



australian
nursing federation

FR2005/257


Rec'd 2/12/08

AUSTRALIAN NURSING FEDERATION – FEDERAL OFFICE

DESIGNATED OFFICER'S CERTIFICATE

I, Gerardine Kearney, being the Acting Federal Secretary of the Australian Nursing Federation – Federal Office, certify:

1. that the documents lodged herewith are copies of the full report referred to in section 268 of the RAO Schedule;
2. that the full report was made available to our members on our website (www.anf.org.au) from 05/11/05 and members were notified via the ANF journals; and
3. that the report was presented to a meeting of the Committee of Management on 28/11/05 in accordance with section 266 of the RAO Schedule.


Gerardine Kearney
Acting Federal Secretary

Dated this 29th day of November 2005

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ANF Journals
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AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE

OPERATING REPORT

Your Executive Committee present their report on the Australian Nursing Federation - Federal Office for the financial year ended 30 June 2005.

The names of councillors who held office on the Federal Council at any time during the year are:

Ms Coral Levett	Ms Kim Luby	Ms Bernadette Roberts
Ms Jill Iliffe	Ms Gerardine Cowin	Ms. Colleen Duff
Ms Jill Parke	Mr Brett Holmes	Mr Denis Blackford
Ms Cheryl Winter	Mr Neil Spencer	Ms Gay Hawksworth
Ms Sue Cadigan	Ms Lee Thomas	Ms Neroli Ellis
Ms Anoni Morse	Ms Lisa Fitzpatrick	Ms Clare McGinness
Mr Mark Olson	Ms Patricia Fowler	

The profit of the Federation for the financial year amounted to \$109,207.

A review of the operations of the Federation during the financial year and the results of those operations found that increased branch membership together with savings in expenditure have contributed to an increase in the organisation's operating profit.

The principal activities of the Federation during the financial year were the industrial and professional representation of nurses and nursing.

No significant change in the nature of these activities occurred during the year.

The number of members at the end of the financial year was 145,877 being the total membership of the State Branches.

The number of employees at the end of the financial year measured on a full time basis was 16.

Gerardine Cowin is a director of Health Employees Superannuation Trust Australia, representing the Australian Nursing Federation.

Brett Holmes is a director of Health Employees Superannuation Trust Australia, representing the Australian Nursing Federation.

Members retain the right to resign from the Australian Nursing Federation in accordance with Section 10 of the Federal Rules.

Signed in accordance with a resolution of the Federal Council:

Federal
Secretary



Jill Iliffe

Dated this 13th day of October 2005

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005**

		2005	2004
		\$	\$
Revenues from ordinary activities	2	4,236,115	3,577,924
Expenses from ordinary activities			
Administration & office expenses		271,865	250,874
Affiliation fees		203,708	189,421
Staff field work and associated expenses		180,669	132,684
Interest paid		14,199	16,017
Meetings / Conferences		68,222	59,165
Legal expenses		24,403	7,401
Employee benefits expense	3	1,418,270	1,443,308
Australian Nursing Journal production expenses		1,026,208	1,038,145
Australian Journal of Advanced Nursing production expenses		64,943	65,660
Depreciation and amortisation expenses	3	58,389	59,672
Project expenses		299,599	133,987
ACTU - IR Campaign		288,950	-
Other expenses from ordinary activities		207,483	81,814
Total expenses from ordinary activities		<u>4,126,908</u>	<u>3,478,148</u>
Profit (loss) from ordinary activities before income tax expense	3	<u>109,207</u>	<u>99,776</u>
Net profit (loss) from ordinary activities after income tax expense attributable to members of the organisation	13	<u>109,207</u>	<u>99,776</u>
Total changes in equity other than those resulting from transactions with owners as owners		<u>109,207</u>	<u>99,776</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005

		2005	2004
		\$	\$
CURRENT ASSETS			
Cash assets	5	977,618	721,324
Receivables	6	494,588	384,284
Other	7	86,893	74,452
TOTAL CURRENT ASSETS		<u>1,559,099</u>	<u>1,180,060</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	492,116	500,272
TOTAL NON-CURRENT ASSETS		<u>492,116</u>	<u>500,272</u>
TOTAL ASSETS		<u>2,051,215</u>	<u>1,680,332</u>
CURRENT LIABILITIES			
Payables	9	908,477	428,416
Interest-bearing liabilities	10	30,975	231,996
Current tax liabilities	11	28,878	19,665
Provisions	12	211,420	147,710
TOTAL CURRENT LIABILITIES		<u>1,179,750</u>	<u>827,787</u>
NON-CURRENT LIABILITIES			
Interest-bearing liabilities	10	129,019	159,532
Provisions	12	73,638	133,412
TOTAL NON-CURRENT LIABILITIES		<u>202,657</u>	<u>292,944</u>
TOTAL LIABILITIES		<u>1,382,407</u>	<u>1,120,731</u>
NET ASSETS		<u>668,808</u>	<u>559,601</u>
ACCUMULATED FUNDS			
Retained profits	13	668,808	559,601
TOTAL ACCUMULATED FUNDS		<u>668,808</u>	<u>559,601</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2005

	2005	2004
	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from customers	4,533,347	3,885,803
Payments to suppliers and employees	(3,866,342)	(3,702,864)
Interest received	35,658	24,610
Borrowing costs paid	(14,199)	(16,017)
Net GST paid	(150,403)	(154,792)
Net cash provided by (used in) operating activities	14b 538,061	36,740
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for property, plant and equipment	(50,233)	(15,174)
Net cash provided by (used in) investing activities	(50,233)	(15,174)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings	(30,513)	(28,623)
Net cash provided by (used in) financing activities	(30,513)	(28,623)
Net increase / (decrease) in cash held	457,315	(7,057)
Cash at beginning of year	520,303	527,360
Cash at end of year	14a 977,618	520,303

The accompanying notes form part of these financial statements.

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Note 1 Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with the Workplace Relations Act 1996, Accounting Standard, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by Australian Nursing Federation - Federal Office in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

a. Income Tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 23(1) of the Income Tax Assessment Act 1936.

b. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Property

Freehold land and buildings are measured at cost, being the consideration given in exchange for the asset. A valuation was conducted in 2002 but not included in the accounts. Details of the valuation are included in Note 8.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their estimated useful lives to the Federation commencing from the time the asset is held ready for use.

The estimated useful lives used in the calculation of depreciation are:

Class of Fixed Asset	Useful Life
Buildings	50 years
Plant and equipment	4-7 years
Freehold improvements	10 years
Leasehold improvements	10 years

c. Employee Benefits

Provision is made for the Federation's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions are made by Australian Nursing Federation - Federal Office to an employee superannuation fund and are charged as expenses when incurred.

d. Cash

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments or securities which have less than two months end net of bank overdrafts. Unpresented cheques of \$234,772 were written back to Payables for the current year. This is a change from the previous year. Had the cheques been written back the previous year, the Cash balance would have increased by \$223,320 and payables by an equivalent amount.

e. Revenue

Revenue is recognised on an accruals basis. Capitalisation fees, journal subscriptions and advertising fees are all recorded as income when the service is completed.

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

f. Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost 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. Cash flows from operating activities are shown on a gross basis in the Statement of Cash Flows.

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

g. Impact of Adoption of Australian Equivalents to International Financial Reporting Standards

The Federation is preparing and managing the transition to Australian Equivalents to International Financial Reporting Standards (AIFRS) effective for financial years commencing 1 January 2005. The adoption of AIFRS will be reflected in the financial statements for the year ending 30 June 2006. On first time adoption of AIFRS, comparatives for the financial year ended 30 June 2005 are required to be restated. The majority of the AIFRS transitional adjustments will be made retrospectively against retained earnings at 1 July 2004.

The Executive Committee, along with the assistance of external consultants, has assessed the significance of the expected changes and is preparing for their implementation. An AIFRS committee is overseeing and managing the economic entity's transition to AIFRS. The impact of the alternative treatments and elections under AASB 1: First Time Adoption of Australian Equivalents to International Financial Reporting Standards has been considered where applicable.

The councillors are of the opinion that the key differences in the Federation's accounting policies on Conversion to AIFRS will not have a material effect on the financial statements.

Note 2 Revenue

	Note	2005 \$	2004 \$
Operating activities			
— capitation fees	2a	1,800,156	1,644,012
— Australian Nursing Journal subscriptions		954,201	903,985
— Australian Nursing Journal advertising and other income		521,095	542,558
— Australian Journal of Advanced Nursing subscriptions		106,529	100,363
— Australian Journal of Advanced Nursing advertising and other income		3,345	8,832
— interest	2b	35,658	24,610
— grants received		304,699	155,423
— other revenues from operating activities		510,432	198,141
Total revenue		<u>4,236,115</u>	<u>3,577,924</u>
a. Capitation Fees			
— ACT		20,961	19,453
— NSW		638,952	582,248
— NT		17,264	15,613
— SA		120,226	110,532
— QLD		371,344	336,250
— TAS		43,211	37,566
— VIC		467,500	438,438
— WA		120,698	103,912
		<u>1,800,156</u>	<u>1,644,012</u>
b. Interest from			
— Commonwealth Bank of Australia		35,658	24,610
		<u>35,658</u>	<u>24,610</u>

Note 3 Profit from Ordinary Activities

	2005 \$	2004 \$
Profit from ordinary activities before income tax expense has been determined after:		
a. Expenses		
Depreciation of non-current assets		
— buildings	8,340	8,340
— plant and equipment	50,049	51,332
Total depreciation	<u>58,389</u>	<u>59,672</u>
Bad and doubtful debts		
— trade debtors	-	3,450
Total bad and doubtful debts	<u>-</u>	<u>3,450</u>
Write down of shares in other corporations to recoverable amount		
Remuneration of auditor		
— audit or review	10,765	11,920
Employee benefits expense		
— officeholders	285,589	283,937
— employees	1,132,681	1,159,371
	<u>1,418,270</u>	<u>1,443,308</u>
b. Revenue and Net Gains		
Net gain on disposal of plant and equipment	-	(854)

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Note 4 Remuneration and Retirement Benefits

	2005	2004
a. Councillors' Remuneration		
Number of Australian Nursing Federation - Federal Office councillors whose income from Australian Nursing Federation - Federal Office or any related parties was within the following bands:		
	No.	No.
\$0 - \$9,999	18	19
\$10,000 - \$19,999	-	-
\$90,000 - \$99,999	-	-
\$130,000 - \$139,999	1	1
\$140,000 - \$149,999	-	1
\$150,000 - \$159,999	1	-
The names of councillors of Australian Nursing Federation - Federal Office who have held office during the financial year are:		
Ms Coral Levett	Ms Kim Luby	Ms Bernadette Roberts
Ms Jill Illiffe	Ms Gerardine Cowin	Ms Colleen Duff
Ms Jill Parke	Mr Brett Holmes	Mr Denis Blackford
Ms Cheryl Winter	Mr Neil Spencer	Ms Gay Hawksworth
Ms Sue Cadigan	Ms Leo Thomas	Ms Neroli Ellis
Ms Anoni Morse	Ms Lisa Fitzpatrick	Ms Jan Brownrigg
Mr Mark Olson	Ms Patricia Fowler	

Note 5 Cash Assets

	2005	2004
	\$	\$
Cash at bank		
Asia Pacific Conference Account	-	19,797
Competency Standards Account	61,265	58,882
General Operating Account	17,456	-
NNO Account	17,460	23,571
Cash on hand	480	480
Bank Bills	266,588	182,970
Money Market Account	624,369	435,624
	<u>977,618</u>	<u>721,324</u>

Note 6 Receivables

	2005	2004
	\$	\$
CURRENT		
ANJ - bulk journal debtors		
ACT	2,491	-
NSW	72	143
NT	-	2,061
SA	15,107	14,551
TAS	5,732	5,153
VIC	63,680	60,775
ANJ - advertising debtors	126,630	155,796
	<u>213,712</u>	<u>238,479</u>
Other debtors	280,876	145,805
	<u>280,876</u>	<u>145,805</u>
	<u>494,588</u>	<u>384,284</u>

Note 7 Other Assets

	2005	2004
	\$	\$
CURRENT		
Prepayments	66,893	74,452
	<u>66,893</u>	<u>74,452</u>

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Note 8 Property, Plant & Equipment

	2005	2004
	\$	\$
Land and Buildings		
Buildings at:		
— Cost	417,000	417,000
Less accumulated depreciation	(50,040)	(41,700)
	<u>366,960</u>	<u>375,300</u>
Total Land and Buildings	366,960	375,300
Plant and Equipment at cost	296,578	265,422
Less accumulated depreciation	(231,037)	(205,691)
	<u>65,541</u>	<u>49,731</u>
Freehold Improvements	61,963	61,963
Less accumulated depreciation	(37,030)	(30,833)
	<u>24,933</u>	<u>31,130</u>
Leasehold Improvements	94,293	94,293
Less accumulated depreciation	(59,611)	(50,182)
	<u>34,682</u>	<u>44,111</u>
Total Plant and Equipment	125,156	124,972
Total Property, Plant and Equipment	<u>492,116</u>	<u>500,272</u>

a. Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Buildings	Plant and Equipment	Freehold Improvements	Leasehold Improvements	Total
	\$	\$	\$	\$	\$
Balance at the beginning of the year	375,300	49,731	31,130	44,111	500,272
Additions	-	50,233			50,233
Disposals	-	(9,077)			(9,077)
Depreciation expense	(8,340)	(25,346)	(8,197)	(9,429)	(49,312)
Carrying amount at the end of the year	<u>366,960</u>	<u>65,541</u>	<u>24,933</u>	<u>34,682</u>	<u>492,116</u>

Land and Buildings were last valued in 2002 by the Federal Secretary and Assistant Federal Secretary. The valuation was based on general market conditions which valued the land and buildings at \$465,750. This valuation has not been recorded within the financial statements.

Note 9 Payables

	2005	2004
	\$	\$
CURRENT		
Trade creditors	566,056	242,873
Sundry creditors	256,476	102,453
Unearned income - journal subscriptions	85,945	83,090
	<u>908,477</u>	<u>428,416</u>

Note 10 Interest-Bearing Liabilities

		2005	2004
	Note	\$	\$
CURRENT			
Bank loan secured	10a,b	30,975	30,975
Bank overdraft unsecured	10a, 5a		201,021
Lease liability	14	-	-
		<u>30,975</u>	<u>231,996</u>
NON-CURRENT			
Bank loan secured	10a,b	129,019	159,532
		<u>129,019</u>	<u>159,532</u>
a. Total current and non-current interest-bearing liabilities:			
Bank loan		159,994	190,507
		<u>159,994</u>	<u>391,528</u>
b. The bank loan is secured by a mortgage over the Federation's land and buildings.			

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Note 11 Tax Liabilities

	2005	2004
	\$	\$
CURRENT		
GST payable	28,878	19,665

Note 12 Provisions

	Note	2005	2004
		\$	\$
CURRENT			
Employee benefits	12a,c	211,420	147,710
		211,420	147,710
NON-CURRENT			
Employee benefits	12a,c	73,638	133,412
a. Aggregate employee benefit liability		285,058	281,122
b. Number of employees at year end		16	15
c. Split between Officeholders and employees			
Officeholders		29,752	30,419
Employees		255,306	250,703
Aggregate employee benefit liability		285,058	281,122

Note 13 Retained Profits

	2005	2004
	\$	\$
Retained profits at the beginning of the financial year	559,601	459,825
Net profit attributable to members of the organisation	109,207	99,776
Retained profits at the end of the financial year	668,808	559,601

Note 14 Cash Flow Information

	2005	2004
	\$	\$
a. 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 on hand	480	480
At call deposits with financial institutions	977,138	720,844
Bank overdrafts — secured	-	(201,021)
	977,618	520,303
b. Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax		
Profit (loss) from ordinary activities after income tax	109,207	99,776
Non-cash flows in profit from ordinary activities		
Depreciation	58,389	59,672
Net gain on disposal of plant and equipment		854
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(110,304)	(29,537)
(Increase)/decrease in other assets	(12,441)	(43,215)
Increase/(decrease) in payables	480,061	(57,071)
Increase/(decrease) in tax liabilities	9,213	(1,732)
Increase/(decrease) in provisions	3,936	7,993
Cash flows from operations	538,061	36,740

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

Note 15 Financial Instruments

a. Interest Rate Risk

Australian Nursing Federation - Federal Office's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing			
	2005	2004	2005	2004	Within 1 Year		1 to 5 Years	
	%	%	\$	\$	2005	2004	2005	2004
Financial Assets								
Cash at bank			96,181	102,250	-	-	-	-
Bank Bills	4.92	4.92	256,588	182,970	-	-	-	-
Money Market A/c	4.55	4.55	624,389	435,624	-	-	-	-
Total Financial Assets			977,138	720,844	-	-	-	-
Financial Liabilities								
Bank overdraft			-	201,021	-	-	-	-
Bank loan secured	7.79	7.79	-	-	30,975	30,975	159,994	190,507
Total Financial Liabilities			-	201,021	30,975	30,975	159,994	190,507

b. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the Statement of Financial Position and notes to the financial statements.

c. Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and in the notes to the financial statements.

Note 16 Organisation Details

The registered office of the organisation is:

Australian Nursing Federation - Federal Office
328 Eyre Street
Kingston ACT 2604

Industrial Services and Journals are based in Melbourne at:

Australian Nursing Federation - Federal Office
Level 2
21 Victoria Street
Melbourne VIC 3000

Note 17 Information Available Upon Request

1 A member of the Federation, or a Registrar, may apply to the Federation for specified prescribed information in relation to the Federation to be made available to the person making the application.

2 The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the Federation.

3 The Federation must comply with an application made under subsection (1).

AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE

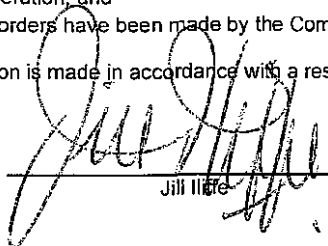
COMMITTEE OF MANAGEMENT STATEMENT

The Committee of Management declares that:

1. The financial statements and notes, as set out on pages 2 to 10, are in accordance with the Workplace Relations Act 1996; and
 - a. comply with Australian Accounting Standards and with the reporting guidelines of the Industrial Registrar; and
 - b. give a true and fair view of the Federation's financial position as at 30 June 2005 and of the performance and cash flows for the year ended on that date.
2. In the Committee's opinion there are reasonable grounds to believe that the Federation will be able to pay its debts as and when they become due and payable.
3. During the financial year ended 30 June 2005 and since the end of the year:
 - a. meetings of the Committee of Management were held in accordance with the rules of the organisation including the rules of a branch concerned;
 - b. the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned;
 - c. the financial records of the reporting unit have been kept in accordance with the RAO Schedule and the RAO Regulations;
 - d. the financial records of the branches have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation to ensure compliance with Accounting Standards;
 - e. No requests have been made by a member under section 272 of the RAO Schedule requesting information of the Federation; and
 - f. No orders have been made by the Commission under section 273 of the RAO Schedule during the period.

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

Federal
Secretary



Jill Iliffe

Assistant
Federal
Secretary



Gerardine Cowin

Dated this 13th day of October 2005

**INDEPENDENT AUDIT REPORT TO THE FEDERAL COUNCIL OF THE
Australian Nursing Federation - Federal Office**

Scope

We have audited the financial report of the Australian Nursing Federation - Federal Office for the financial year ended 30 June 2005 as set out on pages 2 to 11.

The financial report includes the Operating Report and Committee of Management Statement, Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows and notes to and forming part of the financial statements of the Australian Nursing Federation - Federal Office. The members of the Executive Committee are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the organisation.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the Federation's financial position and performance as represented by 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:

- a. the financial report of the Australian Nursing Federation - Federal Office is in accordance with section 253 of Schedule 1B of the Workplace Relations Act 1996, as amended, to;
 - i. give a true and fair view of the Federation's financial position as at 30 June 2005 and of its performance for the year ended on that date as represented by the results of their operations and their cash flows; and
 - ii. comply with Accounting Standards in Australia;
- b. the Federation kept satisfactory accounting records for the year ended 30 June 2005, which detailed the sources and nature of the income of the Federation (including income from members) and the nature and purposes of expenditure; and
- c. all information and explanations that are required under schedule 1(b) of the Workplace Relations Act 1996 have been provided by officers and employees of the Federation.

BELL DUKE & CO
CHARTERED ACCOUNTANTS


ROBERT HENRY WALD
Registered Company Auditor No. 10148

Dated this 14th day of September, 2005

1st Floor, 589 Glenhuntly Road
Elsternwick Victoria 3185



Australian Government

Australian Industrial Registry

Level 5, 11 Exhibition Street
Melbourne, VIC 3000
GPO Box 1994, Melbourne, VIC 3001
Telephone: (03) 8661 7777
Fax: (03) 9655 0401
Email: melbourne@air.gov.au

Ms Gerardine Kearney
Acting Federal Secretary
Australian Nursing Federation
Level 2, 21 Victoria Street
MELBOURNE VIC 3000

Dear Gerardine,

**Australian Nursing Federation
Financial Reports for the Years Ended
30 June 2005 (FR2005/257) and 30 June 2006 (FR2006/424)
Schedule 1B of the Workplace Relations Act 1996 (RAO Schedule)**

Thank you for the financial reports of the Australian Nursing Federation for the years ended 30 June 2005 and 30 June 2006. The documents were lodged in the Industrial Registry on 2 December 2005 and 30 November 2006 respectively. I apologise for the delay in our response to you.

The documents have been filed.

I make the following comments to assist you in preparing financial documents in the future. You do not need to take any further action in respect of the documents which have been lodged.

Operating Report

The second paragraph of the Operating Report contains a list of the names of councillors who held office on the Federal Council 'at any time during the year'.

Regulation 159(c) of the Workplace Relations (Registration and Accountability of Organisations) Regulations requires each reporting unit to set out not only the name of each person who held office at any time during the financial year, but also the period for which he or she held such a position.

You are therefore requested to also include information regarding the period for which councillors held office. There are a number of ways in which you can do this. If all councillors held office for the entire financial year, for example, the second paragraph could simply state that the list contains the names of councillors who held office for the 'for the entire period of the financial year'. Alternatively, you may choose to state that all councillors held office for the entire financial year 'except where otherwise stated' and then include in brackets after their names the dates upon which officers either assumed or left office.

Committee of Management Statement

The Committee of Management Statement must confirm that it has been made in accordance with a resolution of the Committee and provide the date of that resolution – see Items 18(a) and (b) of the Industrial Registrar's Reporting Guidelines.

Suggested wording for the opening paragraph of the Committee of Management Statement in the future is as follows:

On [insert date of meeting] the Committee of Management of the Australian Nursing Federation passed the following resolution in relation to the General Purpose Financial Report (GPFR) for the financial year ended 30th June [insert year].

General Purpose Financial Report (GPFR) – Disclosure of Expenditure

When preparing a GPFR, section 253(2) of the RAO Schedule requires a reporting unit to provide information that is specified in the Industrial Registrar's Reporting Guidelines. In particular, Guideline 11 sets out in detail those items of expenditure that must be disclosed by a reporting unit either in the notes to, or on the face of, a financial statement. Included are such items as:

- grants or donations made by the reporting unit (11(f));
- fees and/or allowances paid for attendance at conferences (11(i)); and
- conference and meeting expenses (11(k));

A Statement of Loans, Grants and Donations was lodged with the Industrial Registry on 22nd September 2005. That Statement shows that grants (of over \$1,000 each) totalling \$18,871.48 were made during the financial year. While these grants may well have been included in one of the broad categories of expenses included in the Statement of Financial Purpose (such as 'Staff field work and associated expenses' (\$180,669), 'Meetings/Conferences' (\$68,222), 'Project expenses' (\$299,599) or 'Other expenses from ordinary activities' (\$207,483)), the Reporting Guidelines require separate specific disclosure of grants or donations made by the reporting unit in addition to lodgement of the Statement of Loans, Grants and Donations under section 237(1) of the RAO Schedule.

There is also one item of expenditure for 'Meetings/Conferences' of \$68,222 in the Statement of Financial Performance. The Guidelines require separate disclosure of fees and/or allowances paid for attendance at conferences where applicable.

Notice under Section 272(5) of the RAO Schedule

The Notes to the Financial Statements set out subsections 272(1), (2) and (3) of the RAO Schedule but does not identify the section which is being extracted. In order to assist your members in future in identifying this information, you are requested to note that it is an extract from section 272 of Schedule 1B (Registration and Accountability of Organisations) of the Workplace Relations Act 1996.

Please do not hesitate to contact me by email at robert.pfeiffer@air.gov.au or on (03) 8661 7817 if you wish to discuss this letter.

A copy of the financial report has been placed on the website maintained by the Industrial Registry at <http://www.e-airc.gov.au/145Vfed>

Yours sincerely,



for
Robert Pfeiffer
Statutory Services Branch

7 December 2006