



AUSTRALIAN NURSING FEDERATION – FEDERAL OFFICE  
ABN: 41 816 898 298

DESIGNATED OFFICER'S CERTIFICATE

I, Jill Iiffe, being the 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](http://www.anf.org.au)) from 27/10/06 and members were notified via the ANF journals; and
3. that the report was presented to a meeting of the Committee of Management on 28/11/06 in accordance with section 266 of the RAO Schedule.

  
.....  
Jill Iiffe  
Federal Secretary

Dated this 28<sup>th</sup> day of November 2006

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**  
**ABN: 41 816 898 298**  
**COUNCILLORS' REPORT**

Your Executive Committee present their report on the Australian Nursing Federation - Federal Office for the financial year ended 30 June 2006.

The names of the councillors in office at any time during, or since the end of, the year are:

|                       |                     |  |
|-----------------------|---------------------|--|
| Ms Coral Levett       | Ms Gay Hawksworth   | Mr Mark Olson                          |
| Ms Bernadette Roberts | Ms Sue Cadigan      | Ms Patricia Fowler                     |
| Ms Jill Iliffe        | Ms Lee Thomas       | Ms Yvonne Falckh (appointed 30/11/05)  |
| Ms Gardine Kearney    | Ms Neroli Ellis     | Mr Neil Spencer                        |
| Ms Colleen Duff       | Ms Anoni Morse      | Mr Denis Blackford (resigned 30/11/05) |
| Ms Jill Parke         | Ms Lisa Fitzpatrick |  |
| Mr Brett Holmes       | Ms Clare McGinness  |  |

Councillors have been in office since the start of the financial year to the date of this report unless otherwise stated.

The surplus of the Federation for the financial year amounted to \$5,095.

A review of the operations of the Federation during the financial year and the results of those operations found that while membership remains strong, profitably was down on the previous year due to seeding funding of the Registered Training Organisation.

No significant changes in the state of affairs of the Federation occurred during the financial year.

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.

As a result of the introduction of Australian equivalents to International Financial Reporting Standards (IFRS), the company's financial report has been prepared in accordance with those standards.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Federation, the results of those operations, or the state of affairs of the Federation in future financial years.

The number of members at the end of the financial year was 149,800 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.

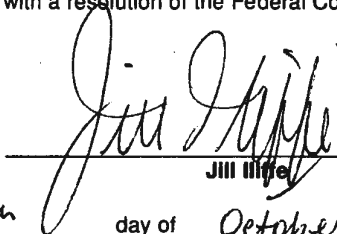
Gerardine Kearney is a director of Health Employees Superannuation Trust Australia, representing the Australian Nursing Federation.

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 26<sup>th</sup> day of October 2006

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**  
**ABN: 41 816 898 298**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2006**

|  | <b>Note</b> | 2006<br>\$   | 2005<br>\$     |
|--|-------------|--------------|----------------|
| Revenue  | 3           | 4,722,827    | 4,236,115      |
| Employee benefits expense                                  |             | (1,512,600)  | (1,418,270)    |
| Administration & office expenses                           |             | (283,641)    | (271,865)      |
| Affiliation fees   |             | (250,221)    | (203,708)      |
| Staff field work and associated expenses                   |             | (173,389)    | (180,669)      |
| Meetings / Conferences                                     |             | (60,411)     | (68,222)       |
| Legal expenses   |             | (9,783)      | (24,403)       |
| Australian Nursing Journal production expenses             |             | (1,078,984)  | (1,026,208)    |
| Australian Journal of Advanced Nursing production expenses |             | (78,506)     | (64,943)       |
| Project expenses   |             | (180,514)    | (299,599)      |
| ACTU - IR Campaign   |             | (546,506)    | (288,950)      |
| RTO expenses   |             | (150,015)    | -              |
| Depreciation and amortisation expenses                     |             | (58,567)     | (58,389)       |
| Finance costs  | 4           | (11,952)     | (14,199)       |
| Other expenses   |             | (322,643)    | (207,483)      |
| Net Profit attributable to members of the organisation     |             | <u>5,095</u> | <u>109,207</u> |

The accompanying notes form part of these financial statements.

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE****ABN: 41 816 898 298****BALANCE SHEET****AS AT 30 JUNE 2006**

|                                      | <b>Note</b> | <b>2006</b>      | <b>2005</b>      |
|--------------------------------------|-------------|------------------|------------------|
|                                      |             | <b>\$</b>        | <b>\$</b>        |
| <b>ASSETS</b>                        |             |                  |                  |
| <b>CURRENT ASSETS</b>                |             |                  |                  |
| Cash and cash equivalents            | 7           | 542,981          | 977,618          |
| Trade and other receivables          | 8           | 1,124,063        | 494,588          |
| Other current assets                 | 9           | 137,015          | 86,893           |
| <b>TOTAL CURRENT ASSETS</b>          |             | <b>1,804,059</b> | <b>1,559,099</b> |
| <b>NON-CURRENT ASSETS</b>            |             |                  |                  |
| Property, plant and equipment        | 10          | 461,254          | 492,116          |
| <b>TOTAL NON-CURRENT ASSETS</b>      |             | <b>461,254</b>   | <b>492,116</b>   |
| <b>TOTAL ASSETS</b>                  |             | <b>2,265,313</b> | <b>2,051,215</b> |
| <b>CURRENT LIABILITIES</b>           |             |                  |                  |
| Trade and other payables             | 11          | 1,243,325        | 908,477          |
| Short-term borrowings                | 12          | 30,975           | 30,975           |
| Current tax liabilities              | 13          | 3,386            | 28,878           |
| Short-term provisions                | 14          | 86,103           | 211,420          |
| <b>TOTAL CURRENT LIABILITIES</b>     |             | <b>1,363,789</b> | <b>1,179,750</b> |
| <b>NON-CURRENT LIABILITIES</b>       |             |                  |                  |
| Long-term borrowings                 | 12          | 96,258           | 129,019          |
| Long-term provisions                 | 14          | 131,363          | 73,638           |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |             | <b>227,621</b>   | <b>202,657</b>   |
| <b>TOTAL LIABILITIES</b>             |             | <b>1,591,410</b> | <b>1,382,407</b> |
| <b>NET ASSETS</b>                    |             | <b>673,903</b>   | <b>668,808</b>   |
| <b>EQUITY</b>                        |             |                  |                  |
| Retained earnings                    |             | 673,903          | 668,808          |
| <b>TOTAL EQUITY</b>                  |             | <b>673,903</b>   | <b>668,808</b>   |

The accompanying notes form part of these financial statements.

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**  
**ABN: 41 816 898 298**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2006**

|  | Retained<br>Earnings | Total   |
|--|----------------------|---------|
|  | \$                   | \$      |
| <b>Balance at 1 July 2004</b>            | 559,601              | 559,601 |
| Profit attributable to members of entity | 109,207              | 109,207 |
| Sub-total                                | 668,808              | 668,808 |
| <b>Balance at 30 June 2005</b>           | 668,808              | 668,808 |
| Profit attributable to members of entity | 5,095                | 5,095   |
| Sub-total                                | 673,903              | 673,903 |
| <b>Balance at 30 June 2006</b>           | 673,903              | 673,903 |

The accompanying notes form part of these financial statements.

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**

**ABN: 41 816 898 298**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2006**

|   | <b>Note</b> | 2006<br>\$       | 2005<br>\$      |
|---|-------------|------------------|-----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>           |             |                  |                 |
| Receipts from customers                               |             | 4,497,769        | 4,533,347       |
| Payments to suppliers and employees                   |             | (4,687,753)      | (3,866,342)     |
| Interest received                                     |             | 30,955           | 35,658          |
| Finance costs   |             | (11,952)         | (14,199)        |
| Net GST paid  |             | (173,595)        | (150,403)       |
| Net cash provided by (used in) operating activities   | 17          | <u>(344,576)</u> | <u>538,061</u>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>           |             |                  |                 |
| Purchase of property, plant and equipment             |             | (27,719)         | (50,233)        |
| Loans to related parties                              |             |                  |                 |
| — payments made                                       |             | (39,079)         | -               |
| — proceeds from repayments                            |             | 9,498            | -               |
| Net cash provided by (used in) investing activities   |             | <u>(57,300)</u>  | <u>(50,233)</u> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>           |             |                  |                 |
| Repayment of borrowings                               |             | (32,761)         | (30,513)        |
| Net cash provided by / (used in) financing activities |             | <u>(32,761)</u>  | <u>(30,513)</u> |
| Net increase / (decrease) in cash held                |             | (434,637)        | 457,315         |
| Cash at beginning of financial year                   |             | 977,618          | 520,303         |
| Cash at end of financial year                         | 7           | <u>542,981</u>   | <u>977,618</u>  |

The accompanying notes form part of these financial statements.

## AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE

ABN: 41 816 898 298

### NOTES TO THE FINANCIAL STATEMENTS

#### 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 Standards, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report of Australian Nursing Federation - Federal Office complies with all Australian equivalents to International Financial Reporting Standards (IFRS) in their entirety.

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

#### Basis of Preparation

##### *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*

Australian Nursing Federation - Federal Office has prepared financial statements in accordance with the Australian equivalents to International Financial Reporting Standards (IFRS) from 1 July 2005. No adjustments to the accounts were necessary to ensure compliance.

##### *Reporting Basis and Conventions*

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

#### Accounting Policies

##### (a) Income Tax

No provision for income tax is necessary as Trade Unions are exempt from income tax under Section 23(f) 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 and impairment losses.

##### Property

Freehold land and buildings are shown at cost, being the consideration given in exchange for the asset.

##### Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

##### Depreciation

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

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

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

##### (c) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to entities in the entity are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**

**ABN: 41 816 898 298**

**NOTES TO THE FINANCIAL STATEMENTS**

**(d) Financial Instruments**

**Recognition**

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

**Financial assets at fair value through profit and loss**

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB139: Recognition and Measurement of Financial Instruments.

**(e) Impairment of Assets**

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**(f) Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on costs. 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.

**(g) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

**(h) Revenue**

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Capitation fees are recognised on a cash basis when they are received.

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

**(i) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation 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 balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis.

**(j) Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**Note 2 First-time Adoption of Australian Equivalents to International Financial Reporting Standards**

No adjustments were necessary upon transition from GAAP to Australian Equivalents to International Financial Reporting Standards.

**Note 3 Revenue**

|   | <b>Note</b> | 2006<br>\$       | 2005<br>\$       |
|---|-------------|------------------|------------------|
| Operating activities  |             |                  |                  |
| — Interest received   | 3(a)        | 30,955           | 35,658           |
| — Capitation fees   |             | 1,996,476        | 1,800,156        |
| — Australian Nursing Journal subscriptions                            |             | 946,915          | 954,201          |
| — Australian Nursing Journal advertising and other income             |             | 536,678          | 521,095          |
| — Australian Journal of Advanced Nursing subscriptions                |             | 107,463          | 106,529          |
| — Australian Journal of Advanced Nursing advertising and other income |             | 9,484            | 3,345            |
| — Grants received   |             | 143,240          | 304,699          |
| — Trade Unions Industrial Campaign                                    |             | 546,506          | -                |
| — RTO income  |             | 13,627           | -                |
| — Other revenues from operating activities                            |             | 391,483          | 510,432          |
| Total Revenue   |             | <u>4,722,827</u> | <u>4,236,115</u> |
| (a) Interest revenue from:  |             |                  |                  |
| — other corporations  |             | <u>30,955</u>    | <u>35,658</u>    |
| Total interest revenue  |             | <u>30,955</u>    | <u>35,658</u>    |



**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**

ABN: 41 816 898 298

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 4 Profit from Ordinary Activities**

|                     | 2006          | 2005          |
|---------------------|---------------|---------------|
|                     | \$            | \$            |
| <b>(a) Expenses</b> |               |               |
| Finance costs:      |               |               |
| — Company           | 11,952        | 14,199        |
| Total finance costs | <u>11,952</u> | <u>14,199</u> |

**Note 5 Key Management Personnel Compensation**

**Key Management Personnel**

**Councillors**

Ms Jill Iliffe

Ms Gerardine Kearney

|                      | Short-term Benefits |                                      |             | Long Service<br>Leave<br>Payments<br>\$ | Post<br>Employment<br>Benefit<br>Long-term<br>Service Leave<br>\$ | Total<br>\$    |
|----------------------|---------------------|--------------------------------------|-------------|---|---|----------------|
|                      | Salary & Fees<br>\$ | Superannuation<br>Contribution<br>\$ | Bonus<br>\$ |   |   |                |
| <b>2006</b>          |                     |                                      |             |   |   |                |
| Ms Jill Iliffe       | 139,737             | 18,591                               | -           | 11,738                                  | -   | 170,066        |
| Ms Gerardine Kearney | 134,614             | 16,531                               | -           | -                                       | -   | 151,145        |
| Total compensation   | <u>274,351</u>      | <u>35,122</u>                        | <u>-</u>    | <u>11,738</u>                           | <u>-</u>  | <u>321,211</u> |
| <b>2005</b>          |                     |                                      |             |   |   |                |
| Ms Jill Iliffe       | 131,668             | 17,495                               | -           | 1,525                                   | -   | 150,688        |
| Ms Gerardine Kearney | 119,404             | 15,498                               | -           | -                                       | -   | 134,902        |
| Total compensation   | <u>251,072</u>      | <u>32,993</u>                        | <u>-</u>    | <u>1,525</u>                            | <u>-</u>  | <u>285,590</u> |

**Note 6 Auditors' Remuneration**

|  | 2006   | 2005   |
|--|--------|--------|
|  | \$     | \$     |
| Remuneration of the auditor for:             |        |        |
| — auditing or reviewing the financial report | 12,000 | 10,765 |

**Note 7 Cash Assets**

|                              | 2006           | 2005           |
|------------------------------|----------------|----------------|
|                              | \$             | \$             |
| Cash at bank and in hand     | 480            | 480            |
| Short-term bank deposits     | 216,604        | 624,369        |
| Bank Bills                   | 270,354        | 256,588        |
| Competency Standards Account | 21,094         | 61,265         |
| General Operating Account    | 1,809          | 17,456         |
| NNO Account                  | 32,640         | 17,460         |
|                              | <u>542,981</u> | <u>977,618</u> |

The effective interest rate on short-term bank deposits was 5.25% (2005:5%)

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the balance sheet as follows:

|                           |                |                |
|---------------------------|----------------|----------------|
| Cash and cash equivalents | <u>542,981</u> | <u>977,618</u> |
|                           | <u>542,981</u> | <u>977,618</u> |

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**

**ABN: 41 816 898 298**

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 8 Receivables**

|   | Note | 2006<br>\$       | 2005<br>\$     |
|---|------|------------------|----------------|
| CURRENT   |      |                  |                |
| Trade receivables   |      | 311,362          | 213,712        |
|   |      | <u>311,362</u>   | <u>213,712</u> |
| Other receivables   |      | 783,120          | 280,876        |
| Other related parties                                     | 8(a) | 29,581           | -              |
|   |      | <u>1,124,063</u> | <u>494,588</u> |
| <b>(a) Other Related Parties</b>                          |      |                  |                |
| Australian Nursing Federation - Northern Territory Branch |      | 29,581           | -              |
|   |      | <u>29,581</u>    | <u>-</u>       |

Unsecured interest-free loan which must be repaid within a period of 5 years, with a minimum repayment amount of \$9,500 per annum.

**Note 9 Other Assets**

|             | 2006<br>\$     | 2005<br>\$    |
|-------------|----------------|---------------|
| CURRENT     |                |               |
| Prepayments | 137,015        | 86,893        |
|             | <u>137,015</u> | <u>86,893</u> |

**Note 10 Property, Plant and Equipment**

|                                     | 2006<br>\$     | 2005<br>\$     |
|-------------------------------------|----------------|----------------|
| Land and Buildings:                 |                |                |
| At cost                             | 417,000        | 417,000        |
| Less accumulated depreciation       | (58,380)       | (50,040)       |
| Total land and buildings            | <u>358,620</u> | <u>366,960</u> |
| Freehold Improvements               |                |                |
| At cost                             | 61,963         | 61,963         |
| Less accumulated depreciation       | (43,227)       | (37,030)       |
|                                     | <u>18,736</u>  | <u>24,933</u>  |
| Plant and equipment:                |                |                |
| At cost                             | 292,528        | 296,578        |
| Accumulated depreciation            | (233,883)      | (231,037)      |
|                                     | <u>58,645</u>  | <u>65,541</u>  |
| Leasehold Improvements              |                |                |
| At cost                             | 94,293         | 94,293         |
| Accumulated depreciation            | (69,040)       | (59,611)       |
|                                     | <u>25,253</u>  | <u>34,682</u>  |
| Total plant and equipment           | <u>102,634</u> | <u>125,156</u> |
| Total property, plant and equipment | <u>461,254</u> | <u>492,116</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<br>Buildings<br>\$ | Freehold<br>Improvements<br>\$ | Plant and<br>Equipment<br>\$ | Leasehold<br>Improvements<br>\$ | Total<br>\$    |
|------------------------------------|-----------------------------|--------------------------------|------------------------------|---------------------------------|----------------|
| Balance at the beginning of year   | 366,960                     | 24,933                         | 65,541                       | 34,682                          | 492,116        |
| Additions                          |                             |                                | 27,719                       |                                 | 27,719         |
| Disposals                          |                             |                                | (14)                         |                                 | (14)           |
| Depreciation expense               | (8,340)                     | (6,197)                        | (34,601)                     | (9,429)                         | (58,567)       |
| Carrying amount at the end of year | <u>358,620</u>              | <u>18,736</u>                  | <u>58,645</u>                | <u>25,253</u>                   | <u>461,254</u> |

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**

ABN: 41 816 898 298

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 11 Payables**

|                                      | 2006             | 2005           |
|--------------------------------------|------------------|----------------|
|                                      | \$               | \$             |
| CURRENT                              |                  |                |
| Unsecured liabilities                |                  |                |
| Trade payables                       | 1,066,889        | 566,056        |
| Sundry payables and accrued expenses | 101,489          | 256,476        |
| Unearned income - journal            | 74,947           | 85,945         |
|                                      | <u>1,243,325</u> | <u>908,477</u> |

**Note 12 Borrowings**

|                   | <b>Note</b> | 2006          | 2005           |
|-------------------|-------------|---------------|----------------|
|                   |             | \$            | \$             |
| CURRENT           |             |               |                |
| Bank loan secured | 12(a)       | <u>30,975</u> | <u>30,975</u>  |
|                   |             | <u>30,975</u> | <u>30,975</u>  |
| NON-CURRENT       |             |               |                |
| Bank loan secured | 12(a)       | <u>96,258</u> | <u>129,019</u> |
|                   |             | <u>96,258</u> | <u>129,019</u> |

(a) The bank loan is secured by a mortgage over the Federation's land and buildings.

**Note 13 Tax**

|                        | 2006         | 2005          |
|------------------------|--------------|---------------|
|                        | \$           | \$            |
| <b>(a) Liabilities</b> |              |               |
| CURRENT                |              |               |
| GST payable            | 3,386        | 28,878        |
| Total                  | <u>3,386</u> | <u>28,878</u> |

**Note 14 Provisions**

|  | 2006           | 2005           |
|--|----------------|----------------|
|  | \$             | \$             |
| CURRENT  |                |                |
| Employee Entitlements                                    |                |                |
| Opening balance at beginning of year                     | 211,420        | 147,710        |
| Additional provisions / (adjustment) raised during year  | (29,663)       | 82,043         |
| Amounts used   | (95,654)       | (18,333)       |
| Balance at end of the year                               | <u>86,103</u>  | <u>211,420</u> |
| NON-CURRENT  |                |                |
| Employee Entitlements                                    |                |                |
| Opening balance at beginning of year                     | 73,638         | 133,412        |
| Additional provisions raised / (adjustments) during year | 57,725         | (59,774)       |
| Amounts used   | -              | -              |
| Balance at end of the year                               | <u>131,363</u> | <u>73,638</u>  |
|  | <u>2006</u>    | <u>2005</u>    |
|  | \$             | \$             |
| <b>Analysis of Total Provisions</b>                      |                |                |
| Current  | 86,103         | 211,420        |
| Non-current  | 131,363        | 73,638         |
|  | <u>217,466</u> | <u>285,058</u> |

**Provision for Employee Entitlements**

A provision has been recognised for employee entitlements relating to annual and long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in Note 1.

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**

**ABN: 41 816 898 298**

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 15 Capital and Leasing Commitments**

|  | 2006             | 2005     |
|--|------------------|----------|
|  | \$               | \$       |
| <b>Capital Expenditure Commitments</b> |                  |          |
| Payable                                |                  |          |
| — not later than 12 months             | 1,249,680        | -        |
|  | <u>1,249,680</u> | <u>-</u> |

The Federation has signed a contract to purchase Level 1, 365 Queen Street, Melbourne for the above amount to be settled 26 September 2006.

**Note 16 Segment Reporting**

The Federation operates a sole business segment to provide industrial and professional representation of nurses and nursing in the single geographical segment of Australia.

**Note 17 Cash Flow Information**

|  | 2006             | 2005           |
|--|------------------|----------------|
|  | \$               | \$             |
| <b>(a) Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax</b> |                  |                |
| Profit from ordinary activities after income tax   | 5,095            | 109,207        |
| Non-cash flows in profit from ordinary activities  |                  |                |
| Depreciation   | 58,567           | 58,389         |
| Net (gain) / loss on disposal of property, plant and equipment   | 14               | -              |
| <br>Changes in assets and liabilities  |                  |                |
| (Increase)/decrease in trade and term debtors  | (599,894)        | (110,304)      |
| (Increase)/decrease in other assets  | (50,122)         | (12,441)       |
| Increase/(decrease) in payables  | 334,848          | 480,061        |
| Increase/(decrease) in tax liabilities   | (25,492)         | 9,213          |
| Increase/(decrease) in provisions  | (67,592)         | 3,936          |
|  | <u>(344,576)</u> | <u>538,061</u> |

**Note 18 Events After the Balance Sheet Date**

There have been no events subsequent to balance date that would require adjustments to, or disclosure in, the financial report.

**Note 19 Related Party Transactions**

The Federation did not take part in any transactions with related parties during the period ended 30 June 2006 apart from those transactions that it undertakes with the State Branches in its role as the umbrella organisation.

**Note 20 Economic Dependence**

The Federation is economically dependent on the State Branches via the capitation fees each branch is required to pay to the Federal Office.

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**

**ABN: 41 816 898 298**

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 21 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 rate on those financial assets and financial liabilities, is as follows:

|                                    | Weighted<br>Average<br>2006<br>% | 2005<br>% | Floating Interest Rate |                | Within Year   |               | Fixed Interest Rate Maturing<br>1 to 5 years |                |
|------------------------------------|----------------------------------|-----------|------------------------|----------------|---------------|---------------|--|----------------|
|                                    |                                  |           | 2006<br>\$             | 2005<br>\$     | 2006<br>\$    | 2005<br>\$    | 2006<br>\$                                   | 2005<br>\$     |
| <b>Financial Assets:</b>           |                                  |           |                        |                |               |               |  |                |
| Cash at Bank                       | -                                | -         | 55,543                 | 96,181         | -             | -             | -  | -              |
| Bank Bills                         | 5.63                             | 4.92      | 270,354                | 256,588        | -             | -             | -  | -              |
| Money Market A/c                   | 5.25                             | 4.55      | 216,604                | 624,369        | -             | -             | -  | -              |
| <b>Total Financial Assets</b>      |                                  |           | <b>542,501</b>         | <b>977,138</b> | <b>-</b>      | <b>-</b>      | <b>-</b>                                     | <b>-</b>       |
| <b>Financial Liabilities:</b>      |                                  |           |                        |                |               |               |  |                |
| Bank loan secured                  | 8.50                             | 7.79      | -                      | -              | 30,975        | 30,975        | 96,258                                       | 129,019        |
| <b>Total Financial Liabilities</b> |                                  |           | <b>-</b>               | <b>-</b>       | <b>30,975</b> | <b>30,975</b> | <b>96,258</b>                                | <b>129,019</b> |

|                                    | Total          |                |
|------------------------------------|----------------|----------------|
|                                    | 2006<br>\$     | 2005<br>\$     |
| <b>Financial Assets:</b>           |                |                |
| Cash at Bank                       | 55,543         | 96,181         |
| Bank Bills                         | 270,354        | 256,588        |
| Money Market A/c                   | 216,604        | 624,369        |
| <b>Total Financial Assets</b>      | <b>542,501</b> | <b>977,138</b> |
| <b>Financial Liabilities:</b>      |                |                |
| Bank loan secured                  | 127,233        | 159,994        |
| <b>Total Financial Liabilities</b> | <b>127,233</b> | <b>159,994</b> |

**(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 transactions 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.

**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**

**ABN: 41 816 898 298**

**NOTES TO THE FINANCIAL STATEMENTS**

**Note 22 Organisation Details**

The registered office of the organisation is:

Australian Nursing Federation - Federal Office  
3/28 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 23 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).

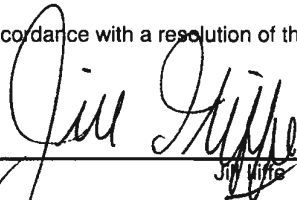
**AUSTRALIAN NURSING FEDERATION - FEDERAL OFFICE**  
**ABN: 41 816 898 298**  
**COMMITTEE OF MANAGEMENT STATEMENT**

The Committee of Management declares that:

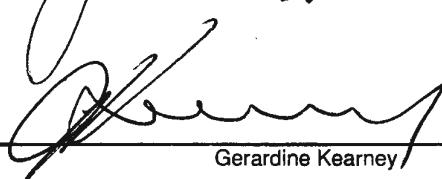
1. The financial statements and notes, as set out on pages 2 to 13, are in accordance with the Workplace Relations Act 1996:
  - (a) comply with Australian Accounting Standards and with the reporting guidelines of the Industrial Registrar; and
  - (b) give a true and fair view of the Federation's financial position as at 30 June 2006 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 2006 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

  
\_\_\_\_\_

Assistant  
Federal  
Secretary

  
\_\_\_\_\_ Gerardine Kearney

Dated this 26<sup>TH</sup> day of October 2006

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

**Scope**

*The financial report and Executive Committee's responsibility*

We have audited the financial report of Australian Nursing Federation - Federal Office for the financial year ended 30 June 2006 as set out on pages 2 to 15

The financial report includes the Operating Report and Committee of Management Statement, Balance Sheet, Income Statement, 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 company'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.

**Independence**


In conducting our audit, we followed applicable independence requirements of Australian professional and ethical pronouncements.

**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 2006 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 26<sup>th</sup> day of OCTOBER, 2006





**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 30<sup>th</sup> 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 22<sup>nd</sup> 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](mailto: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