the concise financial report has been derived from the full 2013 financial report of Health Services Union Victoria No. 4 Branch.

Statement of Comprehensive Income

The deficit attributable to members for the year is \$11,742 compared to a surplus of \$27,150 in 2012. This change was despite revenue increasing by 24% since 2012 as total expenses increased by 92% over the same period which offset the increased revenue.

Balance Sheet

Total assets decreased by \$2,239 or 4% from 30 June 2012 mainly due to a decrease in cash and cash equivalents. Total liabilities increased by \$9,503 from 30 June 2012 mainly due to an increase in creditors. As a consequence, members fund decreased by \$11,742 from the 2012 year.

Statement of Cash Flows

Net cash assets decreased from \$30,389 as at 30 June 2012 to \$4,392 as at 30 June 2013 mainly due to operating cash receipts being lower than cash payments.

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

Signature of designated officer:



Name of designated officer:

ADRIAN WARRINGTON

Title of designated officer:

PRESIDENT

Dated this

7 AUG 2013

HEALTH SERVICES UNION 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 2013.

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:

<i>Name</i>	<i>Position</i>
Adrian Warmington	President
Max Cowey	Senior Vice-President
Victor Reginato	Vice-President – Pharmacists & Delegate to National Council
Lina Forlano (resigned on 5 February 2013)	Vice-President - Psychologists
Jacinta Bleeser (appointed on 20 February 2013)	Vice-President - Psychologists
Peter Wells	Trustee
Stephen Edwards	Trustee
Rosemary Kelly	Secretary
Rosemary Kelly (ceased on 30 June 2012)	Delegate to National Council
Paul Elliott	Assistant Secretary & Delegate to National Council
Sue Melbourne	Committee member - Pharmacist
Valena Braniff	Ordinary Committee member
Maria Bisignano	Ordinary Committee member
Belinda Jude (resigned on 19 June 2013)	Ordinary Committee member
Leanne Augusteyn	Ordinary Committee member
Cathy Durkin	Ordinary Committee member
Megan Chapman (appointed on 19 June 2013)	Ordinary Committee member
Aron Hill	Ordinary Committee member
Daniel Kidd	Ordinary Committee member
Ryan Smith	Ordinary Committee member
Julie King	Ordinary Committee member
Jacinta Bleeser (resigned on 20 February 2013)	Ordinary Committee member
Jacinta Bleeser (appointed on 23 May 2013)	Delegate to National Council
Darrow Wendolski	Ordinary Committee member

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.

Significant changes in financial affairs

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

OPERATING REPORT (continued)

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

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 Fair Work Australia, 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.

A review of the operations of the Branch indicate that it continued to engage in its principal activity of representing members in industrial, technical and operational matters. In pursuing these activities The Branch has sought to protect and enhance the profession of members through representation of individuals in grievances and disputes and by representing members in collective bargaining. In pursuing such, the Branch has initiated and activated legal and industrial action when appropriate. In enhancing the professional aspects of members, representations have been made to regulatory bodies, government inquiries and international forums when so required.

Union Details

Number of employees

The union did not have any employees during the year ended 30 June 2013. All the administrative and industrial services were provided for a fee by the Medical Scientists Association of Victoria.

Number of members

The number of financial members at 30 June 2013 was 2,775 (2012: 2,548).

Right of members to resign

Pursuant to Rules 13(b) of the Branch and s174 of the Fair Work (Registered Organisations) Act 2009, a member may resign from membership of the Union by notice in writing addressed and delivered to the Secretary.

A notice of resignation from membership of the Union shall take effect:-

- (i) where the member ceases to be eligible to become a member of the Union -
 - A. on the day upon which the notice is received by the Union, or
 - B. on the day specified in the notice, which is a day not earlier than the day when the member ceased to be eligible to become a member,whichever is the later; or

- (ii) in any other case -
 - A. at the end of two weeks after the notice is received by the Union, or
 - B. on the day specified in the notice,whichever is the later.

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

OPERATING REPORT (continued)

Directorships of Superannuation Fund

To the best of our knowledge and belief, the following officers and employees of the Branch are superannuation fund trustee(s) or a director of a company that is a superannuation fund trustee:

Name of Officer	Trustee Company	Name of Superannuation Fund	Position	Whether position held because nominated for by the reporting unit or by a peak council
Rosemary Kelly	First State Superannuation Trustee Corporation • Appointed 30 Aug 2012	FSS Super	Director	YES
	HEST Australia Limited • Resigned 27 Sept 2012	HESTA	Director	YES
	Rimbanda Pty Ltd	Rimbanda Superannuation Benefits Fund	Director	NO

Directorships of company or a member of a board

To the best of our knowledge and belief, the following officers and employees of the Branch is a director of a company or a member of a board by virtue of their position in the Branch or by being nominated by the Branch or by a peak council.

Name of Officer	Name of the Company or Board	Position Held	The principal activities of the Company or Board	Whether position held because nominated for by the reporting unit or by a peak council
Paul Elliott	Medical Scientists Association of Victoria	Assistant Executive Officer	Registered trade union under the Victorian <i>Trade Union Act 1958</i>	No
	Victorian Trades Hall Council & Executive	Member	Victorian Unions peak body	No
Rosemary Kelly	Victorian Psychologists Association Inc	Secretary/Public Officer	Organisation of psychologists promoting their industrial interests	No
	Medical Scientists Association of Victoria	Executive Officer	Registered trade union under the Victorian <i>Trade Union Act 1958</i>	No
	Victorian Trades Hall and Literary Association	Committee Member	Trustee of the Victorian Trades Hall Building	YES Nominated by Victorian Trades Hall Council

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

Signature of designated officer: _____

Name of designated officer:

ADRIAN WARMINGTON

Title of designated officer:

PRESIDENT

Dated

7 AUG 2013

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

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 \$	2012 \$
Revenue from continuing operations	3	<u>115,281</u>	<u>93,223</u>
Affiliation and capitation fee		(35,162)	(24,194)
Employee expenses		-	-
Industrial expenses		(49,472)	(34,765)
Administration expenses		<u>(42,389)</u>	<u>(7,114)</u>
		<u>(127,023)</u>	<u>(66,073)</u>
(Deficit) Surplus for the year		(11,742)	27,150
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>(11,742)</u>	<u>27,150</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

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

BALANCE SHEET
AS AT 30 JUNE 2013

	2013 \$	2012 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	4,392	30,389
Trade and other receivables	<u>47,907</u>	<u>24,149</u>
TOTAL CURRENT ASSETS	<u>52,299</u>	<u>54,538</u>
TOTAL ASSETS	<u>52,299</u>	<u>54,538</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	19,047	9,544
Employee provisions	<u>-</u>	<u>-</u>
TOTAL CURRENT LIABILITIES	<u>19,047</u>	<u>9,544</u>
TOTAL LIABILITIES	<u>19,047</u>	<u>9,544</u>
NET ASSETS	<u>33,252</u>	<u>44,994</u>
MEMBERS' FUND		
Accumulated surplus	<u>33,252</u>	<u>44,994</u>
TOTAL MEMBERS' FUND	<u>33,252</u>	<u>44,994</u>

The above balance sheet should be read in conjunction with the accompanying notes.

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

	Accumulated Surplus \$	Other Funds \$	Total \$
Balance at 1 July 2011	17,844	-	17,844
Total comprehensive income for the year	27,150	-	27,150
Transfer to/from accumulated surplus	-	-	-
Transfer to/from other funds	-	-	-
Balance at 30 June 2012	<u>44,994</u>	<u>-</u>	<u>44,994</u>
Balance at 1 July 2012	44,994	-	44,994
Total comprehensive income for the year	(11,742)	-	(11,742)
Transfer to/from accumulated surplus	-	-	-
Transfer to/from other funds	-	-	-
Balance at 30 June 2013	<u>33,252</u>	<u>-</u>	<u>33,252</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from members and other associations	56,054	89,146
Receipts from court awarded penalty	12,000	-
Receipts from other reporting units	-	-
Payments to HSU National Office	(36,439)	(55,740)
Payments to suppliers and employees	(58,097)	(46,269)
Interest received	485	1,779
Net cash (outflow) from operating activities	<u>(25,997)</u>	<u>(11,084)</u>
Net (decrease) in cash and cash equivalents held	(25,997)	(11,084)
Cash and cash equivalents at beginning of financial year	<u>30,389</u>	<u>41,473</u>
Cash and cash equivalents at end of financial year	<u><u>4,392</u></u>	<u><u>30,389</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basic of Preparation of Concise Financial Reports

The concise financial reports have been prepared in accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009* and Accounting Standards AASB 1039 "Concise Financial Report".

A full general purpose financial report has been prepared for the Health Services Union Victoria No. 4 Branch. The financial statements and specific disclosures included in the concise financial report have been derived from the general purpose financial report of Health Services Union Victoria No. 4 Branch. The concise financial report cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the general purpose financial report of the Health Services Union Victoria No. 4 Branch.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and liabilities at fair value through profit or loss.

The accounting policies adopted have been consistently applied to all years presented, unless otherwise stated.

(b) Presentation currency

The presentation currency used in this concise financial report is Australian dollars.

2: SECTION 272 FAIR WORK (REGISTERED ORGANISATIONS) ACT 2009

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009* the attention of members is drawn to the provisions of subsection (1) to (3) of sections 272, which read as follows:

Information to be provided to members or the General Manager of Fair Work Commission:

(1) a member of a reporting unit, or the General Manager of Fair Work Commission, 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).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

3: REVENUE

	2013 \$	2012 \$
From continuing operations		
- capitation fees – other	70,070	73,680
- capitation fees – other reporting units	-	-
- contribution for campaigns	-	6,784
- court awarded penalty	12,000	-
- expenses reimbursed by Medical Scientists Association Victoria	31,624	-
- financial support from another reporting unit	-	-
- grants or donations	-	-
- interest	485	1,779
- levies	-	-
- member subscriptions	-	-
- other revenue	1,102	10,980
	<u>115,281</u>	<u>93,223</u>

4: EVENTS OCCURRING AFTER REPORTING PERIOD

There were no events that occurred after 30 June 2013, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Branch.

5: CONTINGENT LIABILITIES

There are no known contingent liabilities at 30 June 2013.

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

COMMITTEE OF MANAGEMENT STATEMENT

On the 7 August 2013, the Committee of Management of Health Services Union Victoria No. 4 Branch (the Branch) passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 30 June 2013:

The Committee of Management declares that in its opinion:

1. the financial statements and notes comply with Australian Accounting Standards;
2. the financial statements and notes comply with the reporting guidelines of the General Manager;
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 to which they relate;
4. there are reasonable grounds to believe that the Branch will be able to pay its debts as and when they become due and payable; and
5. during the financial year to which the GPFR relates and since the end of that year:
 - 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 a branch concerned; and
 - c. the financial records of Health Services Union Victoria No. 4 Branch have been kept and maintained in accordance with the RO Act; and
 - d. 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 Victoria No. 4 Branch or General Manager duly made under section 272 of the RO Act has been furnished to the members or the General Manager; and
 - f. no order for inspection of financial records have been made by the Fair Work Commission under section 273 of the RO Act.
6. There has been no recovery of wage activity undertaken by the reporting unit.

This declaration is made in accordance with a resolution of the Committee of Management.

Signature of designated officer: _____

Name of designated officer:

ADRIAN WARMINGTON

Title of designated officer:

PRESIDENT

Dated

7 AUG 2013

*All correspondence to*PO Box 6094
St Kilda Road Central
MELBOURNE VIC 8008E bgl@bglpartners.com.au

T (03) 9525 2511

F (03) 9525 2829

W bglpartners.com.au

ABN 96 006 935 459

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEALTH SERVICES UNION VICTORIA NO. 4 BRANCH

Report on the concise financial report

We have audited the accompanying concise financial report of the Health Services Union Victorian No. 4 Branch comprises the balance sheet as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and related notes, derived from the audited financial report of the Health Services Union Victorian No. 4 Branch for the year ended 30 June 2013. The concise financial report also includes discussion and analysis of results and Statement by Committee of Management. 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 of the concise financial report in accordance with Australian Accounting Standards AASB 1039 *Concise Financial Reports* and the *Fair Work (Registered Organisations) Act 2009* and for such internal control as the Committee of Management determine is necessary to enable the preparation of the concise financial report.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures which were conducted in accordance with ASA 810 *Engagements to Report on Summary Financial Statements*. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Health Services Union Victorian No. 4 Branch for the year ended 30 June 2013. We expressed an unmodified audit opinion on the financial report in our report dated 8 August 2013. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the concise financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the concise 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 controls. Our procedures 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 audit evidence supporting the amounts, discussion and analysis of results, 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 AASB 1039 *Concise Financial Reports* and whether the discussion and analysis complies with the requirements laid down in AASB 1039 *Concise Financial Reports*.

*All correspondence to*PO Box 6094
St Kilda Road Central
MELBOURNE VIC 8008E bgl@bglpartners.com.au

T (03) 9525 2511

F (03) 9525 2829

W bglpartners.com.au

ABN 96 006 935 459

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
HEALTH SERVICES UNION VICTORIAN NO. 4 BRANCH (Continued)**

Our audit did not involve an analysis of the prudence of business decisions made by the Committee of Management.

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

Independence

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

Opinion

In our opinion:

- the concise financial report, including the discussion and analysis of results and the Statement of Committee Management of the Health Services Union Victorian No. 4 Branch for the year ended 30 June 2013 complies with Australian Accounting Standard AASB 1039 *Concise Financial Reports* and the Fair Work (Registered Organisations) Act 2009
- the Committee of Management's use of the going concern basis of accounting in the preparation of the Branch's financial statements is appropriate.

BGL Partners
Chartered AccountantsI. A. Hinds - A.C.A. - Partner
Member of The Institute of Chartered Accountants in Australia and
holder of current Public Practice Certificate8 August 2013
Melbourne



18 July 2013

Dr Rosemary Kelly
Branch Secretary
Health Services Union-Victorian No. 4 Branch

Sent by email: rosemaryk@msav.org.au

Dear Dr Kelly,

Re: Lodgement of Financial Report - [FR2013/313]
Fair Work (Registered Organisations) Act 2009 (the RO Act)

The financial year of the Victorian No. 4 Branch of the Health Services Union (the reporting unit) ended on 30 June 2013.

This is a courtesy letter to remind you of the obligation to prepare and lodge the financial report for the reporting unit by the due date, namely 15 January 2014 (that is the period within 6 months and 14 days of the end of the financial year) under s.268 of the RO Act.

The RO Act sets out a particular chronological order in which financial documents and statements must be prepared, audited, provided to members and presented to a meeting. For your assistance, the attached *Timeline/Planner* summarises these requirements.

Fact sheets regarding financial reporting under the RO Act are provided on the Fair Work Commission website at: [Financial Reporting Fact Sheets](#).

The documents can be emailed to orgs@fwc.gov.au . If it is envisaged that the financial report cannot be lodged by the due date you are requested to contact this office prior to the due date to discuss the issue.

It should be noted that s.268 is a civil penalty provision. Failure to lodge a financial report may result in legal proceedings being issued with the possibility of a pecuniary penalty (up to \$33,000 for a body corporate and \$6,600 for an individual per contravention) being imposed upon an officer whose conduct led to the contravention and/or your organisation.

Should you seek any clarification in relation to the above, please contact me on (03) 8661 7936 or via email at robert.pfeiffer@fwc.gov.au .

Yours sincerely,

Robert Pfeiffer
Senior Adviser
Regulatory Compliance Branch

TIMELINE/ PLANNER

Financial reporting period ending:	/ /	
Prepare financial statements and Operating Report.		
(a) A Committee of Management Meeting must consider the financial statements, and if satisfied, pass a resolution declaring the various matters required to be included in the Committee of Management Statement.	/ /	As soon as practicable after end of financial year
(b) A # designated officer must sign the Statement which must then be forwarded to the auditor for consideration as part of the General Purpose Financial Report (GPFR).	/ /	
Auditor's Report prepared and signed and given to the Reporting Unit - s257	/ /	Within a reasonable time of having received the GPFR (NB: Auditor's report must be dated on or after date of Committee of Management Statement)
Provide full report free of charge to members – s265 The full report includes: <ul style="list-style-type: none"> the General Purpose Financial Report (which includes the Committee of Management Statement); the Auditor's Report; and the Operating Report. 	/ /	(a) if the report is to be presented to a General Meeting (which must be held within 6 months after the end of the financial year), the report must be provided to members 21 days before the General Meeting, or (b) in any other case including where the report is presented to a Committee of Management meeting*, the report must be provided to members within 5 months of end of financial year.
Present full report to:		
(a) General Meeting of Members - s266 (1),(2); OR	/ /	Within 6 months of end of financial year
(b) where the rules of organisation or branch allow* - a Committee of Management meeting - s266 (3)	/ /	Within 6 months of end of financial year
Lodge full report with the Fair Work Commission, together with the #Designated Officer's certificate++ – s268	/ /	Within 14 days of meeting

* the full report may only be presented to a committee of management meeting if the rules of the reporting unit provide that a percentage of members (not exceeding 5%) are able to call a general meeting to consider the full report.

The Committee of Management Statement and the Designated Officer's certificate must be signed by the Secretary or another officer who is an elected official and who is authorised under the rules (or by resolution of the organisation) to sign the statement or certificate – s243.

++ The Designated Officer's certificate must state that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with s266 – dates of such events must be included in the certificate. The certificate cannot be signed by a non-elected official.