

AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
A.B.N. 28 648 719 021

FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2008

AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
A.B.N. 28 648 719 021

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OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2008

(a) Principal Activities:

The Organisation's principal activities during the financial year were:

To provide industrial services to the members consistent with the objects of the Organisation and particularly the object of protecting & improving the interests of the members.

Results of the Principal Activities:

The Organisation'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 Organisation's Principal Activities:

There were no significant changes in the nature of Organisation's Principal Activities during the financial year.

(b) Operating Results:

The profit of the Organisation amounted to \$67,364.62 for the financial year.

Significant changes in Organisation's financial affairs:

No matters or circumstances arose during the reporting year which significantly affected the financial affairs of the Organisation.

(c) Right of Members to resign:

Manner of resignation S254(2)(c)

Members may resign from the Organisation 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 Organisation:

(i) on the day on which the notice is received by the Organisation; 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 Organisation; or

(ii) on the day specified in the notice;

whichever is later;

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

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

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

A resignation from membership is valid even if it is not effected in accordance with this rule if the member is informed in writing by or on behalf of the Organisation 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 6,712.

(e) Number of employees

There were no employees of the Organisation.

(f) Members of Committee of Management

The persons who have held office as members of the Committee of Management of the Organisation since the beginning of the financial year are:

Dr. Christopher Verco President

Dr. Tony Sara Vice President

Prof. Peter Collignon Secretary

Dr. David Milliss Assistant Secretary/ Treasurer

Dr. Roderick McRae

Dr. Nicholas Buckmaster

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(g) Superannuation Trustees

No member of the Committee of Management of the Organisation 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.



Prof. Peter Collignon (Secretary)

Date: 23/5/09

AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
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INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	2008 \$	2007 \$
Revenue	2	203,430.57	175,280.81
Affiliation Fees		(11,883.40)	(11,638.36)
Auditor's remuneration	3	(3,585.00)	(3,170.00)
Bad and doubtful debt expenses		-	(8,067.28)
Insurance		(2,500.00)	(5,973.08)
Legal costs		(772.73)	-
Meeting expenses		(2,296.42)	(2,590.94)
Media Campaign		(32,460.00)	(22,460.00)
Secretarial Industrial Service ASMOF- NSW		(45,000.00)	(45,000.00)
Secretarial Industrial Service ASMOF- AMA		(22,727.27)	(22,727.27)
Travel & Accomodation		(12,316.96)	(7,359.08)
Other expenses		(2,524.17)	(102.50)
Profit before income tax		<u>67,364.62</u>	<u>46,192.30</u>
Income tax expense		-	-
Profit after income tax		<u>67,364.62</u>	<u>46,192.30</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
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BALANCE SHEET
AS AT 31 DECEMBER 2008

	Note	2008 \$	2007 \$
CURRENT ASSETS			
Cash and cash equivalents	4	196,407.45	150,400.83
Trade and other receivables	5	5,370.42	15,620.00
TOTAL CURRENT ASSETS		<u>201,777.87</u>	<u>166,020.83</u>
TOTAL ASSETS		<u>201,777.87</u>	<u>166,020.83</u>
CURRENT LIABILITIES			
Trade and other payables	6	2,892.65	34,900.23
Other current liabilities	7	3,500.00	3,100.00
TOTAL CURRENT LIABILITIES		<u>6,392.65</u>	<u>38,000.23</u>
TOTAL LIABILITIES		<u>6,392.65</u>	<u>38,000.23</u>
NET ASSETS		<u>195,385.22</u>	<u>128,020.60</u>
MEMBERS' FUNDS			
Retained earnings	8	195,385.22	128,020.60
TOTAL EQUITY		<u>195,385.22</u>	<u>128,020.60</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	Retained Earnings \$	Total \$
Balance at 1 January 2007		81,828	81,828
Profit attributable to members		46,192	46,192
Balance at 31 December 2007		<u>128,021</u>	<u>128,021</u>
Profit attributable to members		67,365	67,365
Balance at 31 December 2008		<u>195,385</u>	<u>195,385</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

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 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 organisation 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

Accounting Policies

Cash and Cash Equivalents

Cash in the balance sheet comprises cash at bank.

Revenue

Interest revenue is recognised upon receipt

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

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 organisation 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.

Income Tax

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

Trade and Other Receivables

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

Trade and Other Payables

These amounts represent liabilities for services provided to the organisation 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.

Capitation Fees

Capitation fees received from Interstate Branches have been accepted as the correct amounts payable to the organisation.

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
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
2 Revenue		
Operating activities		
Rendering of Services		
ACT Branch	4,358.18	4,358.18
Commonwealth Branch	7,263.64	6,212.73
NSW Branch	54,801.82	51,370.91
SA Branch	29,085.46	27,941.82
AMA- Conjoint Membership QLD, WA, VIC, TAS	103,592.73	83,441.82
Total revenue	<u>199,101.83</u>	<u>173,325.46</u>
Non-operating activities		
Interest Received	4,328.74	1,955.35
Total revenue	<u>203,430.57</u>	<u>175,280.81</u>
3 Auditor's Remuneration		
Auditor's Remuneration		
Audit Fees	<u>3,585.00</u>	<u>3,170.00</u>
4 Cash and Cash Equivalents		
Current		
Cash at Bank	<u>196,407.45</u>	<u>150,400.83</u>
Reconciliation of cash		
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:		
Cash at Bank	<u>196,407.45</u>	<u>150,400.83</u>

AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
5 Trade and Other Receivables		
Current		
Sundry Debtors	621.27	-
Trade Debtors	2,904.00	15,620.00
Input Tax Credits	4,430.67	-
GST Payable	<u>(2,585.52)</u>	<u>-</u>
	<u>5,370.42</u>	<u>15,620.00</u>
6 Trade and Other Payables		
Current		
Trade Creditors	2,860.93	25,332.37
Sundry Creditors	31.72	3,398.20
Input Tax Credits	-	(3,595.70)
GST Payable	<u>-</u>	<u>9,765.36</u>
	<u>2,892.65</u>	<u>34,900.23</u>
7 Other Liabilities		
Current		
Accrued Charges	<u>3,500.00</u>	<u>3,100.00</u>
8 Retained Earnings		
Retained earnings at the beginning of the financial year	128,020.60	81,828.30
Net profit attributable to the organisation	<u>67,364.62</u>	<u>46,192.30</u>
Retained earnings at the end of the financial year	<u>195,385.22</u>	<u>128,020.60</u>
9 Financial Instruments		

Financial Risk Management

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

The Organisation does not have any derivative instruments at 31 December 2008.

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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Capitation Fees Received	231,728.01	191,184.00
Interest Received	4,328.74	1,955.35
General Administration Expenses & Direct Expenses	<u>(190,050.13)</u>	<u>(119,316.76)</u>
Net cash provided by operating activities	<u>46,006.62</u>	<u>73,822.59</u>
Net increase in cash held	46,006.62	73,822.59
Cash at beginning of year	<u>150,400.83</u>	<u>76,578.24</u>
Cash at end of financial year	<u>196,407.45</u>	<u>150,400.83</u>
Notes to the Statement of Cash Flows		
Reconciliation of cash		
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:		
Cash at Bank	<u>196,407.45</u>	<u>150,400.83</u>
	<u>196,407.45</u>	<u>150,400.83</u>
Reconciliation of net cash provided by operating activities to Operating Result		
Operating Surplus (Deficit)	67,364.62	46,192.30
Changes in assets and liabilities		
Increase (Decrease) in Payables	(32,007.58)	19,497.19
Increase (Decrease) in Accrued Charges	400.00	200.00
Decrease (Increase) in Receivables	<u>10,249.58</u>	<u>7,933.10</u>
Cash inflows (outflows) from operations	<u>46,006.62</u>	<u>73,822.59</u>

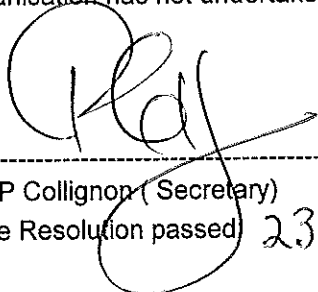
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COMMITTEE OF MANAGEMENT'S STATEMENT

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 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.
- (g) the Organisation has not undertaken recovery of wages activity during the financial year.


----- Dated: 23/5/09
Dr. P Collignon (Secretary)

Date Resolution passed) 23/5/09

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION**

Scope

The Financial Report and Committee's Responsibility

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 for the year ended 31 December 2008.

The committee of the organisation 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 conducted an independent audit in order to express an opinion to the members of the organisation. 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 organisation'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 committee.

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.

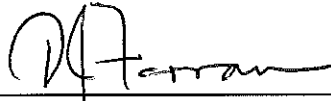
**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF
AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION**

Audit Opinion

In my opinion, the GPFR of AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION 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 2008 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: _____



Douglas John Farram (Registered Company Auditor)
Member of Institute of Chartered Accountants and Holder of a Current Public Practice Certificate

Address: SUITE 4, Level 4 105 Pitt Street Sydney NSW 2000

Dated this day of

28 MAY 2009

AUSTRALIAN SALARIED MEDICAL OFFICERS' FEDERATION
A.B.N. 28 648 719 021

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
REVENUE		
INTEREST RECEIVED		
Cheque Account	4,328.74	1,955.35
	<u>4,328.74</u>	<u>1,955.35</u>
CAPITATION FEES RECEIVED		
ACT Branch	4,358.18	4,358.18
Commonwealth Branch	7,263.64	6,212.73
NSW Branch	54,801.82	51,370.91
SA Branch	29,085.46	27,941.82
AMA- Conjoint Membership QLD, WA, VIC, TAS	103,592.73	83,441.82
	<u>199,101.83</u>	<u>173,325.46</u>
TOTAL REVENUE	<u>203,430.57</u>	<u>175,280.81</u>

The accompanying notes form part of these financial statements.

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A.B.N. 28 648 719 021

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
EXPENDITURE		
Affiliation Fees	11,883.40	11,638.36
Auditor's Remuneration	3,585.00	3,170.00
Bad Debts Written Off	-	8,067.28
Bank Charges	23.22	2.50
Consultancy Fees	2,459.77	-
General Expenses	41.18	100.00
Insurance	2,500.00	5,973.08
Legal Costs	772.73	-
Meeting Expenses	2,296.42	2,590.94
Media Campaign	32,460.00	22,460.00
Secretarial, Industrial Services ASMOF NSW	45,000.00	45,000.00
Secretarial, Industrial Services AMA	22,727.27	22,727.27
Travel, Accommodation	12,316.96	7,359.08
	136,065.95	129,088.51
Profit (Loss) before income tax	67,364.62	46,192.30
Income tax expense	-	-
Profit (Loss) after income tax	67,364.62	46,192.30
Retained earnings at the beginning of the financial year	128,020.60	81,828.30
Retained earnings at the end of the financial year	195,385.22	128,020.60

The accompanying notes form part of these financial statements.