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**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
A.B.N 82 946 658 712**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 DECEMBER 2007**

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
A.B.N 82 946 658 712**

**CONTENTS**

Operating Report	1-2
Income Statement	3
Balance Sheet	4
Statement of Changes in Equity	5
Notes to the Financial Statements	6-11
Cash Flow Statement	12-13
Committee of Management's Statement	14
Auditor's Report	15-16
Income and Expenditure Statement	17

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
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**OPERATING REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2007**

**(a) Principal Activities:**

The Branch's principal activities during the financial year were:  
To provide industrial services to the members consistent with the objects of the Branch particularly the object of protecting & improving the interests of the members.

**Results of Principal Activities:**

The Branch's principal activities resulted in maintaining and improving the services provided to its members, promoting and protecting the broad interests of salaried medical practitioners and advocating the provision and development of quality health services.

**Significant changes In Branch's Activities:**

There were no significant changes in the nature of Branch's principal activities during the financial year.

**(b) Operating Results:**

The profit of the Branch amounted to \$22,782.07 for the financial year.

**Significant changes in Branch's affairs:**

In order to secure the financial position of the Branch, the Federal Council approved the cancellation of the Branch's debt to the AMA and ASMOF Federal at its AGM on 14th December 2007. The AMA has also agreed to significantly reduce its fees for Industrial Services provided during the financial year.

**(c) Right of Members to resign:**

**Manner of resignation S254(2)(c)**

Members may resign from the Branch in accordance with rule 11, which reads as follows:  
A member may resign their membership by notifying the Secretary in writing, addressed and delivered to that officer.

A notice of resignation from membership takes effect:

1) where the member ceases to be eligible to become a member of the Branch:

- (i) on the day on which the notice is received by the Branch; or
- (ii) on the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to become a member;

whichever is later;

or

2) in any other case:

- (i) at the end of two weeks, after the notice is received by the Branch; or
- (ii) on the day specified in the notice;

whichever is later;

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**OPERATING REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2007**

Any dues payable but not paid by a former member of the Branch, in relation to a period before the member's resignation from the Branch took effect, may be sued for and recovered in the name of the Branch, in a court of competent jurisdiction, as a debt due to the Branch.

A notice delivered to the Secretary shall be taken to have been received by the Branch when it is delivered.

A notice of resignation that has been received by the Branch is not invalid because it was not addressed and delivered to the Secretary.

A resignation from membership is valid even if it is not affected in accordance with this Rule if the member is informed in writing by or on behalf of the Branch that the resignation has been accepted.

**(d) Number of members**

The number of persons who, at the end of the financial year were recorded on the Register of Members was 212.

**(e) Number of employees**

The Branch has no employees.

**(f) Members of Committee of Management**

The persons who held office as members of the Committee of Management of the Branch at the during the financial year were:-

Dr. G. Hibbins	President
Dr. D. Barton	Councillor
Dr. R. Rasalam	Treasurer (Resigned 7 December 2007)


**(g) Superannuation Trustees**

No member of the Committee of Management of the Branch is

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

where a criterion for the member being the trustee or director is that the member is a member of a registered organisation.

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



DR G HIBBINS (President)

Date: 19 1 5 108

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
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**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	2007 \$	2006 \$
Revenue	2	26,253.83	24,969.76
Auditor's remuneration	3	(1,400.00)	(1,600.00)
Capitation Fees- Federal ASMOF		1,854.55	(13,723.64)
Industrial Services - AMA		(3,390.91)	(24,981.82)
Meetings and Conferences expenses		(303.34)	(427.35)
Other expenses		(232.06)	(254.52)
<b>Profit (Loss) for the year</b>		<u>22,782.07</u>	<u>(16,017.57)</u>
Income tax expense		-	-
<b>Profit (Loss) after income tax</b>		<u><u>22,782.07</u></u>	<u><u>(16,017.57)</u></u>

The accompanying notes form part of these financial statements.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
A.B.N 82 946 658 712**

**BALANCE SHEET  
AS AT 31 DECEMBER 2007**

	Note	2007 \$	2006 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	8,834.11	6,967.55
Trade and other receivables	5	<u>6,821.84</u>	<u>1,423.90</u>
<b>TOTAL CURRENT ASSETS</b>		<u>15,655.95</u>	<u>8,391.45</u>
<b>TOTAL ASSETS</b>		<u>15,655.95</u>	<u>8,391.45</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	16,834.98	32,202.55
Other current liabilities	7	<u>1,600.00</u>	<u>1,750.00</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>18,434.98</u>	<u>33,952.55</u>
<b>TOTAL LIABILITIES</b>		<u>18,434.98</u>	<u>33,952.55</u>
<b>NET ASSETS (LIABILITIES)</b>		<u>(2,779.03)</u>	<u>(25,561.10)</u>
<b>MEMBERS' FUNDS</b>			
Accumulated losses	8	<u>(2,779.03)</u>	<u>(25,561.10)</u>
<b>TOTAL EQUITY</b>		<u>(2,779.03)</u>	<u>(25,561.10)</u>

The accompanying notes form part of these financial statements.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
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A.B.N 82 946 658 712**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	Note	(Accumulated losses) \$	Total \$
Balance at 1 January 2006		(9,544)	(9,544)
Profit (Losses) attributable to members		<u>(16,018)</u>	<u>(16,018)</u>
Balance at 31 December 2006		<u>(25,561)</u>	<u>(25,561)</u>
Profit attributable to members		22,782	22,782
Balance at 31 December 2007		<u>(2,779)</u>	<u>(2,779)</u>

The accompanying notes form part of these financial statements.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2007**

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**1 Statement of Significant Accounting Policies**

The financial report is a General Purpose Financial Report (GPFR) and it has been prepared in accordance with Workplace Relations Act 1996 [the RAO Schedule].

The GPFR is for an entity known as AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION (COMMONWEALTH BRANCH) as an individual entity.

The GPFR complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the branch in the preparation of the financial report. Unless otherwise stated, the accounting policies have been consistently applied.

**Reporting basis and conventions**

The GPFR has been prepared on an accruals basis and is based on historical costs.

**Accounting Policies**

**Going Concern**

This financial report has been prepared on the going concern basis in spite of the branch's deficiency of net assets. The going concern basis has been implemented as the committee of management has received a written commitment from ASMOF- Federal to provide an interest free loan to help CASMOF pay off its debts as and when required. The AMA has also agreed to a significant reduction in fees charged to the Branch for Industrial services, resulting in lower expenditure and a trading surplus is anticipated in future years.

**Income Tax**

The Branch, being a registered Trade Union, is exempt from income tax on all of its income.

**Cash and Cash Equivalents**

Cash in the balance sheet comprise cash at bank.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
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A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2007**

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**Revenue**

Interest revenue is recognised upon receipt.

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

**Capitation Fees Revenue**

Capitation fees received have been accepted as the correct amounts payable to the branch.

**Membership Subscriptions Revenue**

The Branch's membership subscriptions year runs from 1st January to 31st December. Membership subscriptions received have been accepted as the correct amounts payable to the Branch.

**Capitation Fees Expenditure**

Capitation fees incurred and payable to AMSOF Federal for the year ended 31st December 2007 was \$6,212.73.

An adjustment of \$8,067.28, being capitation fees due to ASMOF Federal for the years 2005 and 2006 were written back, as the debt due was cancelled. The release of the debt owing to ASMOF Federal was approved in the AGM of the Federal's Council Meeting on the 14th December 2007.

**Industrial Services**

Industrial services incurred and payable to AMA for the year ended 31st December 2007 was \$13,800.00

An adjustment of \$10,409.09, being capitation fees due to the AMA for the years 2005 and 2006 were written back, as the debt due was cancelled. The release of the debt owing to the AMA was approved in the AGM of the Federal's Council Meeting on the 14th December 2007.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2007**

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**Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred by the Branch as a purchaser that is not recoverable from the Australian Tax Office is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

**Trade & Other Receivables**

Debtors are recognised at the amount receivable and are normally due for settlement within 30 days from date of recognition.

**Trade & Other Payables**

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

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2007**

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**Information to be provided to Members or to the Registrar**

In accordance with the requirements of the Workplace Relations Act. 1996 (the RAO Schedule) the attention of Members is drawn to the provision of sub-sections (1) (2) and (3) of Section 272 which read as follows.

**Section 272 Information to be provided to Members or Registrar**

272(1) [Application for Information] A member of a reporting unit, or a Registrar may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.

272 (2) [Form of Application] 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.

272(3) [Compliance] A Reporting unit must comply with an application made under subsection (1)

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007 \$	2006 \$
<b>2 Revenue</b>		
<b>Operating activities</b>		
Capitation Fees - AMA	5,254.55	5,656.36
Subscriptions	20,939.87	19,244.63
	<u>26,194.42</u>	<u>24,900.99</u>
<b>Non-operating activities</b>		
Interest received	59.41	68.77
Total revenue	<u>26,253.83</u>	<u>24,969.76</u>
<b>3 Auditor's Remuneration</b>		
Auditor's Fees	<u>1,400.00</u>	<u>1,600.00</u>
<b>4 Cash and Cash Equivalents</b>		
<b>Current</b>		
Commonwealth Banking Corporation	<u>8,834.11</u>	<u>6,967.55</u>
<b>Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Commonwealth Banking Corporation	<u>8,834.11</u>	<u>6,967.55</u>
<b>5 Trade and Other Receivables</b>		
<b>Current</b>		
Trade Debtors	5,780.00	-
Input Tax Credits	2,005.19	2,430.15
GST Payable	(963.35)	(1,006.25)
	<u>6,821.84</u>	<u>1,423.90</u>

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
A.B.N 82 946 658 712**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007 \$	2006 \$
<b>6 Trade and Other Payables</b>		
<b>Current</b>		
Trade Creditors	14,424.00	20,324.00
Sundry Creditors	2,410.98	11,878.55
	16,834.98	32,202.55
<b>7 Other Liabilities</b>		
<b>Current</b>		
Accrued Charges	1,600.00	1,750.00
<b>8 Accumulated Losses</b>		
Accumulated losses at the beginning of the financial year	(25,561.10)	(9,543.53)
Net profit (Net loss) attributable to the branch	22,782.07	(16,017.57)
Accumulated losses at the end of the financial year	(2,779.03)	(25,561.10)

**9 Financial Instruments**

**Financial Risk Management**

The branch's financial instruments consist primarily of deposits with banks.

The branch does not have any derivative instruments at 31 December 2007.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
A.B.N 82 946 658 712**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Subscriptions & Capitation Fees	23,033.87	41,433.00
Interest Received	59.41	68.77
General Administration Expenses & Direct Expenses	<u>(21,226.72)</u>	<u>(41,076.31)</u>
<b>Net cash provided by (used in) operating activities</b>	<u>1,866.56</u>	<u>425.46</u>
Net increase (decrease) in cash held	1,866.56	425.46
Cash at beginning of year	<u>6,967.55</u>	<u>6,542.09</u>
Cash at end of year	<u><u>8,834.11</u></u>	<u><u>6,967.55</u></u>

The accompanying notes form part of these financial statements.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
A.B.N 82 946 658 712**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	<b>2007</b>	<b>2006</b>
	<b>\$</b>	<b>\$</b>
<hr/>		
<b>Cash Flow Information</b>		
<b>Reconciliation of cash</b>		
Cash at the end of the financial Year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Commonwealth Banking Corporation	<u>8,834.11</u>	<u>6,967.55</u>
	<u>8,834.11</u>	<u>6,967.55</u>
<b>Reconciliation of net cash provided by operating activities to Profit (Loss) from ordinary activities</b>		
Operating profit (loss)	22,782.07	(16,017.57)
<b>Changes in assets and liabilities</b>		
Decrease (Increase) in Receivables	(5,397.94)	12,618.10
Increase (Decrease) in Payables	(15,367.57)	3,574.93
Increase (Decrease) in Accrued charges	<u>(150.00)</u>	<u>250.00</u>
<b>Cash inflows (outflows) from operations</b>	<u><u>1,866.56</u></u>	<u><u>425.46</u></u>

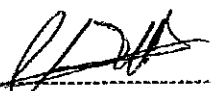
The accompanying notes form part of these financial statements.

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
A.B.N 82 946 658 712**

**COMMITTEE OF MANAGEMENT'S STATEMENT**

On behalf of the Committee and in accordance with a resolution passed by the Committee, I, the undersigned, hereby declare that:-

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the Industrial Registrar;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which GPFR relates and since the end of that year:
  - (i) meetings of the committee of the management were held in accordance with the rules of the organisation including the rules of the 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 the branch concerned; and
  - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the RAO Schedule and the RAO Regulations; and
  - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a manner consistent with each of the other reporting units of the organisation; and
  - (v) the information sought in any request of a member of a reporting unit or a Registrar duly made under section 272 of the RAO Schedule has been furnished to the member or Registrar; and
  - (vi) there has been compliance with any order for inspection of financial records made by the Commission under section 273 of the RAO Schedule.
- (f) the Branch has not undertaken recovery of wages activity during the financial year.

  
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Dr. G. Hibbins (President)

Date Resolution passed: 19-5-08

Dated: 19, 5, 08

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
A.B.N 82 946 658 712**

**Scope**

The General Purpose Financial Report (GPFR) comprises the balance sheet, income statement, statement of changes in equity, cash flow statement, accompanying notes to the financial statements, and the committee of management's statement for AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION (COMMONWEALTH BRANCH) for the year ended 31 December 2007.

The committee of the branch is responsible for the preparation and true and fair presentation of the financial report. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

**Audit Approach**

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

I performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the requirements imposed by Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996, including compliance with Australian Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the branch's financial position, and of its performance as represented by the results of its operations and cash flows.

I formed my audit opinion on the basis of these procedures, which included:

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

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

**Independence**

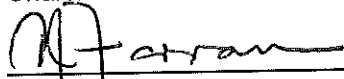
In conducting my audit, I followed applicable independence requirements of Australian professional ethical pronouncements.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
A.B.N 82 946 658 712**

**Audit Opinion**

In my opinion, the GPFR of AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION (COMMONWEALTH BRANCH) is presented fairly in accordance with applicable Australian Accounting Standards, and the requirements imposed by Part 3 of Chapter 8 of Schedule 1B of the Workplace Relations Act 1996, of the financial position of as at 31 December 2007 and the results of its operations and its cash flows for the year then ended.

**Name of Firm:** CARRUTHERS FARRAM & CO.  
Chartered Accountants

**Name of Principal:**   
D.J. FARRAM (Registered Company Auditor)  
Member of Institute of Chartered Accountants

**Address:** Suite 4, Level 4, 105 Pitt Street NSW 2000

**Dated this** 9<sup>th</sup> day of September 2008

**AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION  
(COMMONWEALTH BRANCH)  
A.B.N 82 946 658 712**

**INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007 \$	2006 \$
<b>REVENUE</b>		
Subscriptions	20,939.87	19,244.63
Capitation Fees Received	5,254.55	5,656.36
	<u>26,194.42</u>	<u>24,900.99</u>
<b>OTHER REVENUE</b>		
Interest Received	59.41	68.77
	<u>26,253.83</u>	<u>24,969.76</u>
<b>EXPENDITURE</b>		
Auditor's Fees	1,400.00	1,600.00
Bank and Credit Card Charges	74.08	39.25
Capitation Fees	(1,854.55)	13,723.64
General Expenses	93.18	146.00
Industrial Services	3,390.91	24,981.82
Meetings & Conferences	303.34	427.35
Subscriptions	64.80	69.27
	<u>3,471.76</u>	<u>40,987.33</u>
Profit (Loss) before income tax	22,782.07	(16,017.57)
Income tax expense	-	-
<b>Profit (Loss) after income tax</b>	<u>22,782.07</u>	<u>(16,017.57)</u>
Accumulated losses at the beginning of the financial year	(25,561.10)	(9,543.53)
<b>Accumulated losses at the end of the financial year</b>	<u>(2,779.03)</u>	<u>(25,561.10)</u>

The accompanying notes form part of these financial statements.