

**HL7 AUSTRALIA – SPECIAL GENERAL MEETING
STAMFORD HOTEL 25TH MAY 2006 5PM**

TREASURERS REPORT AND RECOMMENDATIONS

Members,

We attach, belatedly, the Annual Accounts for the period July 1 2004 to June 30 2005. These accounts have been audited by DellaVedova & Associates (DVD) and the Annual Return has been lodged with the Registrar-General's Office of the ACT Government as part of our obligations to the Commonwealth for Grants to HL7 for Pathology purposes. This audit has been submitted to DoHA as requested. For the last 2 years concluding June 30 2005 DVD have acted both as the book-keepers for HL7 Australia, as well as its Auditors. As you would expect, it is their obligation to ensure that the two roles are separate within their organisation. Their fees for these services have been disproportionately high for an organisation of the turnover and transaction volume of a small professional association.

Motion Required: Acceptance of these accounts as prepared.

Subsequent to the audits conducted by DVD we have found some errors in the accounts which will need to be corrected, and these will be addressed as part of new accounting arrangements that we have put in place to reduce the cost of accountancy to our organisation. It is not unusual to find minor errors, post audit, in an organisation's accounts and these are tidied up in the subsequent accounting year. Errors discovered on the pathology audit were deemed to show a lack of professionalism from our Auditors and your Board has taken the following steps.

1. The HL7 book-keeping role has been taken up on a voluntary basis by Ms Yvonne Ding, Certified Accountant at Pen Computer Systems Pty Ltd, at least until the closure of the 2005-2006 accounting year. The accounts will be administered using MYOB, as they were previously.
2. We wish to appoint new Auditors for HL7 Australia. As we understand it, there are no statutory steps required to take this step for Incorporated, Not for Profit, organisations. We have been referred to the auditors for HISA and they have indicated that, for well presented accounts, an audit should cost around \$1500 per annum, aside from special audits such as the Pathology audit. They have also offered to provide Audit services for us if required. (Bell, Duke and Partners). This company is Melbourne-based and it is suggested that we also approach a Sydney-based agency for a quotation as well.

Motion Required: That new Auditors be appointed.

The 2005-2006 accounts are substantially recorded in MYOB and we look forward to presenting these at the AGM in November.

I would like to personally thank the assistance provided by Klaus, Vince, Elizabeth Moss and Peter MacIsaac, and the tireless Hazel Condon as we have been moving through this transition in accounting process. My thanks, also, to Ms Yvonne Ding, my trusty accountant, who has donated considerable personal time in "coming up to speed" with the HL7 accounts.



John Johnston BSc DipSci AImm
Hon. Treasurer



DellaVedova & Associates

CHARTERED ACCOUNTANTS
BUSINESS CONSULTANTS
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ASSOCIATED WITH BDO IN NEW SOUTH WALES



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HL7 AUSTRALASIA USER GROUP

AUDITOR'S REPORT

Scope

I have audited the financial report of the HL7 Australasia User Group for the year ended 30 June 2005, being the Profit and Loss Statement and Balance Sheet. The Committee Members are responsible for the financial report. I have conducted an independent audit of this financial report in order to express an opinion on them to the members of the club.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatements. My procedures included examination on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and statutory requirements, so as to present a view which is consistent with our understanding of the clubs financial position and the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report of the HL7 Australasia User Group presents fairly its financial position as at 30 June 2005, and the results of its operations for the year there ended.

DELLAVEDOVA & ASSOCIATES
Chartered Accountants

JOHN DELLAVEDOVA

Dated: 31 January 2006

**BALANCE SHEET
FOR THE YEAR ENDED 30TH JUNE 2005**

	This Year	Last Year
MEMBERS FUNDS		
Accumulated Funds	122868.01	134067.15
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Represented by:		
CURRENT ASSETS		
Sundry Debtors	1516.29	-
Trade Debtors	62245.96	93998.58
Cash at Bank Cash Management - 19-1333	404.57	36.50
Cash at Bank Cheque Account - 19-1341	68942.09	46439.01
Cash at Bank Standards - 19-2774	11209.94	-
Cash at Bank Pathology - 19-2766	406.60	2.43
Cash at Bank Health Connect - 19-5203	62.20	-
GST Paid	10418.50	-
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	155206.15	140476.52
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CURRENT LIABILITIES		
Credit Cards	6215.57	2170.86
Trade Creditors	5326.56	4238.51
GST Collected	20796.01	-
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	32338.14	6409.37
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NET ASSETS	\$122868.01	\$134067.15
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**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2005**

	This Year	Last Year
INCOME		
Grants	117522.28	67833.35
Memberships	10852.26	12810.00
Project Income	36139.09	160950.12
Event Income	36091.05	63624.26
Other Income	2422.90	7499.09
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	203027.58	312716.82
 OTHER INCOME		
Interest Received	661.36	452.82
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	661.36	452.82
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	203688.94	313169.64
 EXPENDITURE		
Accountancy Fees	3845.00	1966.71
Affiliate Fees	2651.42	2500.61
Bank Charges	680.23	2956.41
Board Expenses	6860.00	-
Conference Costs	5154.16	-
Educational Material	1254.32	2017.34
Event Costs	27909.40	4732.86
Grant Expenses	-	17566.47
Insurance	4588.39	5184.25
Interest Paid	1728.86	-
Meeting Costs	1296.55	-
Merchant Fees	1049.27	-
Office Expense	487.63	-
Postage	218.21	-
Printing & Stationery	93.66	-
Project Costs	46252.92	70187.91
HL7 Workgroup Meetings	-	81694.43
HL7 Events	-	35435.41
Telephone	614.15	-
Registration Fees	17153.51	-
Travelling Expenses	85437.29	-
Website & Email Costs	1191.71	241.86
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	208466.68	224484.26
 OPERATING LOSS BEFORE INCOME TAX	 4777.74	 (88685.38)
Retained Profits - Beginning of Year	 127645.75	 45381.77
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 UNAPPROPRIATED PROFIT AT 30TH JUNE 2005	 \$122868.01	 \$134067.15
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The accompanying notes form part of these financial statements.

This report is to be read in conjunction with the attached compilation report.