

HEALTH SERVICES UNION OF WA (UNION OF WORKERS)

SPECIAL PURPOSE FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 SEPTEMBER 2012



**Anderson Munro & Wyllie**

CHARTERED ACCOUNTANTS

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**HEALTH SERVICES UNION OF WA (UNION OF WORKERS)  
STATEMENT BY THE COMMITTEE  
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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The Committee has determined that Health Services Union of WA (the "Union") is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee, the financial report as set out on the following pages:

1. Presents a true and fair view of the financial position of the Union as at 30 September 2012 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the Union will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for on behalf of the Committee by:-

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary

Dated this 19<sup>th</sup> day of November 2012  
Perth, WA

**HEALTH SERVICES UNION OF WA (UNION OF WORKERS)****INCOME STATEMENT  
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

	2012	2011
	\$	\$
<b>INCOME</b>		
Subscriptions from Members - HSU	2,311,988	2,129,450
Director fees	12,086	-
Interest	55,039	47,491
Office Leasing	5,430	5,430
	<u>2,384,543</u>	<u>2,182,371</u>
<b>EXPENDITURE:</b>		
<b>ADMINISTRATION</b>		
Computer Maintenance Fees	10,386	6,289
General Postage	9,717	11,715
Equipment Purchases and Repairs	568	3,802
Stationery and Office Supplies	41,030	25,679
Telephone and Electricity	38,366	32,932
Leasing Charges	24,570	32,963
Other administrative costs	2,339	4,060
Loss on asset disposals	2,573	-
Audit fees	6,252	5,232
	<u>135,801</u>	<u>122,673</u>
<b>DEPRECIATION</b>		
Plant and Equipment	26,622	27,397
	<u>26,622</u>	<u>27,397</u>
<b>FINANCE</b>		
Banking Taxes, Fees and Sundries	33,711	31,341
	<u>33,711</u>	<u>31,341</u>
<b>HEALTH SERVICES UNION OF AUSTRALIA WA BRANCH</b>		
Affiliation - National Office	67,290	70,858
Audit Fees	1,465	730
	<u>68,755</u>	<u>71,588</u>
<b>INDUSTRIAL</b>		
Affiliation - TLC	22,781	18,649
Industrial Campaigns and Research	143,687	179,730
Industrial Conventions and Seminars	6,131	5,886
Industrial and Legal Publications	-	11,332
Legal Opinions and Fees	34,380	8,465
Transcripts, Filing, Advertising and Sundries	1,373	484
	<u>208,352</u>	<u>224,545</u>
<b>MEMBERS AND COMMITTEE</b>		
Committee Expenses and Honoraria	9,854	10,027
Meeting of Members, Committees and Sub Committee	5,766	2,837
Bereavement Fund Payments	15,000	11,491
Membership Promotions	13,377	15,363
Other	6,588	22,071
Members Insurance	146,081	141,123
	<u>196,666</u>	<u>202,912</u>
<b>OCCUPANCY OF COOLGARDIE TERRACE</b>		
Cleaning and Maintenance	17,046	13,564
Rates, Taxes and Insurance	3,563	9,591
	<u>20,609</u>	<u>23,155</u>

HEALTH SERVICES UNION OF WA (UNION OF WORKERS)

INCOME STATEMENT  
FOR THE YEAR ENDED 30 SEPTEMBER 2012

	2012	2011
	\$	\$
<b>PRINTING AND PUBLICATION</b>		
Feedback Newsflash and Information Sheets	25,307	34,683
Membership Card and Other	13,610	6,817
	<u>38,917</u>	<u>41,500</u>
<b>STAFF</b>		
Salaries	1,202,589	1,135,107
Superannuation	240,107	217,953
Insurance, Amenities, Training Courses and Other expenses	21,236	25,647
Long Service Leave and Annual Leave Provisions	48,985	130,111
Payroll Tax	57,428	32,339
	<u>1,570,345</u>	<u>1,541,157</u>
<b>TRAVELLING</b>		
Country and Other	24,195	29,664
Vehicle Expenses and Allowance	25,541	31,424
Vehicle Lease	39,754	39,429
Fringe Benefit Tax	12,030	16,939
	<u>101,520</u>	<u>117,456</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>2,401,298</u>	<u>2,403,724</u>
<b>Operating Deficit for the Year</b>	<u>(16,755)</u>	<u>(221,353)</u>

The accompanying notes form part of this financial report.

HEALTH SERVICES UNION OF WA (UNION OF WORKERS)

BALANCE SHEET  
AS AT 30 SEPTEMBER 2012

	2012	2011
	\$	\$
<b>ASSETS</b>		
Cash in Bank Accounts	7,222	12,907
Amounts Receivable and Prepayments	39,381	33,328
Investments:		
Savings Accounts	1,186,313	1,109,933
Plant and Equipments - at depreciated value	46,106	63,629
Freehold Property at Committee of Management value - 8 Coolgardie Tce	1,180,000	1,180,000
	<u>2,459,022</u>	<u>2,399,797</u>
<b>LIABILITIES</b>		
Current Creditors and Accrued Expenses	180,718	153,724
Provision for Annual Leave	186,247	192,437
Provision for Long Service Leave	335,901	280,726
	<u>702,866</u>	<u>626,887</u>
<b>Net Assets</b>	<u>1,756,156</u>	<u>1,772,910</u>
<b>EXCESS OF ASSETS</b>		
Funds at the Commencement of the Year	962,910	1,184,263
Revaluation reserve	810,000	810,000
Less Deficit for the year	(16,755)	(221,353)
<b>Funds at the End of the Year</b>	<u>1,756,155</u>	<u>1,772,910</u>

The accompanying notes form part of this financial report.

HEALTH SERVICES UNION OF WA (UNION OF WORKERS)

STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
FOR THE YEAR ENDED 30 SEPTEMBER 2012

	2012
	\$
<b>SOURCE OF FUNDS</b>	
Funds from Operations	
Deficit as per Accounts	(16,755)
Add: Non Cash Items - Depreciation	<u>26,622</u>
Decrease in Bank Accounts	9,867
Decrease/(increase) in Receivables	5,685
Increase in Creditors	<u>(6,053)</u>
	<u>26,994</u>
	<u>36,493</u>
<b>APPLICATION OF FUNDS</b>	
Increase/(Decrease) in Plant and Equipments (at cost)	9,098
Increase/(Decrease) in Investments	76,380
Increase in Provisions	<u>(48,985)</u>
	<u>36,493</u>

HEALTH SERVICES UNION OF WA (UNION OF WORKERS)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2012

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This special purpose financial report has been prepared for distribution to the members to fulfill the Committee's financial reporting requirements under the Union's constitution. The accounting policies used in the preparation of this report, as described below, are consistent with the financial reporting requirements of the Union's constitution and with previous years and are, in the opinion of the Committee, appropriate to meet the needs of members.

**Special Purpose Financial Report**

The Union is not a reporting entity because in the Committee's opinion, it is unlikely that users exist who are unable to command the preparation of reports tailored so as to satisfy all of their information needs. This is therefore a special purpose financial report that has been prepared for the use of members.

The report has been prepared in accordance with the following Australian Accounting Standards:

AASB 110: Events after the Balance Sheet Date  
AASB 1031: Materiality

No other applicable Accounting Standards, Australian Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

**Basis of Accounting**

The financial statements have been prepared on an accruals basis and in accordance with the historical cost convention and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

**(a) Income Tax**

The Union is tax exempt under Division 50 of the *Income Tax Assessment Act of 1997*.

**(b) Property, Plant and Equipment**

Property, plant, and equipment are bought to account at cost or at the committee's valuation less, where applicable, any accumulated depreciation. The carrying amount of property, plant, and equipment is reviewed by the committee to ensure it is not in excess of the recoverable amount from those assets.

**(c) Depreciation**

The depreciable amount of all classes fixed assets other than building are depreciated on a diminishing value basis over the useful lives to the Union commencing from the time the asset is held ready for use.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.



HEALTH SERVICES UNION OF WA (UNION OF WORKERS)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2012

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(d) Employee Entitlements**

Provision is made for the Union's liability for employee entitlements arising from services rendered by employees up to balance date. These entitlements include wages and salaries, annual leave, and long service leave. Employee entitlements that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Union to an approved employee superannuation fund and are recorded as expenses when paid.

**(e) Good and Service Tax**

Revenues, expenses and assets are recognized net of good and services tax (GST), except where the amount of GST incurred is not recoverable. In these circumstances the GST is recognized as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable or payable is included as a current asset or liability in the statement of financial position.

**(f) Comparatives**

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



# Anderson Munro & Wyllie

CHARTERED ACCOUNTANTS

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## **INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE HEALTH SERVICES UNION OF WA (UNION OF WORKERS)**

### **Report on the Financial Report**

We have audited the accompanying financial report of the Health Services Union of WA (Union of workers) which comprises the Balance Sheet as at 30 September 2012, the Income statement, the Statement by the Committee, and notes comprising a summary of significant accounting policies and other explanatory information.

### **Board of Management's Responsibility for the Financial Report**

The Committee members of the Health Services Union of WA (Union of workers) are responsible for the preparation and fair presentation of the financial report, in accordance with accounting policies used and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Committee members the Health Services Union of WA (Union of workers) have determined that it is a non reporting entity, because there does not exist any users of the financial report who are unable to command the preparation of reports to satisfy all their information needs. The financial report is therefore a special purpose financial report, which does not require the application of all Accounting Standards in Australia, and other financial reporting requirements. The Committee members of Health Services Union of WA (Union of workers) have determined that the accounting policies used is consistent with the Association's financial reporting requirements and are appropriate to meet the needs of the members. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

### **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 standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's 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 management, as well as evaluating the overall presentation of the financial report.

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



### **Independence**

Anderson Munro & Wyllie are independent of the Health Services Union of WA (Union of workers), and have met the independence requirements of Australian professional ethical pronouncements.

### **Opinion**

In our opinion the financial report presents fairly, in all material respects, the financial position of the Health Services Union of WA (Union of workers) as at 30 September 2012, and its financial performance for the year then ended in accordance with accounting policies described in Notes to the accounts.

The Union has kept accounting records in a form that have enabled an informed opinion to be expressed.

All the information, records, documents and explanations that, under Section 65A of the Industrial Relations Act 1979, I required officers of the Union to furnish, were furnished.

No official of the Union has contravened or failed to comply with Section 74 of the Industrial Relations Act 1979.

### **Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Committee of Management's financial reporting responsibilities. As a result, the financial report may not be suitable for another purpose.

Dated the 21<sup>st</sup> day of November 2012 in Perth, Western Australia

### **AMW (AUDIT) PTY LTD**

*Anderson Munro & Wyllie*

**ANDERSON MUNRO & WYLLIE**  
Chartered Accountants

*/s/*

**CHRISTOPHER McLAUGHLIN**  
Director