



16 June 2009

Private & Confidential

Mr Terry Nassios
A/g Industrial Registrar
Australian Industrial Registry
Level 4, 11 Exhibition St
MELBOURNE VIC 3000

Level 11
51 Druitt Street
Sydney NSW 2000

www.slatergordon.com.au

GPO Box 1584
SYDNEY NSW 2001

DX 1163 SYDNEY

Direct Ph: +61 2 8267 0603
Fax: + 61 2 8267 0650
Email: kfowlie@slatergordon.com.au

Dear Sir

Health Services Union ("Union")

Please find enclosed "Report on suspected irregularities in the expenditure of the National Office of the Health Services Union 2002 – 2007" ("The Report").

This Report contains the findings of an independent investigation undertaken by Slater & Gordon Lawyers and Accountants' BDO Kendalls ("BDO").

I was yesterday instructed by the National Executive of the Union to provide a copy of the Report to you. This followed a briefing given to the National Executive by me and BDO on the contents of the Report.

I have also been instructed to provide a copy of a resolution passed by the Executive, yesterday, which was in the following terms:

National Executive:

Directs Slater & Gordon to provide a copy of the Findings to the Industrial Registrar and a copy of relevant findings of the Investigation to the Australian Electoral Commission ("AEC") as soon as practicable under cover of a letter providing a copy of this resolution and indicating to both that the Union is prepared to co-operate with whatever further investigation and inquiries those entities wish to make into the matters the subject of the Investigation.

I and BDO hold all other copies of the Report. A copy of the Report has not been provided to any other person, including Mr Thomson, the former National Secretary of the Union.

I reiterate that the Union stands ready to co-operate with whatever further investigation and inquiry you and your office wish to make into the matters contained within the Report.

Please contact the writer if you require any further assistance with respect to this matter.

Yours faithfully

Ken Fowlie
Executive Director
Practice Group Leader
SLATER & GORDON





**Report on suspected irregularities in the
expenditure of the National Office of the
Health Services Union 2002 – 2007**

Report on suspected irregularities in the expenditure of the HSU National Office

A. Executive Summary

1. Slater & Gordon was engaged by the National Executive of the Health Services Union to investigate suspected irregularities in the expenditure of the National Office of the Health Services Union in the period from 2002 to 2007. Slater & Gordon in turn engaged BDO Kendalls to assist with that investigation.
2. The investigation has been limited by our inability to access documents and obtain information from other sources.
3. The investigation has made the following findings in relation to the Key Allegations raised by the Union:
 - (a) A number of transactions about which the officers of the Union have raised questions are not, on the information available to Us, appropriate expenditures. We remain open to be persuaded to the contrary point of view
 - (b) We are satisfied that Thomson was the sole cardholder of the CBA MasterCard reviewed by the officers and withdrew cash from the Union's CBA MasterCard account. Thomson has indicated that each withdrawal was for a proper purpose and supported with appropriate supporting documentation. There was material available to Us which both supported and disputed this contention. We are unable to conclude whether every withdrawal throughout the period was appropriately supported by an invoice or voucher. We are unable to say what use was made of the cash withdrawn.
 - (c) A financial contribution was undoubtedly made by the Union to Thomson's electoral campaign for the Commonwealth Parliament. Significant Union expenditure was incurred on the Central Coast of NSW connected either with that campaign or other political campaigning activities. An absence of documents which describe the specific nature and purpose of particular expenditure, has resulted in it being, on the whole, very difficult to specify the extent of the Union's direct financial contribution to Thomson's election campaign.
4. The Union asked Slater & Gordon to respond to certain matters. A summary of our responses to those matters, follows:

Report on suspected irregularities in the expenditure of the HSU National Office

- (a) In Our view, the practices generally adopted by the Union during the Period did not meet the requirements of the Rules for the proper authorisation of expenditure under the Rules because the Executive did not usually authorise specific expenditures;
 - (b) In the vast majority of cases having regard for the limitations of this report, We have been unable, by and large, to conclude whether or not expenditure was inappropriate or clearly expended for purposes inconsistent with the objects of the Union;
 - (c) Slater & Gordon would be pessimistic about the prospect of a successful criminal conviction in relation to matters within this report, without access to further documentation or information;
 - (d) Section 307 of the RAO Schedule provides that the Federal Court may order a person to compensate an organisation for damage suffered by the organisation if the person has contravened a civil penalty provision within the RAO Schedule;
 - (e) We have been unable to identify the totality of the expenditure of the Union directly spent on Thomson's campaign to win the seat of Dobell in the 2007 Federal election;
 - (f) We have identified, as best we can, political expenditure that we believe the Union should declare to the AEC.
5. The Industrial Registrar has written to the Union and requested assistance with respect to certain matters. Our responses to those matters also follows:
- (a) We are concerned that grounds may exist to believe that Thomson has committed a breach of s287 of the RAO Schedule. First, in relation to transactions using Union credit cards that may not have been for Union purposes. Secondly, in relation to expending funds for the benefit of his own electoral campaign without prior Executive authorisation;
 - (b) The Union is likely to have been in breach of the RAO Schedule given the inadequacy of its historic financial documents and financial processes;
 - (c) Donations above the threshold nominated by the Rules appear to have been made without Executive approval or appropriate disclosure.
6. BDO Kendalls have made various recommendations in relation to budget setting, expenditure control and approval and financial reporting which are set out in Section E of this report.

Report on suspected irregularities in the expenditure of the HSU National Office

B. Introduction

Scope of Work

1. Slater & Gordon ("S&G") was retained by the Health Services Union ("Union") by letter dated 11 December 2008 ("Letter of Instruction"). The Letter of Instruction (without attachments) is Attachment 1 to this Report. The letter instructed S&G to retain a forensic accountant and together to undertake an investigation into a number of suspected irregularities that had been uncovered with respect to the National Office ("NO") of the Union during an exit audit conducted by the Union's auditor in early 2008 following the resignation of Mr. Craig Thomson ("Thomson") as National Secretary of the Union in December 2007 ("Investigation"). Thomson was National Secretary of the Union from about August 2002.
2. In February 2009 the Union's National Executive ("Executive") authorised S&G to retain BDO Kendalls ("BDO") to assist in the Investigation.
3. The Letter of Instruction identified several matters that S&G and BDO (together, the "Investigators", "We", "Us", "Our") were to investigate and report on.
4. On or about 6 April 2009 the Union received a letter from the Industrial Registrar of the Melbourne Registry of the Australian Industrial Relations Commission ("Registrar's Letter"). The Industrial Registrar's Letter made reference to the Letter of Instruction and identified matters of interest to the Industrial Registrar.
5. The Executive resolved on 21 April 2009 to authorise the Investigators to:
 - (a) Respond to the matters raised by the Executive in the Letter of Instruction;
 - (b) Arm the Executive with material enabling it to respond to the Registrar's Letter; and
 - (c) Assist it to deal with issues which have been raised publicly about the operations of the Union during the relevant period.
 ("Final Scope of Work")
6. The persons who have contributed to this report are:
 - (a) Ken Fowlie, Director, Slater & Gordon Lawyers
 - (b) David McLean, Director, BDO Kendalls
 - (c) Jeff Abela, Director, BDO Kendalls
 - (d) Shane McDonald, Associate Director, BDO Kendalls; and
 - (e) John Harman, Manager, BDO Kendalls.

Instructions

7. During the Investigation it has been necessary to obtain instructions from the Union. The Investigators have received those instructions from officers of the Union, at

Report on suspected irregularities in the expenditure of the HSU National Office

various times, during the course of the Investigation. Throughout the course of this report, an effort has been made to identify those facts and circumstances which rely upon instructions given by officers of the Union.

Investigations

8. To this point in the Investigation We have undertaken the following steps:
- (a) Interviewed the Union's National Auditor, Mr. Dick;
 - (b) Corresponded with Thomson and also interviewed Thomson over several hours on 19 May 2009.
 - (c) Corresponded with Ms Stevens and Mr. Burke, both of whom We are instructed worked with Thomson during 2007;
 - (d) Communicated with two former administrative staff of the Union who at various times relevant to this Investigation performed the financial controller's role within the National Office of the Union. One was interviewed by telephone. The other declined to be interviewed and instead was provided with a series of questions. At the date of this report no response has been provided to those questions.
 - (e) Interviewed the current staff member of the Union who is now responsible for financial functions within the Union.
 - (f) Reviewed the following documents:
 - i) 3 lever arch folders of credit cardholder statements;
 - ii) 11 lever arch folders of documents being records of meetings of the National Council ("Council"), Executive and Finance Committee of the Union. These documents were provided by members of the Executive.
 - iii) Financial documents which We are instructed remain available from the time period August 2002 – November 2007 inclusive ("Period").
 - (g) Communicated with the Commonwealth Bank of Australia ("CBA")
 - (h) Communicated with Diners Club International
 - (i) Communicated with certain persons and businesses who provided services which were paid for using Union credit cards or on account by the Union. A summary of the vendors to whom We communicated and the result of those communications is Attachment 4 to this report.

Structure of report

9. This report is divided into three sections.
10. First, the Letter of Instruction identifies three principal areas of concern:

Report on suspected irregularities in the expenditure of the HSU National Office

- (a) Use of a CBA Business Mastercard both for cash withdrawals and expenditure requiring further explanation,
- (b) Use of Diners Club Cards assigned to Thomson, Stevens and Burke; and
- (c) Expenditure that may be connected with Thomson's campaign to seek election to the Federal seat of Dobell.

(together, "Key Allegations")

11. The report sets out the steps taken and Our findings in relation to each of the Key Allegations.
12. Secondly, the Final Scope of Work seeks from the Investigators specific responses to certain matters including whether the rules of the Union ("Rules") and provisions within Schedule 1 ("RAO Schedule") to the Workplace Relations Act 1996 were observed during the Period. The report deals with each of those matters.
13. Thirdly, the report identifies areas for reform in terms of the systems and processes operating within the Union.
14. In Appendix 1 to this report We set out the regulatory framework in which the Union and its staff and officials operated during the Period. This framework principally comprises the legislation governing the management of the Union (RAO Schedule) and the Rules. We also identify the Union's disclosure obligations in relation to the matters encompassed by the Scope of Work.

Limitations on report

15. Our capacity to investigate and make findings about the Key Allegations has been fundamentally hampered by an absence of relevant documents. First, We have not been provided with signed versions of the minutes of any of the Council, Executive or Finance Committee. It seems, according to Thomson, that it was not the practice during the Period to maintain a minute book containing signed minutes. The practice appears to have been that minutes of each meeting were prepared, circulated electronically and adopted, as true and correct, at the next meeting of the group. We also understand from Our meeting with Thomson that resolutions at meetings were often not formalised by voting or minuting due to the potential that this approach could cause conflict due to divisions within the Union. The preferred practice was to receive reports dealing with matters. We have been instructed by officers of the Union (who were present and participating in Executive meetings during the Period and who remain involved in the Union) that this characterisation of the Union and the way in which business was conducted by it during the Period is not shared by them. We have reconstructed the records of the Union's deliberations and resolutions in these forums by relying on those documents retained by officers of the Union. We have reasonable confidence that these documents disclose a true record of the

Report on suspected irregularities in the expenditure of the HSU National Office

meetings to which they relate. In relation to the Executive We have received what appears to be a relatively complete set of meeting minutes. In relation to the Council and Finance Committee the documents are more piecemeal.

16. Secondly, and more troublingly, We have been instructed that financial documents and MYOB records covering the Period are not able to be produced. We have reviewed what We are instructed remains. This is a relatively small number of documents covering the latter part of the Period.
17. We are instructed that the National Office of the Union moved on at least two occasions in recent years. That, along with the change of leadership and staff within the Union, may account for the absence of documents. The Rules provide that the National Secretary is responsible for the books and records of the Union (Rule 32(j)).
18. Certainly the Union's auditor was able to prepare general purpose financial accounts at the conclusion of each financial year from June 2003 to June 2007 inclusive and conducted an audit of the finances of the Union in respect of each of those years. Given that, it seems probable that further documents and records were available at the time of the preparation of those accounts and the completion of those audits. That said, the Auditor prepared the general purpose financial accounts primarily from the data contained within the computer accounting package maintained by the Union throughout the period. Moreover, his audit involved a sampling of documents and information rather than a comprehensive review of the records of the Union.
19. The difficulty confronting Us in this Investigation is that it is impossible to conclude with certainty in these circumstances whether documents or explanations supporting transactions and expenditure and demonstrating its purpose were once available but more lately not available or whether the documents were never provided. The Auditor notes in his report following the exit audit (see below) that he reviewed relatively little documentation supporting expenditures incurred by credit cards in the period from July to December 2007.
20. Thirdly, the information We have received from persons present and intimately involved during the Period has been incomplete. Neither of the financial controllers employed by the Union during the Period remain in the Union's employ. We had some difficulty locating them. We eventually located them. Only one has been willing to provide some information to assist the Investigation. It is fair to say that while she provided some information, perhaps unsurprisingly, given the nature of the matters under investigation, she was a less than willing participant. We had no basis to compel her. S&G's view is that she did her best to provide truthful information to Us but that her information may have been coloured to a degree by the fact that she had responsibility for the accounting functions during part of the Period as well as the profile attached to the Investigation.

Report on suspected irregularities in the expenditure of the HSU National Office

21. We acknowledge that Thomson co-operated with Our Investigation both by providing written answers to questions and by agreeing to be interviewed over several hours. Unfortunately, however, when questioned he often declined to provide further detail, beyond that which was already available to Us, regarding transactions which had been made, including on credit cards of which he was the Cardholder.
22. Fourthly, We have not been invested with any powers which would enable Us to compel the production of documents or the giving of information.

Report on suspected irregularities in the expenditure of the HSU National Office

C. The Key Allegations

Background to the Investigation

26. The Letter of Instruction sets out the circumstances which lead to this Investigation. Following the change of leadership of the Union in December 2007, the National Auditor was asked to perform an exit audit covering the period since his last review, being 1 July 2007 to December 2007. Consistent with the obligations of the RAO Schedule the Union had submitted Audited general purpose financial statements for each prior financial year in the Period.
27. The Letter of Instruction attaches a letter received by the Union from the National Auditor dated 12 May 2008. In this letter, Mr. Dick advises:

"In the course of preparation of the exit audit, we became aware of a Commonwealth Bank credit account, and on request for statements for the period of the exit audit, were provided with a folder of some statements for this account."
28. Mr. Dick then observed that:
 - (a) The statements only went to June 2007. Statements for a later period were sought, but it seems, not provided.

Report on suspected irregularities in the expenditure of the HSU National Office

- (b) The account was incorporated in the general ledger of the Union as CBA entries, but it was not apparent from the ledger that there was a separate credit card account.
- (c) The statements examined revealed a considerable number of cash withdrawals from ATMs in various locations. These entries had been entered in the Union books and attributed to various purposes but Mr. Dick was not provided, at that time, with documentary evidence to support these allocations. Mr. Dick prepared a schedule which demonstrated that \$15,640 had been withdrawn in the period from 29 May 2006 to 29 June 2007.
- (d) Mr. Dick was concerned about the Union's obligations under the RAO Schedule and brought these concerns to the Union's attention.

The Exit Audit

- 29. Also on 12 May 2008 Mr. Dick provided a lengthier letter which is described as a report following a "detailed analysis of the accounts of the Union since 1 July 2007" ("Auditor's Report"). The Auditor's Report was responsive to questions asked by the Union's National Secretary on or about 14 April 2008.
- 30. Relevant to this Investigation, Mr. Dick made the following findings:
 - (a) All expenditure between 1 July 2007 and January 2008 was not authorised by Council or Executive. He went on to observe that under the Rules, Executive could 'ratify' payments that it regarded as general administration or incidental.
 - (b) He identified 3 payments totaling \$20,000 that may have been donations over \$1,000 thus requiring both approval and disclosure under the Rules and RAO Schedule.
 - (c) He identified 2 payments as electoral in nature.
 - (d) He regarded there as being insufficient support for most credit card transactions. The bulk of the credit card transactions were supported only by the details on the statements.
 - (e) He identified 2 invoices made out to Craig Thomson rather than the Union: one from "Australia Post" and one from "Central Coast Communications".
 - (f) He noted \$8,800 in cash withdrawals for which no vouchers or receipts were available.
- 31. The Auditors' Report is Attachment 2 to this report.
- 32. Following receipt of the Auditor's Report the Executive resolved to review all expenditure incurred on union credit cards to which Craig Thomson, Criselee Stevens and Matthew Burke were signatories. That investigation was conducted by officers of the Union. We are instructed that the Union obtained cardholder statements relevantly from the CBA and Diners Club. We are further instructed that

Report on suspected irregularities in the expenditure of the HSU National Office

apart from the Cardholder statements, the officers were unable to locate documents within the Union to support the overwhelming majority of transactions reported on those cardholder statements (see further above limitations on report at [15]).

The Cardholder Statements & the officers' inquiry

33. The Union obtained the following cardholder statements from the CBA and from Diners Club:
- (a) Mr. Craig Thomson CBA Business MasterCard Cardholder Statements
 Period: November 2002 – December 2007
 Card Number: 5587 0131 6388 0019
 Company: Health Services Union Aust
 ("CBA MasterCard")
 - (b) Mr. Craig Thomson Diners Club International Corporate Card Account & GST Summary
 Period: October 2002 – December 2007
 Card Number: 3643 655548 0080
 Company Name: Hsua – Nat
 ("Thomson Diners Card")
 - (c) Ms Criselee Stevens Diners Club International Corporate Card Account & GST Summary
 Period: December 2005 – February 2008
 Card Number: 3643 655548 0114
 Company Name: Hsua – Nat
 ("Stevens Diners Card")
 - (d) Mr. Matthew Burke Diners Club International Corporate Card Account & GST Summary
 Period: April 2007 – March 2008
 Card Number: 3643 655548 0148
 Company Name: Hsua – Nat
 ("Burke Diners Card")
- (Together, the "Cardholder Statements")
34. The Cardholder Statements are contained within 3 lever arch folders.
35. The officers then prepared a series of schedules, which We are instructed followed an examination of the Cardholder Statements. Those schedules identify:
- (a) ATM cash withdrawals made using the CBA MasterCard from 13 November 2002 to 12 November 2007 totaling \$101,533 (including transactions fees).
 - (b) Expenditure incurred on each card for which the officers were unable to locate supporting documents and for which there was a question as to the purpose of

Report on suspected irregularities in the expenditure of the HSU National Office

the transaction having regard for what is displayed on the cardholder statement.

- (c) Expenditure that may have been connected with Thomson's campaign to seek election to the Federal seat of Dobell, on the Central Coast of NSW.
36. Apart from the review of the Cardholder Statements, the officers also reviewed certain expenditures which were paid by the Union using an EFT facility attached to a credit union account ("SGE Account"). We are instructed that the SGE Account is the account through which the Union makes most of its regular payments.
 37. A schedule was prepared by the officers of payments made via the SGE Account which were of concern to the officers ("SGE Schedule"). The principal concerns with respect to the payments on the SGE Schedule was whether they were properly authorised and disclosed having regard for their nature and also whether the payments were connected with Thomson's campaign for election to the Commonwealth Parliament.
 38. We were in turn invited, by the Letter of Instruction, to review the Auditor's Report and the outcome of the officer's inquiries. We were invited to report on various matters. Our primary forensic task has been to determine whether the expenditure identified by the officers from the Cardholder Statements and on the SGE Schedule ("Disputed Transactions") was in furtherance of the Union's objects and incurred consistent with the Rules and obligations of the RAO Schedule.

The BDO Interim Report

39. BDO conducted a detailed review of the Cardholder Statements. Following that review, BDO prepared an Interim report and schedules. The BDO Interim Report is Attachment 3 to this report. The BDO Schedules, which are Attachment 4 to this report, incorporate items identified by the officers as well as several further items which BDO regard as falling within the same areas of concern.

Report on suspected irregularities in the expenditure of the HSU National Office

45. The Rules provide that all expenditure of the Union must ultimately be approved by either the Council or the Executive. The Rules also provide that cheques drawn by the Union must be approved by several signatories. The CBA MasterCard was linked to a CBA Business Account. The authorised signatory form for this business account, as provided to Us by the CBA, states that any three of the four listed signatories must authorise operations on the account.

Report on suspected irregularities in the expenditure of the HSU National Office

46. It is clear from Our review of the minutes of the Executive and based on the advice from Thomson that approval of specific expenditure was not done. See also below at [101] ff.

What was the purpose of the Disputed Transactions?

Investigation outcomes

Report on suspected irregularities in the expenditure of the HSU National Office

54. We provided Thomson with each BDO Schedule identifying expenditure incurred on cards for which he was the cardholder and invited him to comment.

Thomson conceded during Our conference with him that there had been some expenditure that was connected with his election to the Commonwealth Parliament. Generally he was not able to precisely identify which of the expenditure was connected with the campaign as opposed to expenditure connected with the Union's Your Rights at Work ("YR@W") activity on the Central Coast or other union activities.

55. Apart from this, Thomson's response to the expenditure identified on the BDO Schedules tended to focus more on the process by which expenses were incurred and paid (see further above at [41]). He generally declined to address the question of whether particular expenditures had been incurred by him and for what purpose. He asserted that in every case, expenditure incurred by him was properly approved through the processes operating within the Union at the time and in accordance with the Rules. We would have preferred Thomson to have provided details or commentary in relation to more of the Disputed Transactions either specific to particular transactions or at least in general terms.
56. Mr. Burke replied that all expenditure incurred by him was "directly" related to his role within the Union which he said was connected with the YR@W campaign on the Central Coast and that all expenditure was approved by Thomson.
57. At the date of publication of this report, Ms Stevens had not responded to S&G's questions. She has not acknowledged receipt of S&G's communication.
58. We interviewed Mr. Dick and also communicated with two former staff members who worked as financial controllers within the Union during the Period (see above at [8(d)]).

Report on suspected irregularities in the expenditure of the HSU National Office

- ii) A number of the other transactions in the table appear to be retail purchases that are not, on their face, consistent with the furtherance of the Union's objectives.
- iii) S&G's communication with vendor's revealed that 2 instances of advertising paid by Ms Stevens were for a community group based on the Central Coast of NSW known as "Coastal Voice". It does not appear, from the advertisement or otherwise, that this group was connected with the Union or its activities. Support for the group does not appear to have been considered by Executive. It has been reported that Thomson was President of the group. Thomson commented when asked about Coastal Voice that "Modern progressive unions often try and form relationships and work with community groups that have similar goals and promote ideas consistent with the union's objects. Coastal Voice was one such group that conducted forums on amongst other things, Industrial Relations, Aged Care and Health. The assistance provided involved minimal expenditure."

Report on suspected irregularities in the expenditure of the HSU National Office

65. Otherwise we, like the officers, have been unable to demonstrate the purpose of the balance of the Disputed Transactions.

Report on suspected irregularities in the expenditure of the HSU National Office

Was money spent by the Union on Thomson's election?

83. From about early 2006 Thomson lived on the Central Coast of NSW and worked from offices in Sydney. In or about March of 2007, Thomson was pre-selected by the Australian Labor Party ("ALP") as the ALP candidate in the Federal seat of Dobell located on the Central Coast of New South Wales. Following his pre-selection until the Declaration of the poll, Thomson remained the National Secretary of the Union.
84. The officers' investigation raised concerns regarding whether expenses were incurred by the Union in the period from about 2006 which were expenses connected with Thomson's election to the Federal Parliament.
85. We have been instructed that from a time in or about 2005 the Union's state office established an office on the Central Coast. We were also instructed that from about September 2005, Ms Criselee Stevens was employed by the Union and was also based on the Central Coast. Thomson indicated that Ms Stevens was for a time engaged in the ACTU's Organising Works program which brought certain other responsibilities and that she at all relevant times lived on the Central Coast. In 2007, Mr. Matthew Burke was employed casually by the Union and also based on the

Report on suspected irregularities in the expenditure of the HSU National Office

Central Coast. Both Ms Stevens and Mr. Burke were issued with Diners Club cards by the Union.

86. We have been instructed that the employment of Ms Stevens and Mr. Burke was not a matter known to all members of the Executive prior to the exit audit. Our review of the Executive Minutes demonstrates that no resolution was passed by the Executive acknowledging or approving the employment of either Ms Stevens or Mr. Burke.
87. This was not unusual. Our review of the records of the Union demonstrates that the employment of new staff members was not a matter that has been always the subject of Executive resolution.
88. Thomson indicated that the Union's National President had participated in Ms Steven's job interview and that both Ms Stevens and Mr. Burke had attended meetings of the Union's Executive and Council and that their employment was known within the Union. We are instructed that the National President recalls meeting with Thomson and Stevens briefly and informally during a National Council meeting in Sydney.

Investigation Outcomes

89. BDO reviewed the officers' schedules and prepared schedules including expenditure, based on the various descriptions recorded against the expenditure, which they regarded as possibly in the nature of electoral campaign expenditure for Thomson. This expenditure is referred to in the BDO Interim report as "Central Coast expenditure". The Schedules are D & E in Attachment 4.
90. From that commencement point We have taken the same steps in respect of this aspect of Our inquiry as identified above with respect to the balance of the Disputed Transactions.
91. Our inquiries have revealed:
 - (a) A 'Your Rights at Work' campaign, co-ordinated by Unions NSW in the Federal seat of Dobell was conducted in the months prior to the election. This campaign was resourced and separate from Thomson's campaign. We were told that none of Thomson, Ms Stevens or Mr. Burke were involved in this campaign;
 - (b) We were instructed that the Union's state office also conducted YR@W activities during the period prior to the November 2007 election in the seat of Dobell;
 - (c) Mr. Burke maintained that all of his activities and related expenses were connected with the YR@W campaign;
 - (d) Thomson acknowledged in his first speech in the Federal Parliament that Stevens and Burke "... were there every day throughout the campaign".

Report on suspected irregularities in the expenditure of the HSU National Office

92. Thomson advised that:
- (a) For some years before he left the Union he was based in Sydney;
 - (b) the Union's state office had opened an office on the Central Coast in 2005;
 - (c) He was not pre-selected as a candidate for election until March 2007 and therefore any prior expenditure could not have been connected with his election;
 - (d) The Union employed Ms Stevens and Mr. Burke to assist in the ACTUs YR@W campaign;
 - (e) Certain expenditure was incurred by the Union which was directly connected with his election. Thomson conceded that he had authorised certain of this expenditure but asserted that this was permitted by the Rules and was the only practical means for the authorisation of expenditure between meetings of the Executive.
93. Apart from indicating that prior to March 2007 he was not a pre-selected candidate, Thomson was generally unable to identify, when presented with a sample of expenditures, which expenditure was connected with his election as opposed to expenditure connected with the YR@W campaign, another campaign or the general administration of the Union.
94. S&G's communication with service providers seeking further information has yielded some modest results which are identified in the Schedule of Vendor Communication which is Attachment 5 to this report. Additionally, we were able to inspect some documents, retained by the Union, supporting various expenditures. Unfortunately, the detail provided in these documents did not generally enable a conclusion to be drawn with respect to what specific activity the expenditure was connected to.

Findings

95. In the absence of supporting documents which describe the specific nature and purpose of particular expenditure, it has been on the whole very difficult for Us to say with any certainty which of the expenses identified in Schedules D & E of the BDO Schedules were expenses paid by the Union directly connected with Thomson's election to the Federal Parliament. This difficulty is obviously compounded by the fact that for some years prior to the Federal election, Thomson lived on the Central Coast and hence expenditure which was incurred on the Central Coast may well have been connected with his day-to-day functions as the National Secretary of the Union. Added to that, the Union undertook 'Your Rights at Work' activities and other campaigns on Federal election issues including on the Central Coast. This leaves open the prospect that some of the Central Coast Expenditure was connected with those campaigns.

Report on suspected irregularities in the expenditure of the HSU National Office

96. In practice, while it may not be possible to precisely separate the Central Coast Expenditure into expenditure spent, on one hand, directly on the Dobell campaign and on the other on YR@W and other campaigning activities, the combined expenditure (even after taking account of expenditure which might be regarded as incidental to the general administration of the Union) was significant in monetary terms and ultimately to Thomson's advantage as the endorsed ALP candidate in Dobell.
97. Below, we set out our recommendations in relation to disclosure of Electoral Expenditure [113].

D. Responses to Final Scope of Work

Report on suspected irregularities in the expenditure of the HSU National Office

Causes of action available to the Union to recover funds

110. Section 307 of the RAO Schedule provides that the Federal Court may order a person to compensate an organisation for damage suffered by the organisation if the person has contravened a civil penalty provision in Part 2 of Chapter 9 of the Schedule and damage has resulted from that breach. Sections 286 and 287 of the RAO Schedule are within Part 2 of Chapter 9. They provide that an officer of an organisation must exercise his or her powers in good faith and for a proper purpose and also that an officer must not improperly use his or her position to gain an advantage for himself or herself or cause detriment to the organisation. Section 309 provides that s307 is additional to, rather than a substitute for, other rights which an organisation might have in relation to a person because of the person's office or employment within the organisation. Section 310 provides that various persons can apply for a compensation order under this Part of the Schedule, including the Industrial Registrar, the Minister and the organisation affected.
111. The standard of proof required is "balance of probabilities".

Issues under the Act

112. We deal below at [124] ff with issues arising under the RAO Schedule.

Total funds expended on Thomson's campaign

113. As We have indicated above, We have been unable to identify the totality of the expenditure of the Union directly spent on Thomson's campaign to win the seat of Dobell in the 2007 Federal election ("Campaign Expenditure"). It is virtually impossible for Us, having regard for the information available to us, to distinguish:
- (a) expenditure incurred on the Central Coast as part of the general administration and operations of the Union; from
 - (b) expenditure associated with YR@W and other campaigning activity; from
 - (c) Campaign Expenditure.

Report on suspected irregularities in the expenditure of the HSU National Office

114. There are some facts and circumstances which make it more likely that certain expenditure was Campaign Expenditure. Invoices which were addressed to Thomson personally or in his capacity as a candidate for election would seem most likely to have been Campaign Expenditure. The expenditure incurred by the NSW branch of the ALP which was later reimbursed by the Union would also certainly have been Campaign Expenditure. Doing the best we can, expenditure of this nature has been marked with an "*" in Attachment 7.
115. In Appendix 1 to this report, We set out the Union's disclosure obligations under the Commonwealth Electoral Act ("CEA"). Simply put, Our view is that the Union should take a cautious approach to disclosure and disclose as political expenditure, expenditure made after 1 July 2006:
- (a) directly connected with an individual campaign;
 - (b) connected with YR@W campaigning; and
 - (c) connected with the public expression of views on any other issue in the 2007 Federal election.
116. S&G has reviewed the Central Coast Expenditure identified in BDO Schedules D & E. S&G has also reviewed certain other expenditure which has been brought to its attention by the Union. Based on the information available (which We have set out above), S&G have excluded certain expenses identified as Central Coast Expenditure on the basis that it is fairly open that this expenditure was either incidental to the general administration of the Union or, having regard for the Guidelines issued by the AEC, unlikely to be regarded by the AEC as political expenditure. Specifically, S&G have excluded petrol and related expenses incurred by Thomson at service stations on the Central Coast for this reason. On the same basis, it is arguable that some further expenses incurred by Thomson, such as hospitality and accommodation incurred on the Central Coast, might also be excluded. However, in circumstances where Thomson lived on the Central Coast and consistent with taking a cautious approach, S&G believe that this expenditure is more probably than not political expenditure and should be disclosed.
117. S&G have prepared a Schedule of Electoral Expenditure, which is Attachment 7 to this report. This is the expenditure which S&G believes meets the disclosure obligations of the AEC as political expenditure. On the available information S&G regard the items marked "*" in the Schedule as gifts or donations within the meaning of ss305A and/or 305B of the CEA.
118. S&G have included all expenditure incurred by Mr. Burke and Ms Stevens which appear on BDO Schedules D3 and D4. On balance, again adopting a cautious approach and having regard for the information we have, S&G believe that the wages paid to each, during the periods of their employment, should also be disclosed.

Report on suspected irregularities in the expenditure of the HSU National Office

119. The expenditure identified in the Schedule of Electoral Expenditure does not represent the totality of the expenditure in respect of which the Union has an electoral disclosure obligation. The available documents reveal that expenditure was incurred by the Union in connection with a dental health campaign. To the extent that this expenditure represented a public expression of views in relation to an issue in the Federal Election, this is expenditure in S&G's view which would fall within the definition of expenditure warranting disclosure as political expenditure. Further, contributions made by the Union to the ACTU's YR@W campaign fund, ought also to be declared.
120. The AEC Guidelines with respect to disclosure obligations provide that a person making disclosure who is unable to provide all the necessary information should provide a statement setting out:
- (a) What information is missing;
 - (b) What attempts have been made to gain that information;
 - (c) Why it could not be obtained; and
 - (d) The name and address of each person who may hold the information.
- In our view, it would be appropriate for the Union to provide a copy of the relevant parts of this report to the AEC, to supplement its disclosure.

Other electoral expenditure

121. Please see our comments in respect of the previous question and the Schedule of Electoral Expenditure which is Attachment 7 to this report.
122. The Schedule of Vendor Communications discloses that a payment was made to LBH Promotions – Kanwala, which was apparently a contribution to a NSW State Election campaign. This may be a matter requiring disclosure by the Union under NSW law.

Policies & procedures

123. Below at [162] and following, this report contains BDO's recommendations with respect to accounting and governance practices within the Union.

Industrial Registrar's Letter

124. On 6 April 2009 the Industrial Registrar wrote to the Union and inquired about certain matters connected with this Investigation. In the Final Scope of Work We agreed to provide guidance to the Union in how it might respond to those matters.

Grounds to believe that any officer or employee (or former officer or employee) of the National office of the Union (including but not limited to Thomson) may have contravened s287 of the RAO Schedule. And if yes, on

Report on suspected irregularities in the expenditure of the HSU National Office

what grounds and what action the National office is taking or has taken in this regard?

Report on suspected irregularities in the expenditure of the HSU National Office

129. Secondly, it appears clear, indeed Thomson conceded as much during Our conference, that he authorised the expenditure of Union funds directly for the benefit of his campaign in Dobell. That expenditure does not appear to have received either Council or Executive approval. While it may have been that the Executive would have authorised such expenditure if asked, the absence of authorisation raises a concern given the terms of the RAO Schedule.
130. It is unarguable, that if an officer authorises expenditure on his own election campaign that must amount to him "gaining an advantage for himself". The question, it seems to us, is whether that amounted to an "improper" use of his position, in circumstances where the Union was committed to supporting a range of candidates in the Federal election and where, on our instructions, branches of the Union themselves supported Thomson's candidacy.
131. Again, adopting the language of the Registrar's letter, there "may be grounds to believe" that a contravention of the RAO Schedule occurred.
132. In respect of the first matter, it seems to Us that the crucial action taken by the Union has been the steps taken or to be taken to radically improve the Union's financial controls and processes. In relation to further clarifying the nature of past expenses and if appropriate, pursuing Thomson in respect of transactions that remain disputed after those further steps, S&G are not satisfied that the Union would enjoy good prospects of success in actions of that sort. The time which has now elapsed and the absence of contemporary documents would make such an exercise, in S&G's view, very unlikely to reveal more information and would make recovery proceedings or proceedings for compensation (at least in respect of the overwhelming bulk of expenditure) very difficult to sustain.
133. In respect to the second matter, following this report, it is anticipated that the Union will properly make full disclosure of its expenditure, as best it can, according to law. In terms of pursuing Thomson for recovery of expenditure spent on his campaign, the Union would again be confronted with evidentiary challenges in terms of identifying the expenditure. As well there is every likelihood, given the nature of the expenditure and its purpose, that Thomson may seek to argue first that there has been no breach of the RAO Schedule on the basis that his conduct was not improper and further that any breach of the RAO Schedule should "fairly" be excused pursuant to s315 of the RAO Schedule. Having regard for what We know, S&G would regard the prospects of this defence succeeding as no higher than arguable.

Report on suspected irregularities in the expenditure of the HSU National Office

Did the National Office make any donations between 2002 and 2008 that were not approved by the Rules?

148. There were expenses to which Our attention was drawn, in this respect in the Auditor's Report, such as the contribution to "Dads in Education". We were informed by Thomson that this transaction was a sponsorship in that valuable consideration, in terms of profile for the Union, was provided in return for the financial commitment.
149. The payment to the "Centre for Professional Development" on 4 September 2007 in the sum of \$10,000 reported by Mr. Dick is in fact a payment to the Centre for Policy Development (Our emphasis). The Invoice from CPD identifies the payment as a donation. CPD is a progressive think tank based in Sydney. We have not located any evidence of Executive approval for this donation.
150. During Our investigations we have discovered two transactions which appear to have been donations of in kind support. First, on 25 November 2006 \$2,050.00 was paid to Golden Years Collectables using the CBA MasterCard. We have been informed by the vendor that this was likely to have been framed sporting memorabilia. Thomson informed us that this was memorabilia which was auctioned at an event. The funds raised appear to have then been donated although we were unable to establish to whom. Secondly, on 31 May 2007 \$1,478.40 was paid on the CBA MasterCard to LBH Promotions – Kanwal. The services purchased are



Report on suspected irregularities in the expenditure of the HSU National Office

described in Attachment 5. This appears to have been an in-kind donation to the NSW state election campaign of Mr. David Harris.

151. We can find no record of either of these donations receiving Executive approval and it does not appear that any donation has been disclosed to any statutory bodies.
152. We cannot otherwise establish to what extent the Union made "donations" that were not approved according to the Rules.

Report on suspected irregularities in the expenditure of the HSU National Office

Electoral Office Correspondence

160. On or about 21 January 2008 the Union received what appears to be circular correspondence from the AEC, dated 19 December 2007, reminding the Union of its obligations of disclosure under the Commonwealth Electoral Act 1918.
161. The expenditure that We regard as appropriate to disclose is identified in the Schedule of Electoral Expenditure which is Attachment  to this report. Apart from making urgent disclosure of all electoral expenditure and providing relevant portions of this report, We do not regard the letter from the AEC as requiring any further action. 

Ken Fowle
Director & Practice Group Leader
SLATER & GORDON
12 June 2009

Report on suspected irregularities in the expenditure of the HSU National Office

Disclosure obligations

25. Relevant to the Investigation, the Union has certain statutory disclosure obligations. First, the Union has obligations under the terms of the RAO Schedule. Those obligations relate to donations, loans and grants made by the Union over \$1,000 (s237). Further, the Union has obligations under the *Commonwealth Electoral Act* to make disclosures in the terms of that Act.

Report on suspected irregularities in the expenditure of the HSU National Office

Commonwealth Electoral Act 1918 (CEA)

26. The statutory reporting obligations are contained in Part XX of the CEA. S&G is satisfied that the Union is not an "associated entity" for the purposes of the CEA. Consequently, the Union may have two disclosure obligations: A declaration of political expenditure and donor returns.

Section 314AEB CEA - Annual returns relating to political expenditure

27. The Union is obliged to lodge an Annual Political Expenditure Return starting from the 2006-2007 financial year when it has incurred "political expenditure" during the Financial year. Political expenditure is defined as:
- (1) *A person must provide a return for a financial year in accordance with this section if:*
- (a) *the person incurred expenditure for any of the following purposes during the year, by or with his or her own authority:*
 - (i) *the public expression of views on a political party, a candidate in an election or a member of the House of Representatives or the Senate by any means;*
 - (ii) *the public expression of views on an issue in an election by any means;*
 - (iii) *the printing, production, publication or distribution of any material (not being material referred to in subparagraph (i) or (ii)) that is required under section 328 or 328A to include a name, address or place of business;*
 - (iv) *the broadcast of political matter in relation to which particulars are required to be announced under subclause 4(2) of Schedule 2 to the Broadcasting Services Act 1992 ;*
 - (v) *the carrying out of an opinion poll, or other research, relating to an election or the voting intentions of electors;*
28. To assist affiliated unions, the ACTU sent a circular (no: 82/2007) dated 29 October 2007, suggesting how this disclosure requirement should be met ("ACTU Circular"). The ACTU Circular recommended that payments made and expenditure incurred by Unions connected with YR@W campaigning was probably a matter that, taking a cautious view, should be declared as political expenditure. This is a view with which We concur. See S314AEB (i) and (ii).

Ss305A & 305B - Donor Returns

29. Donor returns require the Union to disclose all gifts provided to a candidate for election (s305A) and all gifts to a political party made during a financial year (s305B).

Report on suspected irregularities in the expenditure of the HSU National Office

There is a threshold of a little over \$10,000 before disclosure is required. That threshold is triggered by the total value of gifts or donations given either to the candidate or the party in the relevant period. Gifts include in-kind contributions such as the donation of an asset or service.

30. The ACTU Circular recommended that YR@W activities, whilst political expenditure, would not generally be characterised as a gift or donation to a political party or candidate. We again concur. This is of course to be contrasted with:
- (a) expenditure directly contributed to an electoral campaign or to a political party; and
 - (b) Union staff working directly (during working hours) on the campaign of a particular candidate for election or political party.

Both would be gifts warranting disclosure under s305A and/or 305B.

Non Compliance – Offences

31. *Section 315 CLA* sets out the penalty provisions for non-compliance with the funding and disclosure provisions. The penalties are as follows:
- Where a person fails to furnish a return: - \$1,000 fine. (Strict liability applies)
 - Where a person fails to retain records:- fine not exceeding \$1,000 (Strict liability applies)
 - A person convicted of failing to furnish a return: - is punishable by a fine of up to \$100 per day for each day that the return is outstanding after the initial conviction.
32. Failure to comply with the reporting obligations does not invalidate an election of a political party or a candidate to the election: *Section 319 CEA*.

Report on suspected irregularities in the expenditure of the HSU National Office

Table of Attachments

No.	Description	Page No.
1	Letter of Instruction	53
2	The Auditors' Report	59
3	The BDO Interim Report	75
7	Schedule of Electoral Expenditure	121

Attachment 1
Letter of Instruction

000053



Health Services Union

11 December 2008

Mr Ken Fowlie
Executive Director
Slater and Gordon Lawyers
11th Floor, 51 Druitt Street
Sydney NSW 2000

Dear Mr Fowlie,

Referral

The National Executive of the Health Services Union ("the Union") wishes to engage the services of law firm Slater and Gordon to undertake an examination of possible irregularities in the expenditure of the Union for the period 16 August 2002 to 31 January 2008.

Background

The Union is regulated by the Registered Rules of the Union and Schedule 1 of the *Workplace Relations Act 1996*.

On the resignation of the National Secretary Mr Craig Thomson in December 2007, the National Executive resolved that an exit audit would be conducted on the accounts of the Union. This is a routine procedure in the HSU. The Union's National Auditor, Mr Iaan Dick ("the Auditor") was appointed to conduct this audit. A report from the Auditor for the period of 1 July 2007 to December 2008 was provided to the National Executive in a letter to the National Secretary dated 12 May 2008. A copy is included in the enclosures to this letter.

The report identified what appeared to be a number of irregularities in the accounts of the Union and an apparent lack of documentation in support of some expenditure.

000054

The National Office appears to have no official Minute Book or electronic copies of minutes of meetings of the National Executive or National Council for the period that Mr Thomson held the position of National Secretary. A set of draft minutes for all such National Executive meetings as circulated can be made available but these are not necessarily confirmed minutes. National Executive has approved the annual accounts and financial statements for the Union for each of the financial years prior to 2007/2008.

In another letter from the Auditor also dated 12 May 2008, the National Executive was advised that, in the course of preparing the exit audit report, the Auditor had become aware of the existence of a Commonwealth Bank credit card and that in the 2006-2007 financial year a considerable number of cash withdrawals from ATM's had occurred. Whilst the Auditor has noted that these entries have been entered in the Union's books and attributed to various purposes, there appeared to be no documentary evidence to support that expenditure and the Auditor advised that this may be in breach of the reporting guidelines or Schedule 1 to the Workplace Relations Act 1996. The Auditor has sought the response of the National Executive in relation to this matter.

After receiving the exit audit report from the Auditor, National Executive decided to investigate expenditure incurred on union credit cards to which Craig Thomson, and Matthew Burke and Crisalee Stevens (former employees of the Union), were signatories. The examination was conducted by the Union's Officers and covered the period July 2002 to January 2008.

The Officers of the HSU were unable to locate any supporting documentation for most of the withdrawals referred to in 6 below.

Further, there are a number of transactions which are unsupported by any documentation and which are not clearly identifiable as expenses for the purposes of carrying out the objects of the HSU. Some of these items appear to be of a personal nature, and some were incurred after Mr Thomson's resignation from office.

Matthew Burke and Crisalee Stevens also had HSU Diners Club cards. The summary documents list items of expenditure which are not clearly identifiable from the statement descriptions as HSU related, and, in Matthew Burke's case, were incurred after his employment ended. These transactions are not supported by any documentation.

As you will know, the HSU is required to file a return identifying any expenditure for electoral purposes. There are transactions in respect of which the invoices suggest that they were political expenditure, and a number of transactions for which there are no invoices/receipts and which may be political expenditure.

Examination

The HSU National Executive requests that you engage an appropriate forensic accounting firm to examine the enclosed documents and report to yourselves and the National Executive on any matters which arise from the above which in their opinion require action or attention by the National Executive, and to make recommendations as to the appropriate course of action the Union ought to take to address matters raised as a result of the investigation.

000050²

After receipt of the report of that examination, we seek your advice in relation to the following:

- a. Whether funds of the Union were expended in accordance with the rules of the Union;
- b. Whether any funds of the Union were inappropriately expended, or not clearly identifiable as expenditure consistent with carrying out the objects of the HSU, and if so to what extent;
- c. Whether funds of the Union were misappropriated, and if so to what extent;
- d. If funds of the Union have been misappropriated, or expended without authority, what course or courses of action is or are available to the Union to recover those funds;
- e. Any issues that arise regarding the responsibility of the Union in relation to Schedule 1 of the *Workplace Relations Act 1996*;
- f. Whether it is possible to determine the total sum of Union funds expended on Mr Thomson's campaign to win the seat of Dobell in the 2007 Federal election and if so what that sum is?
- g. What other expenditure in the year 2007 was properly characterised as political expenditure which the Union is obliged to declare to the AEC?
- h. What policies, procedures or practices ought to be adopted by the National Executive and/or National Council of the Union to ensure that the Union has in place proper corporate governance practices to comply with its financial management obligations?

Yours sincerely
Kathy Jackson
National Secretary

National Office

208-212 Park Street, South Melbourne, Victoria, 3205 Telephone: (03) 9341 3328 Facsimile: (03) 9341 3329

Email: hsu@hsu.net.au

Website: www.hsu.net.au

200057

Attachment 2
Auditor's Report

990059

Dick & Smith

(Elsternwick) Pty Ltd
ACN 006 619 647
Chartered Accountants

12th May 2008

Kathy Jackson
National Secretary
Health Services Union

Dear Kathy,

As requested we have undertaken a detailed analysis of the accounts of the Health Services Union since 1 July 2007 and provide below a response to the following questions raised in your letter of the 14th April 2008.

For clarity we have firstly highlighted the question then detailed the answer.

Expenditure

1. What expenditure has been incurred which required, but did not receive, National Council or National Executive authorization in accordance with rules 21, 27 and 36 of the Registered Rules of the HSU?

Response

All expenditure between 1 July 2007 and January 2008 was not authorised by National Council or National Executive. In addition, expenditure by Mr Thomson personally after 14 December 2007 is detailed in the response to question 5 below.

It is ultimately a question of law as to whether the rules require authorisation of expenditure by National Council or National Executive.

Rule 21 states:

The National Council shall, subject to these Rules and the control by the members as hereinafter mentioned, be the supreme governing body of the Union and have the management and control of the affairs of the Union and, without limiting the generality of the foregoing, shall in particular have power:-

-
- (e) to appoint and remove such National Industrial Officers and Research Officers and other types or category of officials as it deems necessary and to fix the remuneration and terms and conditions of employment of the same;
-

Address : 22 Hoddle Street, Elsternwick, Melbourne, VIC, 3185
Phone : (03) 9523 7750 Fax/facsimile : (03) 9528 6921
Director : Ian G F Dick ACA B Comm

330060

Rule 27(a) states:

The National Executive shall, subject to these Rules and to the decisions of National Council and to the control of members as hereinafter mentioned, have power (in addition to powers conferred on it elsewhere in these Rules) to conduct and manage the affairs of the Union including the power to set the wages and conditions of the National Office Staff and between meetings of the National Council may exercise all the powers of National Council except the power to grant life membership and the power to make, add to, amend, rescind and/or otherwise alter these Rules.

Rule 32 relevantly states:

The National Secretary shall -

- (n) *Between meetings of the National Executive, control and conduct the business of the Union;*

Rule 36(b) states:

The funds and property of the Union shall be controlled by the National Council and the National Executive both of which shall have power to expend the funds of the Union for the purposes of carrying out the objects of the Union and all cheques drawn on the funds of the Union shall be signed by two officers of the Union and at least one Trustee. For the expenditure of the funds of the Union on the general administration of the Union and for purposes reasonably incidental to the general administration of the Union, the prior authority of the National Council or the National Executive shall not be necessary before cheques are signed or accounts paid.

There is therefore a category of expenditure that does not require prior authorization, which is expenditure for general administration or is reasonably incidental to such general administration. If the National Executive considered any payments were of a general administration or incidental, it could now ratify the payments.

"General administration" is not defined in the Rules, and its meaning is ultimately a question of law.

Accordingly I have reported the explanation for each transaction and whether that explanation is provided by receipt, Tax Invoice or account or other means such as ledger entry only.

Rule 36(g) requires the National Council or National Executive to satisfy itself that the purposes of any grant or donation over \$1000 is in accordance with the other rules of the union and must approve the grant or donation. Section 237 of RAO Schedule to the Workplace Relations Act 1996 requires the union to lodge a statement with particulars of every grant or donation over \$1,000 including the purpose for which it was made and the name and address of the person to whom it was made. Where a payment is clearly explained as, or appears to be, a donation over \$1,000, I have identified it below.

Dads in Education	17/07/2007	\$ 5,000
Centre for Professional Development	04/09/2007	\$10,000
Dads in Education	18/10/2007	\$ 5,000

What of this expenditure was specifically political expenditure including political donations as defined by the Australian Electoral Commission?

I have listed all transactions which I consider can be characterized with certainty as political within the guidelines issued by the AEC and available on its website. The HSU should obtain legal advice as to whether my characterizations are correct for the purposes of any ABC return.

The lack of documentation for many transactions makes it impossible for us to definitively state what many of these expenditures were. For example, an amount of \$2000 was paid to The Entrance Print on 13/11/2007. The only documentation for this transaction is an item on the credit card statement confirming the transaction occurred, and an entry in the ledger characterizing it as meeting expenses. It cannot be stated with certainty what was being paid for, and even if it was printing, what the printing was for. Again, if the transactions are believed to be for electoral purposes we suggest the HSU obtains legal advice about its specific reporting obligations.

Allocation	Payee	Amount
Advertising	Australian Labor Party	12,511
Advertising	Central Coast Communications	15,994

2. What expenditure has been incurred for which there are no receipts/tax invoices or for which there is not an adequate account?

Refer Note 1

There is insufficient support for most credit card transactions. For the bulk of credit card transactions they are only supported by details on the credit card statements.

The Executive should be aware that in the unlikely event of a GST audit by the Australian Taxation Office replacement tax invoices may be needed.

3. What expenditure was incurred, other than that which falls into 1. above, which was not directly associated with the administration of the Union?

See my response to question 1.

4. What expenditure was incurred where the tax invoice does not clearly indicate that the expense was a liability of the union? (i.e. the invoice was made out to another organisation or person)

Craig Thomson -ALP Candidate -- Long Jetty - Australia Post - \$7,253,17
Craig Thomson - Central Coast Communications - \$15,994

5. What expenditure did Craig Thomson incur post 24 November 2007?

We have only been able to specifically identify mobile phone and credit card usage and the forward commitment to Central Coast Rugby League for \$39,000

24th November 2007 - 13th December 2007

Mobile	\$ 382
Credit Card	\$ 3,826

Post 14th December

Mobile	\$ 1,713
Credit Card	\$ 1,654

6. Which employees continued to have in their possession HSU provided mobile phones that they continued to use after their employment with the HSU had ceased?

Matthew Burke
 Criselee Stevens
 Craig Thomson

Credit Cards

8. What cash withdrawals from credit cards, for each and every staff member holding a HSU provided Credit Card, has occurred and for what purposes?

Craig Thomson \$8,800 (schedule attached). No Vouchers Available

9. What cash withdraws occurred for which there are no receipts/tax invoices? There are no receipts or tax invoices for cash withdrawals. All cash withdrawals are only evidenced by the credit card statement.

10. Which staff continued to hold HSU issued credit cards after they were no longer employed by the Union? What dates did they resign or ceased to be employees?

	Resignation Date
Matthew Burke	06/04/2007
Craig Thomson	14/12/2007

* What expenditure was incurred on those credit cards after the employees ceased to be employed by the Union?

Matthew Burke	\$6,705
Craig Thomson	\$1,654

* When were those credit cards cancelled?

Matthew Burke	02/2008
Craig Thomson	02/2008

Staffing

12. What staff were employed (in whatever capacity) by the union during the financial year?

- When were those staff originally employed and when did they cease to be employees?

	Date Employed	Date Ceased
Karinda Flavell	17/03/2006	22/02/2008
Kathryn Ann Hall	03/07/2006	31/12/2007
Ruth Kershaw	03/04/2007	14/03/2008
Mark McLeay	08/01/2007	
Belinda Ord	07/02/2005	21/02/2008
Criselee Stevens	26/09/2005	14/12/2007
Craig Thomson	19/08/2002	14/12/2007

- What was the full remuneration package for those employees?

We have not been able to letters of appointment for all of these employees, nor have I been able to locate any minutes authorizing employment packages. Detailed below are actual wage payments per the general ledger.

	Employed	L of A	Car	Salary
Karinda Flavell	17/03/2006	No		\$ 75,000
Kathryn Ann Hall	03/07/2006	No	Yes	\$ 52,000
Ruth Kershaw	03/04/2007	Yes		\$ 75,000
Mark McLeay	08/01/2007	Yes	Yes	\$ 84,136
Belinda Ord	07/02/2005	No		\$ 36,910
Criselee Stevens	26/09/2005	No		\$ 48,672
Craig Thomson	19/08/2002	No	Yes	\$154,536

- What evidence is available of authorization of these appointments and remuneration packages?

None, as I have been unable to find hardcopies of executive minutes nor softcopies on computers.

13. Detailed breakdown of Craig Thomson's accrued entitlements.

- How much did the NSW branch pay the National Union for Craig Thomson's entitlements and for what accruals?

Commencement Date	04/10/1988		
Termination Date	16/08/2002		
Period of Service	13 years 10 months and 2 weeks		
Type	Days	Weeks	Amount
Holiday pay	113.9	22.78	\$46,465.58
Long Service Leave	118.125	16.875	\$29,294.35

Laan Dick
Principal

Date Processed	Payee	Amount
Credit Cards - Vouchers not Available		
9/07/2007	Commonwealth Bank Of Aust	16751.15
20/07/2007	Diners Club	1556.5
20/07/2007	Diners Club	1.5
20/07/2007	Energy Australia	109.38
20/07/2007	Diners Club	3844.08
20/07/2007	Diners Club	689.83
20/07/2007	Diners Club	1240.1
20/07/2007	Diners Club	650.81
20/07/2007	Diners Club	64.9
23/07/2007	Commonwealth Bank Of Aust	14811.18
20/08/2007	Diners Club	1775.46
20/08/2007	Diners Club	3727.81
20/08/2007	Diners Club	5495.59
20/08/2007	Diners Club	675.43
20/08/2007	Diners Club	130
20/08/2007	Diners Club	454.62
28/08/2007	Commonwealth Bank Of Aust	3392.69
20/09/2007	Diners Club	1918.68
20/09/2007	Diners Club	299.13
20/09/2007	Diners Club	2384.92
20/09/2007	Diners Club	766.46
20/09/2007	Diners Club	254.6
28/09/2007	Commonwealth Bank Of Aust	4705.35
20/10/2007	Diners Club	130
20/10/2007	Diners Club	618.13
20/10/2007	Diners Club	2902.76
20/10/2007	Diners Club	1149.54
20/10/2007	Diners Club	1695.98
20/10/2007	Diners Club	1885.55
28/10/2007	Commonwealth Bank Of Aust	4648.29
20/11/2007	Diners Club	60
20/11/2007	Diners Club	2636.8
20/11/2007	Diners Club	1223.04
20/11/2007	Diners Club	1684.73
20/11/2007	Diners Club	1590.69
20/11/2007	Diners Club	1937.64
28/11/2007	Commonwealth Bank Of Aust	4799.83
28/12/2007	Commonwealth Bank Of Aust	2435.35
		95098.49

030098

Attachment 7 - Schedule of Electoral Expenditure

Payments made using CBA Master Card Account 5587 0131 6388 0019 in the name of
Mr Craig Thomson

Date Paid	Payee	Amount \$
21/07/2006	Devine Restaurant Terrigal	88.00
30/07/2006	Google Adwords	132.73
12/08/2006	Devine Restaurant Terrigal	113.00
29/08/2006	Google Adwords	149.01
29/09/2006	Google Adwords	28.69
29/10/2006	Google Adwords	62.55
07/11/2006	99 The Entrance (Restaurant)	22.40
17/11/2006	99 The Entrance (Restaurant)	46.30
27/11/2006	99 The Entrance (Restaurant)	35.80
19/12/2006	99 The Entrance (Restaurant)	21.30
20/12/2006	Devine Restaurant Terrigal	135.50
28/12/2006	Terrigal Hotel	195.20
19/01/2007	The Coffee Club	15.10
06/02/2007	Olnix International Restaurant	52.50
30/03/2007	Google Adwords	3.79
02/04/2007	99 The Entrance (Restaurant)	27.05
03/04/2007	The Coffee Club	20.90
05/04/2007	Pacinos on Church	34.15
09/04/2007	Devine Restaurant	150.00
15/04/2007	Telstra - Erina	611.10
17/04/2007	Australian Labor Party*	1,000.00
26/05/2007	The Entrance Print	1,884.00
30/05/2007	Google Adwords	27.38
31/05/2007	The Coffee Club	48.60
31/05/2007	PK Printing Service, Tuggerah	821.70
31/05/2007	The Entrance Print	2,623.00
31/05/2007	LBH Promotions - Kanwal	1,478.40
01/06/2007	Donnisons Restaurant	36.30
07/06/2007	The Entrance Print	1,108.00
13/06/2007	The Entrance Print	2,129.00
18/06/2007	The Entrance Print	1,300.00
18/06/2007	The Entrance Print	657.00
18/06/2007	The Entrance Print	290.00
29/06/2007	Google Adwords	34.45
06/07/2007	The Coffee Club	19.50
18/07/2007	The Entrance Print	280.00
29/07/2007	Google Adwords	28.87
02/08/2007	The Entrance Print	115.00
29/08/2007	Google Adwords	34.00
14/09/2007	The Entrance Print	551.00
26/09/2007	Google Adwords	34.00
27/09/2007	Google Adwords	35.55
12/10/2007	Nova 1069 Pty Ltd	2,739.00
27/10/2007	Google Adwords	33.71
07/11/2007	Bateau Bay Hotel	94.00
13/11/2007	The Entrance Print	2,000.00
04/11/2006	The Good Guys	840.00
24/11/2006	L/Land	322.56
25/11/2006	Gldn Years Collectables	2,050.00
12/12/2006	Star Framing Gallery	36.00
15/01/2007	99 The Entrance	15.40

000121

19/03/2007	99 The Entrance	36.60
17/04/2007	Bing Lee Electrics	1,053.00
30/07/2007	Tuggerah Lakes Memorial	150.00
		<u>25,851.09</u>

Payments made using Diners Club Account 3643 655548 0080 in name of Mr Craig Thomson

Date Paid	Payee	Amount
		\$
24/11/2006	Dekk Restaurant and Bar	60.50
12/07/2006	Dekk Restaurant and Bar	150.00
06/09/2006	Dick Smith Bateau Bay	49.96
29/09/2006	The Coffee Club Tuggerah	13.50
06/10/2006	The Coffee Club Tuggerah	45.30
11/10/2006	The Coffee Club Tuggerah	36.20
14/10/2006	Stillwaters Restaurant	105.00
20/10/2006	The Coffee Club Tuggerah	22.40
02/10/2006	Dick Smith Bateau Bay	79.98
16/10/2006	Nationwide News	180.70
16/10/2006	Nationwide News	180.70
07/11/2006	The Golden Cowrie	240.00
17/11/2006	Reef Restaurant and Grill	290.00
03/11/2006	Dick Smith Bateau Bay	243.34
02/10/2006	Dick Smith Bateau Bay	50.93
19/12/2006	Quay West Resort Magenta	200.00
10/12/2006	Kmart Bateau Bay	79.00
17/12/2006	Domayne Furniture Gosford	275.00
19/12/2006	AppleCentre Central Coast	310.96
03/01/2007	Postshop Bay Village	198.00
26/01/2007	Dick Smith Erina	63.93
03/02/2007	Dick Smith Bateau Bay	50.96
23/02/2007	Dick Smith Bateau Bay	22.78
20/04/2007	Nationwide News	361.40
05/05/2007	Dick Smith Bateau Bay	127.92
06/05/2007	Dick Smith Bateau Bay	108.98
31/05/2007	Quay West Resort Magenta	200.00
07/06/2007	Onda Ristorante	150.00
08/06/2007	Reef Restaurant and Grill	150.00
31/05/2007	Dick Smith Bateau Bay	97.92
14/07/2007	Quay West Resort Magenta	200.00
03/07/2007	Nationwide News	361.40
06/07/2007	Nationwide News	264.10
13/07/2007	Dick Smith Bateau Bay	33.96
06/08/2007	Cafe Pennoz	33.30
27/07/2007	Dick Smith Bateau Bay	26.50
05/08/2007	BBC Erina North	30.98
31/08/2007	Cafe Pennoz	21.20
07/09/2007	Cafe Pennoz	33.10
17/09/2007	Dick Smith Bateau Bay	51.46
21/09/2007	Cafe Pennoz	39.20
17/11/2007	The Entrance Hotel	581.10
02/11/2007	Hertz	416.12
25/11/2007	Quay West Resort Magenta	160.00
04/12/2007	Letterbox Restaurant	160.00
14/12/2007	Dick Smith Bateau Bay	199.90
21/11/2007	Telstra T shop Erina	679.00
		<u>6,908.48</u>

000122

Payments made using Diners Club Account 3643 655548 0148 in name of
Mr Matthew Burke

Date Paid	Payee	Amount
		\$
17/04/2007	Caltex Wamberal	47.44
20/04/2007	Caltex Wamberal	74.23
23/04/2007	Tandy Electronics - Tuggerah	14.98
30/04/2007	MD Web Hosting	118.80
01/05/2007	Domain Directors	36.27
02/05/2007	Caltex Wamberal	83.80
05/05/2007	Dick Smith - Bateau Bay	32.47
06/05/2007	Caltex Wamberal	79.83
06/05/2007	Coles Express - Gorokan	87.40
15/05/2007	Dick Smith - Bateau Bay	361.42
18/05/2007	Woolworths - Bateau Bay	11.82
18/05/2007	K-Mart - Bateau Bay	82.94
23/05/2007	Caltex Wyong	70.70
26/05/2007	Caltex Wamberal	79.49
18/05/2007	Postshop - Long Jetty	25.00
21/05/2007	Bunnings - Tuggerah	79.00
22/05/2007	Woolworths - Bateau Bay	43.68
29/05/2007	Woolworths - Bateau Bay	12.25
23/05/2007	Caltex Wyong	70.70
31/05/2007	John Fairfax Publications	495.00
04/06/2007	Café Pennoz - Tuggerah	50.00
07/06/2007	Café Pennoz - Tuggerah	10.10
07/06/2007	Café Pennoz - Tuggerah	68.80
07/06/2007	Café Pennoz - Tuggerah	16.40
18/06/2007	Caltex Wamberal	75.61
22/06/2007	Coles Express - Kariong	56.76
26/06/2007	Coles - Bateau Bay	29.18
27/06/2007	7-Eleven - Erina	74.32
06/07/2007	Caltex Wamberal	60.55
11/07/2007	Dick Smith - Bateau Bay	188.95
13/07/2007	Dick Smith - Erina	14.98
14/07/2007	Caltex Gosford	76.89
17/07/2007	Woolworths Petrol - Tuggerah	40.17
17/07/2007	Caltex Wamberal	37.44
21/07/2007	Caltex Wamberal	77.32
22/07/2007	Dominos - The Entrance	47.60
22/07/2007	Woolworths - Tuggerah	15.70
22/07/2007	Woolworths - Bateau Bay	24.09
26/07/2007	Caltex Wyong	60.00
27/07/2007	Woolworths - Bateau Bay	12.25
02/08/2007	Caltex Long Jetty	62.23
06/08/2007	Woolworths Petrol - Tuggerah	57.28
14/08/2007	BP Express - Tuggerah	43.90
19/08/2007	BP Express - Tuggerah	58.90
01/10/2007	BP - Tumby Umbi	74.50
03/10/2007	Telstra Shop	679.00
11/10/2007	Woolworths Petrol - Tuggerah	62.74
11/10/2007	Woolworths - Tuggerah	61.48
11/10/2007	Coles - The Entrance	47.60
19/10/2007	Caltex Long Jetty	15.67
23/10/2007	Ampol - Chittaway Bay	40.17
30/10/2007	Telstra Shop	679.00
09/11/2007	Caltex Long Jetty	69.01
12/11/2007	BP Express - Tuggerah	70.23

500123

18/11/2007	BP Express - Tuggerah	75.44
21/11/2007	Bunnings Tuggerah	134.00
26/11/2007	BP - Tumbi Umbi	82.87
30/11/2007	Caltex Woolworths Erina	82.80
04/12/2007	Strathfield Gosford	30.50
		<u>5,371.65</u>

Payments made using Diners Club Account 3643 655548 0114 in name of
Ms Criselee Stevens

Date Paid	Payee	Amount
		\$
07/07/2006	Brandos Fountain Cafe	40.10
09/07/2006	Bing Lee Bennetts Green	1,497.00
17/07/2006	Coles Express - Gorokan	50.04
22/07/2006	Coles Express - Gorokan	37.93
23/07/2006	Dick Smith Electronics	135.43
24/07/2006	Caltex - Lake Haven	30.00
24/07/2006	Lake Haven Colour Copy Shop	376.60
26/07/2006	The Beachcomber Resort	33.00
28/07/2006	Coles Express - Gorokan	50.20
05/08/2006	Coles Express - Gorokan	40.02
07/08/2006	Cumberland Newspaper Group	707.68
07/08/2006	Cumberland Newspaper Group	844.56
11/08/2006	Coles Express - Gorokan	50.09
14/08/2006	Lake Haven Colour Copy Shop	16.50
19/08/2006	Coles Express - Gorokan	57.78
21/08/2006	Cafe	33.00
25/08/2006	Toukley Photo Specialists	18.95
27/08/2006	Woolworths Petrol Gosford	52.76
05/09/2006	Dick Smith Electronics	57.98
11/09/2006	The Beachcomber Resort	38.50
11/09/2006	Coles Express - Gorokan	52.59
15/09/2006	Coles Express - Gorokan	30.58
18/09/2006	Coles Express - Gorokan	51.32
19/09/2006	Postshop Gorokan	74.15
21/09/2006	Dick Smith Electronics	135.43
21/09/2006	Bunnings Tuggerah	47.76
23/09/2006	United Petroleum Wyong	17.16
26/09/2006	Caltex Gosford	43.95
26/09/2006	Postshop Gorokan	54.75
26/09/2006	Postshop Gorokan	604.95
27/09/2006	Postshop Gorokan	50.00
28/09/2006	Coles Express - Gorokan	34.61
09/10/2006	Coles Express - Gorokan	48.80
09/10/2006	Coles Express - Gorokan	32.25
10/10/2006	Copy Art & Office Prod	15.90
17/10/2006	The Coffee Club	42.20
19/10/2006	Computers & More	60.00
21/10/2006	Taxi Fare Lake Haven	56.23
21/10/2006	Taxi Fare Lake Haven	66.16
24/10/2006	Coles Express - Gorokan	50.78
24/10/2006	Coles Express - Gorokan	34.27
28/10/2006	Caltex F3 Southbound	68.74
04/11/2006	Coles Express - Gorokan	50.01
15/11/2006	Coles Express - Gorokan	23.01
17/11/2006	Coles Express - Gorokan	55.18
23/11/2006	Caltex - Lake Haven	100.00
26/11/2006	Coles Express - Gorokan	50.03

00124

29/11/2006 Computers & More	35.00
04/12/2006 Coles Express - Gorokan	32.00
06/12/2006 Computers & More	35.00
08/12/2006 Coles Express - Gorokan	35.01
11/12/2006 Postshop Gorokan	100.00
15/12/2006 Coles Express - Gorokan	52.32
17/12/2006 Coles Toukley	56.42
18/12/2006 Computers & More	60.00
21/12/2006 Caltex - Lake Haven	44.95
10/01/2007 Coles Express - Gorokan	54.74
17/01/2007 Caltex F3 Southbound	43.11
30/01/2007 Postshop Gorokan	100.00
07/02/2007 Postshop Gorokan	100.00
08/02/2007 Officeworks	696.04
10/02/2007 Bunnings Tuggerah	29.06
12/02/2007 Coles Gorokan	41.31
14/02/2007 Computers & More	120.00
15/02/2007 Telstra	225.77
16/02/2007 Postshop Gorokan	50.00
24/02/2007 Taxi Fare Canton Beach	12.32
28/02/2007 Postshop Gorokan	50.00
09/03/2007 Caltex - Long Jetty	66.39
10/03/2007 Coles Express - Gorokan	40.01
13/03/2007 Officeworks	502.92
15/03/2007 Caltex - Lake Haven	73.72
19/03/2007 Coles Express - Gorokan	60.98
19/03/2007 Coles Express - Gorokan	45.88
23/03/2007 Coles - Gorokan	27.50
24/03/2007 The Beachcomber Resort	527.50
24/03/2007 United North Wyong	26.89
26/03/2007 Coles Express - Gorokan	52.63
27/03/2007 Coles Express - Gorokan	69.62
27/03/2007 Coles - Toukley	67.01
30/03/2007 Coles Express - Kariong	40.53
04/04/2007 Taxi Fare Gorokan	45.62
11/04/2007 Officeworks	1,587.93
11/04/2007 Postshop Wyong	70.00
11/04/2007 Postshop Ourimbah	70.00
18/04/2007 Postshop Long Jetty	11.75
12/04/2007 Joyce Mayne Computers	89.90
13/04/2007 Coles Express - Gorokan	50.03
13/04/2007 Dick Smith Bateau Bay	11.98
13/04/2007 Dick Smith Bateau Bay	51.95
16/04/2007 Coles - Toukley	37.56
20/04/2007 Coles Express - Gorokan	57.81
21/04/2007 Volume Plus Long Jetty	73.00
21/04/2007 Bunnings Tuggerah	453.33
21/04/2007 Bunnings Tuggerah	199.00
30/04/2007 Dick Smith Bateau Bay	63.96
02/05/2007 Officeworks	144.01
07/05/2007 Coles Express - Gorokan	55.03
24/05/2007 Coles Express - Gorokan	40.09
03/06/2007 Coles Gorokan	73.64
08/06/2007 Coles Express - Gorokan	23.77
08/06/2007 Inland Petroleum Narromine	70.00
11/06/2007 Coles Express - Gorokan	53.02
13/06/2007 Caltex - Long Jetty	50.14
19/06/2007 Woolworths Bateau Bay	149.57
22/06/2007 BP Tumbi Umbi	40.17

550195

27/06/2007	Caltex - Long Jetty	80.75
29/06/2007	Coles Express - Gorokan	56.30
06/07/2007	Caltex - Long Jetty	80.16
11/07/2007	Caltex - Lake Haven	50.02
16/07/2007	Dick Smith Bateau Bay	95.94
20/07/2007	Coles Express - Gorokan	53.92
26/07/2007	WC Penfold Stationery Store	39.49
03/08/2007	Coles Express - Gorokan	50.38
15/08/2007	Caltex - Lake Haven	51.49
21/09/2007	Coles Express - Gorokan	47.90
22/09/2007	Coles Express - Gorokan	60.07
29/09/2007	Coles Express - Gorokan	51.77
07/10/2007	Coles Express - Gorokan	57.67
12/10/2007	Dick Smith Bateau Bay	252.00
15/10/2007	Coles Express - Gorokan	55.19
27/10/2007	Coles Express - Gorokan	57.18
29/10/2007	Joyce Mayne Computers	150.00
08/11/2007	Coles Express - Gorokan	41.74
08/11/2007	Digical Bateau Bay	414.00
15/11/2007	Dick Smith Bateau Bay	129.89
18/11/2007	Coles Express - Gorokan	41.28
23/11/2007	Coles Express - Gorokan	63.13
29/11/2007	Coles Express - Gorokan	57.94
15/08/2007	Caltex - Long Jetty	43.79
04/12/2007	Taxi Fare Toukley	35.52
05/12/2007	Dick Smith Bateau Bay	326.95
		<u>15,711.29</u>

Expenditure by Electronic Transfer from SGE Credit Union Account

Date Paid	Payee	Amount
		\$
12/07/2007	DP Parish	671.88
12/07/2007	Australia Post - Long Jetty *	7,253.17
12/08/2007	DP Parish	79.28
22/08/2007	Dad's in Education - Wyoming	2,500.00
23/08/2007	Dad's in Education - Wyoming	2,500.00
12/11/2007	Central Coast Radio Centre *	2,895.20
12/11/2007	Central Coast Radio Centre *	4,493.50
12/11/2007	Central Coast Radio Centre *	1,540.00
12/11/2007	Central Coast Radio Centre *	1,996.50
12/11/2007	Central Coast Radio Centre *	3,722.40
03/12/2007	Dad's in Education	5,000.00
06/03/2007	Central Coast Rugby League	15,000.00
07/03/2007	Central Coast Rugby League	19,320.00
30/06/2008	Central Coast Rugby League	39,073.32
18/02/2008	ALP - NSW Branch *	12,511.40
		<u>118,556.65</u>
	Grand Total	172,399.16

20123