



Australian Government
Registered Organisations Commission

19 December 2017

Mr Stephen Lowndes
President
The Health Services Association of New South Wales

By e-mail: ed@hsansw.org.au

Dear Mr Lowndes

The Health Services Association of New South Wales
Financial Report for the year ended 30 June 2017 - FR2017/241

I acknowledge receipt of the financial report for the year ended 30 June 2017 for the Health Services Association of New South Wales (HSA). The financial report was lodged with the Registered Organisations Commission on 29 November 2017.

The financial report has now been filed. You are not required to take any further action in respect of the report lodged.

I understand that in future the HSA intends to seek an exemption under section 271 of the *Fair Work (Registered Organisations) Act 2009* from the financial reporting requirements of Part 3, Chapter 8 of this Act.

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 9603 0707 or by email at ken.morgan@roc.gov.au

Yours faithfully

A handwritten signature in black ink, appearing to read 'K. Morgan'.

KEN MORGAN
Financial Reporting Advisor
Registered Organisations Commission

The Health Services Association of New South Wales

ABN: 42 052 498 932

**Financial Report
For the year ended 30 June 2017**

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Operating Report – Health Services Association of NSW for the year ended June 2017

The Committee of Management presents its operating report on the Reporting Unit for the year ended June 2017.

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

The Association is the representative body for publicly funded (NSW and Commonwealth) government and non-government public health providers. The role of the Association is to provide a valued collective voice for our members, as an integral component of the health service.

The operating result for the year ended 2016/17 is a deficit of \$76,103 (2015/16: surplus \$2,782).

There were no significant changes in the nature of activities during the year.

Significant changes in financial affairs

There have been no significant changes to the financial affairs of the Association during the reported period.

Number of members

The number of members as at 30 June 2017 and the comparison with last year is as follows

	2017	2016
Member	12	12

Number of employees - 0

Names of Committee of Management members and period positions held during the financial year

Committee Member	Position Held
Stephen Lowndes	President
Gerard Hyde	Vice - President
Robert Mills	Honorary Treasurer
Shelley Castree-Coad	Executive Member
Mary Dowling	Executive Director

Signature of designated officer: 

Name and title of designated officer: STEPHEN LOWNDES - PRESIDENT

Dated: 28/11/17


Health Services Association of NSW Committee of Management Statement for the year ended June 2017

On 24/10/2017 the Health Services Association of NSW Executive Management Committee passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended June 2017:

The Health Services Association of NSW Executive Management Committee declares that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RO Act; and
 - (iv) where information has been sought in any request by a member of the reporting unit or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and
 - (v) where any order for inspection of financial records has been made by the Registered Organisations Commission under section 273 of the RO Act, there has been compliance.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period

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

Signature of designated officer: 


Name and title of designated officer: STEPHEN LOWNDES - PRESIDENT

Dated: 24/11/17

Health Services Association of NSW
s.268 *Fair Work (Registered Organisations) Act 2009*
Certificate By Prescribed Designated Officer¹
Certificate for the year ended June 2017

I Stephen Lowndes being the President of the Health Services Association of NSW certify:

- that the documents lodged herewith are copies of the full report for the Health Services Association of NSW for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was presented to a general meeting of members on 24th November 2017 in accordance with s.266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer:.....

Name of prescribed designated officer:.....STEPHEN LOWNDES

Title of prescribed designated officer:.....PRESIDENT

Dated:.....24/11/17

RECOVERY OF WAGES ACTIVITY

For the Year Ended 30 June 2017

No Recovery of Wages activity was carried out by the Association for the year ended 30 June 2017 (2016: Nil)

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2017

	Note	June 2017 \$	June 2016 \$
Revenue	3	77,230	152,561
Other expenses	4	(153,333)	(149,779)
Profit before income tax		(76,103)	2,782
Income tax expense	1	-	-
Profit attributable to members of the company		(76,103)	2,782
Other comprehensive income after income tax:			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(76,103)	2,782
Total comprehensive income attributable to members of the entity		(76,103)	2,782

This statement should be read in conjunction with the notes to the financial statements.

Statement of Financial Position

As at 30 June 2017

	Note	June 2017 \$	June 2016 \$
CURRENT ASSETS			
Cash and cash equivalents	6a	355,570	427,300
Trade and other receivables	6b	24,458	19,438
		<hr/>	<hr/>
TOTAL CURRENT ASSETS		380,028	446,738
		<hr/>	<hr/>
TOTAL ASSETS		380,028	446,738
CURRENT LIABILITIES			
Trade and other payables	7a	11,280	3,250
Income in Advance		1,363	-
		<hr/>	<hr/>
TOTAL CURRENT LIABILITIES		12,643	3,250
		<hr/>	<hr/>
TOTAL LIABILITIES		12,643	3,250
		<hr/>	<hr/>
NET ASSETS		367,385	443,488
		<hr/>	<hr/>
EQUITY			
Retained Earnings		367,385	443,488
		<hr/>	<hr/>
TOTAL EQUITY		367,385	443,488
		<hr/>	<hr/>

This statement should be read in conjunction with the notes to the financial statements.

Statement of Changes in Funds

For the year ended 30 June 2017

	RETAINED EARNINGS	TOTAL
	\$	\$
Balance at 1 April 2015	440,706	440,706
Profit attributable to members of the company	2,782	2,782
	<hr/>	<hr/>
Balance at 30 June 2016	<u>443,488</u>	<u>443,488</u>
Profit/(Deficit) attributable to members of the company	(76,103)	(76,103)
	<hr/>	<hr/>
Balance at 30 June 2017	<u>367,385</u>	<u>367,385</u>

This statement should be read in conjunction with the notes to the financial statements.

Statement of Cash Flows

For the year ended 30 June 2017

	Note	June 2017 \$	June 2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Receipts from operating activities		66,644	133,139
Payments to suppliers and employees		(146,740)	(183,877)
Interest received		8,366	5,938
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	9a	<u>(71,730)</u>	<u>(44,800)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		<u>-</u>	<u>-</u>
NET INCREASE/(DECREASE) IN CASH HELD		(71,730)	(44,800)
CASH AT THE BEGINNING OF THE FINANCIAL YEAR		427,300	472,100
CASH AT THE END OF THE FINANCIAL YEAR	6a	<u>355,570</u>	<u>427,300</u>

This statement should be read in conjunction with the notes to the financial statements.

Notes to and forming part of the financial statements For the year ended 30 June 2017

NOTE 1- STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: *Application of Tiers of Australian Accounting Standards* and AASB 2010-2: *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements*, interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period, the Fair Work (*Registered Organisations*) Act 2009 and the Corporations Act 2001.

For the purpose of preparing the general purpose financial statements, the Health Services Association of NSW (HSA) is a not-for-profit entity.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar and are presented in Australian dollars

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated Depreciation and impairment losses.

Property, plant and equipment are measured on the cost basis. The carrying amount of property, plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets, is depreciated on a straight line and diminishing value basis over their useful lives to the Company commencing from the time the asset is held ready for use.

CLASS OF FIXED ASSET	DEPRECIATION RATE
Plant and Equipment	10% - 20%

Notes to and forming part of the financial statements For the year ended 30 June 2017

NOTE 1- STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed in the statement of comprehensive income.

Industry and Geographical Segments

The company's activities are the Conduct of a Health Services Association in New South Wales in Australia.

Income Tax

The company has been advised by the Australian Taxation Office that the income of the company is exempt from the payment of income tax under section 50-15 of the Income Tax Assessment Act, 1997.

This exemption is conditional upon the activities of the company continuing to reflect its stated objects. Accordingly, tax effect accounting has not been adopted by the company.

Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from subscriptions is accounted for on an accrual basis and is recorded as revenue in the year to which it relates.

Revenue from the sale of goods is recognised to the extent that it is probable that the economic benefits will flow to the Association and the revenue can be reliably measured regardless of when the payment is received.

Interest revenue is recognised on an accrual basis using the effective interest method. Donation income is recognised when it is received.

Goods and Services Tax (GST)

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

Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash includes:

Notes to and forming part of the financial statements For the year ended 30 June 2017

NOTE 1- STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

- (i) cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts; and
- (ii) investments in money market instruments.

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Critical Accounting Estimates and Judgments

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

Key Estimates - Impairment

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

Comparative Figures

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

NOTE 2 – EVENTS AFTER THE REPORTING PERIOD

There were no events that occurred after 30 June 2017 and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the HSA.

NOTE 3- REVENUE

	2017	2016
	\$	\$
Note 3a: Operating Activities		
Membership Subscriptions	-	145,123
Interest	7,879	7,438
Other	69,351	-
Total Revenue	<u>77,230</u>	<u>152,561</u>
Operating Activities	<u>77,230</u>	<u>152,561</u>

Notes to and forming part of the financial statements
 For the year ended 30 June 2017

	2017 \$	2016 \$
NOTE 3- REVENUE (CONT'D)		
Note 3b: Capitation fees	-	-
Note 3c: Levies	-	-
Note 3d: Grants and Donations	-	-
NOTE 4- EXPENSES		
Note 4a: Employee Expenses	-	-
Note 4b: Capitation fees	-	-
Note 4c: Affiliation fees	-	-
Note 4d: Grants and Donations		
Grants:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Donations:		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
Total Grants or Donations	-	-
Note 4e: Legal Costs		
Litigation	-	-
Legal matters	70,753	47,963
Total Legal Costs	70,753	47,963
Note 4f: Administration Expenses		
Contractors	69,958	84,135
Office/Other Expenses	12,622	18,101
Total Administration Expenses	82,580	102,236
Total Expenses	153,333	150,199

**Notes to and forming part of the financial statements
 For the year ended 30 June 2017**

	2017 \$	2016 \$
NOTE 5- REMUNERATION OF AUDITORS		
Audit of Accounts	3,500	2,250
NOTE 6- CURRENT ASSETS		
NOTE 6a: Cash and cash equivalents		
Cash at Bank	355,570	427,300
NOTE 6b: Trade and other receivables		
Trade Receivables	21,657	17,328
Less Provision for Doubtful Debts	-	-
Total Trade Receivables	<u>21,657</u>	<u>17,328</u>
Other Receivables		
GST Receivable	2,801	2,110
Total Other Receivables	<u>2,801</u>	<u>2,110</u>
Total Trade and Other Receivables	<u>24,458</u>	<u>19,438</u>
NOTE 7- CURRENT LIABILITIES		
Note 7a: Trade Payables	11,280	3,250
Note 7b: Other Payables	1,363	-
Total Trade and Other Payables	<u>12,643</u>	<u>3,250</u>
Note 8- PROVISIONS		
Employee Provisions	-	-
Note 9 – CASH FLOW		
Note 9a: Cash Flow Reconciliation		
Reconciliation of cash and cash equivalents as per Balance Sheet to Cash Flow Statement		
Cash and cash equivalents as per:		
Cash Flow Statement	355,570	427,300
Balance Sheet	355,570	427,300
Difference	<u>-</u>	<u>-</u>

Notes to and forming part of the financial statements For the year ended 30 June 2017

	2017 \$	2016 \$
NOTE 9 - CASH FLOW (CONT'D)		
Reconciliation of profit/ (deficit) to net cash from operating activities:		
Profit/ (deficit) for the year	(76,103)	2,782
Adjustment for non-cash items		
Depreciation/amortisation	-	-
Gain on disposal of Assets	-	-
Changes in assets/liabilities		
(Increase)/decrease in net receivables	(5,021)	(15,594)
Increase/ (decrease) in payables	9,394	(31,988)
Net cash from (used by) operating activities	<u>(71,730)</u>	<u>(44,800)</u>

NOTE 10 - 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 sub sections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commissioner:

- (1) A member of a reporting unit, or the Commissioner, 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)

The Health Services Association of New South Wales
ABN: 42 052 498 932

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of The Health Services Association of New South Wales, the directors of the entity declare that:

- (a) the financial statements and notes are in accordance with the Corporations Act 2001 and:
- (i) comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
 - (ii) give a true and fair view of the financial position as at 30 June 2017 and of the performance for the year ended on that date of the company, and
- (b) in their opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable

This declaration is made in accordance with a resolution of the board of directors.



Director



Director

Sydney

Date:

24-Nov-17

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF THE HEALTH SERVICES ASSOCIATION OF NEW SOUTH WALES**

A.B.N. 42 052 498 932

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of The Health Services Association of New South Wales (the Reporting Unit) which comprises the Statement of Financial Position as at 30 June 2016, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies; and the Committee of Management Statement.

In my opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of The Health Services Association of New South Wales as at 30 June 2017, and its financial performance and its cash flows for the year ended on that date in accordance with:

- a) the Australian Accounting Standards;
- b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act); and
- c) complying with the Corporations Regulations 2001.

I declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conroy Audit & Advisory

Principal: David Conroy FCA

ABN: 95 373 401 379

Liability limited by a scheme approved under Professional Standards Legislation.



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Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report. My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Committee of Management for the Financial Report

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Reporting Unit's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.
- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the Reporting Unit audit. I remain solely responsible for my audit opinion.

I communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I declare that I am an approved auditor, a member of The Chartered Accountants Australia and New Zealand and hold a current Public Practice Certificate.

Conroy Audit & Advisory



Principal: David Conroy FCA

Address: Level 2, 154 Elizabeth St Sydney NSW 2000

Dated : 27 October 2017

Registration number (as registered by the RO Commissioner under the RO Act):

AA2017/60